C O V E R   S H E E T
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

P	W	2								

C O M P A N Y   N A M E

A. SORIANO CORPORATION AND SUBSIDIARIES

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

7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-A	CRMD	NA

C O M P A N Y   I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
info@anscor.ph	8819-0251	N/A

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
11,015	April 15	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Narcisa M. Villaflor	nancie.villaflor@anscor.com.ph	8819-0251	N/A

CONTACT PERSON's ADDRESS

7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended December **31, 2024**

2. SEC Identification Number PW **– 02**   3. BIR Tax Identification No. **000-103-216-0000**

4. Exact name of issuer as specified in its charter **A. SORIANO CORPORATION**

5. **Philippines**
   Province, Country or other jurisdiction of incorporation or organization

6. (SEC Use Only)
   Industry Classification Code:

7. **7/F Pacific Star Building, Makati Ave., cor Gil Puyat Avenue, Makati City** **1209**
   Address of principal office — Postal Code

8. **(632) 8819-0251 to 60**
   Issuer's telephone number, including area code

9. **Not applicable**
   Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common stock, ₱1 par value	**2,500,000,000**
Preferred stock, P0.01 par value (not listed)	**500,000,000**
Long-term commercial paper	**none**

11. Are any or all of these securities listed on a Stock Exchange.

    Yes [X]   No [ ]

    If yes, state the name of such stock exchange and the classes of securities listed therein:
    Philippine Stock Exchange   **Common stock, ₱1 par value**

12. Check whether the issuer:

    (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 there under or Section 11 of the RSA and RSA Rule 11(a)-1 there under, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

    Yes [X]   No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [X] No [ ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form. (See definition of "affiliate" in "Annex B").

Aggregate market value as of March 5, 2025 - ₱ 17,701,562,846

APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

NOT APPLICABLE

Yes [ ] No [ ]

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

(a) Any annual report to security holders;

Portion of the Company's 2024 Annual Report to Stockholders is incorporated by reference into Part II of this report.

(b) Any information statement filed pursuant to SRC Rule 20;

Definitive Information Statement filed pursuant to SRC Rule 20.

(c) Any prospectus filed pursuant to SRC Rule 8.1.

Not applicable

A. SORIANO CORPORATION
TABLE OF CONTENTS
SEC FORM 17-A

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

A. Soriano Corporation (“Anscor”) was incorporated on February 13, 1930.

Anscor is a Philippine holding company with diverse investments. Anscor’s major investments are in Phelps Dodge Philippines Energy Products Corporation (“PDP Energy”) which manufactures wire and cable products and Seven Seas Resorts and Leisure, Inc., owner of Amanpulo Resort. It has other investments in companies engaged in a wide range of activities in the Philippines including aviation, business process outsourcing and real estate. On November 13, 2024, Anscor bought a 22% stake in TBG Food Holdings, Inc., known as “The Bistro Group,” which owns and runs over two hundred full-service restaurants, including household names like Italianni's, TGI Fridays, Texas Roadhouse, and, most recently, Morton's Steakhouse.

As a holding company, the principal sources of income for Anscor are the share in net earnings of the companies in which it has investments, management fees, interest income, dividends and gains from the sale of investments, mainly the trading gain on marketable securities and bonds.

Growing businesses is vital to Anscor’s long-term success. The Company keeps a tight watch on the existing portfolio of businesses and new opportunities as they emerge.

As of 31st December 2024, the Company’s consolidated total assets stood at P32.3 billion. For the year ended 31st December 2024, consolidated revenues of the Company amounted to P16.8 billion.

A. Soriano Corporation has the following direct/indirect subsidiaries/ associates as of December 31, 2024:

Company	Ownership	Business	Jurisdiction
A. Soriano Air Corporation	100%	Service/Rental	Philippines
Pamalican Island Holdings, Inc.	62%	Holding Company	Philippines
Island Aviation, Inc.	62%	Air Transport	Philippines
Anscor Consolidated Corporation	100%	Holding Company	Philippines
Anscor International, Inc.	100%	Holding Company	British Virgin Island
IQ Healthcare Investments Ltd.	100%	Holding Company	British Virgin Island
IQ Healthcare Professional Connection, LLC	93%	Inactive	USA
Prople Limited	32%	Business Processing & Outsourcing	Hongkong
Prople, Inc.	32%	Business Processing & Outsourcing	Philippines

Company	Ownership	Business	Jurisdiction
Anscor Holdings, Inc.	100%	Real Estate Holding	Philippines
Akapulko Holdings, Inc.	100%	Real Estate Holding	Philippines
Lakeroad Corporation	100%	Real Estate Holding	Philippines
Mainroad Corporation	100%	Real Estate Holding	Philippines
Makatwiran Holdings, Inc.	100%	Real Estate Holding	Philippines
Makisig Holdings, Inc.	100%	Real Estate Holding	Philippines
Malikhain Holdings, Inc.	100%	Real Estate Holding	Philippines
Mountainridge Corporation	100%	Real Estate Holding	Philippines
Rollingview Corporation	100%	Real Estate Holding	Philippines
Timbercast Corporation	100%	Real Estate Holding	Philippines
Sutton Place Holdings, Inc.	100%	Holding Company	Philippines
Summerside Corporation	100%	Holding Company	Philippines
Phelps Dodge International Philippines, Inc.	97%	Holding Company	Philippines
Minuet Realty Corporation	97%	Landholding	Philippines
Phelps Dodge Philippines Energy Products Corporation	97%	Wire Manufacturing	Philippines
PD Energy International Corporation	97%	Wire Manufacturing	Philippines
AFC Agribusiness Corporation	81%	Agricultural Land Holding	Philippines
Seven Seas Resorts and Leisure, Inc.	62%	Villa Project Development	Philippines
Pamalican Resort, Inc.	62%	Resort Operations	Philippines
Pamalican Utilities, Inc.	62%	Utility Company	Philippines
Vicinetum Holdings, Inc.	32%	Holding Company	Philippines
Fremont Holdings, Inc.	26%	Real Estate Holding	Philippines
TBG Food Holdings, Inc.	22%	Food Businesses	Philippines
ATRAM Investment Management Partners Corp.	20%	Asset Management	Philippines
KSA Realty Corporation	14%	Realty	Philippines

Investments

Phelps Dodge Philippines Energy Products Corporation (PDP Energy)

PDP Energy is the leading domestic integrated manufacturer of quality wires and cables.

Phelps Dodge International Philippines, Inc. (PDIPI), the parent company of PDP Energy, was incorporated in 1955 and commenced production in 1957. Its product line is composed principally of copper-based wires and cables including building wires, telecommunication cables, power cables, automotive wires and magnet wires. The Company's 97%-owned by Anscor. PDP Energy has a management contract with Anscor covering marketing, administration and finance. The management contract provides, among others, for payment of annual management fees amounting to ₱7.2 million (VAT inclusive) plus certain percentages of audited income before tax and management and technical assistance fee (VAT exclusive). Effective January 1, 2022, the P7.2 million payment of fixed fee was discontinued. The strategy of PDP Energy is to focus on the production of higher value-added wire and cable products. All the manufacturing operation of PDIPI effective September 1998, was lodged under PDP Energy.

On December 19, 2014, PDP Energy entered into a technical assistance and support agreement with GCC. The agreement provides that GCC shall make available to PDP Energy technical assistance and support services which include, among others the availability of technical and qualified resource persons with expertise in materials, technologies and manufacturing processes to be made available to PDP Energy through periodic consultation meetings with PDP Energy personnel and technical visits to PDP Energy.

On December 19, 2014, PDIPI entered into a trademark licensing agreement with General Cable Technologies Corporation (GC) wherein GC will grant a perpetual and exclusive license to PDIPI to use the Phelps Dodge trademark in the manufacture and sale of wires and cables in the Philippines. On the same date, PDP Energy entered into a distributor and representative agreement with General Cable Industries Inc. (GC) which provides, among others, the exclusive distributor, reseller and representative for the sale of GC products to customers within the Philippines.

PDP Energy's clients include telecommunication companies, contractors, building developers, power companies, government corporations and other industrial companies.

At present, PDP Energy's major supplier of copper rods are Market and Traders and Taihan Electric; suppliers of Aluminium are TFO Networks and Press Metal; supplier of chemicals are Dow Chemicals, Borouge and Tosoh Polyvin Corp.

The Philippine wire and cable industry is comprised of both imported and domestically manufactured products. The leading four manufacturers in terms of sales are Phelps Dodge, American Wire and Cable Co., Inc., Columbia Wire and Cable Corp. and Philflex Cable Corp.

The principal products and percentage of contribution to sales are as follows:

Product Line	2024
Building wires	79%
Power Cables	11%
Autowires	4%
Others	6%

New products – fire rated cables, medium voltage cables, aluminum building wires and all aluminum alloys conductors – have been developed and introduced to domestic and export markets.

Pursuing its customer service, manufacturing process and cost reduction programs, the company secured ISO 9001/14001/18001 certification for Quality, Environment, and Health and Safety for PDEIC from Certification International (UK). PDP Energy also continued promoting new products and solutions, notably special cables for export, medium and high voltage cables up to 230 KV, low smoke halogen-free cables, and aluminum cables. It leveraged its medium voltage (MV) cable manufacturing facility to offer shorter delivery time of MV 35 KV cables to power utilities, and widened sales coverage to new provincial dealers and customers. It also advanced consumer education and safety awareness through the Philippine Electrical Wires Manufacturers Association's campaign against counterfeit wires.

PDP's focus on new products and new services, and its emphasis on quality and service were vital in growing its sales to developers and contractors, and to general consumers, particularly in the provinces. The company's philosophy of a working partnership with its customers secured new dealers.

The persistent momentum in profitable performance validates PDP's long-term strategy of building a wide array of services and products to serve customers. It also enables PDP to deploy capital to its manufacturing facilities, expand the company's product range and meet its delivery commitments. Internally, PDP continues to focus on its development program for key personnel.

2024 was a year of operational advancements, including new machinery for specialized products catering to the utilities and infrastructure segments, and advanced raw material systems for more efficient handling and storage. The company also commissioned a 1.5 MW solar rooftop power plant, underscoring Anscor and PDP's common dedication to sustainability.

PDP will continue with its growth strategy of capturing new customers and broadening its market reach in the retail sector. The company is actively exploring new opportunities and products to spur growth, and fulfill customer demands.

Seven Seas Resorts and Leisure, Inc. (SSRLI; owner of Amanpulo Resort)

Seven Seas Resorts and Leisure, Inc. was incorporated on August 28, 1990 for the primary purpose of planning, developing, operating and promoting Pamalican Island as a world class resort named Amanpulo. The Resort started commercial operations on January 1, 1994.

SSRLI owns through Pamalican Resort, Inc., a 40-room resort in Pamalican Island, Cuyo Palawan and operates 18 luxurious villas, mostly each villa comprising four (4) rooms. Seven Seas is a joint venture among Anscor, Palawan Holdings, Limited and Les Folatieres Holdings. As of December 31, 2024, the resort manages a total of 62 villa rooms available for rent under management agreement executed by Pamalican Resort Inc. (PRI) and the villa owners.

As a resort operator, principal products/services offered are as follows:

Products/Services	Markets	Contribution to revenues
Rooms	Local & international	45%
Food and Beverage	-do-	23%
Others	-do-	32%

The resort's services are offered through the worldwide Aman marketing group based in Singapore, accredited travel agents, reservation sources/systems and direct selling.

Amanpulo is in competition with all other small 5-star resort companies in other destinations that are generally better known than the Philippines, such as Indonesia, Thailand and Malaysia.

On July 1, 2011, SSRLI transferred in the name of PRI all resort operation-related contracts entered into with related parties and with third parties, including its long-term loans with a bank.

On October 3, 2012, PRI entered into operating lease agreement with SSRLI covering all rights and interests in resort-related assets which include land, land improvements and building for a period beginning July 1, 2011.

Seven Seas entered into several agreements with Silverlink Group of Companies for the development, operation and promotion of Amanpulo. The term of the agreement is for 5 years, subject to renewal upon mutual agreement of both parties. The original contract expired in December 1998, renewed last December 2003 and December 2008. The last five years of the first 20-year agreements expired on June 23, 2013. These agreements are as follows: (1) Operating and Management Agreement, (2) Marketing Services Contract and (3) License Contract (4) Hotel Reservation Agreement.

On June 24, 2013, PRI and Amanresorts Management, B.V. (AMBV, the operator of Amanresorts) entered into a new Operating and Management Agreement (OMA), effective on the same date, in which PRI will pay a basic fee amounting to four percent (4%) of gross revenue and an incentive fee of ten percent (10%) based on the gross operating profit collectively known as “Management Fee”. In addition to the management fees discussed, the Company shall also reimburse the AMBV for all costs and expenses incurred by AMBV directly in connection with rendering services under the new OMA.

On June 24, 2013, the parties entered into a new marketing services agreement with the same terms and conditions except for a lower marketing fee rate which decreased from three percent (3%) to one percent (1%) of gross revenue.

As of December 31, 2013, all contracts with related parties that are related to resort operations were transferred to PRI except for the foreshore lease contract with the Department of Environment and Natural Resources (DENR) which is non-transferrable.

In 2014, SSRLI completed paving the runway and the construction of seawall on the eastern side of the island; plugging the east reef hole; and expanding the laundry and housekeeping stations. The Company also extended and completely renovated the kitchen of the beach club.

The Resort completed the renovation of the beach club in 2015.

Capital improvements have focused on enhancing the cost structure and environment preservation. A new desalination plant is operating and all golf carts are solar-powered.

Several programs were initiated to address the Resort’s various constituents. To avoid further beach erosion, ₱17.0 million was spent to plug holes in the reef on the eastern side of the island. The organic farm was expanded to support the Food & Beverage department’s farm-to-table initiative. A new power generating unit became fully operational in September 2017 and will help lower energy expenses in the years to come and staff facilities were enhanced.

In 2018, the very first Kite and Surf Centre in the Aman Group began operations, adding a new source of revenue and guest experience, in addition to kayaking and stand up paddle boarding. Restoring ecosystem balance continues to be given a priority as witnessed by the building of seawalls to control beach erosion, the propagation of coral reefs and protecting the water from venomous crown-of-thorns starfish.

Amanpulo was officially certified for ISO 22000:2018 FMS a globally recognized food safety standard, and is one of just six hotels in the Philippines to achieve this feat.

In August 2022, Pamalican Utilities Inc., a utility company was established through subscription of PRI to its share.

In 2024, Amanpulo mitigated the decline in travel from key feeder markets of Japan and China by taking part in sales missions in Australia, China, Hong Kong, Singapore, Taiwan, Japan, and Korea. To develop long-term growth from the Middle East and Russia, the Resort intensified its sales activities in Kuwait, Qatar, Oman, Saudi Arabia, and the United Arab Emirates, and strengthened its outreach to key global travel and media partners.

As part of an ongoing commitment to sustainability, in the third quarter of 2024, Seven Seas commissioned a new solar operation. The solar farm covers 3.5 hectares of Pamalican Island and will supply at least 50% of the resort's electricity needs. Other new additions to the property included a Kids' Club and activities for younger guests. It initiated the "Island Native Trees Propagation and Restoration" and the "Coconut Tree Micro-Project" programs, to reduce and repurpose the resort's organic waste. 2025 will see the arrival of two new luxury speed boats, new trips to the Manamoc marine sanctuary, a new Kawayan Bar, and improvements in staff quarters and recreational facilities.

Amanpulo continues to receive prestigious awards and citations for its outstanding wellness, spa, dive, and resort facilities. It was a finalist for Travel + Leisure Asia's "Resort of the Year," was among the top 10 in the T+L Luxury Awards 2024 Asia Pacific for "Beach Island Upcountry Resorts," and was a nominee for "Private Island of the Year" at the Destination Deluxe Awards.

Amanpulo also takes pride in being a finalist for the Virtuoso Sustainability Award in the Supporting Local Economies category that recognizes the exceptional impact of its "Hospitality Vocational Program for Remote Island Youth" program on Manamoc Island, a partnership with the Andres Soriano Foundation.

For the last three decades, Amanpulo has established itself as an undisputed destination for those seeking a peaceful, tropical paradise and unique experiences, inspired by natural beauty.

ATRAM Investment Management Partners Corporation (ATRAM)

ATRAM focuses on asset and wealth management and financial technology. In 2017, Anscor increased its stake in ATRAM from 10% to 20%.

ATRAM expanded with new mandates and business partners and maintained its journey of constant improvement and innovation. In the Unit Investment Trust Funds area, the ATRAM Global Technology Feeder Fund was launched. ATRAM was also first to offer unit-paying funds to the market.

ATRAM's digital transformation initiatives over the past years enabled the firm to adapt quickly to the new virtual environment. With a successful work-from-home implementation, ATRAM was able to operate at full capacity throughout the year and service its clients with relative ease throughout the lockdowns.

ATRAM, in collaboration with its affiliate Seedbox, launched four new funds on GCash through GInvest, the investment platform that gives Filipinos access to fund products for low investment amounts. Through this collaboration, ATRAM's retail client base increased to over one million active investors at the end of 2021.

ATRAM continued to build its digital capabilities to reach target client segments and enhance customer brand experience. ATRAM Prime was launched in April 2022. It is a mobile-first investment platform to help clients grow their long-term wealth, simplify the investing process and access investment outlets and advice.

The company earned multiple awards and industry recognitions. ATRAM was hailed as "Asset Management Company of the Year – Philippines" in The Asset Triple A Sustainable Investing Awards 2022. World Business Outlook and International Business Magazine also recognized ATRAM as the "Best Investment Solutions Provider" in the Philippines for 2022. In addition, ATRAM Trust Corporation was recognized as a 2022 Outstanding Bangko Sentral ng Pilipinas (BSP) Stakeholder for its role as a Personal Equity & Retirement Account (PERA) administrator during the 2022 Outstanding BSP Stakeholders Appreciation Ceremonies.

With the financial support of ANSCOR and other shareholders, it forged a strategic partnership with Pru Life UK (Philippines) to harness synergies in product development and distribution. ATRAM Trust Corporation ("ATC") was appointed as a fund manager of Pru Life UK's insurance portfolio in August 2023. Moreover, ATC took over the trust operations and entire fiduciary portfolio of Pru Life UK Asset Management and Trust Corp in September 2023.

Other key highlights of the year 2023 for ATRAM were: the onboarding of ATRAM unit investment trust funds on the Maya platform, the establishment of a broker dealer firm, Seedbox Securities, Inc., wholly owned by ATRAM's affiliate, Seedbox Technologies, Inc.; and the launch of the first corporate debt vehicle in the market.

In the final quarter of 2024, the ATRAM Group signed an investment agreement with the Union Bank of the Philippines (UnionBank) to acquire its Union Bank's Investment Management and Trust Corporation Trust Group, in exchange for a 27.5% ownership stake in ATRAM's subsidiary, ATR Asset Management Inc.

At closing ATRAM and UnionBank's trust corporations will merge, leaving ATRAM Trust Corporation as the surviving entity. The merged entity is expected to become a significant player in the trust industry, with assets under management (AUM) greater than ₱450.0 billion.

The transaction is subject to regulatory approval.

KSA Realty Corporation (KSA)

KSA was registered with the SEC on August 3, 1990. Anscor exchanged its old building located at Paseo de Roxas, Makati in 1990 for an 11.42 percent stake in KSA Realty Corporation, which developed The Enterprise Center (TEC), a two tower, grade A office building located at the corner of Ayala Avenue and Paseo de Roxas in Makati. The Enterprise Center starting January 1999 was offered for office space rental. TEC is registered with PEZA as an information technology building.

In July 2009, following the Securities and Exchange Commission's approval of a decrease in its authorized capital stock, KSA retired 2.4 million preferred shares.

In 2017, TEC underwent a ₱450.0 million upgrade. Due to the high demand for office spaces, KSA increased its leasable space by 2,000 square meters by converting part of the food court into office spaces and acquiring one floor from a previous owner.

The average effective rent for office leases at The Enterprise Center increased from P1,385 per sq.m. in 2023 to P1,449 per sq.m. in 2024. Rental income was higher and average occupancy rate in 2024 rose to 66%, slightly higher than last year's 63%. Net income reached P660.0 million. KSA declared P660.0 million dividends of which P94.2 million was Anscor's share for 2024.

Y-mAbs Therapeutics, Inc.(Y-mAbs)

Anscor began investing in Y-mAbs Therapeutics, Inc. in 2015 and it was listed on the NASDAQ (Ticker: YMAB) in September 2018. Y-mAbs is a clinical-stage biopharmaceutical company focused on the development and commercialization of novel, antibody-based therapeutic products to treat cancer.

Y-mAbs received its first US Food and Drug Administration (USFDA) approval for “Danyelza” in November 2020; its second candidate, unfortunately, was declined approval in 2021.

Also, Y-mAbs refocused its resources on developing the Self-Assembly Disassembly (SADA) technology platform, which may bring longer-term value.

Other Early Stage and Private Equity Investments

The Company has committed a total of $38.0 million to the following private equity managers:
- Navegar and Sierra Madre, that both provide growth capital to Philippine companies across consumer-driven private sectors such as casual dining, logistics, e-commerce, business process outsourcing, information technology, education, and retail.
- Asia Partners, a Singapore-based private equity manager, focused on high growth, technology-enabled companies across Southeast Asia; and,
- Third Prime Alpha Fund, a US-based private equity focused on early stage, finance and property technology.

Uncalled commitment of the above-mentioned private equity funds as of December 31, 2024 amounted to $11.2 million.

Anscor also invested in:
- AP Tycho I, which has an investment in SCI, a Singapore-based e-commerce company;
- Kafene, an early-stage, US-based financial technology company, alongside Third Prime; and,
- Blue Voyant, an early-stage, US-based cybersecurity firm.

Madaket, Inc. (Madaket)

Anscor invested S$1.0 million in Madaket. Madaket is an innovative software service platform that automates healthcare provider data management processes. The average US healthcare provider works with 25 insurance companies. Before receiving payment, each insurer requires a unique set of enrollment forms, procedures and data to be submitted, even for common provider-payer transactions. Madaket automates the enrollment process and ensures that the right information is sent to each applicable payer, resulting in less documentation and faster payment.

Prople Limited

On November 22, 2013, Prople Limited acquired 100% of the non-audit business of US-based Kellogg and Andelson Accountancy Corporation (K&A). Founded in 1939, K&A is a well-established accounting firm that provides tax, general accounting and consulting services to thousands of small-to-medium-sized companies in California and the Midwest. It operates out of five locations in Los Angeles, Woodland Hills, San Diego, Kansas City and Chennai (India).

In 2015, Prople Limited faced multiple challenges related to the 2013 acquisition of Kellogg & Andelson.

The US operation of Prople Limited was closed and the Board of Directors approved on October 20, 2016 the filing for bankruptcy under Chapter 11 - liquidation for E&A Global Management Co.

A. Soriano Air Corporation (ASAC)

ASAC was incorporated on March 28, 1985 to engage in the general business of a common and/or private carrier. Effective January 1, 1995, ASAC ceased its operations and transferred its license as operator of a common and/or private carrier to Island Aviation, Inc. (IAI), formerly A. Soriano Aviation Inc. (ASAI).

In May 2003, ASAC took over the hangar lease and the ground handling and avionics-related services that were previously performed by ASAI. Subsequently, ASAC resumed its commercial operations.

On September 14, 2024, New NAIA Infra Corporation (NNIC) took over the operations of Manila International Airport Authority (MIAA). Beginning January 1, 2025 the lease agreement of ASAC with NNIC is deemed extended on a month-to-month basis.

The lease agreement will be affected by the resolution issued by the Department of Transportation and all other Manila airport authorities, through the Manila Slot Coordination Committee's Resolution 2024-02, states the move of all turbo prop aircraft and its operations to secondary airports of which Island Aviation, Inc.(IAI) belongs. IAI, one of the lessees of ASAC is given up to the start of Summer 2026 or only up to March 2026 to completely transfer its turbo prop operations to other airports other than Ninoy Aquino International Airport (NAIA).

Pamalican Island Holdings, Inc. (PIHI)

PIHI was registered with the Securities and Exchange Commission on May 18, 1995 and has started commercial operations on June 2, 1995. Its primary purpose is to acquire, purchase, sell or dispose of airplanes, flying machines, or freight, or as common carriers on regularly established routes; to maintain a service station for the repair, overhauling and testing of said machines and dirigible balloons of any and all types whatsoever; to deal in parts and supplies for said machines; and, to carry for hire passengers, and to maintain supply depots for airplane and flying machines service generally.

On January 20, 1999, PIHI temporarily stopped its air charter operation and subsequently changed the nature of its business to holding company.

On June 8, 2001, the SEC approved the amended articles of incorporation of PIHI. Amendments to the First Article to change the name from Island Aviation, Inc. to Pamalican Island Holdings, Inc. and the Second Article to change the primary purpose of the Corporation – to acquire by purchase, lease, donation or otherwise, and to own, use, sell, mortgage, exchange, lease and hold for investment or otherwise, properties of all kinds, and improve, manage or otherwise dispose of buildings and houses, apartments, and other structures of whatever kind together with their appurtenances.

It owns 100% of Island Aviation, Inc.

Island Aviation, Inc. (IAI; formerly A. Soriano Aviation, Inc., ASAI)

IAI is PIHI's wholly owned charter airline operation registered with the SEC on January 7, 1987. In May 2003, ASAI was renamed IAI, it resumed its air service operations while other activities such as aircraft hangarage, ground handling and avionics-related services were transferred to ASAC.

IAI is now the exclusive air service provider of PRI/Amanpulo Resort and operates three (3) Dornier planes both for charter to Amanpulo and third parties.

The second half of 2023 was noteworthy for the arrival of two new Twin Otter aircraft to transport guests to Pamalican Island in safety and comfort.

Anscor Consolidated Corporation (Anscorcon)

Anscorcon was registered with the SEC on April 8, 1995 primarily to invest the Anscorcon's fund in other corporations or businesses and to enter into, make, perform and carry out contracts of every kind and for any lawful purpose pertaining to the business of Anscorcon, or any manner incident thereto, as principal agent or otherwise, with any person, firm, association or corporation.

Anscorcon used to hold the Anscor Group stake in ICTSI which was sold last May 2006. It now owns 1,272,429,761 shares of Anscor as of December 31, 2024.

Anscor Holdings, Inc. (AHI)

AHI is a wholly owned subsidiary of Anscor. AHI, formerly Goldenhall Corporation, was registered with the SEC on July 30, 2012 primarily to engage in the management and development of real estate.

AHI is the landbanking company of the Group for properties in Cebu and Palawan.

AFC Agribusiness Corporation (AAC)

Anscor owns 81% of AAC which has a 97.4 hectare property in Guimaras, Province of Iloilo. AAC received the approval of the Department of Agrarian Reform for the extension to develop the property until 2029.

<u>Other Information</u>

Except as discussed above, disclosures of the following information are not applicable for the registrant and its subsidiaries:

Business Development

- Bankruptcy, receivership or similar proceedings
- Material reclassification, merger, consolidation or purchase or sale of a significant amount of asset

Business of the Issuer

- Distribution methods of the products or services
- Status of any publicly-announced new product and services
- Competition
- Transaction with and/or related parties (except those disclosed in the notes to financial statements)
- Patents, trademarks, copyrights, licenses, franchises, royalty, etc.
- Need for any government approval of principal products and services
- Effect of existing or probable governmental regulations on the business
- The amount spent on development activities and its percentage to revenues during each of the last three years.

Anscor and its subsidiaries are not aware of any major risks involved in their businesses.

Employees

The Company and the Group as of December 31, 2024, has 26 and 864 employees, respectively. Breakdowns are as follows:

	Parent	Subsidiaries	Group
Management	13	188	201
Rank and file	13	650	663
TOTAL	**26**	**838**	**864**

- The Company and the Group were not subjected to any employees' strike in the past three years nor were there any threatening strike for the ensuing year.

- Employees of the Group are not subject to Collective Bargaining Agreement (CBA).

- The Group provides various employee benefits including health care and retirement benefits and has enjoyed good labor relations in the past.

Item 2. Properties

Anscor owns and maintains its office at 7/F, Pacific Star Building in Makati City with approximately 2,000 square meters.

Information regarding properties of major subsidiaries and affiliates are:

- PDP Energy plants are situated on an 18.4 hectares property owned by Phelps Dodge's wholly owned subsidiary, Minuet Realty Corporation in the Luisita Industrial Park in San Miguel, Tarlac.
- Seven Seas owns a 40-room resort in Pamalican Island, called Amanpulo. This covers about 75 hectares of land, with 40 room casitas of about 65 sq. meter each and back of house facilities to service its power and water and staff house requirements. 62 villa rooms are available for rent under the management agreement executed by PRI and the villa owners as of December 31, 2022.

- AHI has interests in land covering an area of approximately 111.39 hectares in Berong, Palawan, 24.1 hectares in San Vicente, Palawan and parcels of land with a total area of 36.9 hectares in Cebu. Also, AHI owns 1.27 hectare properties in Puerto Princesa.
- AFC Agribusiness has 97.4 hectares of land in Guimaras.

Other Information

a) The registrant is not involved in lease contracts requiring it to pay substantial amount of rental fees.
b) There were no commitments for major capital expenditures or acquisitions of properties in the next twelve (12) months.

Item 3. Legal Proceedings

There are no material pending Legal Proceedings to which Anscor or any of its subsidiaries or affiliates is a party except:

a) ASAC is a defendant in labor lawsuits and claims. As at December 31, 2019, management has provisions for losses amounting to P5.7 million that may be incurred from these lawsuits. In 2020, ASAC reversed the provisions in full as management assessed that the claim is no longer probable due to the prescription of the period from which the complainants may file an independent action to re-open the labor lawsuits. The 10-year prescriptive period ended on April 20, 2020.
b) The Group have claims, commitments, litigations and contingent liabilities that arise in their normal course of their operations which are not reflected in the consolidated financial statements. Management is of the opinion that as at December 31, 2024, losses, if any, from these commitments and contingencies will not have a material effect on the consolidated financial statements.

Except for the matter discussed above, the Company does not believe such litigation will have a significant impact on the financial results, operations or prospects of the Company or the Group.

For the last five years and as of March 5, 2025, management is not aware of any pending material legal proceeding i.e. bankruptcy petitions, convictions by final judgment, being subject to any order, judgment or decree or violation of a Securities or Commodities Law involving its nominees for directorship, executive officers and incumbent officers and directors.

Item 4. Submission of Matters to a Vote of Security Holders

There were no items/matters submitted during the fourth quarter of 2024 to a vote of security holders through the solicitation of proxies or otherwise.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

PRINCIPAL MARKET - Philippine Stock Exchange

Latest Market Price – March 5, 2025

Previous Close –	₱	14.46
High		14.46
Low		14.42
Close		14.42

The following are the high and low sales prices of the shares of the Company for each quarter within the last two fiscal years:

	2024		2023	
Quarter	**High**	**Low**	High	Low
First	12.30	11.00	11.00	8.84
Second	14.38	11.70	11.92	10.10
Third	16.00	12.50	11.18	10.76
Fourth	15.40	10.70	11.70	10.84

Source: Monthly PSE Report

Shareholdings Information

The total number of stockholders/accounts as of February 28, 2025, is 10,994 holding 2,500,000,000 shares of common stock and 1 stockholder holding 500,000,000 preferred shares.

The top 20 stockholders as of February 28, 2025, based on Stock Transfer Service, Inc. report is broken down as follows:

Stockholder Name	Type	Number of Shares	% of Ownership
1. Anscor Consolidated Corporation	Common	1,272,329,761	42.411
2. A. Soriano Corporation Retirement Plan	Common Preferred	63,692,335* 500,000,000	2.123 16.667
3. PCD Nominee Corp. (Non-Filipino)	Common	499,659,239	16.655
4. A-Z Asia Limited Philippines, Inc.	Common	161,546,329	5.385
5. PCD Nominee Corp. (Filipino)	Common	124,973,383	4.166
6. Universal Robina Corporation	Common	64,605,739	2.154
7. Philippines International Life Insurance Co., Inc.	Common	57,921,593	1.931
8. C & E Property Holdings, Inc.	Common	28,011,922	0.934
9. Edmen Property Holdings, Inc.	Common	27,511,925	0.917
10. MCMS Property Holdings, Inc.	Common	26,513,928	0.884
11. JG Digital Equity Ventures, Inc.	Common	23,210,457	0.774
12. EJS Holdings, Inc.	Common	15,518,782	0.517
13 DAO Investment & Management Corp.	Common	8,628,406	0.288
14. Philippine Remnants Co., Inc.	Common	7,556,183	0.252
15. Balangingi Shipping Corporation	Common	2,767,187	0.092
16. Jocelyn C. Lee	Common	2,000,000	0.067
17. Lennie C. Lee	Common	2,000,000	0.067
18. F. Yap Securities, Inc.	Common	1,361,011	0.045
19. Josefina O. Yupangco	Common	1,309,176	0.044
20. Jose C. Lee	Common	1,128,000	0.038
Total		2,892,245,356	96.411

The above shareholdings do not materially affect the holdings of the 5% beneficial owners, each director and nominee and all the directors and officers as a group.

Dividends

In 2023, the Board of Directors declared the following cash dividends:

Classification	Peso Rate Per Share	Declaration Date	Record Date	Payable Date
Regular	P0.50	01-Mar-2023	16-Mar-2023	10-Apr-2023
Special	P0.50	15-Nov-2023	01-Dec-2023	12-Dec-2023

The cash dividends declared by the Board of Directors in 2024 was:

Classification	Peso Rate Per Share	Declaration Date	Record Date	Payable Date
Regular	P0.50	28-Feb-2024	14-Mar-2024	25-Mar-2024
Special	P0.25	29-Oct-2024	14-Nov-2024	29-Nov-2024

On February 24, 2025, the Board of Directors declared the following cash dividends:

Classification	Peso Rate Per Share	Declaration Date	Record Date	Payable Date
Regular	P0.50	24-Feb-2025	17-Mar-2025	11-Apr-2025

There is no restriction on payment of dividends other than the availability of retained earnings following the SEC rule on calculation of available retained earnings for dividend declaration. As of December 31, 2024, the Company has sufficient retained earnings available for dividend declaration.

Shares in the undistributed retained earnings of subsidiaries amounting to ₱7.3 billion and ₱6.6 billion as at December 31, 2024 and 2023, respectively, which are included in retained earnings, are not available for declaration as dividends until declared by the subsidiaries.

Recent Sale of Unregistered Securities

There are no recent sales of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction.

Item 6. Management's Discussion and Analysis or Plan of Operation

Consolidated Financial Information
(In Million Pesos Except Per Share Data)

	2024	2023	2022	2021	2020
Net Income Attributable to Equity Holders of the Parent	4,681.3	2,552.0	2,800.6	2,504.1	165.6
Equity Attributable to Equity Holders of the Parent	27,068.9	23,173.0	21,961.7	20,460.6	18,695.6
Weighted Average Number of Shares Outstanding	1,227.6	1,227.6	1,227.6	1,227.6	1,242.0
Earnings Per Share*	3.81	2.08	2.28	2.04	0.13
Book Value Per Share**	22.05	18.88	17.89	16.67	15.23

	2024	2023	2022	2021	2020
Revenues and Net Investment Gains	16,817.7	13,798.5	13,624.7	11,354.1	6,883.7
Total Assets	32,309.1	27,692.6	25,138.2	23,625.0	21,602.3
Investment Portfolio	18,963.2	15,345.4	14,216.7	13,834.5	12,251.4

* Ratio of net income attributable to equity holders of the Parent to weighted average number of shares outstanding during the year.
** Ratio of equity attributable to equity holders of the Parent to outstanding number of shares as of end-December.

Below are the key performance indicators of the Company:

Over the last three years, consolidated revenues and net income from operations are as follows (in thousand pesos except earnings per share):

	Years Ended December 31		
	2024	2023	2022
REVENUES			
Sale of goods - net	**₱11,200,558**	₱10,147,489	₱10,727,755
Services	**1,762,935**	1,709,329	1,292,107
Dividend income	**389,344**	368,356	295,307
Interest income	**104,267**	91,870	67,462
	13,457,104	12,317,044	12,382,631
INVESTMENT GAINS (LOSSES)			
Gain (loss) on increase (decrease) in market values of FVPL investments - net	**3,264,538**	1,476,198	(994,108)
Gain on sale of investment properties and long-term investments - net	**61,239**	-	-
Gain (loss) on sale of FVOCI investments - net	**1,014**	(3,497)	764
Gain on sale of noncurrent asset held for sale	**-**	-	2,208,757
	3,326,791	1,472,701	1,215,413
EQUITY IN NET EARNINGS	**33,837**	8,743	26,640
TOTAL	**16,817,732**	13,798,488	13,624,684
INCOME BEFORE INCOME TAX	**5,174,483**	3,017,196	3,098,197
PROVISION FOR INCOME TAX	**379,667**	368,000	242,155
NET INCOME	**4,794,816**	2,649,196	2,856,042
OTHER COMPREHENSIVE INCOME (LOSS)	**135,312**	21,835	(71,847)
TOTAL COMPREHENSIVE INCOME	**₱4,930,128**	₱2,671,031	₱2,784,195
Net Income Attributable to:			
Equity holders of the Parent	**₱4,681,330**	₱2,552,018	₱2,800,558
Noncontrolling interests	**113,486**	97,178	55,484
	₱4,794,816	₱2,649,196	₱2,856,042
Total Comprehensive Income Attributable to:			
Equity holders of the Parent	**₱4,816,642**	₱2,573,853	₱2,728,711
Noncontrolling interests	**113,486**	97,178	55,484
	₱4,930,128	₱2,671,031	₱2,784,1945
Earnings Per Share			
Basic/diluted, for net income attributable to equity holders of the Parent	**₱3.81**	₱2.08	₱2.28
Basic/diluted, for total comprehensive income attributable to equity holders of the Parent	**₱3.92**	₱2.10	₱2.22

Component of financial soundness and indicators of the Group are shown in Annex of this report.

The Key Financial Indicators of our Major Subsidiaries are the following:

PDP Energy and PDIPI

In Million Pesos

	12/31/2024	12/31/2023	12/31/2022
1. Net sales	**11,201**	10,147	10,728
2. Gross profit	**1,653**	1,677	1,679
3. Net income	**957**	963	956

Seven Seas Group

In Million Pesos

	12/31/2024	12/31/2023	12/31/2022
1. Occupancy rate	**46.2%**	49.6%	47.1%
2. Hotel revenue	**1,387.1**	1,385.4	1,088.8
3. Gross operating profit (GOP)	**433.2**	483.7	448.2
4. GOP ratio	**31.2%**	34.9%	41.2%
5. Resort net income	**159.6**	178.9	127.5
3. Villa development/lease net income	**33.6**	19.6	16.0
4. Pamalican Utilities net income	**5.3**	3.9	-
5. Consolidated net income	**198.6**	202.7	143.5

Occupancy rate is based on actual room nights sold over room nights on a 12-month period. Hotel revenues include rooms, food and beverage and other ancillary services. GOP is total revenues less direct costs and GOP ratio is GOP over total hotel revenues.

Financial Performance Year 2024

Anscor posted a record profit of ₱4.8 billion, an 83% increase from the previous year's net income of ₱2.6 billion. The gains were due to the exceptional performance of the Company's financial holdings, whose continuity may be difficult to sustain.

Financial holdings generated a ₱3.7 billion gain, compared to ₱1.9 billion in 2023. The significant contributor was the investment in International Container Terminal Services, Inc. which saw a 56% price increase, outperforming the Philippine Stock Exchange's 1.2% increase. Gains from other securities reached ₱417.6 million, while dividend income rose 5.7% to ₱389.3 million.

Anscor's interests in Phelps Dodge Philippines Energy Products Corporation contributed ₱1.03 billion to net income. Earnings from Seven Seas Resorts and Leisure, Inc. slightly decreased to ₱123.8 million; financial services firm, ATRAM, contributed ₱25.3 million; and real estate firm, KSA Realty Corporation, provided ₱94.2 million in cash dividends.

Anscor paid total cash dividends of ₱0.75 per share: ₱0.50 per share on March 25, 2024, and ₱0.25 per share on November 29, 2024. Investment assets increased in value from ₱23.3 billion to ₱27.8 billion, due to the supportive global financial environment and the investment in The Bistro Group. Your Company's book value per share increased by 16.9% from ₱18.9 to ₱22.1.

Investments – Group Operations

Phelps Dodge International Philippines, Inc. (PDP, a wholly-owned subsidiary of Anscor)

PDP achieved record-breaking sales of ₱11.2 billion in 2024, driven by robust domestic market growth. PDP's commitment to on-time delivery, product quality, safety, superior service, and innovation drove sales across all customer segments. Sales volume increased by 8.5%, propelled by strong demand across key sectors and the favorable impact of rising copper prices. Demand from the commercial, high-rise, industrial, infrastructure, and utilities sectors all fueled growth. And despite market challenges, the distribution segment also grew.

PDP's net income remained steady at ₱957.3 million, slightly lower than last year, due to a decline in export revenues. Moving forward, PDP will continue its pursuit of long-term, international sales partners to develop recurring export orders.

PDP distributed ₱450.0 million in cash dividends in 2024, of which ₱436.5 million was collected by Anscor.

Seven Seas Resorts And Leisure, Inc. (Owner of Amanpulo Resort, 62.3% owned by Anscor)

In 2024, Amanpulo experienced significant shifts in tourism trends. Despite an industry-wide decline in occupancy rates and an unprecedented number of typhoons during the traditionally strong fourth quarter, Amanpulo generated a ₱1.4 billion revenue, matching 2023 levels. Net income was ₱159.6 million in 2024, a 10.8% decrease as compared to last year.

Amanpulo mitigated the decline in travel from key feeder markets of Japan and China by taking part in sales missions in Australia, China, Hong Kong, Singapore, Taiwan, Japan, and Korea. To develop long-term growth from the Middle East and Russia, the Resort intensified its sales activities in Kuwait, Qatar, Oman, Saudi Arabia, and the United Arab Emirates, and strengthened its outreach to key global travel and media partners.

The Seven Seas Group generated a consolidated net income of ₱198.6 million in 2024.

ATRAM INVESTMENT MANAGEMENT PARTNERS CORPORATION (ATRAM)

ATRAM's assets under management reached ₱363.3 billion by the end of December 2024, 16% higher than the previous year. The 2024 revenues reached ₱1.4 billion, a 38% increase over last year's ₱1.0 billion. Operating expenses increased due to staff hiring and investments in IT infrastructure, to enhance digital capabilities. ATRAM is focused on investing in future growth to continue providing high-quality financial solutions to its clients.

Financial Condition

There was no other significant change in the Company's Consolidated Balance Sheet as of December 31, 2024 versus December 31, 2023.

The discussions below were based on the consolidated balance sheet of the Company and its subsidiaries as of December 31, 2024 and 2023.

Cash and Cash Equivalents
The increase in cash and cash equivalents can be attributed to net cash generated from operating activities, partially offset by cash used in investing and financing activities.

(Please see attached consolidated cash flow statements for detailed analysis of cash movements.)

Fair Value Through Profit and Loss (FVPL) Investments
The increase in the account can be attributed to higher market value of local traded shares and foreign denominated investment in bonds, stocks and funds of P3.3 billion and foreign exchange gain of P60.0 million, offset by net disposal of P999.7million.

Receivables
The increase in receivables was mainly due to improved revenues of the wire manufacturing subsidiary.

Inventories
The increase was due to higher level of finished goods and work in process inventories of the wire manufacturing subsidiary and higher spare parts and supplies of the aviation and utility subsidiaries.

Prepayments
Decrease in this account pertains mainly to reclassification to inventories of the inventories in transit of the wire manufacturing subsidiary wherein the new terms and conditions in the contract with the supplier doesn't meet the criteria for it to be classified and presented as inventories in 2023.

Other Current Assets
Movement in the account is mainly due to increase in the creditable withholding taxes of the parent company, manufacturing and resort subsidiaries.

Fair Value Through Other Comprehensive Income Investments (FVOCI) – noncurrent
Net decrease in this account amounted to P42.3 million due to sale of investments amounting to P41.6 million, partially offset by foreign exchange gain of P0.7 million.

Notes Receivable
The decrease was attributable to the collection of advances.

Investments and Advances
The increase in investments and advances was mainly due to acquisition of 22% stake in TBG Food Holdings, Inc. known as "The Bistro Group" for P1.61 billion. The share in the equity earnings of the associates amounted to P33.8 million.

Property, Plant and Equipment - net
The increase can be traced to net acquisition of property and equipment of P592.9 million mainly attributable to capital expenditures of the parent company, manufacturing, aviation and resort subsidiaries, offset by depreciation amounting to P410.2 million.

Investment Properties - net
The decrease was mainly due to sale of 8 Rockwell office condominium unit.

Retirement Plan Assets
Increase in the retirement plan asset arises mainly from fair value adjustments of the underlying assets of the retirement plan of the Group.

Deferred Tax Assets
Decrease in the account was mainly due reversal of related deferred tax assets on previously recognized allowance for expected credit loss and allowance for inventory obsolescence.

Right-of-Use-Assets
With the adoption of PFRS 16, Leases, the manufacturing, and aviation subsidiaries as a lessee recognized asset representing the right to use the asset/property during the lease term.

Deposit to suppliers
Increase in the account balance can be attributed to deposit to contractor for capex requirement of the utility subsidiary.

Notes Payable
The notes payable pertained to the parent company's short-term loan. The loan proceed was used to in the acquisition of TB Food Holdings, Inc.

Accounts Payable and Accrued Expenses
The increase was mainly attributable to the recorded liabilities to the suppliers of the resort and wire manufacturing subsidiaries.

Dividends Payable
Dividends payable represent mainly dividend checks that were returned by the post office and which remained outstanding as of December 31, 2024 due to problematic addresses of some of the Company's stockholders. Anscor paid total cash dividends of P0.75 per share: P0.50 per share on March 25, 2024, and P0.25 per share on November 29, 2024.

Income Tax Payable
Movement in the account was attributable to income tax paid by the resort, aviation and wire manufacturing subsidiaries, partially offset by provision for income tax during the year by the Group.

Lease Liability (current and noncurrent)
With the adoption of PFRS 16, Leases, the manufacturing and aviation subsidiary as a lessee recognized a liability for future lease payments.

Long-term Debt (current and noncurrent)
The decrease was mainly attributable to the prepayment of loan by the aviation subsidiary.

Deferred Income Tax Liabilities
Increase in the account was mainly due to the deferred tax effect of unrealized increase in market value of FVPL investments and unrealized foreign exchange gain of the parent company.

Retirement Benefits Payable
Decrease resulted mainly from payment of contribution to the plan.

Other noncurrent liabilities
Movement can be traced to the utility subsidiary.

Cumulative Translation Adjustment (CTA)
This account includes translation adjustments of Anscor International, Inc., and IQHPC. CTA balance increased by P90.5 million, due to depreciation of Philippine peso vis-à-vis US dollar.

Remeasurement on Retirement Benefits
Movement in the account was mainly due to the increase in fair value of the underlying assets under the retirement plan.

Noncontrolling Interest (equity portion)
Increase was mainly due to share of minority shareholders in the net income of the resort and the wire manufacturing subsidiary for the year 2024, partially offset by the share in dividends declared and paid by the above-mentioned subsidiaries.

Others
There were no commitments for major capital expenditures in 2024.

Results of Operation

Management is not aware of any known trends, events or uncertainties except for political and market uncertainties, nor any significant element of income or loss that may have material impact on the Company's recurring revenues and profits.

The discussions below were based on the consolidated results of the Company and its subsidiaries for the year ended December 31, 2024 as compared to consolidated results for the year ended December 31, 2023:

Revenues
This year’s consolidated gross revenues of P16.8 billion improved from P13.8 billion, attributable to gain on increase in market value of FVPL investments by P3.3 billion, mainly local traded shares and higher interest income. Also, the manufacturing subsidiary reported a significant increase in revenues.

Cost of Goods Sold
The increase in cost of goods sold was due to the 8.5% increase in sales volume (domestic sales) of the wire manufacturing subsidiary.

Cost of Services Rendered
Cost of services increased due to higher cost of services of the resort subsidiary.

Operating Expenses
The Group reported an increase in consolidated operating expenses contributed by higher overhead of the parent company and rise in operating expenses of the resort.

Interest Expense
The amount was higher in 2024 due to interest expense on the long-term loan of the aviation subsidiary and short-term loan of the parent company.

Foreign Exchange Gain (loss)
Due to the appreciation of peso vis-à-vis dollar, the parent company reported foreign exchange gain on its foreign currency denominated investments in financial assets.

Provision for Income Tax - Net
The tax provision of the Group was higher than last year mainly due higher taxable income of the parent company and the wire manufacturing subsidiary.

Year Ended December 31, 2023 Compared with Year Ended December 31, 2022 (as reported in 2022 SEC 17-A)

Revenues
This year's consolidated gross revenues of P13.8 billion slightly increased from last year's revenue of P13.6 billion. Revenue in 2022 included nonrecurring gain on sale of investment in AGP of P2.2 billion. Gain on increase in market value of FVPL investments and higher dividend and interest income were registered in 2023. Lower sales of PDP was offset by a significant increase in revenues of the resort subsidiary.

Cost of Goods Sold
Decrease in cost of goods sold was due to the lower sales volume of the wire manufacturing subsidiary.

Cost of Services Rendered
Increase in cost of services rendered was due to higher occupancy rate of the resort subsidiary.

Operating Expenses
The Group reported an increase in consolidated operating expenses for nine months of 2023 due to higher overhead of the parent company (from bonus paid based on higher net income in 2022) and rise in operating expenses of the resort.

Interest Expense
The amount was higher in 2023 due to interest expense on the long-term loan of the aviation subsidiary.

Foreign Exchange Gain (loss)
Due to the depreciation of dollar vis-à-vis peso, the parent company reported foreign exchange loss on its foreign currency denominated investments in financial assets.

Provision for Income Tax - Net
The tax provision of the Group was higher than last year mainly due to deferred income tax of the parent company related to unrealized gain on increase in market value of its FVPL investments. The previous year's credit balance of provision for income tax can be attributed to the Parent Company's unrealized loss from decline in market value of FVPL investments.

Year Ended December 31, 2022 Compared with Year Ended December 31, 2021 (as reported in 2022 SEC 17-A)

Revenues
This year's consolidated gross revenues of P13.6 billion was higher from last year's revenue of P11.4 billion due to gain on sale of investment in AGP of P2.2 billion and higher revenues of the resorts and the wire manufacturing operations.

Cost of Goods Sold
Increase in cost of goods sold was mainly attributable to higher copper cost of the wire manufacturing subsidiary and increased volume of products sold.

Cost of Services Rendered
Increase in cost of services rendered was due to higher occupancy rate of the resort subsidiary.

Operating Expenses
The Group reported an increase in consolidated operating expenses for 2022 due to higher overhead of the parent company (from bonus paid based on higher net income in 2021) and rise in operating expenses of the resort and wire manufacturing subsidiaries due to higher volume of business.

Interest Expense
Interest expense in 2022 was lower than 2021 due to payment of loan by PDP.

Foreign Exchange Gain (loss)
Due to the depreciation of peso vis-à-vis dollar, the parent company reported foreign exchange gain on its foreign currency denominated investments in financial assets.

Provision for Income Tax - Net
The current tax provision of the resort, aviation and wire manufacturing subsidiaries was offset by the benefit from deferred income tax, mainly of the parent company, attributable to unrealized loss from decline in market value of FVPL investments.

<u>Changes in Accounting Policies</u>

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

Adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1*, Classification of Liabilities as Current or Non-current*
  The amendments clarify:
    - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
    - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
    - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16*, Lease Liability in a Sale and Leaseback*
  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7*, Disclosures: Supplier Finance Arrangements*
  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

<u>Standards Issued but not yet Effective</u>
Pronouncements issued but not yet effective are listed below. The Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the applicable pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21*, Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
    - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
    - Amendments to PFRS 7, *Gain or Loss on Derecognition*
    - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
    - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
    - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Other Financial Information

- There are no material events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

- There are no off-balance sheet transactions, arrangements, obligations including contingent obligations, and other relationships of the Company with unconsolidated entities or other persons created during the year.

- There were no commitments for major capital expenditures in 2024 and onwards.

- The management has no knowledge of known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenue or income from continuing operations.

- There are no seasonality or cyclicality trends in the business that would have material effect on the Company's result of operations and financial condition.

- There is no other change in composition of the registrant no restructuring.

- There is no other material event subsequent to the reporting period that has not been reflected in the financial statements.

Item 7. Financial Statements

1. The financial statements were presented using the classified balance sheet format in accordance with the Philippine Financial Reporting Standards (PFRS) Accounting Standards.

2. The financial statements were prepared in accordance with the disclosures required by Revised SRC Rule 68 as amended (2019) and PFRS Accounting Standards.

3. The consolidated financial statements include disclosures with regards to new accounting standards that the Company and its subsidiaries adopted.

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

SyCip Gorres Velayo & Co. (SGV) has been the Company's independent auditors since its establishment in 1946. They will again be nominated for reappointment and presented for approval by the stockholders during the stockholders' meeting as external auditors for the ensuing calendar year. Unless marked to the contrary, proxies received will be voted for the appointment of SGV as the independent auditors for the ensuing year. The Management recommends a vote for the appointment of SGV as independent auditors of the Company for the ensuing year.

In compliance with SRC Rule 68 paragraph 3(b) (ix) (Rotation of External Auditors), the SGV audit partner, as of December 2024, is Ms. Dhonabee B. Señeres, who is on her sixth year of audit engagement.

A representative of SGV is expected to be present at the Annual Meeting to respond to appropriate questions from the stockholders and to make a statement if so desired.

The Company has no disagreements with its independent auditors on Accounting and Financial Disclosures and changes in Accounting and Financial Disclosures are included in the attached Notes to Financial Statements, if applicable.

Audit and Audit Related Fees

The Group paid to its external auditors the following fees in the past two years:

Year	Audit Fees
2024	**₱4,530,000**
2023	₱4,417,000

The audit fees were evaluated and approved by the Audit Committee based on the scope of work of external auditors and the complexity of accounting and audit issues identified. There are no other fees paid to the external auditors for other assurance and related services.

Consultancy and Other Fees

Consultancy, tax and other fees paid by the Company to SGV for 2024 amounted to P0.3 million, nil 2023.

Consultancy and other fees paid to the external auditors are evaluated and approved by the Audit Committee ensuring always that the independence of the external auditors is maintained.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Registrant

Directors

The Board of Directors of the Company has ultimate responsibility for the administrative affairs of the Company. The business address of all of the Directors is the registered office of the Company. The Board meets approximately once every quarter or about four times a year. A majority of the Board shall constitute a quorum for the holding of a Board meeting. The decision of a majority of the quorum present shall be sufficient to pass a Board resolution.

The Directors and their respective positions with the Company are listed below.

Name	Position	Term of Office	Period Served as Director
Andres Soriano III	Director, Chairman and Chief Executive Officer	1 year	42 years
Eduardo J. Soriano +	Director and Vice Chairman	1 year	43 years
Ernest K. Cuyegkeng	Director, President and Chief Operating Officer	1 year	16 years
Oscar J. Hilado	Director	1 year	26 years
Johnson Robert G. Go Jr.	Director	1 year	5 year
William H. Ottiger	Director	1 year	3 year
Camila Maria H. Soriano	Director	1 year	1 year

Executive Committee and Management

The management structure of the Company consists of an Executive Committee that reports directly to the Board of Directors. The following are the members of the Executive Committee, Audit Committee, Compensation Committee and Nomination Committee:

Executive Committee:

Mr. Andres Soriano III	Chairman
Mr. Eduardo J. Soriano +	Vice Chairman
Mr. Oscar J. Hilado	Member
Mr. Ernest K. Cuyegkeng	Member
Mr. William H. Ottiger	Member

Audit Committee:

Mr. Oscar J. Hilado	Chairman
Mr. Eduardo J. Soriano +	Member
Mr. Ernest K. Cuyegkeng	Member
Mr. Johnson Robert G. Go Jr.	Member
Ms. Camila Maria H. Soriano	Member

Compensation Committee:	
Mr. Oscar J. Hilado	Chairman
Mr. Andres Soriano III	Member
Mr. Ernest K. Cuyegkeng	Member

Nomination Committee:	
Mr. Eduardo J. Soriano +	Chairman
Mr. Oscar J. Hilado	Member
Mr. Ernest K. Cuyegkeng	Member

+ Passed away last February 17, 2025.

Selected biographical information on the Company's directors and other principal officers is set out below.

Directors

ANDRES SORIANO III, age 73, American, Director of the Company since 19 May 1982; Chairman and Chief Executive of the Company (1983 to present); Chairman and President of AnscorConsolidated Corporation (1987 to present); Chairman of The Andres Soriano Foundation, Inc. (1985 to present), Phelps Dodge International Philippines, Inc. (1983 to present), Phelps Dodge Philippines Energy Products Corporation (1997 to present), Seven Seas Resorts and Leisure, Inc. (1998 to present) and Pamalican Resort, Inc. (May 2011 to present); Director of International Container Terminal Services, Inc. (ICTSI) (July 1992 to present). Mr. Soriano was formerly the President and Chief Operating Officer of San Miguel Corporation and was subsequently the Chairman and Chief Executive Officer of San Miguel Corporation. He was Chairman of CocaCola (Philippines), Coca-Cola Amatil (Australia) and Nestle (Philippines). He was a Director of SPI Technologies and eTelecare Global Solutions, Inc. until 2006. He was also a Member of the G.E. Asian Advisory and the Wharton East Asia Executive Board. He holds a Bachelor of Science Degree in Economics, Major in Finance and International Business, Wharton School of Finance and Commerce, University of Pennsylvania, (1972).

EDUARDO J. SORIANO, age 70, Filipino, Director of the Company since 21 May 1980; Vice Chairman of the Company (1990 to present) and Treasurer (1990 to September 2018); Chairman of Anscor Holdings, Inc. (2012 to present); Member of the Board of Trustees and President of The Andres Soriano Foundation, Inc. (1985 to present); Director of Phelps Dodge Philippines Energy Products Corporation (1997 to present), Phelps Dodge International Phils., Inc. (1997 to present); Graduate of Bachelor of Science Degree in Economics, Major in History, University of Pennsylvania, (1977).

WILLIAM H. OTTIGER, age 57, Swiss, Director (since 20 April 2022), President and Chief Operating Officer (April 2024 to present), and formerly Executive Vice President and Corporate Development Officer (2013 to April 2024) of the Company; Director of Anscor International, Inc. (2021 to present), Seven Seas Resorts and Leisure, Inc. (2019 to present) and Phelps Dodge International Philippines, Inc. (April 2016 to present); Independent Director of iPeople, Inc. (August 2023 to present); Director of TBG Food Holdings, Inc. (the Bistro Group, November 2024 to present); ATRAM Trust Corporation (2019 to present); ATR Asset Management, Inc. (2019 to present) and AG&P International Holdings Pte. Ltd. (2014 to 2022). Formerly CEO of Cirrus Medical Staffing, Inc. (USA), an Anscor portfolio investment sold in 2017; UBS Investment Bank, London (UK) and San Miguel Brewing Hong Kong Ltd. graduate of Washington & Lee University, B.A. European History, (1990); London Business School, MBA, (2001).

ERNEST K. CUYEGKENG, age 78, Filipino, director of the Company since 22 April 2009; Formerly President and Chief Operating Officer (April 2022 to April 2024), and Executive Vice President and Chief Financial Officer of the Company (1990 to April 2022), President and Director of Phelps Dodge Philippines Energy Products Corporation (1999 to present), and Anscor Holdings, Inc. (2012 to present); Director (2008 to present) and President (since 2021) of Seven Seas Resorts and Leisure, Inc.; KSA Realty Corporation (2001 to present), Prople, Inc. (2007 to present), Testech, Inc. (2003 to present), T-O Insurance (2008 to present), Sumifru, Singapore (2003 to present), and Philippine British Assurance Co. Inc. (Nov. 2011 to present); Chairman and Director of ArthaLand Corporation (2007 to present); Member of the Board of Trustees of The Andres Soriano Foundation, Inc. (1990 to present); Member of the Management Association of the Philippines, Makati Business Club and Financial Executive Institute of the Philippines (FINEX), and Treasurer, Columbia University Alumni Association of the Philippines. Graduate of De La Salle University, B.A. Economics and B.S. Business Administration, (1968), Master's Degree in Business Administration, Columbia Graduate School of Business, New York, (1970).

JOHNSON ROBERT G. GO, JR., age 60, Director of the Company since 19 November 2019 and an independent Director since 2022; Director of JG Summit Holdings, Inc., Universal Robina Corporation (May 5, 2005 to present) and Robinsons Land Corporation; President of the Dameka Trading, Inc., member of the Senior Advisory Board of Robinsons Bank Corporation and a Trustee of the Gokongwei Brothers Foundation, Inc. He received his Bachelor of Arts degree in Interdisciplinary Studies (Liberal Arts) from the Ateneo de Manila University.

OSCAR J. HILADO, age 87, Filipino, an independent Director of the Company since 13 April 1998; Chairman of Philippine Investment Management (PHINMA), Inc. (August 2005 to present); Chairman-Emeritus of Phinma Corporation (April 12, 2022 to present); Vice-Chairman of Phinma Property Holdings Corporation (April 30, 2021 to present); Vice-Chairman of Union Galvasteel Corporation (March 2017 to present); Director of Philex Mining Corporation (Dec 2009 to present); Director of Rockwell Land Corporation (May 27, 2015 to present); Director of A. Soriano Corporation (April 13, 1998 to present); Director of Roxas Holdings, Inc. (March 2016 to present); Director of Smart Communications, Inc. (May 6, 2013 to present); Independent Advisor of Metro Pacific Investments Corporation (October 17, 2023 to present); Director of Phil Cement Corp. (September 22, 2017 to present); Director of Philcement Mindanao Corporation (March 15, 2024 to present); Director of Union Insulated Panel Corp. (June 30, 2022 to present); Director of Phinma Education Holdings, Inc. (March 2016 to present); Director of Araullo University, Inc. (April 2004 to present); Director of Cagayan de Oro College, Inc. (June 2005 to present); Director of University of Iloilo, Inc. (August 17, 2009 to present); Director of University of Pangasinan, Inc. (August 17, 2009 to present); Director of Southwestern University (June 20, 2016 to present); Director of Phinma Hospitality, Inc. (July 15, 2011 to present); Director of United Pulp and Paper Company, Inc. (Dec. 2, 1969 to present); Director of Digital Telecommunications Philippines, Inc. (DIGITEL) (May 6, 2013 to present); Director of Seven Seas Resorts & Leisure, Inc. (1996 to present); Director of Beacon Venture Holdings, Inc. (November 15, 1994 to present); and Director of Manila Cordage Company (1986 to present). Graduate of De La Salle College (Bacolod), Bachelor of Science in Commerce (1958), Master's Degree in Business Administration, Harvard Graduate School of Business, (1962).

CAMILA MARIA H. SORIANO, age 35, American, Director of the Company from April 2024 to present; Founder, Chief Financial Officer of Wholesome Spirits Inc. (DBA Volley), Charles, SC (June 2019 to present); Chief Financial Officer of American Juice Company LLC, Charles, SC, (May 2017 to present); Registered Client Associate of Wells Fargo Advisors, New York, NY, (2013 to May 2017); Intern, Funds Research of Bank of Singapore (Subsidiary of OCBC) Singapore, (Summer 2012); Intern, Retail Event Marketing of Ralph Lauren, New York, NY, (Summer 2011), Intern, European Observatory on Children's Television (OETI), Barcelona, Spain, (Fall 2010) and Assistant to Vice President, Business Development of The Coca-Cola Company, New York, NY, (Summer 2010). Graduate of Fundamentals of Corporate Finance, New York City University (Fall 2012); Political Science and Hispanic Studies, B.A., Trinity College (2012). Studied in University Pompeu Fabra, Barcelona, Spain (Fall 2010), New York University, Intercultural Communications (Summer 2009) and Kent School (2008 with Honors).

The following are not nominees but incumbent officers of the Company:

LORNA PATAJO-KAPUNAN age 72, Filipino, Corporate Secretary of A. Soriano Corporation (1998 to present); Senior Partner of Kapunan & Castillo Law Offices; Corporate Secretary, Roxas Holdings, Inc. (1995 to 2014), Central Azucarera de Don Pedro (February 1995), Central Azucarera de la Carlota (March 1996), Beverage Industry Association of the Philippines (February 1991), Seven Seas Resorts & Leisure, Inc. (November 1990 to present), Pamalican Island Holdings, Inc. (1995 to present), iAcademy (2002 to 2011), Uni-President Phils., Inc. (2002 to present), Huntly Corporation (February 1992 to present), Palomino Resources, Inc. and Malate Pensionne, Inc. (2001 to 2014), Cuisine Exchange, Inc. and Culinary Innovators, Inc. (2001 to 2014), Jose M. Velero Corporation (2001 to 2014), Creative Concoctions, Inc. (2001 to 2014), Hotel Concepts, Inc. (September 2001 to present), Creative Hotel Concepts, Inc. (September 2001 to 2014), Culinary Events, Inc. (2001 to 2014), AH Distribution Corporation, Hotel & Resorts, Inc. (2002 to 2014), It's About Taste (I'ATE), Inc. (2002 to 2014), Kitchen Alley, Inc. (2001 to 2014), Les Maitres Gourmands, Inc. (July 2001 to 2014); Traditional Financial Services Philippines, Inc. (2008 to present); Avaya Philippines, Inc. (2006 to present), Elixir Gaming Technologies Philippines, Inc. (2007 to 2008), Elixir Group Philippines, Inc. (2006 to 2008); Director of AMAX Holdings Limited (2008 to 2014); Corporate Secretary, Blessed Mary Mother of the Poor Foundation, Inc. (2014), Montemar Beach Club, Inc. (2013 to present), Philcomsat Communications Satellite Corporation (Philcomsat) (2013 to present), UNLAD Foundation (2015 to present), Dusit Thani Philippines, Inc. (Formerly Philippine Hoteliers,Inc.); PARAF Holdings, Inc. AIC Group of Companies Holdings Corp. (Airspeed). Graduate of University of the Philippines College of Law, (1978); Seminar Courses: Japan Institute of Invention and Innovation (JIII) Tokyo (1997); National Institute on Humanitarian Law, San Remo, Italy (September 2005); Summer Course International Humanitarian Law, Magdalene College, Cambridge University, London UK (July 2010). Bar Examiner, Mercantile Law (1988). The Outstanding Women In The Nations Service (TOWNS) Awardee – Corporate Law (1995); Filipinas Women Network (FWN) Influential Women Award (2016 to present); Columnist, Business Mirror "Legally Speaking"; Program Host/Commentator "Laban Para Sa Karapatan" DWIZ, 882 AM; "Trio Tagapampayo" Face to Face, Channel 5; Top 100 Lawyers in the Philippines (2019 to 2021); 2021 Corporate Int'l Global Awardee; ASEAN Women Entrepreneurs Conference (2024) – Best Women Entrepreneur Award (2024); Linguistic Intelligence Award (2024); Past Councilor, Asian Patent Attorneys Association (APAA); Past President/Director Intellectual Property Association of the Philippines (IPAP); Chairperson Management Association of the Philippines (MAP) Arts and Culture Committee; Past Area Director, Area 5 Zonta International; Legal Adviser Rotary International District 3800; Governor/Counselor Philippine National Red Cross (PRC); Past President/Trustee – Women's Business Council (WBC); Vice Chairman Cultural Center of the Philippines (CCP) (up to 2022); Board of Adviser – World Wildlife Fund (WWF); Legal Adviser, LGBTQ Foundation, Inc. (2025).

NARCISA M. VILLAFLOR, age 62 Filipino, Vice President and Comptroller of the Company since 19 April 2000, Treasurer since January 2023; Treasurer of Seven Seas Resorts and Leisure, Inc., Pamalican Resort, Inc. and Anscor Holdings, Inc., The Andres Soriano Foundation, Inc., Pamalican Island Holdings, Inc., and Sutton Place Holdings, Inc.; Director of Anscor Consolidated Corporation and A. Soriano Air Corporation; Trustee of The Andres Soriano Foundation, Inc. Joined SGV (January 1985 to November 1989) and joined Anscor in December 1989; Graduate of University of the Philippines, Bachelor of Science in Business Administration and Accountancy (1984). Attended AIM Management Program (November 1996).

JOSHUA L. CASTRO, age 50, Filipino, Vice President (April 2017 to present) and Assistant Corporate Secretary of the Company; Assistant Corporate Secretary of Seven Seas Resorts and Leisure, Inc. and Island Aviation, Inc. (2006 to present); Corporate Secretary of Phelps Dodge Philippines Energy Products Corporation and The Andres Soriano Foundation, Inc. (2006 to present); Tax Lawyer, SyCip Gorres Velayo & Co. (1999 to 2005); Graduate of San Beda College of Law (1999), and University of the Philippines Diliman, Bachelor of Arts, Political Science (1995).

SALOME M. BUHION, age 52, Filipino, Assistant Vice President for Corporate Accounting (April 2017 to present) and Accounting Manager (January 1998 to April 2017) of the Company; Assistant Manager, Business System Division (Support Management Group), Equitable PCI Bank, (1997); Auditor, SyCip Gorres Velayo & Co. (1994 to 1997); Certified Public Accountant.

MA. VICTORIA L. CRUZ, age 60, Filipino, Assistant Vice President of the Company (April 2017 to present); Executive Secretary to the Chairman (September 1998 to March 2017). Ms. Cruz was formerly the Executive Assistant to the Head of Mission of the Embassy of Peru. She also worked with Shangri-La’s Mactan Island Resort, John Clements Consultants, Inc. and the Mandarin Oriental Hotel, Manila. She received a Bachelor of Science degree major in Business Management from De La Salle University in 1984.

Additional Information:

There is no person who is not an executive and is expected by the registrant to make a significant contribution to the business.

Ms. Camila Maria H. Soriano is the daughter of Mr. Andres Soriano III while Mr. Eduardo J. Soriano, is his brother. There are no other family relations up to the Fourth Civil Degrees either by consanguinity or affinity among the Directors, Executive Officers or persons nominated that is known to the Company.

For the last five years and as of February 28, 2025, Management is not aware of any pending material legal proceeding i.e. bankruptcy petitions, convictions by final judgment, being subject to any order, judgment or decree or violation of a Securities or Commodities Law involving its nominees for directorship, executive officers and incumbent officers and directors.

The Company does not own any other equity securities beneficially owned by its directors and other nominees.

Item 10. Executive Compensation

As approved in 2004, Directors are paid a per diem of ₱20,000.00 per meeting attended and are given directors bonus representing no more than 1% of previous year's net income. Similarly, annual bonus, of no more than 3% of the preceding year's net income as well as salary increase of Executive Officers are approved by the Compensation Committee and Board of Directors.

The total compensation paid to the top six (8) Officers of the Company and the rest of the Directors for the last two years and the ensuing year are as follows:

Name	Principal Position	Compensation		
		2023 Actual	2024 Actual	2025 (Estimate)
Andres Soriano III	Chairman & Chief Executive Officer			
William H. Ottiger	President & Chief Operating Officer			
Narcisa M. Villaflor	Vice President & Comptroller/Treasurer			
Joshua L. Castro	Vice President & Assistant Corporate Secretary			
Salome M. Buhion	Assistant Vice President-Accounting			
Ma. Victoria L. Cruz	Assistant Vice President			
Executive Directors*				
Salaries		₱ 43,958,043	₱ 44,632,990	₱ 36,282,897
Bonus		72,100,000	64,571,429	113,022,000
Other Executive Officers**				
Salaries		17,928,826	16,824,047	14,659,549
Bonus		19,500,000	17,000,000	31,028,400
Benefits		2,606,325	2,993,986	2,445,120
Subtotal Executive Directors and Officers		156,093,194	146,022,451	197,437,966
Non-Executive Directors*** Consultancy Fee		2,901,786	3,348,214	13,462,500
Bonus		18,064,286	14,785,714	35,655,541
Directors Fees		520,000	500,000	560,000
Subtotal Non-Executive Directors		21,486,071	18,633,929	49,678,041
Total		**₱ 177, 579,265**	**₱ 164,656,380**	**₱ 247,116,007**

** Executive Directors include members of the Board of Directors who are at the same time Executive Officers.*
*** Other Executive Officers include Executive Officers who are not members of the Board of Directors.*
**** Non-Executive Directors include members of the Board of Directors who are not at the same time Executive Officers of the Company.*

There are no other arrangements, including consulting contracts, to which any director was compensated, directly or indirectly.

All the executive officers are not subject of any employment contract. Neither are there any compensatory plans or arrangements with respect to the named executive officers that will result from their resignation, retirement or any other termination or from change in control in the Company or change in the named executive officers' responsibilities following a change in control.

There are no warrants or options granted to the Directors, Chief Executive Officer, and other named Executive Officers.

Item 11. Security Ownership of Certain Beneficial Owners and Management

Except as indicated below, no person holds 5% or more of the common stock of the Company under a voting trust or similar agreement.

a. Security Ownership of Certain Record (R) and Beneficial Owners (B)

As of February 28, 2025, the following are the Security Ownership of Certain Record and Beneficial Owners of the Company:

Title of Class	Name/Address of Record Owner & Relationship w/ Issuer	Name of Beneficial Ownership & Relationship with Record Owner	Citizenship	Number of Shares Held	Percentage
Common	Anscor Consolidated Corporation 7th Flr, Pacific Star Bldg.,Makati Avenue, Makati City (Subsidiary)	Anscor Consolidated Corporation (Subsidiary)	Filipino	1,272,329,761	42.411%
Common	PCD Nominee Corp. (Non-Filipino) 37th Flr. The Enterprise Center, Inc. Ayala Avenue corner Paseo de Roxas, Makati City (Depository Account)	PCD Nominee Corp. (Non-Filipino) (Depository Account)	Filipino	499,645,439	16.655%
Common	A-Z Asia Limited Philippines, Inc. Barrio Mabacan Calauan, Laguna (Stockholder)	A-Z Asia Limited Philippines, Inc. (Stockholder)	Filipino	161,546,329	5.385%
Common	PCD Nominee Corp. (Filipino) 37th Flr., The Enterprise Center, Inc. Ayala Avenue corner Paseo de Roxas, Makati City (Depository Account)	PCD Nominee Corp (Filipino) (Depository Account)	Filipino	124,987,183	4.166%
Common & Preferred	A. Soriano Corp. Retirement Plan 7th Flr. Pacific Star Bldg., Makati City (Filipino)	A. Soriano Corp. Retirement Plan (Filipino)	Filipino	63,692,335** Common 500,000,000 Preferred	2.123% 16.667%

* Security Ownership percentages include both common and preferred shares.
**Include 7,692,335 shares lodged with PCD Nominee Corp. (Filipino).

Anscor Consolidated Corporation is wholly owned by A. Soriano Corporation, the registrant Company, represented by Mr. Ernest K. Cuyegkeng as Treasurer.

PCD Nominee Corporation, a wholly owned subsidiary of Philippine Central Depository, Inc. ("PCD"), is the registered owner of the shares in the books of the company's transfer agent in the Philippines. The beneficial owners of such shares are PCD's participants, who hold the shares on their behalf or in behalf of their clients of which ATRAM Trust Corporation is the sole owner of more than 5%, specifically 17.558%, which it holds on behalf of Deerhaven, LLC, a company registered in Delaware, USA. Shares owned by Deerhaven, LLC are indirectly owned by Andres Soriano III. PCD is a private company organized by the major institutions actively participating in the Philippine capital markets to implement an automated book-entry system of handling securities transactions in the Philippines.

A-Z Asia Limited Philippines, Inc. is a holding company incorporated in the Philippines on 25 April 2003. Shares owned by A-Z Asia Limited Philippines, Inc. are indirectly owned by Eduardo J. Soriano.

A. Soriano Corporation Retirement Plan (the Plan) is a retirement benefit program established by the Company for the benefit of its employees. The Plan is administered by Trustees who are at the same time employees of the Company.

Other than the above, there are no Stockholders owning more than 5% of the Company's outstanding shares of stock.

The Company is not aware of any material pending legal proceedings to which the Company or any of its subsidiaries is a party.

b. Security Ownership of Certain Beneficial Owners and Management

As of February 28, 2025, the following are the security ownership of the Directors and Officers of the Company:

Narcisa M. Villaflor, Atty. Lorna Patajo-Kapunan, Atty. Joshua L. Castro, Salome M. Buhion and Ma. Victoria L. Cruz do not own shares of the Company.

Title of Class	Name of Beneficial Owner	Amount and Nature Of Security Ownership		Citizenship	Percentage
Common	Andres Soriano III	489,428,270	Direct/Indirect	American	16.314%
Common	Eduardo J. Soriano+	177,285,111	Direct/Indirect	Filipino	5.910%
Common	Oscar J. Hilado	4,520,000	Direct	Filipino	0.151%
Common	William H. Ottiger	20,000	Direct	Swiss	0.001%
Common	Ernest K. Cuyegkeng	20,000	Direct	Filipino	0.001%
Common	Johnson Robert G. Go, Jr.	20,100	Direct	Filipino	0.001%
Common	Camila Maria H. Soriano	20,000	Direct	American	0.001%
Total		671,313,481			22.377%

+ Passed away last February 17, 2025

c. Voting Trust Agreement

The Company does not have any voting trust agreement with any stockholders.

d. Changes in Control

No change in control of the Company occurred since the beginning of the last fiscal year. Management is not aware of any arrangement which may result in a change in control of the Company.

Except as indicated in the above section on Security Ownership of Certain Record and Beneficial Owners, there are no other persons holding 5% or more of the common stock of the Company.

As of February 28, 2025 the foreign ownership level of total outstanding shares is 16.67%.

The Company does not own any other equity securities beneficially owned by its directors.

Item 12. Certain Relationships and Related Transactions

There are no Management transactions during the year or proposed transaction to which the Company was or is to be a party, in which any of its Directors, nominees for election as Directors, Executive Officers, security holders owning more than 5% of the outstanding shares of the Company, or any member of the immediate family of any of the forgoing persons, have or is to have material interest.

Related party relationship exists when the party has the ability to control, directly or indirectly, through one or more intermediaries, or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity and its key management personnel, directors or stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

All related party transactions exceeding P5.0 million in a single transaction or in aggregate transactions within the last 12 months are disclosed to and evaluated by the Related Party Transaction Committee for approval by at least majority of the BOD.

All material related party transactions, representing 10% or more of the consolidated total assets of the Group, shall be approved by at least two-thirds (2/3) vote of the BOD, with at least majority of the independent directors voting to approve the material related party transactions. These transactions shall be disclosed with the SEC.

In the normal course of business, the Group grants/ receives cash advances to/from its associates and affiliates. Related Party transactions are generally settled through cash.

Compensation of the Group’s key management personnel (in millions):

	2024	2023	2022
Short-term employee benefits	**₱200.9**	₱186.9	₱152.2
Retirement benefits	**12.2**	5.1	4.4
Total	**₱213.1**	₱192.0	₱156.6

On March 29, 2023, PDPI sold and issued shares to a key officer representing 3% of its outstanding shares of stock for P35.6 million. At date of sale, the Group recognized the NCI and the related adjustment as a charge against the Additional Paid-in Capital in the consolidated financial statements amounting to P135.0 million.

On November 4, 2019, the Company granted a five-year loan amounting to P363.5 million to A. Soriano Corporation Retirement Plan (the Retirement Plan) at 5% interest per annum. The loan is secured by the Company’s shares of stock held by the Retirement Plan with a fair value of P766.1 million and P652.9 million as at December 31, 2024 and 2023, respectively. On February 28, 2024, the loan term was extended for another nine years effective November 3, 2024.

The balance of the loan, which is presented as "Notes receivable" in the consolidated statements of financial position, amounted to P160.7 million and P198.8 million as at December 31, 2024 and 2023, respectively.

On August 10, 2023, the Company entered into an agreement with AIMP for P218.0 million convertible note ("Note"), with interest rate of 8% per annum. The principal is payable on the third year anniversary of the Note issuance, while the interest is payable monthly. The Notes are convertible on or after the occurrence of an event of default. As at December 31, 2024 there has been no event of default and The Company intends to hold the Note until maturity. Accordingly, the Note was included under "Notes receivable" and accounted for at amortized cost.

PART IV – CORPORATE GOVERNANCE

Item 13. Compliance with Leading Practice on Corporate Governance

As part of the Company's continuing efforts to comply with leading practice on corporate governance, on 10 March 2010, the Company submitted to the SEC and PSE its revised Manual on Corporate Governance in conformity with SEC Memorandum Circular No. 6, Series of 2009. The Manual on Corporate Governance was further revised on 18 February 2011 to comply with additional requirements of the SEC. On 02 July 2014, the Company submitted to the SEC and PSE its Amended Manual on Corporate Governance in conformity with SEC Memorandum Circular No. 9, Series of 2014.

With the promulgation of the Code of Corporate Governance for Publicly Listed Companies under SEC Memorandum Circular No. 19 dated November 22, 2016, the Company submitted to the SEC and PSE its Manual on Corporate Governance in compliance with said Circular. This Manual superseded all previous Manuals on Corporate Governance of the Company including its revisions.

All the revisions to the Manual on Corporate Governance are discussed and deliberated upon by the Board of Directors prior to its approval and subsequent submission to the SEC.

The Board of Directors and Management evaluates on an annual basis, the Company's compliance with the Manual on Corporate Governance. The different Board Committees also evaluate the level of compliance with the Manual on Corporate Governance.

The Company continues to improve its systems and processes to enhance adherence and fully comply with leading practices on good corporate governance. These improvements are contained in the Company's Integrated Annual Corporate Governance Report and updates thereto to be submitted to the SEC yearly. Further, Directors of the Company are required, before assuming office and annually thereafter, to attend a seminar on Corporate Governance conducted by a duly recognized private or government institution.

Likewise, following SEC's thrust to promote a better corporate governance environment, the Company complied with SEC Memorandum Circular No. 11, Series of 2014, which provides for template for publicly-listed companies' websites. The Company's website contains all the items indicated in said Circular.

As of February 24, 2025, there were no deviations from the Company's Manual on Corporate Governance.

PART V - EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

(a) Exhibits

Exhibit	(1)	Plan of Acquisition, Reorganization, Arrangement, Liquidation, or Succession	NA
Exhibit	(2)	Instruments Defining the Rights of Security Holders, Including Indentures	BY-LAWS
Exhibit	(3)	Voting Trust Agreement	NA
Exhibit	(4)	Annual Report to Security Holders, Form 17-Q or Quarterly Report to Security Holders	INFORMATION, STATEMENT ANNUAL REPORT & FORM 17-Q
Exhibit	(5)	Letter re: Change in Certified Public Accountant	NA
Exhibit	(6)	Letter re: Change in Accounting Principles	NA
Exhibit	(7)	Report Furnished to Security Holders	ANNUAL REPORT & FORM 17-Q
Exhibit	(8)	Subsidiaries of the Registrant	LIST OF SUBSIDIARIES FINANCIAL STATEMENTS OF SIGNIFICANT FOREIGN SUBSIDIARIES
Exhibit	(9)	Published Report Regarding Matters Submitted to Vote of Security Holders	NA
Exhibit	(10)	Consents of Experts and Independent Counsel	NA
Exhibit	(11)	Power of Attorney	NA
Exhibit	(12)	Additional Exhibits	2024 Sustainability Report

(b) SEC Form 17-C

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on February 24, 2025.

Andres Soriano III Chairman and Chief Executive Officer	Date	**William H. Ottiger** President and Chief Operations Officer	Date
Narcisa M. Villaflor Vice President and Comptroller/Treasurer	Date	**Salome M. Buhion** Assistant Vice President	Date
Atty. Lorna Kapunan Corporate Secretary	Date		

SUBSCRIBED AND SWORN to before me this 24th day of February 2025, affiants exhibited to me the following:

NAMES	PASSPORT NO. GOV'T ISSUED ID	DATE OF ISSUE	PLACE OF ISSUE
Andres Soriano III	A04490182	12-04-2023	USA
William H. Ottiger	X0C50P61	09-15-2023	Switzerland
Narcisa M. Villaflor	P8592511A	09-04-2018	DFA NCR West
Salome M. Buhion	P9335323A	10-28-2018	DFA NCR Northeast
Atty. Lorna Kapunan	P7585527B	09-13-2021	DFA Manila

Doc. No. 196;
Page No. 41;
Book No. IV;
Series of 2025

ENRICO MIGUEL D. DIZON
Appointment No. M-459
Notary Public for Makati City
Until December 31, 2025
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 85474
PTR No. 10468809/Makati City/01-03-2025
IBP No. 510901/Makati City/12-17-2024
Admitted to the bar in 2023

A. SORIANO CORPORATION
INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
SEC FORM 17-A

A. SORIANO CORPORATION
INDEX TO EXHIBITS

Instruments Defining the Rights of Security Holders, Including Indentures	BY-LAWS
Annual Report to Security Holders, Form 17-Q or Quarterly Report to Security Holders Report Furnished to Security Holders	ANNUAL REPORT INFORMATION STATEMENT & FORM 17-Q
Subsidiaries of the Registrant	LIST OF SUBSIDIARIES FINANCIAL STATEMENTS OF SIGNIFICANT FOREIGN SUBSIDIARIES
Additional Exhibits	2024 SUSTAINABILITY REPORT

A. SORIANO CORPORATION
SEC FORM 17-C

The following is a summary of submissions of SEC Form 17-C filed during the year 2024:

February 28, 2024	SEC 17-C Item 9 - Notice of 2024 Annual Stockholders Meeting and Declaration of Cash Dividend
April 17, 2024	SEC 17-C Item 4 - Resignation, Removal or Election of Registrant's Directors & Officers Item 9 – Other Event
October 29, 2024	SEC 17-C Item 9 - Declaration of Special Cash Dividend
November 13, 2024	SEC 17-C Item 9 – Other Event Acquisition of Minority Stake in TBG Food Holdings, Inc.
November 14, 2024	SEC 17-C Item 9 – Other Event Acquisition of shares of stock in TBG Food Holdings, Inc.

A. SORIANO CORPORATION

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of A. Soriano Corporation is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2024, and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

ANDRES SORIANO III	**WILLIAM H. OTTIGER**	**NARCISA M. VILLAFLOR**
Chairman &	President &	Vice President
Chief Executive Officer	Chief Operations Officer	Comptroller/Treasurer

Signed this 24th day of February 2025

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

SUBSCRIBED AND SWORN to before me this 24th day of February 2025, affiants exhibited to me the following:

Andres Soriano III	A04490182	December 4, 2023 to December 3, 2033 / USA
William H. Ottiger	X0C50961	September 15, 2023 to September 14, 2033 / Switzerland
Narcisa M. Villaflor	P8592511A	September 4, 2018 to September 3, 2028 / DFA NCR West

Doc. No. 197
Page No. 41
Book No. IV
Series of 2025

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PTR No. 10468809/Makati City/01-03-2025
IBP No. 510901/Makati City/12-17-2024
Admitted to the bar in 2023

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
A. Soriano Corporation
7th Floor, Pacific Star Building,
Makati Avenue corner Gil Puyat Avenue Extension
Makati City

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

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

Valuation of Unquoted Equity Instruments

As at December 31, 2024, the Group has unquoted equity investments classified as financial assets through profit or loss, with carrying value of ₱3,017.6 million and accounts for 9% of the consolidated total assets. We considered the valuation of these unquoted equity investments as a key audit matter because of the materiality of the amount involved and it is inherently subjective as it involves the use of valuation inputs that are not market observable. Management also applied judgment in selecting the valuation technique and the assumptions to be used.

The Group's disclosures about its equity investments are included in Notes 9 and 29 to the consolidated financial statements.

Audit Response

We involved our internal specialist in evaluating the valuation techniques and inputs and the other assumptions used. These assumptions include discount rates, revenue growth rates and comparable companies. In testing the discount rates, we performed independent testing of the determination of discount rates using market-based parameters. For investments valued using the income approach, we compared the revenue growth rates to the historical performance of the investment and the industry/market outlook. For investments valued under the market approach, we assessed the comparable companies used in the valuation and confirmed factors such as additional funding of the investee that would warrant the change in market value of the investments. For private equity fund investments valued using the cost approach (adjusted net asset value method), we evaluated the competence, capabilities and objectivity of the investment managers by considering their qualifications, experience and reporting responsibilities. We also inspected the latest available financial information of the investees and evaluated whether the financial information used reflect the fair values of the investee's assets and liabilities. In addition, we reviewed the Group's disclosures about those assumptions to which the outcome of the valuation is most sensitive; specifically, those that have the most significant effect on the determination of the fair value of the unquoted equity investments.

Other Information

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Dhonabee B. Señeres.

SYCIP GORRES VELAYO & CO.

Dhonabee B. Señeres
Partner
CPA Certificate No. 97133
Tax Identification No. 201-959-816
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-098-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465385, January 2, 2025, Makati City

February 24, 2025

A. SORIANO CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Note 8)	**₱3,437,652,253**	₱3,119,340,010
Fair value through profit or loss (FVPL) investments (Note 9)	**15,413,782,486**	13,094,238,353
Receivables (Note 10)	**2,388,293,104**	2,167,277,147
Inventories (Note 11)	**2,114,682,730**	1,757,321,449
Prepayments	**105,429,766**	404,675,288
Other current assets (Note 25)	**363,376,432**	267,923,491
Total Current Assets	**23,823,216,771**	20,810,775,738
Noncurrent Assets		
Fair value through other comprehensive income (FVOCI) investments (Note 12)	**15,599,929**	57,636,746
Notes receivable (Note 27)	**388,102,184**	416,774,404
Investments and advances (Note 13)	**1,973,377,995**	337,543,710
Goodwill (Note 7)	**1,302,276,264**	1,302,276,264
Property and equipment (Notes 14 and 19)	**3,967,421,731**	3,784,758,702
Investment properties (Note 15)	**259,799,808**	463,590,308
Retirement plan asset - net (Note 24)	**259,765,436**	179,367,643
Deferred income tax assets - net (Note 25)	**85,322,869**	118,241,184
Right-of-use assets (Note 30)	**39,116,004**	52,522,610
Deposits to suppliers	**63,201,286**	40,631,154
Other noncurrent assets (Note 16)	**131,906,165**	128,484,202
Total Noncurrent Assets	**8,485,889,671**	6,881,826,927
TOTAL ASSETS	**₱32,309,106,442**	₱27,692,602,665

LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses (Note 18)	**₱1,277,263,014**	₱1,149,206,028
Notes payable (Note 17)	**670,000,000**	–
Current portion of long-term debt (Notes 14 and 19)	**104,545,455**	–
Current portion of lease liabilities (Note 30)	**468,580**	18,763,285
Dividends payable (Note 20 and 29)	**608,871,296**	570,375,761
Income tax payable	**60,404,682**	77,027,664
Total Current Liabilities	**2,721,553,027**	1,815,372,738

(Forward)

	December 31	
	2024	2023
Noncurrent Liabilities		
Lease liabilities - net of current portion (Note 30)	**₱37,403,503**	₱35,296,241
Long-term debt - net of current portion (Notes 14 and 19)	**675,454,545**	1,000,000,000
Deferred income tax liabilities - net (Note 25)	**539,434,622**	493,566,194
Retirement benefits payable - net (Note 24)	**19,350,778**	22,609,622
Other noncurrent liabilities (Note 16)	**377,256,323**	337,789,880
Total Noncurrent Liabilities	**1,648,899,771**	1,889,261,937
Total Liabilities	**4,370,452,798**	3,704,634,675
Equity Attributable to Equity Holders of the Parent (Note 20)		
Capital stock	**2,505,000,000**	2,505,000,000
Additional paid-in capital (Note 27)	**1,724,358,371**	1,724,358,371
Cumulative translation adjustment	**257,763,444**	167,266,370
Net unrealized valuation gains on FVOCI investments (Note 12)	**280,554**	605,619
Remeasurement gain on retirement benefits (Note 24)	**129,360,369**	84,220,038
Retained earnings (Note 20):		
Appropriated	**7,150,000,000**	7,150,000,000
Unappropriated	**17,957,369,966**	14,196,742,307
Cost of shares held by a subsidiary (1,272,429,761 shares in 2024 and 2023), (Note 20)	**(2,655,215,372)**	(2,655,215,372)
	27,068,917,332	23,172,977,333
Noncontrolling Interests (Notes 3 and 27)	**869,736,312**	814,990,657
Total Equity	**27,938,653,644**	23,987,967,990
TOTAL LIABILITIES AND EQUITY	**₱32,309,106,442**	₱27,692,602,665

See accompanying Notes to Consolidated Financial Statements.

A. SORIANO CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2024	2023	2022
REVENUES			
Sale of goods - net (Note 5)	**₱11,200,557,895**	₱10,147,489,118	₱10,727,755,227
Services (Notes 5 and 30)	**1,762,935,264**	1,709,328,620	1,292,106,914
Dividend income (Note 9)	**389,344,319**	368,356,295	295,306,868
Interest income (Note 23)	**104,266,922**	91,870,114	67,461,869
	13,457,104,400	12,317,044,147	12,382,630,878
INVESTMENT GAINS (LOSSES)			
Gain (loss) on increase (decrease) in market values of FVPL investments - net (Notes 9 and 29)	**3,264,538,109**	1,476,197,600	(994,108,320)
Gain on sale of investment properties and long-term investments - net (Notes 13 and 15)	**61,239,464**	–	–
Gain (loss) on sale of FVOCI investments - net (Note 12)	**1,013,583**	(3,496,596)	764,165
Gain on sale of noncurrent asset held for sale (Note 13)	**–**	–	2,208,757,397
	3,326,791,156	1,472,701,004	1,215,413,242
EQUITY IN NET EARNINGS ON INVESTMENTS IN ASSOCIATES (Note 13)	**33,837,226**	8,742,755	26,639,523
TOTAL	**16,817,732,782**	13,798,487,906	13,624,683,643
Cost of goods sold (Note 21)	**(9,547,615,554)**	(8,470,102,746)	(9,048,418,434)
Cost of services rendered (Note 21)	**(577,987,248)**	(535,493,389)	(404,526,169)
Operating expenses (Note 21)	**(1,777,807,868)**	(1,737,010,603)	(1,373,857,309)
Interest expense (Note 23)	**(69,405,706)**	(62,479,987)	(4,687,677)
Foreign exchange gain (loss) - net	**137,971,808**	(26,915,621)	282,751,590
Other income - net (Note 23)	**191,594,949**	50,710,170	22,251,511
INCOME BEFORE INCOME TAX	**5,174,483,163**	3,017,195,730	3,098,197,155
PROVISION FOR INCOME TAX (Note 25)	**379,667,171**	368,000,045	242,155,199
NET INCOME	**4,794,815,992**	2,649,195,685	2,856,041,956
OTHER COMPREHENSIVE LOSS			
Other comprehensive gain (loss) to be reclassified to profit or loss in subsequent periods:			
Unrealized valuation gain (loss) on FVOCI investments (Note 12)	**580,162**	1,556,140	(3,845,678)
Income tax effect	**(145,041)**	(389,035)	961,420
	435,121	1,167,105	(2,884,258)

(Forward)

	Years Ended December 31		
	2024	2023	2022
Realized gains on FVOCI investments recognized in profit or loss (Note 12)	**(₱1,013,583)**	₱3,496,596	(₱764,165)
Income tax effect	**253,397**	(874,149)	191,041
	(760,186)	2,622,447	(573,124)
	(325,065)	3,789,552	(3,457,382)
Cumulative translation adjustment	**90,497,074**	(11,750,818)	(47,156,996)
	90,172,009	(7,961,266)	(50,614,378)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gain (loss) on retirement benefits (Note 24)	**60,187,107**	39,728,979	(27,918,980)
Income tax effect	**(15,046,776)**	(9,932,245)	6,686,112
	45,140,331	29,796,734	(21,232,868)
OTHER COMPREHENSIVE INCOME (LOSS)	**135,312,340**	21,835,468	(71,847,246)
TOTAL COMPREHENSIVE INCOME	**₱4,930,128,332**	₱2,671,031,153	₱2,784,194,710
Net Income Attributable to:			
Equity holders of the Parent	**₱4,681,330,337**	₱2,552,017,982	₱2,800,557,660
Noncontrolling interests	**113,485,655**	97,177,703	55,484,296
	₱4,794,815,992	₱2,649,195,685	₱2,856,041,956
Total Comprehensive Income Attributable to:			
Equity holders of the Parent	**₱4,816,642,677**	₱2,573,853,450	₱2,728,710,414
Noncontrolling interests	**113,485,655**	97,177,703	55,484,296
	₱4,930,128,332	₱2,671,031,153	₱2,784,194,710
Earnings Per Share			
Basic/diluted, for net income attributable to equity holders of the Parent (Note 26)	**₱3.81**	₱2.08	₱2.28
Basic/diluted, for total comprehensive income attributable to equity holders of the Parent (Note 26)	**₱3.92**	₱2.10	₱2.22

See accompanying Notes to Consolidated Financial Statements.

A. SORIANO CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Equity Attributable to Equity Holders of the Parent (Note 20)				
	Capital Stock	Additional Paid-in Capital	Cumulative Translation Adjustment	Unrealized Valuation Gains (Losses) on FVOCI Investments (Note 12)	Remeasurement on Retirement Benefits (Note 24)
BALANCES AT DECEMBER 31, 2021	**₱2,505,000,000**	**₱1,859,383,287**	**₱226,174,184**	**₱273,449**	**₱75,656,172**
Net income	–	–	–	–	–
Other comprehensive income (loss)	–	–	(47,156,996)	(3,457,382)	(21,232,868)
Total comprehensive income (loss) for the year	–	–	(47,156,996)	(3,457,382)	(21,232,868)
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱1,272.4 million (Note 20)	–	–	–	–	–
Movement in noncontrolling interests	–	–	–	–	–
BALANCES AT DECEMBER 31, 2022	**2,505,000,000**	**1,859,383,287**	**179,017,188**	**(3,183,933)**	**54,423,304**
Net income	–	–	–	–	–
Other comprehensive income (loss)	–	–	(11,750,818)	3,789,552	29,796,734
Total comprehensive income (loss) for the year	–	–	(11,750,818)	3,789,552	29,796,734
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱1,272.4 million (Note 20)	–	–	–	–	–
Movement in noncontrolling interests	–	(135,024,916)	–	–	–
BALANCES AT DECEMBER 31, 2023	**2,505,000,000**	**1,724,358,371**	**167,266,370**	**605,619**	**84,220,038**
Net income	–	–	–	–	–
Other comprehensive loss	–	–	90,497,074	(325,065)	45,140,331
Total comprehensive income (loss) for the year	–	–	90,497,074	(325,065)	45,140,331
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱954.3 million (Note 20)	–	–	–	–	–
Movement in noncontrolling interests	–	–	–	–	–
BALANCES AT DECEMBER 31, 2024	**₱2,505,000,000**	**₱1,724,358,371**	**₱257,763,444**	**₱280,554**	**₱129,360,369**

See accompanying Notes to Consolidated Financial Statements.

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Equity Attributable to Equity Holders of the Parent (Note 20)						
		Retained Earnings		Cost of Shares Held by a		Noncontrolling	
	Subtotal*	Appropriated	Unappropriated	Subsidiary	Total	Interests	Total
BALANCES AT DECEMBER 31, 2021	**₱4,666,487,092**	**₱7,150,000,000**	**₱11,299,307,145**	**(₱2,655,215,372)**	**₱20,460,578,865**	**₱596,527,599**	**₱21,057,106,464**
Net income		–	2,800,557,660	–	2,800,557,660	55,484,296	2,856,041,956
Other comprehensive income (loss)	(71,847,246)	–	–	–	(71,847,246)	–	(71,847,246)
Total comprehensive income (loss) for the year	(71,847,246)	–	2,800,557,660	–	2,728,710,414	55,484,296	2,784,194,710
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱1,272.4 million (Note 20)	–	–	(1,227,570,239)	–	(1,227,570,239)	–	(1,227,570,239)
Movement in noncontrolling interests	–	–	–	–	–	(726)	(726)
BALANCES AT DECEMBER 31, 2022	**4,594,639,846**	**7,150,000,000**	**12,872,294,566**	**(2,655,215,372)**	**21,961,719,040**	**652,011,169**	**22,613,730,209**
Net income		–	2,552,017,982	–	2,552,017,982	97,177,703	2,649,195,685
Other comprehensive income (loss)	21,835,468	–	–	–	21,835,468	–	21,835,468
Total comprehensive income (loss) for the year	21,835,468	–	2,552,017,982	–	2,573,853,450	97,177,703	2,671,031,153
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱1,272.4 million (Note 20)	–	–	(1,227,570,241)	–	(1,227,570,241)	–	(1,227,570,241)
Movement in noncontrolling interests	(135,024,916)	–	–	–	(135,024,916)	65,801,785	(69,223,131)
BALANCES AT DECEMBER 31, 2023	**4,481,450,398**	**7,150,000,000**	**14,196,742,307**	**(2,655,215,372)**	**23,172,977,333**	**814,990,657**	**23,987,967,990**
Net income		–	4,681,330,337	–	4,681,330,337	113,485,655	4,794,815,992
Other comprehensive loss	135,312,340	–	–	–	135,312,340	–	135,312,340
Total comprehensive income (loss) for the year	135,312,340	–	4,681,330,337	–	4,816,642,677	113,485,655	4,930,128,332
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱954.3 million (Note 20)	–	–	(920,702,678)	–	(920,702,678)	–	(920,702,678)
Movement in noncontrolling interests	–	–	–	–	–	(58,740,000)	(58,740,000)
BALANCES AT DECEMBER 31, 2024	**₱4,616,762,738**	**₱7,150,000,000**	**₱17,957,369,966**	**(₱2,655,215,372)**	**₱27,068,917,332**	**₱869,736,312**	**₱27,938,653,644**

See accompanying Notes to Consolidated Financial Statements.

**Subtotal for the numbers of the five columns appearing on previous page*

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱5,174,483,163**	₱3,017,195,730	₱3,098,197,155
Adjustments for:			
Loss (gain) on sale/disposal of:			
Investment properties and long-term investment (Notes 13 and 15)	**(61,239,464)**	–	–
Property and equipment (Note 23)	**(7,278,291)**	(1,227,513)	69,643
FVOCI investments (Note 12)	**(1,013,583)**	3,496,596	(764,165)
Noncurrent asset held for sale (Note 13)	**–**	–	(2,208,757,397)
Loss (gain) on decrease (increase) in market values of FVPL investments - net (Note 9)	**(3,264,538,109)**	(1,476,197,600)	994,108,320
Depreciation and amortization (Note 21)	**445,292,030**	366,992,689	324,387,794
Dividend income (Note 9)	**(389,344,319)**	(368,356,295)	(295,306,868)
Interest income (Note 23)	**(104,266,922)**	(91,870,114)	(67,461,869)
Expected credit losses (recoveries) - net (Note 23)	**(89,256,318)**	1,331,205	825,054
Unrealized foreign exchange losses (gains) - net	**(80,379,718)**	8,951,986	(122,004,309)
Interest expense (Note 23)	**69,405,706**	62,479,987	4,687,677
Equity in net earnings on investments in associates (Note 13)	**(33,837,226)**	(8,742,755)	(26,639,523)
Reversal of impairment loss on investment properties (Note 23)	**(24,812,188)**	–	–
Retirement benefit costs (Note 24)	**11,262,342**	14,511,904	14,690,747
Operating income before working capital changes	**1,644,477,103**	1,528,565,820	1,716,032,259
Decrease (increase) in:			
FVPL investments	**1,094,512,060**	414,355,569	(1,212,179,031)
Receivables	**(132,864,698)**	65,998,787	(473,640,997)
Inventories	**(357,361,281)**	(62,282,308)	(69,913,940)
Prepayments and other current assets	**284,811,566**	(245,079,795)	(160,925,805)
Increase (decrease) in accounts payable and accrued expenses	**77,824,386**	(49,577,546)	396,771,041
Cash generated from operations	**2,611,399,136**	1,651,980,527	196,143,527
Income taxes paid	**(411,472,508)**	(339,909,404)	(388,546,682)
Dividends received	**389,344,319**	395,815,542	317,558,427
Interest received	**102,057,712**	88,226,867	91,022,401
Interest paid	**(9,207,647)**	(1,844,780)	(2,308,186)
Retirement benefit contributions and payments (Note 24)	**(34,620,089)**	(49,121,218)	(26,034,885)
Net cash flows from operating activities	**2,647,500,923**	1,745,147,534	187,834,602

(Forward)

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of:			
Investment properties (Note 15)	**₱283,035,714**	₱–	₱–
FVOCI investments (Note 12)	**43,254,877**	59,408,143	31,323,320
Property and equipment (Note 14)	**28,194,421**	4,378,512	2,862,322
Long-term investments (Note 13)	**500,000**	–	–
Noncurrent asset held-for-sale (Note 13)	–	–	1,974,595,600
Additions to:			
Investment in associate (Note 13)	**(1,602,700,000)**	–	–
Property and equipment (Notes 14 and 33)	**(613,816,683)**	(1,172,746,968)	(656,264,596)
Computer software (Note 16)	**(2,303,814)**	(7,036,767)	–
Investment properties (Note 15)	**(5,050,000)**	(6,217,326)	(6,607,517)
Notes receivable	–	(218,000,000)	–
FVOCI investments (Note 12)	–	(73,738,727)	(26,887,859)
Redemption of preferred shares	**7,072,315**	–	–
Collection from (advances to) affiliates (Notes 13 and 27)	**(69,374)**	771,097	(958,492)
Decrease on investments at equity (Note 13)	–	–	234,161,796
Increase in other noncurrent assets	**14,711,638**	–	(167,166,153)
Net cash flows from (used in) investing activities	**(1,847,170,906)**	(1,413,182,036)	1,385,058,421
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from (Note 31):			
Notes Payable (Note 17)	**670,000,000**	–	–
Long-term debt (Note 19)	–	1,000,000,000	–
Payments of (Note 31):			
Dividends (Note 20)	**(840,207,145)**	(1,103,154,257)	(1,189,139,632)
Long-term debt (Note 19)	**(220,000,000)**	–	(75,714,286)
Interest on long term-debt (Note 19)	**(63,441,841)**	(42,917,505)	–
Lease liabilities (Note 30)	**(24,336,110)**	(15,886,869)	(17,416,249)
Notes payable (Note 17)	–	–	(23,166,200)
Dividends paid to noncontrolling interest - net (Notes 20 and 27)	**(58,740,000)**	(69,176,769)	–
Advances from affiliates (Note 13)	**44,000,020**	76,700,001	29,791,998
Net cash flows used in financing activities	**(492,725,076)**	(154,435,399)	(1,275,644,369)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**307,604,941**	177,530,099	297,248,654
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**10,707,302**	(6,591,744)	(78,077,395)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**3,119,340,010**	2,948,401,655	2,729,230,396
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 8)	**₱3,437,652,253**	₱3,119,340,010	₱2,948,401,655

See accompanying Notes to Consolidated Financial Statements.

A. SORIANO CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information and Authorization for Issuance of the Consolidated Financial Statements

Corporate Information

A. Soriano Corporation (Anscor or the Company) was registered with the Philippine Securities and Exchange Commission (SEC) on February 13, 1930 to, among others, act as agent or representative of corporations, partnerships or individuals whether residing here or abroad; to buy, retain, possess shares of stock, franchises, patents of any person or entity and to issue shares of stock, bonds or other obligations for the payment of articles or properties acquired by the Company; and to buy or acquire all or part of the property, assets, business and clientele of any person, corporation or partnership, managing the properties or businesses so purchased or acquired and exercising all the powers necessary and convenient for the management and development of the said properties or businesses.

The Company is incorporated and domiciled in the Philippines whose shares are publicly traded.

The registered office address of the Company is at 7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City, Philippines.

Authorization for Issuance of the Consolidated Financial Statements

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were authorized for issue by the Board of Directors (BOD) on February 24, 2025.

2. Basis of Preparation and Changes in Accounting Policies and Disclosures

Basis of Preparation and Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards and on a historical cost basis, except for investments in debt and equity securities that have been measured at fair value. The consolidated financial statements are presented in Philippine pesos (Peso), which is the Company’s functional and presentation currency. Amounts are presented to the nearest Peso unless otherwise stated.

New Standards, Interpretations and Amendments

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

Adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

  The amendments clarify:
  - That only covenants with which an entity must comply on or before reporting date will affect a liability’s classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*
  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Standards Issued but not yet Effective
Pronouncements issued but not yet effective are listed below. The Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group will adopt the applicable pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027
- PFRS 18, *Presentation and Disclosure in Financial Statements*

  The standard replaces PAS 1, *Presentation of Financial Statements*, and responds to investors' demand for better information about companies' financial performance. The new requirements include:
  - Required totals, subtotals and new categories in the statement of profit or loss
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

  The Group is currently assessing the impact of amendments on current practice.

- PFRS 19, *Subsidiaries without Public Accountability*

  The standard allows eligible entities to elect to apply PFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS accounting standards. The application of the standard is optional for eligible entities. The Group will evaluate to determine the eligible entities and the appropriate option to take.

Deferred effectivity
- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

3. Basis of Consolidation and Summary of Material Accounting and Financial Reporting Policies

Basis of Consolidation

The consolidated financial statements of the Group comprise the financial statements of the Company and the following subsidiaries as at December 31:

		Percentage of Ownership		
	Nature of Business	**2024**	2023	2022
A Soriano Air Corporation (ASAC, Note 30)	Services/Rental	**100**	100	100
Pamalican Island Holdings, Inc. (PIHI)	Investment Holding	**62**	62	62
Island Aviation, Inc. (IAI, Note 30)	Air Transport	**62**	62	62
Anscor Consolidated Corporation (Anscorcon)	Investment Holding	**100**	100	100
Anscor Holdings, Inc. (AHI, Note 30)	Real Estate Holding	**100**	100	100
Akapulko Holdings, Inc.	Real Estate Holding	**100**	100	100
Lakeroad Corporation	Real Estate Holding	**100**	100	100
Mainroad Corporation	Real Estate Holding	**100**	100	100
Makatwiran Holdings, Inc.	Real Estate Holding	**100**	100	100
Makisig Holdings, Inc.	Real Estate Holding	**100**	100	100
Malikhain Holdings, Inc.	Real Estate Holding	**100**	100	100
Mountainridge Corporation	Real Estate Holding	**100**	100	100
Rollingview Corporation	Real Estate Holding	**100**	100	100
Timbercrest Corporation	Real Estate Holding	**100**	100	100
Anscor International, Inc. (AI, Note 13)	Investment Holding	**100**	100	100
IQ Healthcare Investments Limited(IQHIL)	Holding	**100**	100	100
IQ Healthcare Professional Connection, LLC (IQHPC) (inactive)	Manpower Services	**93**	93	93
Phelps Dodge International Philippines, Inc. (PDIPI, Notes 7 and 30)*	Investment Holding	**97**	97	100
Minuet Realty Corporation (Minuet, Note 7)	Landholding	**97**	97	100
Phelps Dodge Philippines Energy Products Corporation (PDP Energy, Notes 7 and 30)	Wire Manufacturing	**97**	97	100
PD Energy International Corporation (PDEIC, Note 7)	Wire Manufacturing	**97**	97	100
Summerside Corp. (Summerside)	Investment Holding	**100**	100	100
Sutton Place Holdings, Inc. (Sutton)	Investment Holding	**100**	100	100
AFC Agribusiness Corporation (AAC, Note 15)	Real Estate Holding	**81**	81	81
Seven Seas Resorts and Leisure, Inc. (SSRLI, Notes 7 and 30)	Villa Project Development	**62**	62	62
Pamalican Resort, Inc. (PRI, Notes 7 and 30)	Resort Operations	**62**	62	62
Pamalican Utilities, Inc. (PUI)	Utility Company	**62**	62	62

**On March 31, 2023, PDPI issued new shares representing 3% of its total equity interest (see Note 27).*

Except for AI and its subsidiaries, all the companies above are based in the Philippines. The principal business location of AI and IQHIL is in the British Virgin Islands (BVI), while IQHPC is based in the United States of America (USA).

Material Partly-Owned Subsidiaries

Set out below are the summarized financial information of entities that have noncontrolling interest (NCI) that is material to the Group. The amounts disclosed are based on those included in the consolidated financial statements before intercompany eliminations.

(SSRLI and Subsidiaries)

Significant details of the statements of financial position and statements of comprehensive income of SSRLI and Subsidiaries are presented below as at and for the years ended December 31 (in millions):

Statements of Financial Position:	**2024**	2023
Current assets	**₱1,151.6**	₱1,144.6
Noncurrent assets	**1,039.3**	914.8
Current liabilities	**746.9**	694.8
Noncurrent liabilities	**105.8**	104.5
Equity	**1,338.2**	1,260.1
Equity attributable to NCI	**535.5**	505.9

Statements of Comprehensive Income:	**2024**	2023
Revenue	**₱1,457.7**	₱1,453.8
Income before tax	**221.1**	222.1
Net income	**198.6**	202.7
Other comprehensive income (loss)	**(0.6)**	0.6
Total comprehensive income	**198.0**	203.3
Total comprehensive income allocated to NCI during the year	**74.9**	76.6

Statements of Cash Flows:	**2024**	2023
Cash flows from operations	**₱551.4**	₱412.3
Cash flows used in investing activities	**(222.0)**	(152.9)
Cash flows used in financing activities	**(202.4)**	(260.0)

(PDIPI and Subsidiaries)

Significant details of the statements of financial position and statements of comprehensive income of PDIPI and Subsidiaries are presented below as at and for the years ended December 31 (in millions):

Statements of Financial Position:	**2024**	2023
Current assets	**₱5,720.9**	₱5,309.6
Noncurrent assets	**1,322.4**	1,171.1
Current liabilities	**446.4**	376.7
Noncurrent liabilities	**45.4**	58.5
Equity	**6,551.5**	6,045.5
Equity attributable to NCI	**197.4**	182.2

Statements of Comprehensive Income:	**2024**	2023
Revenue	**₱11,239.3**	₱10,193.5
Income before tax	**1,267.8**	1,250.6
Net income	**957.3**	963.5
Other comprehensive income	**(1.3)**	3.2
Total comprehensive income	**956.4**	955
Total comprehensive income allocated to NCI during the year	**28.7**	22.1

Statements of Cash Flows:	**2024**	2023
Cash flows from operations	**₱867**	₱764
Cash flows used in investing activities	**321**	344
Cash flows used in financing activities	**1,416.7**	1,333.7

Subsidiaries are all entities over which the Group has control.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins from the date of acquisition, being the date on which control is transferred to the Group and continue to be consolidated until the date that such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

NCI represent a portion of profit or loss and net assets of subsidiaries not held by the Group, directly or indirectly, and are presented separately in the consolidated statement of comprehensive income and within the equity section in the consolidated statements of financial position and consolidated statement of changes in equity, separately from the Company's equity.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control of the subsidiary are accounted for as equity transactions.

When the proportion of the equity held by the NCI changes, the Group adjusts the carrying amount of the controlling and noncontrolling interests to reflect the changes in their relative interests in the subsidiary. The Group recognizes directly in equity (i.e., Additional Paid-in Capital) any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any noncontrolling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Investments in Associates

The Group holds interest in entities over which it has significant influence and are accounted for as investments in associates using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

After application of the equity method, the Group determines whether objective evidence that the investment in associate is impaired and recognizes an impairment loss if the recoverable amount exceeds the carrying value. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Any loss or reversal is recognized under “Equity in net earnings on investments in associates” in the consolidated statement of comprehensive income.

The reporting dates of the associates of the Group are identical and the associates’ accounting policies conform to those used by the Group for like transactions and events in similar circumstances. Accordingly, no adjustments are made when measuring and recognizing the Group’s share of the profit or loss of the investees after the date of acquisition.

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

The following are the Group’s associates as at December 31:

		Percentage of Ownership		
	Nature of Business	**2024**	2023	2022
Vicinetum Holdings, Inc. (VHI)	Investment Holding	**32**	32	32
Prople Limited (Note 13)	Business Process Outsourcing	**32**	32	32
Fremont Holdings, Inc. (FHI, Note 13)	Real Estate Holding	**26**	26	26
ATRAM Investment Management Partners Corp. (AIMP, Note 13)	Asset Management	**20**	20	20
TBG Food Holdings. Inc.*	Food and Related Industries	**22**	–	–

** In November 13, 2024, the Group bought 22% stake in TBG Food Holdings, Inc. (TBG) for a total consideration of ₱1,609.3 million (see Note 13).*

The principal business location of the associates is located in the Philippines.

<u>Business Combinations and Goodwill</u>
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and financial liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as of the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for noncontrolling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in the consolidated profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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

Foreign Currency Translation
Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in Peso based on the exchange rate recorded at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing exchange rate at the end of reporting period. All differences are taken to the consolidated profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as of the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the closing exchange rates at the date when the fair value was determined. Foreign exchange gains and losses relating to FVPL investments are recognized in the consolidated profit or loss.

Financial statements of consolidated foreign subsidiaries which are considered foreign entities are translated into the presentation currency of the Group (Peso) at the closing exchange rate at the end of reporting period and their statements of profit or loss are translated using the monthly weighted average exchange rates for the year. The exchange differences arising from the translation are taken directly to a separate component of equity (under Cumulative translation adjustment). On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the consolidated profit or loss.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Fair Value Measurement
The Group measures financial assets, such as fair value through profit or loss (FVPL) investments and fair value through other comprehensive income (FVOCI) investments, at fair value at each balance sheet date. Also, fair values of investment properties are disclosed.

Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For certain unquoted investments, the Group also makes use of the report of the fund managers in developing assumptions and estimating the fair value.

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

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

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

The Group's management determines the policies and procedures for both recurring fair value measurement, such as unquoted FVPL financial assets, and for non-recurring fair value measurement.

External valuers (e.g., appraisers and fund managers) are involved for valuation of significant assets, such as investment properties and certain unquoted securities. Involvement of external valuers is decided upon annually by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or reassessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents with relevant external sources to determine whether the change is reasonable.

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

Financial Instruments

Initial recognition and measurement of financial instruments
At initial recognition, financial assets are classified as, and measured at amortized cost, FVOCI, and FVPL. Financial liabilities are classified at initial recognition as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Classification of financial instruments
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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

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

As at December 31, 2024 and 2023, the Group has the following categories of financial assets and financial liabilities:

(a) Financial assets at FVPL

This category includes financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets classified in this category may be designated by management on initial recognition when the following criteria are met:

- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognizing gains or losses on them on a different basis; or
- The assets are part of a group of financial assets or both which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The financial instrument contains an embedded derivative, unless the embedded derivative does not significantly modify the cash flows or it is clear, with little or no analysis, that it would not be separately recorded.

Derivatives recorded at FVPL
The Group has certain derivatives that are embedded in host financial contracts, such as structured notes and debt investments and conversion. These embedded derivatives include calls and puts in debt investments and interest rate and conversion options, among others.

A derivative embedded in a hybrid contract, with a financial liability or nonfinancial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at FVPL. Embedded derivatives are measured at fair value with changes in fair value recognized in the consolidated profit or loss. Reassessment occurs only if there is either a change in the terms of the contract that significantly modifies the cash flows that would be otherwise be required or a reclassification of a financial asset out of the FVPL category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at FVPL.

Financial assets at FVPL are recorded in the consolidated statements of financial position at fair value. Changes in fair value are recorded in “Gain (loss) on increase (decrease) in market values of FVPL investments-net”. Interest earned or incurred is recorded in interest income or expense, respectively, while dividend income is recorded as such according to the terms of the contract, or when the right of payment has been established.

As at December 31, 2024 and 2023, the Group has designated as FVPL all equity investments, money market papers, investments in bonds that have callable and other features and managed/hedged (see Note 9). No financial liability at FVPL is outstanding as at December 31, 2024 and 2023.

(b) Financial assets at amortized cost (debt instruments)

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and,

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included as interest income in the consolidated profit or loss. Any losses arising from impairment of such financial assets are recognized as "Provision for impairment losses on receivables" account under "Other income (charges) - net" in the consolidated profit or loss.

Included under financial assets at amortized cost are cash in banks, cash equivalents, trade receivables, interest receivable, advances to employees, receivables from villa owners, dividend receivable, notes receivable and other receivables.

(c) Financial assets at FVOCI (debt instruments)

The Group measures debt instruments at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated profit or loss and computed in the same manner as financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI.

When the debt instrument is disposed of, the cumulative gain or loss previously recognized under OCI is transferred to profit or loss as "Gain (loss) on sale of FVOCI investments". Where the Group holds more than one investment in the same security, cost of the disposed investment is determined on a weighted average cost basis. Interest earned on holding FVOCI investments are reported as interest income using the effective interest rate.

As at December 31, 2024 and 2023, the Group's FVOCI investments include investments in bonds (see Note 12).

(d) Financial liabilities - loans and borrowings

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

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

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

As at December 31, 2024 and 2023, included in this category are the Group's notes payable, accounts payable and accrued expenses, lease liabilities, long-term debt and dividends payable.

Impairment of Financial Assets
The Group recognizes an allowance for expected credit loss (ECL) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

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

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group's debt instruments at FVOCI comprise solely of top investment grade bonds that are graded by top credit rating agencies and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the top credit rating agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of Financial Assets and Financial Liabilities

Financial assets
A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when, and only when:

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

Financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification will result into the removal of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized in the consolidated profit or loss.

"Day 1" Difference
Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a "Day 1" difference) in the consolidated profit or loss unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is recognized in the consolidated profit or loss only when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the "Day 1" difference.

Inventories
Inventories are valued at the lower of cost and net realizable value (NRV).

Cost of aircraft spare parts and supplies is determined at purchase price using the first-in, first-out method, while NRV is the estimated current replacement cost of such spare parts and supplies.

Cost of food and beverage inventories and operating supplies is determined using the moving average method. NRV of food and beverage inventories is the estimated selling price in the ordinary course of business, less the estimated cost of preparation and the estimated cost necessary to make the sale.

For cable and wire manufacturing, finished goods and work in process is determined at standard cost adjusted to actual cost, which includes direct materials, direct labor and applicable allocation of fixed and variable costs, determined using weighted average method. Raw materials, other materials, reels inventory and spare parts and supplies are determined using weighted average method. NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Value Added Tax (VAT)
Input VAT is the 12% indirect tax paid by the Group in the course of the Group's trade or business on local purchase of goods or services, including lease or use of property, from a VAT-registered entity. In case of capital goods, input VAT is spread evenly over the useful life or 60 months, whichever is shorter. Effective January 1, 2022, all input tax on purchases of capital goods was allowed to be applied against output VAT upon purchase/payment and was no longer deferred.

Output VAT pertains to the 12% tax due on the lease or exchange of taxable goods or properties or services by the Group.

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

For its VAT-registered activities, when VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statements of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statements of financial position up to the extent of the recoverable amount.

For its non-VAT registered activities, the amount of VAT passed on from its purchases of goods or service is recognized as part of the cost of goods/asset acquired or as part of the expense item, as applicable.

Property and Equipment

Depreciable properties, including buildings and improvements, leasehold improvements, machinery and other equipment, flight and ground equipment, furniture, fixtures and office equipment, and transportation equipment are stated at cost, less accumulated depreciation and amortization, and any impairment in value. Land is stated at cost less any impairment in value.

The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Property and equipment are written off either when disposed of or when these are permanently withdrawn from use and there is no more future economic benefit expected from its use or disposal.

Depreciation is computed on a straight-line method over the following estimated useful lives of the properties, except for aircraft engine which is computed based on flying hours.

Category	Number of Years
Buildings and improvements	10 - 30
Land improvements	30
Leasehold improvements	5 - 20*
Flight, ground, machinery and other equipment	2 - 25
Furniture, fixtures and office equipment	2 - 5
Transportation equipment	3 - 5

**or lease term, whichever is shorter*

The useful lives, depreciation and amortization method, and residual values are reviewed periodically to ensure that the periods and method of depreciation and amortization are consistent with the expected pattern of economic benefits from the use of property and equipment.

Depreciation commences when an asset is in its operational location or working condition capable of being operated in the manner intended by management. Depreciation ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*, and the date the asset is derecognized.

Construction in progress (CIP) is stated at cost net of accumulated impairment losses, if any. This includes cost of construction and other direct costs. CIP is not depreciated until such time the relevant assets are completed and put into operational use.

Property Development in Progress

Property development in progress includes villa development costs and directly related expenditures.

Property development in progress is carried at the lower of cost incurred and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Investment Properties

Investment properties comprise completed property and property under construction or re-development (land, buildings and condominiums) that are held to earn rentals or capital appreciation or both and that are not occupied by the Group. Investment properties are initially measured at cost, including transaction costs.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, the Group's investment properties are stated at cost, less accumulated depreciation and any accumulated impairment losses. Land is subsequently carried at cost less any impairment in value.

Expenditures incurred after the investment properties have been put into operation, such as repairs and maintenance costs, are normally charged to income in the period in which the costs are incurred.

Investment properties are written off when either these are disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of the investment property are recognized in the consolidated profit or loss in the year of retirement or disposal.

Impairment of Nonfinancial Assets

At each reporting date, the Group assesses whether there is any indication that its nonfinancial assets (e.g., property and equipment, investment properties and investments in associates) may be impaired. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Group estimates the recoverable amount of the related asset. Recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash-generating unit to which it belongs. Where the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, the asset (or cash-generating unit) is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit).

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

Goodwill

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

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated profit or loss.

Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods. The Group performs its annual impairment test of goodwill as at the end of each financial reporting period.

Additional Paid-in Capital
Additional paid-in capital is the amount paid in excess of the par value of the shares issued, including equity adjustments relating to changes in equity interest of the Noncontrolling interests.

Retained Earnings
Retained earnings represent the cumulative balance of net income or loss, net of any dividend declared and the effects of any retrospective restatement recognized in accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors.*

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

Appropriated retained earnings represent that portion which has been restricted and therefore, is not available for any dividend declaration.

Cost of Shares Held by a Subsidiary
The Company's shares which are acquired and held by a subsidiary (treasury shares) are deducted from equity and stated at acquisition cost. No gain or loss is recognized in the consolidated profit or loss on the purchase, sale, issue or cancellation of the Company's shares. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital.

Revenue from Contracts with Customers
Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangement against specific criteria in order to determine if it is acting as principal or agent. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The following specific recognition criteria must be met before revenue is recognized:

Sale of goods
Revenue from the sale of goods is recognized at a point in time when the control over the goods are transferred to the buyer which is generally upon delivery of the goods.

Sale of services
Revenue from rooms is recognized over time based on the actual occupancy of the guests. Other ancillary services are recognized when the related services are rendered and/or facilities/amenities are used.

Revenue from air transport services is recognized at a point in time when the related services have been substantially performed.

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

Other Revenue/Income
Interest
Interest income from bank deposits and investments in bonds are recognized as interest accrues based on the effective interest rate method.

Dividends
Dividend income is recognized when the shareholders' right to receive the payment is established.

Rental
Rental income is accounted for on a straight-line basis over the lease term.

Other Comprehensive Income
Other comprehensive income comprises of items of income and expense that are not recognized in the consolidated profit or loss for the year in accordance with PFRSs. Other comprehensive income of the Group pertains to gains and losses on remeasuring FVOCI investments, exchange differences on translating foreign operations and remeasurements comprising actuarial gains and losses on retirement plan assets and liabilities.

Leases
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
The Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Category	Number of Years
Building	5 years
Leasehold improvement	2 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, the Group calculates depreciation using the estimated useful life of the asset.

Lease liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of office equipment and warehouse (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Pension Benefits
The Group has non-contributory defined benefit retirement plans.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to the consolidated profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Provisions and Contingencies
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated profit or loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized but are disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

Income Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that have been enacted or substantively enacted as of the end of the reporting period.

Deferred income tax

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for deductible temporary differences, carryforward benefits of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax, and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from excess MCIT and unused NOLCO can be utilized. Deferred income tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

Deferred income tax liabilities are not provided on taxable temporary differences associated with investments in domestic subsidiaries. With respect to investments in foreign subsidiaries, deferred income tax liabilities are recognized, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each end of the reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each end of the reporting period and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Current income tax and deferred income tax relating to items recognized directly in equity are also recognized in equity and not in the consolidated profit or loss.

Earnings Per Share
Basic earnings per share (EPS) is computed by dividing consolidated net income and the total comprehensive income attributable to the equity holders of the Parent for the year by the weighted average number of common shares outstanding during the year, after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Company does not have potentially dilutive common shares as at December 31, 2024, 2023 and 2022.

Segment Reporting
The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on business segments is presented in Note 6.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRSs requires the Group to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and other comprehensive income (loss). Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on amounts recognized in the consolidated financial statements.

Determination of functional currency
The Company's functional currency was determined to be the Philippine Peso. It is the currency of the primary economic environment in which the Company operates.

Classification of financial instruments
The Group classifies a financial instrument, or its component parts, on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definition of a financial asset, a financial liability or an equity instrument.

The substance of a financial instrument, rather than its legal form, governs its classification in the consolidated statements of financial position (see Note 29).

Classification and measurement of financial assets depend on the result of the SPPI and business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve particular business objectives. In classifying the investments not held for trading as at December 31, 2024 and 2023, the Group made an irrevocable election at initial recognition to designate the instruments as FVPL investments.

Determining ability to comply with contractual obligations
For FVOCI debt investments, the Group assesses the counterparty's ability to comply with the contractual obligations to pay out principal and interest. Further, the Group assesses whether the credit risk on that financial instrument has increased significantly since initial recognition. No impairment loss was recognized in 2024, 2023 and 2022 as there was no significant increase in the credit risk.

The carrying value of FVOCI debt investments amounted to ₱15.6 million and ₱57.6 million as at December 31, 2024 and 2023, respectively (see Note 12).

Estimates and Assumptions
The key assumptions concerning the future and other key sources of estimation and uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for expected credit losses of receivables
The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due.

The provision matrix is initially based on the Group's historically observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecasted economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year, which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historically observed default rates, forecasted economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For the advances to related parties, the Group uses judgment, based on the best available facts and circumstances, including but not limited to, assessment of the related parties' operating activities (active or dormant), business viability and overall capacity to pay, in providing reserve allowance against recorded receivable amounts. These reserves are re-evaluated and adjusted as additional information is received.

Allowance for expected credit losses as at December 31, 2024 and 2023 amounted to ₱690.3 million and ₱779.5 million, respectively. Receivables and advances, net of valuation allowance, amounted to ₱2,768.6 million and ₱2,585.9 million as at December 31, 2024 and 2023, respectively (see Notes 10, 13 and 27).

Valuation of unquoted equity investments
Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's-length market transactions;
- current fair value of another instrument that is substantially the same;
- the expected cash flows discounted at current rates applicable for terms with similar terms and risk characteristics; or
- other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation. In valuing the Group's unquoted equity instruments at fair value, management applied judgment in selecting the valuation technique and comparable companies and used assumptions in estimating future cash flows from its equity instruments considering the information available to the Group. The fair market values of the unquoted equity shares are based on valuation techniques applied as at December 31, 2024 and 2023 using income, market and cost approach (adjusted net asset value method).

The inputs used to these models were taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values (see Notes 9 and 29).

Unquoted equity investments amounted to ₱3,017.6 million and ₱2,921.4 million as at December 31, 2024 and 2023, respectively (see Notes 9 and 29).

Estimation of allowance for inventory obsolescence and impairment losses
The Group estimates the allowance for inventory obsolescence and impairment losses related to inventories based on specifically identified inventory items. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for inventory and impairment losses would increase the recorded expenses and decrease current assets.

Allowance for inventory losses and obsolescence amounted to ₱91.5 million and ₱101.6 million as at December 31, 2024 and 2023, respectively. The carrying amount of the inventories amounted to ₱2,114.7 million and ₱1,757.3 million as at December 31, 2024 and 2023, respectively (see Note 11).

Estimation of useful lives of the Group's property and equipment and investment properties
The Group estimates the useful lives of property and equipment and investment properties based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the assets.

In addition, the estimation of the useful lives of these assets is based on collective assessment of internal technical evaluation and experience with similar assets. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

As at December 31, 2024 and 2023, the carrying value of depreciable property and equipment and investment properties amounted to ₱3,629.1 million and ₱3,864.4 million, respectively (see Notes 14 and 15).

Recoverability of investment in associates
The carrying value of investments carried under the equity method are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group's impairment test on investments carried at equity is based on value-in-use calculations that use a discounted cash flow model. The expected cash flows are estimated from the operations of the associates for the next five years, as well as the terminal value at the end of fifth year. The recoverable amount is most sensitive to the discount rates used for the discounted cash flow model, as well as the expected future cash inflows, revenue growth rates and long-term growth rates used for extrapolation purposes.

The carrying amounts of the investments in associates amounted to ₱1,971.8 million and ₱335.7 million as at December 31, 2024 and 2023, respectively (see Note 13).

Impairment of non-financial assets

(a) Property and equipment and investment properties

The Group assesses impairment on assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Group considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;

- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

As at December 31, 2024 and 2023, the carrying value of property and equipment and investment properties amounted to ₱4,227.2 million and ₱4,248.4 million, respectively (see Notes 14 and 15).

No impairment loss indicator has been identified and therefore no impairment loss was recognized on property and equipment and investment properties for each of the three years in the period ended December 31, 2024 (see Notes 14 and 15).

(b) Goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. In assessing the recoverability of the Group's goodwill, management exercised significant judgments and used assumptions such as revenue growth rates, discount rates and long-term growth rates in estimating the value-in-use of these cash-generating units. Calculations indicated that there is no impairment on the Group's goodwill for each of the years ended.

As at December 31, 2024 and 2023, the carrying value of goodwill amounted to ₱1,302.3 million (see Note 7).

Recognition of deferred income tax assets
The Group reviews the carrying amounts of the deferred income tax assets at each end of the reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. However, there is no assurance that the Group will utilize all or part of the deferred income tax assets. As at December 31, 2024 and 2023, the Group recognized gross deferred income tax assets amounting to ₱95.7 million and ₱126.9 million, respectively. The Group also has temporary differences for which the deferred income tax assets are not recognized. Further details of the recognized and unrecognized deferred income tax assets are provided in Note 25.

Determination of retirement benefits
The cost of defined benefit pension plans, as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Net retirement plan asset as at December 31, 2024 and 2023 amounted to ₱259.8 million and ₱179.4 million, respectively. Net retirement benefits payable as at December 31, 2024 and 2023 amounted to ₱19.4 million and ₱22.6 million, respectively. Further details are provided in Note 24.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the Philippines and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the Philippines. Further details about the assumptions used are provided in Note 24.

5. Revenue from Contracts with Customers

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	For the Year Ended December 31, 2024			
	Cable and Wire Manufacturing	Resort Operations and Villa Development	Other Operations*	Total
Type of revenues:				
Sale of goods	**₱11,200,557,895**	**₱–**	**₱–**	**₱11,200,557,895**
Services	**–**	**1,452,889,334**	**310,045,930**	**1,762,935,264**
Total revenue from contracts with customers	**₱11,200,557,895**	**₱1,452,889,334**	**₱ 310,045,930**	**₱12,963,493,159**
Timing of revenue recognition:				
At a point in time	**₱11,200,557,895**	**₱–**	**₱–**	**₱11,200,557,895**
Over time	**–**	**1,452,889,334**	**310,045,930**	**1,762,935,264**
Total revenue from contracts with customers	**₱11,200,557,895**	**₱1,452,889,334**	**₱ 310,045,930**	**₱12,963,493,159**

**Other Operations include ASAC and AHI.*

	For the Year Ended December 31, 2023			
	Cable and Wire Manufacturing	Resort Operations and Villa Development	Other Operations*	Total
Type of revenues:				
Sale of goods	₱10,147,489,118	₱–	₱–	₱10,147,489,118
Services	–	1,450,243,745	259,084,875	1,709,328,620
Total revenue from contracts with customers	₱10,147,489,118	₱1,450,243,745	₱259,084,875	₱11,856,817,738
Timing of revenue recognition:				
At a point in time	₱10,147,489,118	₱839,259,988	₱259,084,875	₱11,245,833,981
Over time	–	610,983,757	–	610,983,757
Total revenue from contracts with customers	₱10,147,489,118	₱1,450,243,745	₱259,084,875	₱11,856,817,738

**Other Operations include ASAC and AHI.*

	For the Year Ended December 31, 2022			
	Cable and Wire Manufacturing	Resort Operations and Villa Development	Other Operations*	Total
Type of revenues:				
Sale of goods	₱10,727,755,227	₱–	₱–	₱10,727,755,227
Services	–	1,088,755,491	203,351,423	1,292,106,914
Total revenue from contracts with customers	₱10,727,755,227	₱1,088,755,491	₱203,351,423	₱12,019,862,141
Timing of revenue recognition:				
At a point in time	₱10,727,755,227	₱611,669,341	₱203,351,423	₱11,542,775,991
Over time	–	477,086,150	–	477,086,150
Total revenue from contracts with customers	₱10,727,755,227	₱1,088,755,491	₱203,351,423	₱12,019,862,141

**Other Operations include ASAC and AHI.*

Contract liabilities
Contract liabilities amounted to ₱61.2 million and ₱77.1 million as at December 31, 2024 and 2023, respectively. These pertain to customer advances received for customer orders (see Note 18). In 2024, 2023 and 2022, the Group recognized revenue from sales of goods and services from the contract liabilities amounting to ₱34.1 million, ₱35.2 million, and ₱76.1 million, respectively.

Information about the Group's performance obligations are summarized below:

Sale of goods
The Group enters into contracts to sell with one identified performance obligation, which is satisfied upon delivery of the goods. Receivables are generally collected within 30 to 60 days from the delivery of goods and receipt of invoice.

Villa development project
The performance obligation is satisfied at a point in time and payment is generally received in advance during the construction of the villa.

Resort operations
This pertains to the services provided to the guests which is satisfied over time. Some payments are received in advance from the guests.

6. Segment Information

The Company and its subsidiaries' operating businesses are organized and managed separately according to the nature of the products or services offered, as discussed below.

- Holding company segment pertains to the operations of the Company.
- Resort Operations segment pertains to the Company's subsidiary providing hotel and resort accommodation, relaxation and entertainment, among others, while Villa Development includes the sale of villa lots, construction of structures and set-up of furniture, fixture and equipment. In 2024, 2023 and 2022, the Group has no sale of villa lots and construction of structures.
- Cable and Wire Manufacturing segment pertains to the Company's subsidiaries engaged in manufacturing, importing, exporting, buying, selling or otherwise dealing in, at wholesale, goods such as building wires, power cables, aluminum wires and cables, copper rods, automotive wires and other energy-related goods of electrical nature, including all equipment, materials, supplies used or employed in or related to the manufacture of its finished products.
- Other operations include air transportation, hangarage, real estate holding and management.
- Amounts for the investments in associates comprise the Group's cost, equity in net losses and impairment loss.

Majority of the companies within the Group were incorporated and operating within the Philippines. The amounts disclosed were determined consistent with the measurement basis under PFRS Accounting Standards.

The following tables present the financial information of the business segments as at and for the years ended December 31, 2024, 2023 and 2022 (in thousands):

	Before Eliminations						
	Holding Company (Parent)	Resort Operations and Villa Development	Cable and Wire Manufacturing	Other Operations[1]	Total	Eliminations	Consolidated
As at and for the year ended December 31, 2024							
Revenues, excluding interest income[2]	**₱1,939,152**	**₱1,457,659**	**₱11,230,396**	**₱1,400,874**	**₱16,028,081**	**(₱2,675,244)**	**₱13,352,837**
Interest income	**66,552**	**4,769**	**29,838**	**3,108**	**104,267**	**–**	**104,267**
Investment gains (losses)	**3,137,539**	**12,088**	**8,930**	**2,738,542**	**5,897,099**	**(2,570,308)**	**3,326,791**
Interest expense	**(7,165)**	**(1)**	**(2,846)**	**(59,394)**	**(69,406)**	**–**	**(69,406)**
Income tax expense (benefit from income tax)	**42,477**	**22,511**	**310,125**	**15,338**	**390,451**	**(10,784)**	**379,667**
Equity in net earnings	**–**	**–**	**–**	**–**	**–**	**33,837**	**33,837**
Net income	**4,956,672**	**198,636**	**957,297**	**3,653,805**	**9,766,410**	**(4,971,594)**	**4,794,816**
Total assets	**23,904,372**	**2,188,432**	**7,043,358**	**22,134,057**	**55,270,219**	**(22,961,113)**	**32,309,106**
Investments and advances	**9,011,924**	**75,000**	**–**	**293,075**	**9,379,999**	**(7,406,621)**	**1,973,378**
Property and equipment	**56,215**	**841,511**	**1,201,405**	**946,838**	**3,045,969**	**921,453**	**3,967,422**
Total liabilities	**1,809,174**	**850,219**	**491,815**	**1,108,315**	**4,259,523**	**110,930**	**4,370,453**
Depreciation and amortization	**18,148**	**123,431**	**139,311**	**127,664**	**408,554**	**36,738**	**445,292**
Cash flows from (used in):							
Operating activities	**1,742,030**	**551,392**	**867,247**	**115,750**	**3,276,419**	**(628,918)**	**2,647,501**
Investing activities	**(1,418,172)**	**(222,003)**	**(320,767)**	**(36,603)**	**(1,997,545)**	**150,374**	**(1,847,171)**
Financing activities	**(126,207)**	**(202,434)**	**(462,971)**	**994,099**	**202,487**	**(695,212)**	**(492,725)**

[1] *Other Operations include ASAC, AAC, Anscorcon, AI, AHI, IAI and the Group's equity in net earnings (losses) of associates and impairment loss.*
[2] *Majority of the revenues of the Group were derived in the Philippines.*

	Before Eliminations						
	Holding Company (Parent)	Resort Operations and Villa Development	Cable and Wire Manufacturing	Other Operations[1]	Total	Eliminations	Consolidated
As at and for the year ended December 31, 2023							
Revenues, excluding interest income[2]	₱2,252,557	₱1,450,244	₱10,147,489	₱1,615,988	₱15,466,278	(₱3,241,104)	₱12,225,174
Interest income	61,465	3,572	26,295	537	91,869	1	91,870
Investment gains (losses)	1,340,140	–	9,200	3,488,958	4,838,298	(3,365,597)	1,472,701
Interest expense	(1,918)	(7)	(1,105)	(59,450)	(62,480)	–	(62,480)
Income tax expense (benefit from income tax)	68,350	19,397	287,126	1,123	375,996	(7,996)	368,000
Equity in net earnings	–	–	–	8,743	8,743	–	8,743
Net income	3,314,329	197,431	963,476	4,625,001	9,100,237	(6,451,041)	2,649,196
Total assets	19,991,201	2,059,449	6,480,712	16,005,321	44,536,683	(16,844,080)	27,692,603
Investments and advances	7,306,028	1,496	–	280,535	7,588,059	(7,250,515)	337,544
Property and equipment	15,489	766,641	1,007,823	1,046,702	2,836,655	948,104	3,784,759
Total liabilities	1,025,762	799,326	435,176	3,166,309	5,426,573	(1,721,938)	3,704,635
Depreciation and amortization	18,172	111,388	112,238	66,297	308,095	54,758	362,853
Cash flows from (used in):							
Operating activities	1,285,398	412,279	763,858	44,186	2,505,721	(843,308)	1,662,413
Investing activities	(351,542)	(152,887)	(343,800)	(938,156)	(1,786,385)	373,203	(1,413,182)
Financing activities	(1,036,819)	(260,014)	(324,567)	1,003,302	(618,098)	453,289	(164,809)

[1] *Other Operations include ASAC, AAC, Anscorcon, AI, AHI, IAI and the Group's equity in net earnings (losses) of associates and impairment loss.*
[2] *Majority of the revenues of the Group were derived in the Philippines.*

	Before Eliminations						
	Holding Company (Parent)	Resort Operations and Villa Development	Cable and Wire Manufacturing	Other Operations[1]	Total	Eliminations	Consolidated
As at and for the year ended December 31, 2022							
Revenues, excluding interest income[2]	₱2,001,817	₱1,088,755	₱10,727,755	₱1,523,882	₱15,342,209	(₱3,027,040)	₱12,315,169
Interest income	55,085	5,277	6,929	171	67,462	–	67,462
Investment gains (losses)	(704,043)	–	12,900	1,512,594	821,451	393,962	1,215,413
Interest expense	(10)	(68)	(1,186)	–	(1,264)	(3,424)	(4,688)
Income tax expense (benefit from income tax)	(88,695)	36,231	295,120	7,494	250,150	(7,995)	242,155
Equity in net earnings	–	–	–	26,640	26,640	–	26,640
Net income	2,276,878	143,464	956,472	2,732,632	6,109,446	(3,253,404)	2,856,042
Total assets	18,911,599	2,014,456	6,006,014	14,731,925	41,663,994	(16,525,759)	25,138,235
Investments and advances	7,044,805	248,630	–	282,486	7,575,921	(7,218,890)	357,031
Property and equipment	10,810	692,085	829,783	197,676	1,730,354	974,755	2,705,109
Total liabilities	801,443	706,365	602,851	2,180,317	4,290,976	(1,766,471)	2,524,505
Depreciation and amortization	18,172	111,388	112,238	66,297	308,095	16,293	324,388
Cash flows from (used in):							
Operating activities	665,146	167,097	564,622	(203,686)	1,193,179	(1,001,272)	191,907
Investing activities	1,234,073	(63,403)	(251,639)	165,774	1,084,805	300,253	1,385,058
Financing activities	(1,319,919)	(161,411)	(336,939)	12,091	(1,806,178)	526,461	(1,279,717)

[1] *Other Operations include ASAC, AAC, Anscorcon, AI, AHI, IAI and the Group's equity in net earnings (losses) of associates and impairment loss.*
[2] *Majority of the revenues of the Group were derived in the Philippines.*

7. Business Combinations

a. Goodwill represents the excess of acquisition cost of the following subsidiaries over Anscor's share in the fair value of their net assets. As at December 31, 2024 and 2023, the carrying amount of goodwill allocated to each cash-generating unit (subsidiaries) is as follows:

PDP	₱1,202,945,277
SSRLI (Note 30)	99,330,987
	₱1,302,276,264

b. Impairment Testing of Goodwill

i. PDP Group

The recoverable amount of the investment in PDP Group has been determined based on the value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period.

The key assumptions used to determine the recoverable amount as at December 31, 2024 and 2023 are discussed below:

Discount rate
Discount rate is consistent with the risk-free industry interest rate. The pre-tax discount rates applied to cash flow projections in 2024 and 2023 are 16.15% and 16.8%, respectively.

Terminal value
Terminal value is computed based on Gordon Growth model, which is the quotient of the normalized value of free cash flows assuming a long-term growth rate of 4.45% and 4.42% in 2024 and 2023, respectively, and the difference between the discount rate and growth rate.

Growth rate
Management used the average industry growth rate of 4.59% and 4.42% in 2024 and 2023, respectively.

Sensitivity to changes in assumptions
Based on the available information and management's evaluation, no reasonably possible change in any of the key assumptions would cause the carrying value of the cash-generating unit to exceed its recoverable amount.

ii. SSRLI

The recoverable amount of the investment in SSRLI has been determined based on the value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The key assumptions used to determine the recoverable amount as at December 31, 2024 and 2023 are discussed below:

Discount rate
Discount rate is consistent with the risk-free industry interest rate. The pre-tax discount rate applied to cash flow projections in 2024 and 2023 are 12.14% and 12.7%, respectively.

Terminal value
Terminal value is computed based on Gordon Growth model, which is the quotient of the normalized value of free cash flows assuming a long-term growth rate of 2% and 0% in 2024 and 2023, respectively, and the difference between the discount rate and growth rate.

Growth rate
Growth rate assumptions for the five-year cash flow projections in 2024 and 2023 are supported by the different initiatives of SSRLI. SSRLI used 2% and 0% growth rate in revenue for its cash flow projection in 2024 and 2023, respectively.

Sensitivity to changes in assumptions
Based on the available information and management's evaluation, no reasonably possible change in any of the key assumptions would cause the carrying value of the cash-generating unit to exceed its recoverable amount.

8. Cash and Cash Equivalents

	2024	2023
Cash on hand and in banks	**₱1,412,036,643**	₱1,139,149,381
Cash equivalents	**2,025,615,610**	1,980,190,629
	₱3,437,652,253	₱3,119,340,010

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods of up to three months, depending on the immediate cash requirements of the Group. These investments earn interest at prevailing rates (see Note 23).

Restricted cash funds are recorded as other noncurrent assets unless the restriction is expected to be released at least 12 months after the reporting period (see Note 16).

9. FVPL Investments

	2024	2023
Quoted equity shares	**₱8,919,134,137**	₱7,026,985,641
Unquoted equity shares	**3,017,634,315**	2,921,429,748
Funds and equities	**2,630,687,442**	2,367,481,944
Proprietary shares	**824,857,073**	625,177,073
Bonds	**14,988,363**	147,453,547
Others	**6,481,156**	5,710,400
	₱15,413,782,486	₱13,094,238,353

This account consists of investments that are designated as FVPL and held-for-trading investments. Quoted equity shares consist of marketable equity securities that are listed and traded in the Philippine Stock Exchange (PSE), Nasdaq Stock Market (NASDAQ) and New York Stock Exchange (NYSE). The fair market values of these listed shares are based on their quoted market prices as at December 31, 2024, and 2023, which are assessed to be the exit prices.

Held-for-trading investments include foreign currency-denominated mutual/hedge funds, and equity investments that are managed together on a fair value basis. These investments are classified under funds and equities.

Designated FVPL investments consist of foreign currency-denominated fixed income securities with embedded derivatives (e.g., call and put options) that significantly modify the security's cash flow. These investments are classified under bonds.

FVPL investments in bonds represent foreign currency-denominated bond securities with variable and fixed interest rates. The FVPL coupon interest rates per annum range from 2.5% to 6.1%, 2.0% to 8.3% and 2.3% to 8.3% in 2024, 2023 and 2022, respectively.

The fair market values of the unquoted equity shares are based on valuation techniques applied as at December 31, 2024 and 2023 using income, market and cost (adjusted net asset value method) approach (see Note 29).

The Group's FVPL unquoted equity shares and significant investment in funds and equities include the following:

a. Income approach - KSA Realty Corporation (KSA)

As at December 31, 2024 and 2023, the Company's investment in KSA amounted to ₱727.4 million and ₱927.4 million, respectively (see Note 29).

The Company earned cash dividends from KSA amounting to ₱94.3 million, ₱89.1 million, and ₱100.7 million in 2024, 2023 and 2022, respectively.

b. Market approach

Blue Voyant is a cybersecurity company that enables cybersecurity defense and protection through technology and tailored services.

As of December 31, 2024, and 2023, total investment in Blue Voyant, inclusive of foreign exchange gain, amounted to ₱190.9 million and ₱182.7 million, respectively. No recognized gains or losses on fair value adjustment in 2024 and 2023.

c. Cost approach (adjusted net asset value method)

i. Navegar I LP (Navegar I)

The Group, through AI, recognized a gain (loss) on fair market value adjustment in its investment in Navegar I amounting to (₱21.0) million, ₱24.1 million, and ₱21.5 million in 2024, 2023, and 2022, respectively.

Total investment in Navegar I, inclusive of foreign exchange adjustment, amounted to ₱46.62 million and ₱74.4 million as at December 31, 2024 and 2023, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Navegar I amounted to US$0.01 million (₱0.9 million) and US$0.03 million (₱1.7 million), respectively.

ii. Navegar II LP (Navegar II)

The Group, through AI, recognized gains on fair market value adjustment in its investment in Navegar II amounting to ₱57.7 million, ₱73.0 million, and ₱9.2 million, in 2024, 2023, and 2022, respectively.

Total investment in Navegar II, inclusive of foreign exchange adjustment, amounted to ₱584.9 million and ₱454.8 million as at December 31, 2024 and 2023, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Navegar II amounted to US$2.9 million (₱170.1 million) and US$3.8 million (₱212.7 million), respectively.

iii. Sierra Madre Philippines I LP (Sierra Madre)

Sierra Madre focuses on providing growth capital to small and mid-sized Philippine companies.

In 2024, 2023 and 2022, the Group, through AI, made additional investments to Sierra Madre amounting to US$0.17 million (₱9.81 million), US$0.2 million (₱9.4 million), and US$3.2 million (₱175.9 million), respectively. In 2022, the Group received distribution notice amounting to US$0.9 million (₱50.2 million), (nil in 2024 and 2023).

The Group recognized gain (loss) on fair market value adjustment amounting to ₱12.2 million, ₱36.0 million, and (₱39.2 million) in 2024, 2023 and 2022, respectively.

As at December 31, 2024 and 2023, total investment in Sierra Madre, inclusive of foreign exchange adjustment, amounted to ₱586.1 million and ₱540.0 million, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Sierra Madre amounted to US$0.3 million (₱17.1 million), and US$0.5 million (₱25.8 million), respectively.

iv. Asia Partners I LP, Asia Partners II LP and AP-I Tycho Co-invest Ltd (collectively Asia Partners)

In 2021, the Group, through AI, committed to invest US$6.0 million in Asia Partners I LP, a Singapore-based private equity fund focused on high growth technology and technology enabled companies across Southeast Asia. In addition, AI committed to invest US$1.0 million in AP-I Tycho Co-invest Ltd and US$10.0 million in Asia Partners II, LP.

In 2024, 2023 and 2022, the Group made investment to Asia Partners amounting to US$0.17 million (₱9.62 million), US$0.1 million (₱3.9 million), and US$4.0 million (₱219.1 million), respectively.

In 2024, 2023 and 2022, the Group recognized gain on fair market value adjustment in its investment in Asia Partners amounting to ₱41.1 million, ₱51.3 million, and ₱72.4 million, respectively.

As at December 31, 2024 and 2023, total investment in Asia Partners, inclusive of foreign exchange adjustment, amounted to ₱656.2 million, and ₱552.4 million, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Asia Partners amounted to US$7.5 million (₱436.4 million) and US$9.0 million (₱498.6 million) respectively.

v. Third Prime Alpha III-A, Third Prime (Kafene B) and Third Prime (Kafene B-1) (collectively Third Prime Series)

Third Prime Alpha III-A, is a venture firm focused primarily on the FinTech, PropTech and Crypto sectors. In 2022, AI also invested US$1.5 million (₱79.3 million) in Third Prime (Kafene B). In 2023, AI invested US$0.8 million (₱44.7 million) in Third Prime (Kafene B-1).

In 2024, 2023 and 2022, the Group recognized fair market value gain (loss) adjustment in its investment in Third Prime series amounting to ₱1.4 million, ₱0.7 million and (₱0.6 million), respectively.

As at December 31, 2024 and 2023, total investment in Third Prime series, inclusive of foreign exchange adjustment, amounted to ₱225.5 million and ₱189.6 million, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Third Prime Alpha III-A amounted to US$0.5 million (₱26.03 million) and US$0.9 million (₱49.8 million), respectively.

There were no changes in the valuation techniques applied for each of the period ended (e.g., changing from a market approach to an income approach or the use of an additional valuation technique).

Net gains (losses) on increase (decrease) in market value of FVPL investments as at December 31 are as follows (in millions):

	Unrealized Valuation Gains (Losses) in Market Value 2024	2023	Gains (Losses) on Increase (Decrease) in Market Value of FVPL Investments in 2024
Quoted equity shares	**₱6,035.3**	**₱3,492.3**	**₱2,543**
Unquoted equity shares	**658.3**	**804.1**	**(145.8)**
Proprietary shares	**786.2**	**586.3**	**199.9**
Funds and equities	**311.5**	**177.1**	**134.4**
Bonds	**(94.2)**	**(88.2)**	**(6.0)**
Others	**(0.4)**	**(1.1)**	**0.7**
Total	**7,696.7**	**4,970.5**	**2,726.2**
Add realized gain on sale of FVPL investments			**538.3**
Net gain on increase in market value of FVPL investments			**₱3,264.5**

	Unrealized Valuation Gains (Losses) in Market Value 2023	2022	Gains (Losses) on Increase (Decrease) in Market Value of FVPL Investments in 2023
Quoted equity shares	₱3,492.3	₱2,443.0	₱1,049.3
Unquoted equity shares	804.1	804.4	(0.3)
Proprietary shares	586.3	476.2	110.1
Funds and equities	177.1	(145.6)	322.7
Bonds	(88.2)	(63.5)	(24.7)
Others	(1.1)	(1.1)	–
Total	4,970.5	3,513.4	1,457.1
Add realized gain on sale of FVPL investments			19.1
Net gain on increase in market value of FVPL investments			₱1,476.2

	Unrealized Valuation Gains (Losses) in Market Value 2022	2021	Gains (Losses) on Increase (Decrease) in Market Value of FVPL Investments in 2022
Quoted equity shares	₱2,443.0	₱3,353.2	(₱910.2)
Unquoted equity shares	804.4	633.7	170.7
Proprietary shares	476.2	357.9	118.3
Funds and equities	(145.6)	91.1	(236.7)
Bonds	(63.5)	(42.5)	(21.0)
Others	(1.1)	1.0	(2.1)
Total	3,513.4	4,394.4	(881.0)
Add realized loss on sale of FVPL investments			(113.1)
Net loss on decrease in market value of FVPL investments			(₱994.1)

Proprietary shares include golf and club membership shares with fair value determined based on available public market quotations.

There were no outstanding forward transactions as at December 31, 2024, 2023 and 2022.

In 2024, 2023 and 2022, the Group earned dividends from FVPL investments amounting to ₱389.3 million, ₱368.4 million, and ₱295.3 million, respectively.

10. **Receivables**

	2024	2023
Trade	**₱2,462,263,680**	₱2,262,546,217
Receivables from villa owners	**22,258,171**	77,279,674
Interest receivable	**14,954,041**	12,744,830
Others	**14,272,542**	29,418,074
	2,513,748,434	2,381,988,795
Less allowance for expected credit losses	**125,455,330**	214,711,648
	₱2,388,293,104	₱2,167,277,147

Trade receivables are noninterest-bearing and are normally settled on a 30 to 60 days term.

Receivables from villa owners pertain to SSRLI's net rental share and handling fees and reimbursable expenses such as guest supplies and other amenities, operating supplies, utilities, manpower, laundry services and other materials used for repairs and maintenance of the villas.

Interest receivable pertains to accrued interest income from cash and cash equivalents, notes receivable, and FVPL and FVOCI investments in debt instruments.

Movements in the allowance for expected credit losses of trade and other receivable accounts are as follows:

	2024		
	Trade	**Interest and Others**	**Total**
At January 1	**₱213,121,330**	**₱1,590,318**	**₱214,711,648**
Provision for the year (Note 23)	**33,680**	**–**	**33,680**
Recoveries (Note 23)	**(89,289,998)**	**–**	**(89,289,998)**
At December 31	**₱123,865,012**	**₱1,590,318**	**₱125,455,330**

	2023		
	Trade	Interest and Others	Total
At January 1	₱211,790,125	₱1,590,318	₱213,380,443
Provision for the year (Note 23)	1,418,536	–	1,418,536
Recoveries (Note 23)	(87,331)	–	(87,331)
At December 31	₱213,121,330	₱1,590,318	₱214,711,648

11. **Inventories**

	2024	2023
At lower of cost and net realizable value:		
Finished goods - net of allowance for inventory obsolescence of ₱32.0 million in 2024 and 2023	**₱743,603,841**	₱506,245,203
Raw materials - net of allowance for inventory obsolescence of in ₱6.7 million and ₱13.3 million in 2024 and 2023, respectively.	**656,033,759**	623,657,596
Work in process - net of allowance for inventory obsolescence of ₱7.1 million and ₱6.0 million in 2024 and 2023, respectively.	**273,904,495**	287,657,959
Spare parts and operating supplies - net of allowance for inventory obsolescence of ₱40.0 million and ₱40.1 million in 2024 and 2023, respectively.	**206,026,710**	150,520,960
Aircraft spare parts and supplies - net of allowance for inventory obsolescence and losses of ₱9.6 million in 2024 and 2023	**102,163,160**	89,510,187
Materials in transit – at cost	**56,861,522**	17,070,682
Reel inventory – at cost	**28,250,066**	21,134,720
Aircraft parts in transit – at cost	**24,683,169**	37,728,780
Food and beverage - cost	**22,550,452**	23,189,806
Construction-related materials - net of allowance for inventory obsolescence of ₱0.6 million in 2024 and 2023	**605,556**	605,556
	₱2,114,682,730	₱1,757,321,449

The total amount of inventories carried at cost amounted to ₱499.9 million and ₱515.6 million as at December 31, 2024 and 2023, respectively.

The total cost of inventories carried at NRV amounted to ₱1,706.3 million and ₱1,343.2 million, with the NRV amounting to ₱1,614.7 million and ₱1,241.7 million as at December 31, 2024 and 2023, respectively.

Net recovery for inventory obsolescence recognized in 2024, 2023 and 2022, which was recorded under "Materials used and changes in inventories", amounted to ₱9.1 million, ₱0.5 million, and ₱1.6 million, respectively (see Note 21).

Aircraft parts in transit are purchased from suppliers abroad under Freight on Board Shipping Point. These items are in the custody of either the Bureau of Customs or freight forwarder as at December 31, 2024 and 2023.

Operating supplies pertain to inventory items used in providing services such as printing, cleaning and office and guest supplies.

Construction-related materials are excess materials and supplies from Villa Development Project. These are held for use in construction of villa or future repair or renovation of villas.

Inventories charged to cost of goods sold and services sold amounted to ₱8,918.7 million, ₱7,906.2 million, and ₱8,538.0 million, in 2024, 2023, and 2022, respectively (see Note 21).

12. **FVOCI Investments**

As at December 31, 2024 and 2023, FVOCI investments amounted to ₱15.6 million and ₱57.6 million, respectively, and these consist of investments in bonds represent the following:

a. Foreign currency-denominated bond securities are subject to variable and fixed coupon interest rate per annum ranging from 2.47% to 6.08% in 2024, 2.20% to 6.38% in 2023, and 2.35% to 6.13% in 2022. Maturity dates range from February 6, 2027 to June 15, 2032 for bonds held as at December 31, 2024, and February 16, 2025 to June 15, 2032 for bonds held as at December 31, 2023.

b. Geothermal Project

   In January 2014, a loan and investment agreement was entered by the Company with SKI Construction Company, Inc. (SKI), Red Core Investment Corp. (Red Core), Tayabas Power, Tiaong Geothermal Power, Inc. (Tiaong Power) and San Juan Geothermal Power, Inc. (San Juan Power), collectively referred to as Red Core Group to jointly survey and explore the geothermal energy potential in the areas defined by the Tayabas, Tiaong and San Juan Geothermal Renewable Energy Service Contract (GRESC). Under this agreement, the Company committed to lend up to ₱172.0 million for the exploration phase of the three sites, of which ₱140.0 million was actually invested by the Company to Red Core.

   The Company may choose to convert each note into common shares of the three operating companies: Tayabas Power, Tiaong Power and San Juan Power to achieve 9.1% stake in each of these entities. If the Company opts not convert the note within the agreed time frame, these notes will accrue interest until they mature 62 months from the initial drawdown date.

   Considering the status of Red Core, impairment losses were recognized on the investment (in 2017 and earlier), which brought the investment balance to nil as at December 31, 2024 and 2023.

   In March 2018, the Company filed before the Regional Trial Court (RTC) of Makati City a civil case for specific performance in order to compel Red Core Group to comply with the provisions of the loan investment agreement signed by the parties. On November 23, 2020, the Court partially granted the Motion for Summary Judgment filed by the Company.

   On August 15, 2022, the Court rendered a decision ordering Red Core Investments Corporation to pledge all its shares in Tayabas Geothermal Power, Inc., Tiaong Geothermal Power, Inc., and San Juan Geothermal Power Inc. and execute a deed of pledge in favor of the Company. On October 3, 2022, the Company filed a demand for payment under the loan and investment agreement to Red Core Group. Red Core did not comply with the decision and filed an appeal with the Court of Appeals (CA). In June 2023, the CA issued the Notice to File Brief which the Company filed on December 5, 2023. On January 2, 2024, Red Core manifested that it will not file a reply brief. In a resolution dated August 9, 2024, the CA deemed the case to have been submitted for decision. As of February 24, 2025, the case remains for decision of the CA.

In 2024, 2023 and 2022, gain (loss) on sale of FVOCI investments amounted to ₱1.0 million, (₱3.5 million), and ₱0.8 million, respectively.

Below is the rollforward of the unrealized valuation gains (losses) on FVOCI investments recognized in equity:

	2024	2023
Beginning balance	**₱605,619**	(₱3,183,933)
Unrealized valuation gain on FVOCI investments - net of tax	**435,121**	1,167,105
Realized gain (loss) on FVOCI investments recognized in profit or loss - net of tax	**(760,186)**	2,622,447
Ending balance	**₱280,554**	₱605,619

13. **Investments and Advances**

	2024	2023
Investments at equity - net of valuation allowance	**₱1,971,771,604**	₱335,706,693
Advances - net of allowance for expected credit losses of ₱564.8 million in 2024 and 2023	**1,606,391**	1,837,017
	₱1,973,377,995	₱337,543,710

Investments at equity consist of:

	2024	2023
Acquisition cost		
Common shares and Preferred shares	**₱2,324,349,339**	₱722,121,654
Accumulated equity in net losses and impairment loss	**(352,577,735)**	(386,414,961)
	₱1,971,771,604	₱335,706,693

The significant transactions involving the Group’s investments in associates in 2024 and 2023 follow:

AGP-SG and AGP-BVI

The total acquisition cost of the investment in AGP-SG amounted to US$45.0 million (₱1,958.0 million). The Group in prior years has recognized impairment losses and has taken up equity in net losses of AGP to the extent that its carrying amount was reduced to nil (with unrecognized share in net losses, for which the Group has no commitment to contribute).

On February 17, 2022, the investment in associate held for sale carried at nil was sold for a total consideration of US$35.8 million (₱1,974.6 million). The Group recognized ₱2,208.8 million gain in its 2022 consolidated statements of comprehensive income, including the reversal of the related cumulative translation loss of ₱234.2 million.

AIMP

AIMP reported net income amounting to ₱126.7 million, ₱43.6 million, and ₱133.5 million in 2024, 2023 and 2022, respectively. The Group recognized equity in net earnings amounting to ₱25.3 million, ₱8.7 million, and ₱27.1 million in 2024, 2023 and 2022, respectively.

In 2024 and 2023, the Group received from AIMP cash dividend amounting to ₱0.6 million and ₱27.5 million, respectively (nil in 2022).

As at December 31, 2024 and 2023, the carrying value of the investment in AIMP amounted to ₱178.9 million and ₱160.7 million, respectively.

FHI

FHI reported a net income (loss) amounting to (₱5 million), ₱0.1 million, and (₱1.9 million) in 2024, 2023 and 2022, respectively. The Group recognized equity in net earnings (losses) amounting to (₱1.3 million), ₱0.02 million, and (₱0.5 million) in 2024, 2023 and 2022, respectively.

As at December 31, 2024 and 2023, the carrying value of the investment and advances in FHI amounted to ₱173.7 million and ₱175.0 million, respectively.

FHI made a cash advance to the Company amounting to ₱66.3 million 2023 (nil in 2024 and 2022). Total outstanding cash advance from FHI amounted to ₱170.7 million as of December 31, 2024 and 2023, respectively, which is presented under "Other noncurrent liabilities" (see Note 16).

Prople Limited

As at December 31, 2024 and 2023, the net carrying value of the Group's investment in Prople Limited amounted to nil (net of allowance for impairment loss of ₱295.0 million as of both years).

The Group has no share in the contingent liabilities of any associate as at December 31, 2024 and 2023. In 2023, the Group received advances from Prople Limited amounting to ₱10.4 million (nil in 2024), which is presented under "Other noncurrent liabilities" (see Note 16).

The Bistro Group

On November 13, 2024, the Group bought 22% stake in TBG Food Holdings, Inc. (TBG) for a total consideration of ₱1,609.3 million. TBG owns and runs over 200 full service restaurants, including household names like Itallianni's, TGI Fridays, Texas Roadhouse, and Morton's Steakhouse.

The Group recorded ₱1,609.3 million as an investment in an associate as a result of the acquisition and recognized ₱9.8 million in equity earnings on investment in associate, reckoning from the date of acquisition, along with the related liability amounting to ₱50.6 million (including the advances received from TBG amounting ₱44.0 million) as of December 31, 2024, which is presented under "Other noncurrent liabilities" (see Note 16).

As at December 31, 2024, the carrying value of the investment in TBG amounted to ₱1,619.1 million. The fair value measurement of the identifiable assets and liabilities of TBG and any resulting embedded goodwill is still in the process of being finalized.

Others

In 2024, the Group disposed of its other long-term equity investment carried at ₱2.1 million for consideration of ₱0.5 million. Loss recognized from the disposal amounted to ₱1.6 million in 2024 (nil in 2023 and 2022).

14. **Property and Equipment**

	2024					
	Land, Buildings and Improvements	**Flight, Ground, Machineries and Other Equipment**	**Furniture, Fixtures and Office Equipment**	**Transportation Equipment**	**Construction in Progress**	**Total**
Cost						
January 1	**₱3,116,006,313**	**₱2,698,170,221**	**₱718,779,693**	**₱290,559,147**	**₱243,198,336**	**₱7,066,713,710**
Additions	**51,823,067**	**45,548,711**	**91,336,057**	**20,727,306**	**404,381,542**	**613,816,683**
Reclassification	**115,528,583**	**258,111,359**	**19,878,798**	**12,324,760**	**(405,843,500)**	**–**
Retirement/disposals	**(10,284,535)**	**(196,535,637)**	**(33,217,916)**	**(5,685,514)**	**–**	**(245,723,602)**
December 31	**3,273,073,428**	**2,805,294,654**	**796,776,632**	**317,925,699**	**241,736,378**	**7,434,806,791**
Accumulated Depreciation and Amortization						
January 1	**1,205,324,410**	**1,269,878,795**	**594,415,334**	**212,336,469**	**–**	**3,281,955,008**
Depreciation and amortization (Note 21)	**108,143,223**	**221,179,133**	**54,547,993**	**26,367,175**	**–**	**410,237,524**
Retirement/disposals	**(6,632,065)**	**(180,822,763)**	**(33,215,818)**	**(4,136,826)**	**–**	**(224,807,472)**
December 31	**1,306,835,568**	**1,310,235,165**	**615,747,509**	**234,566,818**	**–**	**3,467,385,060**
Net Book Value	**₱1,966,237,860**	**₱1,495,059,489**	**₱181,029,123**	**₱83,358,881**	**₱241,736,378**	**₱3,967,421,731**

	2023					
	Land, Buildings and Improvements	Flight, Ground, Machineries and Other Equipment	Furniture, Fixtures and Office Equipment	Transportation Equipment	Construction in Progress	Total
Cost						
January 1	₱2,926,041,696	₱1,686,882,391	₱634,262,288	₱275,657,949	₱185,465,221	₱5,708,309,545
Additions	69,730,402	903,298,015	77,215,809	32,658,916	337,153,989	1,420,057,131
Reclassification	146,080,649	108,767,297	18,469,243	6,103,685	(279,420,874)	–
Retirement/disposals	(25,846,434)	(777,482)	(11,167,647)	(23,861,403)	–	(61,652,966)
December 31	3,116,006,313	2,698,170,221	718,779,693	290,559,147	243,198,336	7,066,713,710
Accumulated Depreciation and Amortization						
January 1	1,137,748,745	1,103,095,346	557,898,453	204,458,251	–	3,003,200,795
Depreciation and amortization (Note 21)	92,903,649	167,560,931	47,684,527	29,107,073	–	337,256,180
Retirement/disposals	(25,327,984)	(777,482)	(11,167,646)	(21,228,855)	–	(58,501,967)
December 31	1,205,324,410	1,269,878,795	594,415,334	212,336,469	–	3,281,955,008
Net Book Value	₱1,910,681,903	₱1,428,291,426	₱124,364,359	₱78,222,678	₱243,198,336	₱3,784,758,702

Construction in progress includes cost of the on-going construction of the land and building improvements and cost of assembling machineries and equipment.

Depreciation and amortization amounted to ₱410.2 million, ₱337.2 million, and ₱295.0 million in 2024, 2023 and 2022, respectively (see Note 21).

As at December 31, 2024 and 2023, certain items of land, buildings and improvements and machinery and equipment with carrying amount of ₱31.0 million were included in a participating Mortgage Trust Indenture (MTI). The aggregate appraised value of these assets amounted to ₱9,170.8 million, based on an appraisal report commissioned for the purpose of the loan. The loanable value represents 60% of these assets' appraised value. The aggregate loaned amount (₱1 billion) represents 18.2% of the total loanable value. (see Note 19).

15. **Investment Properties**

	2024		
	Land	**Condominium**	**Total**
Cost			
January 1	**₱254,749,808**	**₱293,595,000**	**₱548,344,808**
Additions	**5,050,000**	**–**	**5,050,000**
Disposal	**–**	**(293,595,000)**	**(293,595,000)**
December 31	**₱259,799,808**	**–**	**₱259,799,808**

(Forward)

	2024		
	Land	**Condominium**	**Total**
Accumulated Depreciation and Impairment			
January 1	–	**59,942,312**	**59,942,312**
Depreciation (Note 21)	–	**13,456,438**	**13,456,438**
Disposal	–	**(73,398,750)**	**(73,398,750)**
December 31	–	–	–
Accumulated Impairment Loss	–	**24,812,188**	**24,812,188**
Reversal of impairment loss	–	**(24,812,188)**	**(24,812,188)**
	–	–	–
Net Book Value	**₱259,799,808**	**₱–**	**₱259,799,808**

	2023		
	Land	Condominium	Total
Cost			
January 1	₱248,532,482	₱293,595,000	₱542,127,482
Additions	6,217,326	–	6,217,326
December 31	254,749,808	293,595,000	548,344,808
Accumulated Depreciation and Amortization			
January 1	–	45,262,562	45,262,562
Depreciation and amortization (Note 21)	–	14,679,750	14,679,750
December 31	–	59,942,312	59,942,312
Accumulated Impairment Loss	–	24,812,188	24,812,188
Net Book Value	₱254,749,808	₱208,840,500	₱463,590,308

The Group's investment properties include 136.8 hectares of land in Palawan, 36.9 hectares of land in Cebu, and 97.4 hectares of land in Guimaras. Condominium pertains to the two (2) commercial condominium units purchased by the Company in 2019 and sold in 2024 for ₱283.0 million, with gain amounting to ₱62.8 million. Further, the Group reversed the related impairment loss on these condominium units amounting to ₱24.8 million, as a result of the sale, (see Note 23).

The aggregate fair value of these investment properties as of December 31, 2024, and 2023 amounted to ₱3.9 billion and ₱3.3 billion, respectively.

Fair valuation of the land properties was performed by professionally qualified, SEC-accredited and independent appraiser as at January 2025. The fair value was determined using the sales comparison approach which considers the sale of similar or substitute properties, related market data and the assets' highest and best use. The fair value of the investment properties is categorized as Level 3 which used adjusted inputs for valuation that are unobservable as of the date of valuation.

The inputs used were offer prices of similar land. Significant increases or decreases in offer price would result in higher or lower fair value of the asset.

The appraisers determined that the highest and best use of these properties are either for residential, agricultural, commercial and recreational utility. For strategic reasons, the properties are not being used in this manner. These properties are currently held by the Group for capital appreciation.

The Group has no restrictions on the realizability of the investment properties. Under Department of Agrarian Reform (DAR) rules, AAC has to complete the development on the Guimaras land by September 2018. On November 11, 2018, DAR approved the Group's request for extension to develop the property within a non-extendible period of five years from the receipt of order or until December 6, 2023. The notice of order was received by the Group on December 7, 2018. On January 18, 2024, DAR approved the Group's request for another extension to develop the property within a non-extendible period of five years from the receipt of order or until February 13, 2029. The notice of order was received by the Group on February 14, 2024.

Fair valuation of the condominium units was also performed by a professionally qualified, SEC-accredited, and independent appraiser. Based on the report of the appraiser rendered for 2022, the fair value of the condominium units is ₱270.1 million.

The fair value of the condominium units was arrived at through the use of the "sales comparison approach," They used properties that are situated within the subject building or in other comparable condominium buildings nearby for comparison. The fair value of the condominium units is categorized as Level 3. The highest and best use of these properties is for leasing.

Management assessed that the fair value of these investment properties as at December 31, 2022 approximates its fair value as at December 31, 2023 as no significant changes on the properties have taken place since the latest appraisal, or will take place in the near future, in the market, economic or legal environment in which the Group operates or in the market to which the investment property is dedicated.

The Group recognized rental income of ₱13.3 million, ₱13.7 million, and ₱13.2 million from these investment properties in 2024, 2023 and 2022, respectively (see Note 30).

The aggregate direct expenses pertaining to real property taxes and depreciation expense amounted to ₱14.3 million, ₱15.5 million, and ₱16.1 million, in 2024, 2023 and 2022, respectively.

16. **Other Noncurrent Assets and Other Noncurrent Liabilities**

The Group's other noncurrent assets comprise the following as of December 31:

	2023	2022
Fund for villa operations and capital expenditures (Note 30)	**₱97,006,919**	₱93,816,895
Property held for future development (Note 30)	**18,703,423**	18,703,423
Computer software - net of accumulated depreciation of ₱17.2 million and ₱14.6 million as of December 31, 2024 and 2023, respectively	**7,313,319**	9,617,133
Refundable deposits	**4,009,493**	3,263,024
Others	**4,873,011**	3,083,727
	₱131,906,165	₱128,484,202

Fund for villa operations and capital expenditures is a restricted cash fund of PRI and PUI held as a source of future maintenance requirements and for future replacement of power generating units and desalination plant. Interest income on this fund shall accrue to the villa owners. A liability related to the fund was recognized and is presented as "Other noncurrent liabilities" in the consolidated statements of financial position (see Note 30).

FHI, Prople Limited and TBG made cash advances to the Company. Total outstanding cash advance amounted to ₱283.0 million and ₱236.1 million as of December 31, 2024 and 2023, respectively, which is presented under "Other noncurrent liabilities" (see Note 13).

17. Notes Payable

The Group has outstanding notes payable of ₱670.0 million as of December 31, 2024 (nil as of December 31, 2023).

a. On November 6, 2024, a clean promissory note was executed between Anscor and BDO for a short-term note payable in the aggregate principal amount of ₱670.0 million, payable on February 4, 2025. The promissory note is subject to an interest rate of 6.99%.

b. Total interest expense from notes payable recognized in the consolidated profit or loss amounted to ₱7.2 million in 2024 (nil in 2023 and 2022); (see Note 23).

The Group's unavailed credit line from banks (covering short-term and long term debts) amounted to ₱2,050.0 million and ₱2,850.0 million as at December 31, 2024 and 2023, respectively.

18. Accounts Payable and Accrued Expenses

	2024	2023
Trade payables	**₱457,523,407**	₱359,192,456
Refundable deposits	**349,089,710**	248,393,035
Accruals for:		
Personnel expenses	**157,546,261**	145,360,975
Utilities	**28,289,791**	22,411,259
Taxes and licenses	**9,357,826**	19,409,399
Others	**80,517,358**	50,451,672
Payable to government agencies	**76,815,628**	98,703,902
Contract liabilities (Note 5)	**61,231,384**	77,116,715
Payable to villa owners	**7,732,151**	61,559,677
Payable to contractors	**4,792,018**	11,609,210
Other payables	**44,367,480**	54,997,728
	₱1,277,263,014	₱1,149,206,028

Trade payables are non-interest bearing and are normally settled on 30 to 90 days' terms.

Other accrued expenses include unpaid operating costs of the Group.

Refundable deposits mainly pertain to advance payments made by guests.

Contract liabilities pertain to the customers' advances for the delivery of goods and services.

Payable to contractors are amounts due to suppliers for ongoing and completed construction projects.

19. Long-term Debt

The Group's outstanding long-term debt from a local bank amounting to ₱780.0 million and ₱1,000.0 million as of December 31, 2024, and December 31, 2023, respectively, pertains to ASAC group and is presented as follows:

	2024	2023
Current portion	**₱104,545,455**	₱–
Non-current portion	**675,454,545**	1,000,000,000
Total notes payable	**₱780,000,000**	₱1,000,000,000

a. On January 9, 2023, a Facility Agreement (IAI-BDO Loan) was executed between IAI (under ASAC group) and BDO, for a term loan in the aggregate principal amount of up to ₱1 billion. On the same date, the Continuing Suretyship (CS) in favor of BDO was jointly and severally irrevocably executed by SSRLI and PRI duly identified as the sureties to secure the due and full payment and performance of the Secured Obligations as defined in the CS (see Note 14).

b. On February 14, 2023, SSRLI, PRI and Pamalican Utilities Inc. (PUI) (the three companies as Trustors) and AB Capital and Investment Corporation (as Trustee) executed the Amended and Restated Mortgage Trust Indenture (MTI). PRI and PUI are now parties to the MTI which was originally entered into by SSRLI and the Trustee on November 29, 2005. The Trustors in the MTI are now parties to the Mortgage Obligations for the loan. The Trustee issued as of December 31, 2023 mortgage participating certificates representing 18.2% of the appraised value of the assets covered by the MTI (see Note 14).

   Drawdowns made in the Facility Agreement in 2023 are as follows:

Date	Amount
January 9, 2023	₱450,000,000
March 15, 2023	63,500,000
April 13, 2023	255,000,000
May 25, 2023	231,500,000
	₱1,000,000,000

   The loan is subject to an interest rate which shall be the higher of (a) the sum of the 3-month Benchmark Rate on interest setting date and on each repricing date plus 0.90% per annum, and (b) BSP Overnight Lending Facility Rate + 0.50% per annum; divided by the interest premium factor.

c. On November 20, 2023, BDO and the Company agreed to adjust the interest rate to the higher of (a) the sum of the 3-month Benchmark Rate on interest setting date and on each repricing date plus 0.90% per annum, and (b) Target Reverse Repurchase Rate plus + 0.25% per annum; divided by the interest premium factor effective January 9, 2024.

   The loan is payable quarterly after a 2-year grace period starting from the initial drawdown. Payment due date of the loan based on nominal values are scheduled as at December 31as follows:

Year	**2024**	2023
Less than 1 year	**₱104,545,455**	₱–
More than 1 year but less than 2 years	**94,545,456**	121,212,121
More than 2 years	**283,636,364**	363,636,364
More than 5 years	**297,272,725**	515,151,515
	₱780,000,000	₱1,000,000,000

   The loan shall be subject to the maintenance of financial ratios which include; (i) maximum of 2.5 times debt-to-equity ratio and (ii) minimum debt service coverage ratio of 1.2 times starting May 31, 2024 and annually each May 31 thereafter.

d. Total interest expense in 2024 and 2023 from this loan recognized in the consolidated profit or loss amounted to ₱59.2 million and ₱58.6 million, respectively.

20. Equity

Equity holders of the Parent

Authorized capital stock as at December 31 consists of the following shares:

	2024		2023	
	Number of Shares	**Amount**	Number of Shares	Amount
Common - ₱1.0 par value	**3,459,310,958**	**₱3,459,310,958**	3,459,310,958	₱3,459,310,958
Preferred - ₱0.01 par value	**500,000,000**	**5,000,000**	500,000,000	5,000,000
	3,959,310,958	**₱3,464,310,958**	3,959,310,958	₱3,464,310,958

Issued and outstanding shares as at December 31 consists of the following:

	2024		2023	
	Number of Shares	**Amount**	Number of Shares	Amount
Common	**2,500,000,000**	**₱2,500,000,000**	2,500,000,000	₱2,500,000,000
Preferred	**500,000,000**	**5,000,000**	500,000,000	5,000,000
	3,000,000,000	**₱2,505,000,000**	3,000,000,000	₱2,505,000,000

On February 19, 2020, the Company's BOD approved the amendment of its Articles of Incorporation (AOI) wherein authorized capital stock of 5,000,000 common shares (par value of ₱1.00 per share) amounting to ₱5.0 million will be reclassified to 500,000,000 preferred shares (par value of ₱0.01 per share) amounting to ₱5.0 million. In August 2020, the Company applied for the amendment of the AOI with the SEC and this was approved by the SEC on June 21, 2021.

Outstanding common shares, net of shares held by a subsidiary, as at December 31, 2024 and 2023 totaled 1,272,329,761. The Company's equity holders as at December 31, 2024 and 2023 are 11,015 and 11,020, respectively.

The Philippine SEC authorized the offering/sale to the public of the Company's 10.0 million and 140.0 million common shares with par value of ₱1.00 each on December 29, 1948 and January 17, 1973, respectively. On August 30, 1996, the Philippine SEC authorized the licensing of 910,476,302 common shares at the subscription price of ₱2.50 per share.

In 2024, 2023 and 2022, the Company declared the following cash dividends:

	2024	2023	2022
Month of declaration	**February and October**	March and November	March and November
Cash dividend per share	**₱0.50 and ₱0.25**	₱0.50 and ₱0.50	₱0.50 and ₱0.50
Total cash dividend	**₱1,875.0 million**	₱2,500.0 million	₱2,500.0 million
Share of a subsidiary	**₱954.3 million**	₱1,272.4 million	₱1,272.4 million

As at December 31, 2024 and 2023, the Company's dividends payable amounted to ₱608.9 million and ₱570.4 million, respectively, and represents mainly dividend checks that were returned by the post office and which remained outstanding as at December 31, 2024 due to problematic addresses of some of the Company's stockholders.

Net dividends paid to Noncontrolling interests in 2024, 2023 and 2022 amounted to ₱58.7 million, ₱69.2 million (net of ₱35.6 million contributions), and ₱56.6 million, respectively.

The Company's BOD approved the following appropriation of the Company's unrestricted retained earnings:

Date of Appropriation	Amount
2011	₱2,100,000,000
2013	900,000,000
2014	1,600,000,000
2015	1,700,000,000
2016	850,000,000
	₱7,150,000,000

The appropriation will be used for the Company's investment program within the next three years on business activities related to tourism, business process outsourcing and manufacturing, whether based in the Philippines or offshore. Appropriations in 2011 and 2013 were extended in 2017 for another three years. Appropriations in 2014 and 2015 were extended in 2018 and 2019, respectively for another three years.

On November 11, 2020, the BOD approved the extension of the appropriation of retained earnings totaling ₱7,150.0 million for another three years for the same investment program.

On November 15, 2023, the BOD approved the extension of the appropriation of retained earnings totaling ₱7,150.0 million for another three years for the same investment program including business activities related to digital technology.

The unappropriated retained earnings is restricted for the dividend declaration by the following:

- Balance of gross deferred income tax assets, fair value adjustments related to unrealized market to market gains of FVPL investments and unrealized foreign exchange gains (except those attributable to cash and cash equivalents) amounting to ₱5,683.8 million and ₱4,971.6 million as at December 31, 2024 and 2023, respectively.
- Shares in the undistributed retained earnings of subsidiaries and accumulated equity in net earnings of associates amounting to ₱7.3 billion and ₱6.6 billion as at December 31, 2024 and 2023, respectively, which are included in retained earnings, are not available for declaration as dividends until declared by the subsidiaries.

Shares held by a subsidiary
As at December 31, 2024 and 2023, Anscorcon holds 1,272,429,761 shares of the Company amounting to ₱2.7 billion.

21. Cost of Goods Sold, Cost of Services Rendered and Operating Expenses

Cost of goods sold consists of:

	2024	2023	2022
Materials used and changes in inventories (Note 11)	**₱8,918,686,730**	₱7,906,232,511	₱8,538,054,588
Depreciation and amortization (Note 14)	**150,216,308**	121,275,291	100,590,598
Salaries, wages and employee benefits (Note 22)	**124,865,029**	126,220,794	105,885,345
Utilities	**110,171,668**	111,085,374	101,357,802
Supplies	**81,301,525**	75,202,038	78,339,274
Outside Services	**67,272,610**	53,467,763	42,771,793
Repairs and maintenance	**60,975,631**	43,684,367	47,393,337

(Forward)

	2024	2023	2022
Security services	**₱8,996,536**	₱8,267,405	₱7,433,248
Transportation and travel	**4,200,565**	3,818,057	3,252,704
Taxes and licenses	**3,452,941**	5,343,441	2,318,459
Insurance	**3,202,297**	2,339,261	3,971,287
Dues and subscription	**1,425,600**	1,426,800	1,426,800
Professional fees	**1,309,549**	883,897	444,039
Communication	**439,545**	450,597	497,242
Others	**11,099,020**	10,405,150	14,681,918
	₱9,547,615,554	₱8,470,102,746	₱9,048,418,434

Cost of services rendered consists of:

	2024	2023	2022
Salaries, wages and employee benefits (Note 22)	**₱156,671,264**	₱66,572,127	₱87,778,405
Resort operating costs	**122,422,403**	210,669,296	142,844,960
Depreciation and amortization (Note 14)	**99,626,608**	72,879,568	52,910,287
Fuel cost	**59,058,248**	52,096,470	24,469,324
Materials and supplies - resort operations (Note 11)	**51,408,033**	52,882,524	30,894,212
Insurance	**29,249,516**	27,466,338	10,151,631
Repairs and maintenance	**15,149,954**	9,075,116	10,869,034
Taxes and licenses	**6,740,568**	6,902,507	5,871,088
Outside services	**2,828,000**	12,337,439	14,325,302
Transportation and travel	**597,314**	257,951	23,824,212
Others	**34,235,340**	24,354,053	587,714
	₱577,987,248	₱535,493,389	₱404,526,169

Operating expenses consist of:

	2024	2023	2022
Salaries, wages and employee benefits (Note 22)	**₱389,129,729**	₱462,901,033	₱347,040,443
Utilities	**201,993,339**	228,144,642	136,737,400
Depreciation and amortization (Notes 14, 15 and 30)	**195,449,114**	172,837,830	170,886,909
Advertising, marketing and management fee (Note 30)	**191,877,901**	168,253,796	129,279,596
Shipping and delivery expenses	**147,662,363**	122,724,609	125,034,606
Professional and directors' fees	**116,093,124**	61,059,591	62,323,136
Repairs and maintenance	**112,107,372**	110,548,597	67,321,569
Taxes and licenses	**99,062,966**	97,338,997	74,963,797
Transportation and travel	**47,423,428**	48,457,123	50,266,466
Insurance	**39,164,698**	37,216,181	26,822,760
Commissions	**36,770,113**	36,845,930	27,408,445
Security services	**32,682,075**	30,655,408	21,306,153
Communications	**16,229,822**	15,254,367	14,444,211
Association dues	**15,545,728**	13,926,186	8,624,847
Donation and contribution	**12,823,137**	12,152,600	14,742,214
Computer programming	**10,070,741**	10,104,655	3,838,143
Office supplies	**9,749,113**	11,722,874	18,472,462
Medical expenses	**7,744,160**	6,430,014	7,629,053
Meetings and conferences	**7,734,442**	7,434,728	7,611,742
Entertainment, amusement and recreation	**5,595,517**	8,091,840	5,030,562
Trainings	**4,551,059**	6,455,677	5,382,846
Others	**78,347,927**	68,453,925	48,689,949
	₱1,777,807,868	₱1,737,010,603	₱1,373,857,309

In 2024, 2023 and 2022, the Company paid bonus to its non-executive directors amounting to ₱14.7 million, ₱18.1 million, and ₱19.3 million respectively.

As approved in 2004, the directors are given bonus representing no more than 1.0% of previous year's net income of the Company.

22. Personnel Expenses

	2024	2023	2022
Salaries and wages	**₱607,137,258**	₱603,880,806	₱481,002,471
Social security premiums and other employee benefits	**52,266,422**	37,301,244	45,010,975
Pension costs (Notes 23 and 24)	**11,262,342**	14,511,904	14,690,747
	₱670,666,022	₱655,693,954	₱540,704,193

In 2024, 2023, and 2022, the Group declared and paid bonuses to its executive officers amounting to ₱83.5 million, ₱91.6 million and ₱78.8 million, respectively.

An annual bonus of no more than 3.0% of the preceding year's net income is given to executive officers of the Company as approved by the BOD in 2004.

23. Interest Income, Interest Expense and Other Income (Charges)

Interest income consists of:

	2024	2023	2022
Cash and cash equivalents (Note 8)	**₱60,700,360**	₱51,436,960	₱24,918,106
Notes receivable (Note 27)	**24,852,916**	19,331,002	15,393,943
Debt instruments (Notes 9 and 12)	**17,774,433**	20,742,464	25,807,800
Others	**939,213**	359,688	1,342,020
	₱104,266,922	₱91,870,114	₱67,461,869

Interest income on debt instruments is net of bond discount amortization amounting to (₱0.5 million), ₱0.8 million, and ₱0.3 million, in 2024, 2023 and 2022, respectively.

Interest expense arose from the following:

	2024	2023	2022
Long-term debt (Note 19)	**₱59,174,330**	₱58,597,678	₱1,943,829
Notes payable (Note 17)	**7,165,228**	–	–
Lease liabilities (Note 30)	**1,023,729**	1,637,027	2,379,491
Others	**2,042,419**	2,245,282	364,357
	₱69,405,706	₱62,479,987	₱4,687,677

Other income (charges) - net consists of:

	2024	2023	2022
Recovery of (provision for) impairment losses - net (Note 10)	**₱89,256,318**	(₱1,331,205)	(₱825,054)
Trading income	**25,821,642**	18,475,662	–
Recovery of impairment loss on investment properties (Note 15)	**24,812,188**	–	–
Fuel surcharge	**19,522,305**	14,954,000	–
Rental income (Notes 15 and 30)	**13,287,332**	13,718,182	13,228,239
Gain on disposal of PPE	**7,278,291**	1,227,513	(69,643)
Reimbursement	**2,433,500**	2,811,144	3,291,769
Retirement benefit income	**–**	–	1,321,427
Others - net	**9,183,373**	854,874	5,304,773
	₱191,594,949	₱50,710,170	₱22,251,511

24. **Pension**

The Group has funded defined benefit pension plans covering substantially all of its officers and employees. The benefits to be received by the officers and employees under the pension plans shall not be less than the minimum mandated retirement benefit plan under Republic Act (RA) No. 7641.

The funds are administered by trustee banks under the control and supervision of the Board of Trustees (BOT) of the pension plans, which is composed of the executive officers of the Company.

The Group contributes to the funds as required under accepted actuarial principles to maintain the plan in sound condition and reserves the right to discontinue, suspend or change the rate and amount of its contribution to the funds at any time.

Funding Policy
The Group contributes to the plans amounts (estimated by an actuary on the basis of reasonable actuarial assumptions) which are necessary to provide the defined benefits. No member is required to make any contribution to the plans. Contributions to the plans are determined using the projected unit credit method. Under this method, the current service cost is the present value of retirement benefits payable in the future in respect of services in the current period. The past service cost (PSC) is the present value of the units of benefits payable in the future in respect of services rendered prior to valuation date.

The Group's management performs an Asset-Liability Matching Study annually. The overall investment policy and strategy of the Group's defined benefit plans is guided by the objective of achieving an investment return which, together with contributions, ensures that there will be sufficient assets to pay pension benefits as they fall due while also mitigating the various risks of the plans.

As at December 31, 2024 and 2023, the Company's defined benefit retirement fund (the Fund) has investments in shares of stock of the Company with a cost of ₱413.6 million. The fair value of the shares of stock amounted to ₱871.3 million and ₱742.6 million as at December 31, 2024 and 2023, respectively.

All of the fund's investing decisions are made by the BOT of the pension plans. The retirement benefit fund's gain arising from the net changes in market prices amounted to ₱113.12 million and ₱146.72 million in 2024 and 2023, respectively.

The following tables summarize the components of net benefit expense recognized in the consolidated profit or loss and the fund status and amounts recognized in the consolidated statements of financial position.

	2024	2023	2022
Retirement benefit cost:			
Current service cost	**₱20,070,908**	₱19,687,831	₱19,185,398
Net interest income	**(8,808,566)**	(5,175,927)	(4,494,651)
Net benefit expense (Notes 22 and 23)	**₱11,262,342**	₱14,511,904	₱14,690,747
Actual return on plan assets	**₱186,196,854**	₱250,281,932	₱107,014,499

Changes in net retirement plan asset are as follows:

	2024	2023	2022
Net retirement plan assets, beginning	**₱179,367,643**	₱122,351,083	₱147,141,624
Current service cost	**(6,098,228)**	(7,036,429)	(9,314,406)
Net interest income	**9,720,068**	6,776,901	6,681,667
	3,621,840	(259,528)	(2,632,739)
Actuarial changes arising from:			
Changes in financial assumptions	**(18,922,987)**	(5,304,655)	(13,603,079)
Experience adjustments	**(38,038,138)**	15,654,040	26,120,992
Changes in the effect of asset ceiling	**5,824,919**	(164,334,396)	(124,421,947)
Remeasurement of plan assets	**120,188,983**	203,537,923	81,047,994
Changes in demographic adjustments	**–**	–	836,842
	69,052,777	49,552,912	(30,019,198)
Contributions	**7,723,176**	7,723,176	8,219,373
Transfer to net retirement payable	**–**	–	(357,977)
Net retirement plan assets, end	**₱259,765,436**	₱179,367,643	₱122,351,083

Changes in net retirement benefits payable are as follows:

	2024	2023	2022
Net retirement benefits payable, beginning	**(₱22,609,622)**	(₱39,931,355)	(₱48,147,054)
Current service cost	**(13,972,680)**	(12,651,402)	(9,870,992)
Net interest cost	**(911,502)**	(1,600,974)	(2,187,016)
	(14,884,182)	(14,252,376)	(12,058,008)
Actuarial changes arising from:			
Changes in financial assumptions	**(4,894,841)**	(3,177,929)	12,435,292
Experience adjustments	**(6,373,422)**	615,651	(3,206,968)
Remeasurement of plan assets	**2,514,376**	(7,293,180)	(7,128,106)
Changes in demographic adjustments	**–**	–	–
Changes in the effect of asset ceiling	**–**	31,525	–
	(8,753,887)	(9,823,933)	2,100,218
Contribution	**22,393,428**	41,398,042	17,815,512
Transfer from net retirement assets	**–**	–	357,977
Benefits paid from book reserve	**4,503,485**	–	–
Net retirement benefits payable, end	**(₱19,350,778)**	(₱22,609,622)	(₱39,931,355)

Changes in the present value of defined benefit obligation:

	2024	2023
Defined benefit obligation, beginning	**₱491,396,056**	₱505,613,269
Current service cost	**20,094,723**	14,511,904
Interest cost	**29,683,325**	33,153,794
Remeasurement in other comprehensive income:		
Actuarial gain- experience adjustments	**43,614,505**	5,359,922
Actuarial gain - changes in financial assumptions	**23,501,711**	7,730,675
Actuarial loss - changes in demographic assumptions	**–**	(15,654,040)
Benefits paid from plan assets	**(49,908,982)**	(59,319,468)
Benefits paid directly from book reserve	**(4,503,485)**	–
Defined benefit obligation, ending	**₱553,877,853**	₱491,396,056

Changes in the fair value of plan assets:

	2024	2023
Fair value of plan assets, beginning	**₱1,082,279,381**	₱839,922,864
Interest income	**64,590,569**	52,522,161
Contributions	**30,116,576**	47,841,494
Remeasurement gain	**121,606,285**	196,244,743
Business combinations/disposals	**–**	5,067,587
Benefits paid from plan assets	**(49,908,982)**	(59,319,468)
Fair value of plan assets, ending	**₱1,248,683,829**	₱1,082,279,381

Changes in the effect of asset ceiling:

	2024	2023
Beginning balance	**₱434,120,660**	₱252,889,704
Changes in the effect of asset ceiling	**5,824,919**	(164,334,396)
Interest on the effect of asset ceiling	**26,079,506**	345,565,352
Ending balance	**₱466,025,085**	₱434,120,660

The fair value of plan assets as at December 31 are as follows:

	2024	2023
Debt instruments	**₱344,967,038**	₱353,220,657
Equity instruments	**802,279,100**	653,897,385
Unit investment trust funds	**68,865,618**	67,329,763
Cash and cash equivalents	**30,648,125**	7,657,238
Others	**1,923,948**	174,338
	₱1,248,683,829	₱1,082,279,381

The financial instruments with quoted prices in active market amounted to ₱506.7 million and ₱616.4 million as at December 31, 2024 and 2023, respectively. The remaining plan assets do not have quoted market prices in active market.

The plan assets have diverse investments and do not have any concentration risk.

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation of retirement plan asset of the Parent Company as of the end of the reporting period, assuming all other assumptions were held constant:

2024	**Change in Rates**	**Effect on Present Value of Defined Benefit Obligation Increase (Decrease)**
Discount rates	**+100 bps**	**(₱10,384,795)**
	-100 bps	**11,501,226**
Future salary increases	**+100 bps**	**11,235,871**
	-100 bps	**(10,349,561)**

2023	Change in Rates	Effect on Present Value of Defined Benefit Obligation Increase (Decrease)
Discount rates	+100 bps	(₱7,824,053)
	-100 bps	9,103,344
Future salary increases	+100 bps	10,835,390
	-100 bps	(9,704,310)

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation of the retirement plan liabilities of the subsidiaries as of the end of the reporting period, assuming all other assumptions were held constant:

2024	**Change in Rates**	**Effect on Present Value of Defined Benefit Obligation Increase (Decrease)**
Discount rates	**+100 bps**	**(₱11,595,353)**
	-100 bps	**13,067,692**
Future salary increases	**+100 bps**	**13,213,567**
	-100 bps	**(11,925,166)**

2023	Change in Rates	Effect on Present Value of Defined Benefit Obligation Increase (Decrease)
Discount rates	+100 bps	(₱8,667,448)
	-100 bps	9,520,264
Future salary increases	+100 bps	9,547,139
	-100 bps	(8,850,312)

The Group expects to make contributions amounting to ₱22.24 million to its defined benefit pension plans in 2024.

The principal assumptions used in determining pension benefit obligations for the Group's plans are shown below:

	2024	2023
Discount rate	**6.07% to 6.13%**	6.01% to 6.10%
Future salary increases	**3.00% to 5.90%**	3.00% to 5.00%

The weighted average duration of the defined benefit obligation as at December 31, 2024 and 2023 ranges from 3.3 to 5.9 years and 2.8 to 5.9 years, respectively.

Shown below is the maturity analysis of the expected future benefit payments as at December 31, 2024:

Year	Amount
2025	₱269,156,611
2026	23,909,690
2027	81,401,899
2028	26,082,954
2029	37,804,384
2030 to 2034	257,261,810

There were no changes from the previous period in the method and assumptions used in preparing the sensitivity analysis.

25. Income Taxes

The provision for income tax consists of:

	2024	2023	2022
Current	**₱322,536,161**	₱308,322,710	₱338,153,898
Deferred	**57,131,010**	59,677,335	(95,998,699)
	₱379,667,171	₱368,000,045	₱242,155,199

As at December 31, 2024 and 2023, tax credits or refunds included in "other current assets" amounted to ₱325.7 million and ₱253.4 million, respectively.

The components of the net deferred income tax assets (liabilities) are as follows:

	2024		2023	
	Net Deferred Income Tax Assets(1)	**Net Deferred Income Tax (Liabilities)(2)**	Net Deferred Income Tax Assets(1)	Net Deferred Income Tax (Liabilities)(2)
Recognized in the consolidated profit or loss:				
Deferred income tax assets on:				
Allowance for expected credit losses	**₱44,584,149**	**₱–**	₱66,809,534	₱–
Allowance for inventory obsolescence and losses	**20,712,937**	**–**	23,134,206	–
Net retirement benefits payable	**9,214,403**	**–**	13,284,792	–
Unamortized past service cost	**9,569,144**	**–**	9,162,158	–
MCIT	**1,807,699**	**–**	1,807,699	–
NOLCO	**–**	**–**	1,804,960	–
Unrealized foreign exchange loss	**22,616**	**–**	155,902	–
Others	**9,748,820**	**–**	10,713,715	–
	95,659,768	**–**	126,872,966	–

(Forward)

	2024		2023	
	Net Deferred Income Tax Assets(1)	**Net Deferred Income Tax (Liabilities)(2)**	Net Deferred Income Tax Assets(1)	Net Deferred Income Tax (Liabilities)(2)
Deferred income tax liabilities on:				
Unrealized foreign exchange gains	–	**(30,954,925)**	(1,002,517)	(18,340,643)
Net retirement plan assets	–	**(13,560,725)**	–	(9,598,592)
Fair value adjustment on equity investments	–	**(274,419,799)**	–	(284,431,074)
Market adjustment on FVPL investments	**(728,193)**	**(169,025,021)**	(745,335)	(145,750,693)
	(728,193)	**(487,960,470)**	(1,747,852)	(458,121,002)
	94,931,575	**(487,960,470)**	125,125,114	(458,121,002)
Recognized in other comprehensive income:				
Deferred income tax assets (liabilities) on:				
Unrealized valuation gains on FVOCI investments	–	**(93,518)**	–	(201,873)
Cumulative actuarial gains	**(9,608,706)**	**(51,380,634)**	(6,883,930)	(35,243,319)
	(9,608,706)	**(51,474,152)**	(6,883,930)	(35,445,192)
	₱85,322,869	**(₱539,434,622)**	₱118,241,184	(₱493,566,194)

(1) Pertain to SSRLI, ASAC, PDP and AHI.
(2) Pertain to Anscor and Anscorcon.

The following are the deductible temporary differences and carryforward benefits for which no deferred income tax assets were recognized as future realizability of these deferred income tax assets is not probable:

	2024	2023
Deductible temporary differences on:		
Allowances for:		
Impairment losses	**₱1,040,969,632**	₱1,040,969,632
Expected credit losses	**567,537,073**	567,537,073
Accrued pension benefits and others	–	65,361
Carryforward benefits of:		
NOLCO	**59,984,327**	219,513,310
MCIT	**296,340**	5,016,267
Others	–	217,612

On March 26, 2021, the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was signed into law to attract more investments and maintain fiscal prudence and stability in the Philippines. Republic Act (RA) 11534 or the CREATE Act introduces reforms to the corporate income tax and incentives systems. It takes effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation or April 11, 2021.

The following are the key changes to the Philippine tax law pursuant to the CREATE Act which have an impact on the Group:

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30% to 25% for domestic corporations.
- For domestic corporations with net taxable income not exceeding ₱5.0 million and with total assets not exceeding ₱100.0 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%.
- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2020 to June 30, 2023.
- Imposition of improperly accumulated earnings tax of 10% is repealed.

The reconciliation of provision for income tax computed at the statutory income tax rate with the provision for income tax is as follows:

	2024	2023	2022
Provision for income tax at statutory tax rates	**₱1,293,620,791**	₱754,298,933	₱774,549,289
Additions to (reductions from) income taxes resulting from:			
Increase in market values of marketable equity securities and other investments subjected to final tax	**(708,513,391)**	(301,244,721)	(145,941,385)
Dividend income not subject to income tax	**(87,082,920)**	(93,290,258)	(66,751,373)
Nontaxable income	**(83,901,461)**	–	(493,648,900)
Income tax at 5% GIT	**(34,023,959)**	(4,012,024)	(33,624,145)
Equity in net earnings of associates not subject to income tax	**(8,459,307)**	(2,185,689)	(6,659,881)
Interest income already subjected to final tax	**(6,809,251)**	(4,020,168)	(123,402)
Movement in unrecognized deferred income tax assets	**(2,036,189)**	(2,678,391)	191,691,568
Change in income tax rate	**–**	782,393	–
Others	**16,872,858**	20,349,970	22,663,428
	₱379,667,171	₱368,000,045	₱242,155,199

The Group has available NOLCO and MCIT which can be claimed as deduction from taxable income and as credit against income tax due, respectively, as follows:

NOLCO

Period of Recognition	Availment Period	Beginning of the year	Additions	Applied	Expired	End of the year
2020	2021-2025	₱18,823,962	₱–	(₱558,520)	₱–	**₱18,265,442**
2021	2022-2026	10,987,867	–	–	–	**10,987,867**
2022	2023-2025	17,928,564	–	–	–	**17,928,564**
2023	2024-2026	171,772,917	–	(159,284,058)	–	**12,488,859**
2024	2025-2027	–	313,595	–	–	**313,595**
		₱219,513,310	**₱313,595**	**(₱159,842,578)**	**₱–**	**₱59,984,327**

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover As One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss. Hence, the incurred NOLCO of the Group in taxable year 2020 and 2021 can be claimed as deduction from the regular taxable income from taxable years 2021 to 2025 and taxable years 2022 to 2026, respectively, in pursuant to the Bayanihan to Recover As One Act.

MCIT

Period of Recognition	Availment Period	Beginning of the year	Additions	Applied	Expired	End of the year
2021	2022-2024	₱497,520	₱	(₱461,175)	(₱36,345)	**₱–**
2022	2023-2025	2,556,521	–	(2,507,589)	–	**48,932**
2023	2024-2026	3,769,925	–	(1,915,976)	–	**1,853,949**
2024	2025-2027	–	201,158	–	–	**201,158**
		₱6,823,966	**₱201,158**	**(₱4,884,740)**	**(₱36,345)**	**₱2,104,039**

26. Earnings Per Share - Basic / Diluted

Earnings per share - basic / diluted were computed as follows:

	2024	2023	2022
Net income attributable to equity holders of the Parent	**₱4,681,330,337**	₱2,552,017,982	₱2,800,557,660
Total comprehensive income attributable to equity holders of the Parent	**₱4,816,642,676**	₱2,573,853,450	₱2,728,710,414
Weighted average number of shares	**1,227,570,239**	1,227,570,239	1,227,570,239
Earnings Per Share			
Basic/diluted, for net income attributable to equity holders of the Parent	**₱3.81**	₱2.08	₱2.28
Basic/diluted, for comprehensive income attributable to equity holders of the Parent	**₱3.92**	₱2.10	₱2.22

The Company does not have potentially dilutive common stock equivalents in 2024, 2023 and 2022.

27. Related Party Transactions

Related party relationship exists when the party has the ability to control, directly or indirectly, through one or more intermediaries, or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity and its key management personnel, directors or stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

All related party transactions exceeding ₱5.0 million in a single transaction or in aggregate transactions within the last 12 months are disclosed to and evaluated by the Related Party Transaction Committee for approval by at least majority of the BOD.

All material related party transactions, representing 10% or more of the consolidated total assets of the Group, shall be approved by at least two-thirds (2/3) vote of the BOD, with at least majority of the independent directors voting to approve the material related party transactions. These transactions shall be disclosed with the SEC.

In the normal course of business and in addition to those disclosed in Notes 13 and 30, the Group grants/ receives cash advances to/from its associates and affiliates. Related Party transactions are generally settled through cash.

Compensation of the Group's key management personnel (in millions):

	2024	2023	2022
Short-term employee benefits (Notes 21 and 22)	**₱200.9**	₱186.9	₱152.2
Retirement benefits (Notes 21, 22 and 24)	**12.2**	5.1	4.4
Total	**₱213.1**	₱192.0	₱156.6

On March 29, 2023, PDPI sold and issued shares to a key officer representing 3% of its outstanding shares of stock for ₱35.6 million. At date of sale, the Group recognized the corresponding NCI and the related adjustment as a charge against the Additional Paid-in Capital in the consolidated financial statements amounting to ₱135.0 million.

On November 4, 2019, the Company granted a five-year loan amounting to ₱363.5 million to A. Soriano Corporation Retirement Plan (the Retirement Plan) at 5% interest per annum. The loan is secured by the Company's shares of stock held by the Retirement Plan with a fair value of ₱766.1 million and ₱652.9 million as at December 31, 2024 and 2023, respectively. On February 28, 2024, the loan term was extended for another nine years effective November 3, 2024.

The balance of the loan, which is presented as "Notes receivable" in the consolidated statements of financial position, amounted to ₱170.1 million and ₱198.8 million as at December 31, 2024 and 2023, respectively.

On August 10, 2023, the Company entered into an agreement with AIMP for ₱218.0 million convertible note ("Note"), with gross interest rate of 8% per annum. The principal is payable on the third year anniversary of the Note issuance, while the interest is payable monthly. The Notes are convertible on or after the occurrence of an event of default. As at December 31, 2024 there has been no event of default and the Company intends to hold the Note until maturity. Accordingly, the Note was included under "Notes receivable" and accounted for at amortized cost.

28. **Financial Risk Management Objectives and Policies**

The Group's principal financial instruments comprise of cash and cash equivalents, receivables, investments in debt instruments, quoted and unquoted equity securities, investments in mutual and hedge funds, and short-term and long-term bank loans. The Group's other financial instruments include accounts payable, lease liabilities and dividends payable and amounts due to affiliates, which arose directly from operations.

The Company's investment objectives consist mainly of:

a) maintaining a bond portfolio that earns adequate cash yields, and
b) maintaining a stable equity portfolio that generates capital gains through a combination of long-term strategic investments and short-term to medium-term hold type investment.

The main risks arising from the use of these financial instruments are credit risk, liquidity risk, interest rate risk, equity price risk, price risk of mutual funds, foreign currency risk, copper rod price risk, and operating and regulatory risks. These risks are monitored by the Company's Investment Committee (the Committee).

The Committee evaluates the performance of all investments and reviews fund allocation to determine the future strategy of the fund. The Committee is composed of the Company's Chairman, Vice Chairman, President and Chief Operating Officer, and former Chief Finance Officer, Treasurer and Corporate Development Officer, and an independent consultant. The Committee meets at least every quarter for the review and evaluation. The BOD reviews and approves the Company's risk management policies. The Company's policies for managing each of these risks are summarized below.

Credit risk
The Group is exposed to credit risk primarily because of its investing and operating activities. Credit risk losses may occur as a result of either an individual, counterparty or issuer being unable to or unwilling to honor its contractual obligations. The Group is exposed to credit risk arising from default of the counterparties (i.e., foreign and local currency denominated debt instruments and receivables) to its financial assets. The Group does not have a counterparty that accounts for more than 10% of the consolidated revenue.

Credit risk management
In managing credit risk on these investments, capital preservation is paramount. The Group transacts only with recognized and creditworthy counterparties. Investments in bonds are invested in highly recommended, creditworthy debt instruments that provides satisfactory interest yield.

Credit risk exposures
The table below shows the gross maximum exposure for each class of financial assets before the effects of collateral, credit enhancements and other credit risk mitigation techniques:

	2024	2023
Cash in banks	**₱1,334,818,959**	₱1,138,681,881
Cash equivalents	**2,025,615,610**	1,980,190,629
FVPL investments - bonds	**14,988,363**	147,453,547
FVOCI investments - bonds	**15,599,929**	57,636,746
Advances	**566,406,391**	566,637,017
	3,957,429,252	3,890,599,820
Receivables:		
Trade	**2,462,263,680**	2,262,546,217
Notes receivable	**388,102,184**	416,774,404
Receivable from villa owners	**22,258,171**	77,279,674
Interest receivable	**14,697,041**	12,744,830
Others	**14,529,542**	29,418,074
	2,901,850,618	2,798,763,199
	₱6,859,279,870	₱6,689,363,019

Credit quality per class of financial assets
For the Group's financial assets, credit quality is monitored and managed using internal credit ratings. Internal risk ratings are derived in accordance with the Group's rating policy.

Trade receivables
An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix.

		Days Past Due But Not Impaired					
December 31, 2024	**Current**	**Less than 30 days**	**31 to 60 days**	**61 to 90 days**	**91 to 120 days**	**More than 120 days**	**Total**
Expected credit loss rate	**0%**	**0%**	**0%-0.01%**	**0%-0.84%**	**0%--48.82%**	**0%--100%**	
Estimated total gross carrying amount at default	**₱7,755,798**	**₱1,870,823,645**	**₱306,212,853**	**₱41,142,533**	**₱220,529,044**	**₱15,799,807**	**₱2,462,263,680**
Expected credit loss	**₱–**	**₱44,750**	**₱19,654**	**₱343,628**	**₱107,657,173**	**₱15,799,807**	**₱123,865,012**

		Days Past Due But Not Impaired					
December 31, 2023	Current	Less than 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 120 days	Total
Expected credit loss rate	0%	0% - 0.02%	0%- 0.20%	0%-0.47%	0% - 96.35%	0%-98.91%	
Estimated total gross carrying amount at default	₱1,402,081,696	₱392,216,755	₱163,807,399	₱24,709,838	₱23,488,179	₱256,242,350	₱2,262,546,217
Expected credit loss	₱–	₱54,167	₱250,751	₱90,690	₱17,912,308	₱194,813,414	₱213,121,330

Other financial assets
Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Group invests only on quoted debt securities with very low credit risk. The Group's debt instruments at fair value through OCI comprised solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the Good Credit Rating Agency and, therefore, are considered to be low credit risk investments.

The tables below present the summary of the Group's exposure to credit risk as of December 31 and show the credit quality of the assets by indicating whether the assets are subjected to the 12-month ECL or lifetime ECL.

2024	**12-month ECL**	**Lifetime ECL Not Credit Impaired**	**Lifetime ECL Credit Impaired**	**Total**
Cash in banks	**₱1,334,818,959**	**₱–**	**₱–**	**₱1,334,818,959**
Cash equivalents	**2,025,615,610**	**–**	**–**	**2,025,615,610**
FVOCI investments	**15,599,929**	**–**	**–**	**15,599,929**
Receivables:				
Notes receivable	**388,102,184**	**–**	**–**	**388,102,184**
Receivable from villa owners	**22,258,171**	**–**	**–**	**22,258,171**
Interest receivable	**14,105,946**	**–**	**591,095**	**14,697,041**
Others	**13,530,319**	**–**	**999,223**	**14,529,542**
Advances	**1,606,391**	**–**	**564,800,000**	**566,406,391**
	₱3,815,637,509	**₱–**	**₱566,390,318**	**₱4,382,027,827**

2023	12-month ECL	Lifetime ECL Not Credit Impaired	Lifetime ECL Credit Impaired	Total
Cash in banks	₱ 1,138,681,881	₱–	₱–	₱ 1,138,681,881
Cash equivalents	1,980,190,629	–	–	1,980,190,629
FVOCI investments	57,636,746	–	–	57,636,746
Receivables:				
Notes receivable	416,774,404	–	–	416,774,404
Receivable from villa owners	77,279,674	–	–	77,279,674
Interest receivable	12,153,735	–	591,095	12,744,830
Others	28,418,851	–	999,223	29,418,074
Advances	1,837,017	–	564,800,000	566,637,017
	₱ 3,712,972,937	₱–	₱566,390,318	₱4,279,363,255

Liquidity risk
Liquidity risk is defined as the risk that the Group may not be able to settle or meet its obligations as they fall due. Aside from yielding good returns, the Group ensures investments have ample liquidity to finance operations and capital requirements. Short-term bank loans are secured to fill in temporary mismatch of funds for new investments.

Where applicable, long-term debt or equity are used for financing when the business requirement calls for it to ensure adequate liquidity in the subsidiaries and affiliates' operation.

The Group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when they are due. This is done by primarily investing in highly liquid investments.

The tables below summarize the maturity profile of the Group's financial liabilities based on undiscounted contractual payments as well as the financial assets used for liquidity management.

December 31, 2024	Within 6 Months	Over 6 to 12 Months	Over 1 Year to 5 Years	Over 5 Years	Total
Cash on hand and in banks	**₱1,334,818,959**	**₱–**	**₱–**	**₱–**	**₱1,334,818,959**
Cash equivalents	**2,025,615,610**	**–**	**–**	**–**	**2,025,615,610**
FVPL investments - bonds	**–**	**–**	**14,988,363**	**–**	**14,988,363**
FVOCI investments - bonds	**–**	**–**	**15,599,929**	**–**	**15,599,929**
Receivables*	**2,515,548,995**	**–**	**388,102,184**	**–**	**2,903,651,179**
	₱5,875,983,564	**₱–**	**₱418,690,476**	**₱–**	**₱6,294,674,040**
Accounts payable and accrued expenses**	**₱1,200,447,386**	**₱–**	**₱–**	**₱–**	**₱1,200,447,386**
Lease liabilities	**–**	**8,850,347**	**28,969,736**	**–**	**37,820,083**
Long-term debt	**56,960,227**	**46,647,727**	**466,477,272**	**209,914,774**	**780,000,000**
Dividends payable	**608,871,295**	**–**	**–**	**–**	**608,871,295**
	₱1,866,278,908	**₱55,498,074**	**₱495,447,008**	**₱209,914,774**	**₱2,627,138,764**

**Including notes receivable amounting to million ₱388.1 million.*
*** Excluding non-financial liabilities amounting to ₱77.5 million*

December 31, 2023	Within 6 Months	Over 6 to 12 Months	Over 1 Year to 5 Years	Over 5 Years	Total
Cash on hand and in banks	₱1,138,681,881	₱–	₱–	₱–	₱1,138,681,881
Cash equivalents	1,980,190,629	–	–	–	1,980,190,629
FVPL investments - bonds	–	–	14,515,661	132,937,886	147,453,547
FVOCI investments - bonds	–	–	29,622,064	28,014,682	57,636,746
Receivables*	2,381,988,795	–	416,774,404	–	2,798,763,199
	₱5,500,861,305	₱–	₱460,912,129	₱160,952,568	₱6,122,726,002
Accounts payable and accrued expenses**	₱1,050,502,126	₱–	₱–	₱–	₱1,050,502,126
Lease liabilities	–	17,152,948	36,906,578	–	54,059,526
Long-term debt	–	–	484,848,485	515,151,515	1,000,000,000
Dividends payable	570,375,761	–	–	–	570,375,761
	₱1,620,877,887	₱17,152,948	₱521,755,063	₱515,151,515	₱2,674,937,413

** Including notes receivable amounting to ₱416.7 million.*
*** Excluding non-financial liabilities amounting to ₱98.7 million.*

Accounts payable and accrued expenses, dividend payable, lease liabilities, notes payable and current portion of long-term debt are expected to be settled using cash to be generated from operations and drawing from existing lines of credits or liquidity reserves.

Market risks
Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is the risk coming from adverse movements in factors that affect the market value of financial instruments of the Group. The Group is exposed primarily to the financial risks of changes in interest rates, equity price risk, price risk of mutual funds, foreign currency risk, copper rod price risk and operating and regulatory risk..

Investments exposed to market risk are foreign and local currency-denominated quoted debt instruments, foreign and local-currency denominated equity instruments and mutual fund/hedge fund investments.

There has been no change to the Group's manner in managing and measuring the risk.

a. Interest rate risks

Cash flow interest rate risk
Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The following table demonstrates management's best estimate of the sensitivity to reasonably possible change in interest rates, with all other variables held constant:

Floating Debt Instrument	**Change in Interest Rates [in Basis Points (bps)]**	**Effect on Income Before Tax and Equity Increase (Decrease) (in millions)**
2024	**+3.77**	**₱1.9**
2023	+0.21	₱2.1

The sensitivity analysis shows the effect on the consolidated profit or loss of assumed changes in interest rates on the net interest income for one year, based on the floating rate of financial assets and financial liabilities held as at December 31, 2024 and 2023. There is no other impact on equity other than those affecting profit or loss.

Fair value interest rate risk
Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group accounts for its quoted debt instruments at fair value. Changes in benchmark interest rate will cause changes in the fair value of quoted debt instruments.

The tables below show the impact on income before income tax and equity of the estimated future bond yields using a duration-based sensitivity approach. Items affecting profit or loss are bonds classified as FVPL and items affecting equity account are bonds classified as FVOCI. The impact of change in interest rates are as follows (in millions):

2024	**Change in Interest Rates (in bps)**	**Increase (Decrease)** Effect on Income Before Tax	**Increase (Decrease)** Effect on Equity
FVOCI investments	+100	**₱–**	**(₱1.93)**
	-100	**–**	**(2.05)**
FVPL investments	+100	**(₱1.30)**	**₱–**
	-100	**1.38**	**–**

2023	Change in Interest Rates (in bps)	Increase (Decrease) Effect on Income Before Tax	Increase (Decrease) Effect on Equity
FVOCI investments	+100	₱–	(₱1.93)
	-100	–	(2.05)
FVPL investments	+100	(₱1.30)	₱–
	-100	1.38	–

b. Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of the equity indices and the values of individual stock. The equity price risk exposure arises from the Group's investment in stock listed in the PSE, NASDAQ and NYSE.

The sensitivity analysis assumes that the stock's standard deviation on its historical returns for the past one year provides the basis for the range of reasonably possible changes in prices of the stock investments. In establishing the relative range of the stock investment returns, the Group also assumes a 99% confidence level.

The table below shows the impact on income before income tax and equity of the estimated future return of the stock investments using a Beta-based sensitivity approach.

The impact of the change in equity prices are as follows (in millions):

FVPL Investments	Change in PSE Price Index	Effect on Income Before Tax and Equity Increase (Decrease)
2024	**+15.31%**	**₱965.15**
	-15.31%	**(965.15)**
2023	+14.75%	₱942.29
	-14.75%	(942.29)

The annual standard deviation of the PSE price index is approximately with 15.31% and 35.61% and with 99% confidence level, the possible change in PSE price index could be +/-15.31% and +/-14.75% in 2024 and 2023, respectively.

c. Price risk of mutual funds

The Group is exposed to the risk of changes in the fund's net asset value (NAV) due to its market risk exposures.

The sensitivity analysis demonstrates management's best estimate of the impact of reasonably possible change in NAV, with all other variables held constant.

The table below shows the impact on income before income tax and equity of assumed changes in NAV. A negative amount in the table reflects a potential reduction on income before income tax or equity while a positive amount reflects a potential increase on income before income tax or equity.

The impact of the change in mutual fund prices are as follows (in millions):

Mutual Funds	Change in NAV	Effect on Income Before Tax and Equity Increase (Decrease)
2024	**+10.00%**	**₱206.12**
	-10.00%	**(206.12)**
2023	+10.00%	₱259.19
	-10.00%	(259.19)

d. Foreign currency risks

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. The Group's exposure arises primarily from investments in foreign currency-denominated debt investments and equity securities.

The Company and a subsidiary's foreign exchange risk arises primarily from investments in foreign currency - denominated debt and equity securities. To minimize income volatility due to exchange rate movements, liquid investments are held in a basket of currencies, including Philippine peso and other major currencies such as U.S. dollar, Australian dollar and Japanese Yen. This also enables the Company and a subsidiary to access investment opportunities in those currencies.

On borrowings, it is the Company's group-wide policy for its subsidiaries to minimize any foreign exchange risks. Thus, all borrowings, whether short-term or long-term, in general, should be in Philippine peso. Any foreign currency borrowings may be engaged only if matched by the entities' corresponding currency revenue flows or by a foreign currency asset. As such, PRI and SSRLI can borrow in U.S. dollar as their revenues are dollar-based. It is also the policy of the Group to minimize any foreign exchange exposure in its management of payables. Any substantial exposure is covered by foreign exchange contracts, if necessary.

The analysis discloses management's best estimates of the effect of reasonably possible movement of the currency rate against the Philippine peso on income before tax. It assumes that all other variables remain constant.

The impact of the change in currency rates are as follows (in millions):

US Dollar	**Change in Currency Rate**	**Effect on Income Before Tax and Equity Increase (Decrease)**
2024	**+4.76%**	**₱20.19**
	-4.76%	**(20.19)**
2023	+7.80%	₱412.15
	-7.80%	(412.15)

e. Copper rod price risk

The PDP Group uses copper rods in the manufacturing of its products. Copper rods component represents a significant portion of the cost of each unit produced. Average monthly purchase of copper rods amounted to ₱410.0 million, with an average quantity of about 733 metric tons in 2024 and ₱516.9 million, with an average quantity of about 1,103 metric tons in 2023.

Copper rods are priced based on the London Metal Exchange prices and are affected by the volatility in the price of metal in the world market. The following table represents the effect on income before tax and equity of the reasonably possible change in metal prices, as they affect prices of copper rods, with all other variables held constant.

The impact of the change in copper prices are as follows (in millions):

	% Change in Copper Rod Prices	**Effect on Income Before Income Tax and Equity Increase (Decrease)**
2024	**+4.33**	**(₱53.8)**
	-4.33	**53.8**
2023	+4.83	(₱53.4)
	-4.83	53.4

PDP Group's exposure to price risk on copper rod purchases is managed through back-to-back purchase of rods versus sales orders, average pricing on the firm orders like automobile wire products with long-term contracts and obtaining orders from contractors with a fixed price or locked-in contracts with a specified period.

Capital management
The primary objective of the Group's capital management is to ensure an adequate return to its shareholders and to maximize its value to its shareholders. In pursuance of this goal, the Group establishes an optimum risk-return investment objectives through a sound diversified investment portfolio and in ensuring a fair credit rating, the Group establishes prudent financial policies through appropriate capitalization ratios in its investments and maintain reasonable liquidity.

The Group monitors capital on the basis of the carrying amount of equity as presented on the face of the consolidated statements of financial position.

No changes were made in the objectives, policies or process for the years ended December 31, 2024, 2023 and 2022.

29. Financial Instruments

Categorization of Financial Instruments

December 31, 2024	**At Amortized Cost**	**Financial Assets at FVPL**	**Financial Assets at FVOCI**	**Total**
Cash and cash equivalents	**₱3,437,652,253**	**₱–**	**₱–**	**₱3,437,652,253**
FVPL investments	**–**	**15,413,782,486**	**–**	**15,413,782,486**
FVOCI investments	**–**	**–**	**15,599,929**	**15,599,929**
Receivables*	**2,776,395,288**	**–**	**–**	**2,776,395,288**
	₱6,214,047,541	**₱15,413,782,486**	**₱15,599,929**	**₱21,643,429,956**

**Including notes receivable amounting to ₱388.1 million.*

December 31, 2023	At Amortized Cost	Financial Assets at FVPL	Financial Assets at FVOCI	Total
Cash and cash equivalents	₱3,027,406,563	₱–	₱–	₱3,027,406,563
FVPL investments	–	13,186,171,800	–	13,186,171,800
FVOCI investments	–	–	57,636,746	57,636,746
Receivables*	2,584,051,551	–	–	2,584,051,551
	₱5,611,458,114	₱13,186,171,800	₱57,636,746	₱18,855,266,660

**Including notes receivable amounting to ₱416.7 million.*

Fair Values of Financial Assets and Financial Liabilities
The carrying amounts of cash and cash equivalents, receivables, notes payable, dividends payable, current portion of lease liabilities and accounts payable and accrued expenses approximate their respective fair values due to the short-term maturity of these financial instruments.

The carrying value of long-term debt, which have floating rates with quarterly repricing, approximate its fair value.

FVPL and FVOCI investments are carried at fair value. The following methods and assumptions were used to estimate the fair values:

- FVPL quoted equity shares, investments in bonds, funds and equities, proprietary shares and others - derived from quoted market prices in active markets.

- FVOCI investments in bonds - derived from quoted market prices in active markets.

- FVPL investment in KSA - based on the discounted cash flow (DCF) model (income approach). The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows (from dividends), the discount rate, and growth rate. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for this unquoted equity investment.

- FVPL investments in private equity funds are valued using the adjusted net asset method. The underlying investments under these private equity funds are carried at fair value. Other FVPL investments in unquoted equity shares are based on prices and other relevant information generated by market transactions involving identical and comparable assets, liabilities or a group of assets and liabilities, such as business. The valuation requires management to use market multiples derived from a set of comparables. Multiples might be in ranges with a different multiple for each comparable. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors specific to the measurement.

The following tables provide the Group's fair value measurement hierarchy of its assets:

		Fair Value Measurement Using		
December 31, 2024	**Total**	**Quoted Prices in Active Markets (Level 1)**	**Significant Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
FVPL investments:				
Quoted equity shares	**₱8,919,134,137**	**₱8,919,134,137**	**₱–**	**₱–**
Unquoted equity shares	**3,017,634,315**	**–**	**2,290,199,037**	**727,435,278**
Funds and equities	**2,630,687,442**	**–**	**2,630,687,442**	**–**
Proprietary shares	**824,857,073**	**–**	**824,857,073**	**–**
Bonds	**14,988,363**	**14,988,363**	**–**	**–**
Others	**6,481,156**	**6,481,156**	**–**	**–**
	15,413,782,486	**8,940,603,656**	**5,745,743,552**	**727,435,278**
FVOCI investments	**15,599,929**	**15,599,929**	**–**	**–**
	₱15,429,382,415	**₱8,956,203,585**	**₱5,745,743,552**	**₱727,435,278**

		Fair Value Measurement Using		
December 31, 2023	Total	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FVPL investments:				
Quoted equity shares	₱6,935,052,194	₱6,935,052,194	₱–	₱–
Unquoted equity shares	2,921,429,748	–	1,993,994,470	927,435,278
Funds and equities	2,459,415,391	–	2,459,415,391	–
Proprietary shares	625,177,073	–	625,177,073	–
Bonds	147,453,547	147,453,547	–	–
Others	5,710,400	5,710,400	–	–
	13,094,238,353	7,088,216,141	5,078,586,934	927,435,278
FVOCI investments	57,636,746	57,636,746	–	–
	₱13,151,875,099	₱7,145,852,887	₱5,078,586,934	₱927,435,278

Description of significant unobservable inputs to valuation of investment in KSA classified under Level 3 (amounts in millions):

2024:

	Valuation Technique	**Significant Unobservable inputs**	**Range**	**Sensitivity of Input to Fair Value**
KSA	**DCF Model**	**Dividend payout is ₱94.3 million with 3% annual increase**	**2% to 4%**	**2%: fair value of ₱723 4%: fair value of ₱894**
		Liquidity discount of 20%	**10% to 30%**	**10%: fair value of ₱899 30%: fair value of ₱782**
		Cost of equity of 12.45%	**11.45% to 13.45%**	**11.45%: fair value of ₱727 13.45%: fair value of ₱726**

2023:

	Valuation Technique	Significant Unobservable inputs	Range	Sensitivity of Input to Fair Value
KSA	DCF Model	Dividend payout is ₱95.8 million with 4% annual increase	3% to 5%	3%: fair value of ₱833 5%: fair value of ₱1,047
		Liquidity discount of 20%	10% to 30%	10%: fair value of ₱1,043 30%: fair value of ₱812
		Cost of equity of 12.78%	11.78% to 13.78%	11.78%: fair value of ₱1,042 13.78%: fair value of ₱836

An increase in the expected lease income of KSA would increase the dividend payout, which in turn would lead to an increase in the fair value of the investment in KSA.

As at December 31, 2024 and 2023, the carrying value of the investment in KSA amounts to ₱727.4 million and ₱927.4 million, respectively. The Group recognized loss on fair value adjustment amounting to ₱200 million and ₱94.3 million in 2024 and 2023, respectively (nil in 2022).

For the years ended December 31, 2024, 2023 and 2022, there were no transfers.

30. **Contracts and Agreements**

Anscor

a. On November 29, 2019, the Company entered into a lease agreement with ATR Asset Management, Inc., ATRAM Trust Corporation and MET Holdings, Inc. for the lease of its condominium unit commencing on the agreement date until April 30, 2021. The contract was renewed for another five (5) years effective May 1, 2021, and the Company will receive monthly rental payments of ₱1.2 million, which is subject to 5% escalation rate starting May 1, 2022. Considering the sale of the property (see Note 15), the lease agreement was pre-terminated effective December 1, 2024.

   The Company recognized rental income amounting to ₱13.3 million, ₱13.7 million, and ₱13.2 million, in 2024, 2023 and 2022, respectively (see Notes 15 and 23).

IAI

a. IAI entered into a lease or concessionaire agreement with Manila International Airport Authority (MIAA) which granted IAI to operate as an aircraft hangar and conduct fixed base operations within the leased premises. The agreement shall be effective for a period of one (1) year commencing on January 1, 2016. After the end of the first year, the lease is automatically renewed until IAI is permitted to stay in Ninoy Aquino International Airport (NAIA) Complex. IAI will continue to operate at NAIA Complex by virtue of the Certificate of Public Convenience and Necessity (CPCN) to operate Domestic Scheduled Air Transportation Services issued on March 31, 2017 and valid from March 1, 2017 up to February 28, 2022. On March 28, 2022, the CPCN was renewed for a period of 5 years, effective from March 1, 2022 up to February 28, 2027.

   On October 15, 2019, MIAA issued a memorandum stating that all general aviation operations be transferred to other alternate airports to ease the traffic congestion at the NAIA Complex. MIAA gave general aviation companies until May 31, 2020 to vacate and turn over the leased premises.

   IAI continues to operate in the leased premises after May 31, 2020 and the lease agreement was converted to a month-to-month basis starting June 1, 2020.

On January 28, 2021, IAI received a letter from MIAA stating that should IAI desire to renew the agreement, documentary requirements must be submitted on or before February 15, 2021 and that IAI should provide its best lease offer.

At the beginning of February 2021, the Federation of Aviation Organization, of which IAI is a member, sent a letter proposal to MIAA for the best lease offer price which was agreed by all of its members.

A new lease arrangement between MIAA and ASAC was executed on April 21, 2022 effective for a period of three years starting January 1, 2022 to December 31, 2024 or earlier depending on MIAA's development plan affecting the area. The contract may be renewed or extended only upon the written agreement by the parties on such terms and conditions as they may be mutually agreed upon. The new lease arrangement between MIAA and ASAC superseded the month-to-month arrangement between MIAA and IAI.

On September 14, 2024, New NAIA Infra Corporation (NNIC) took over the operations of MIAA, and the lease contract was revisited. Beginning January 1, 2025 the lease agreement of ASAC with NNIC is deemed extended on a month-to-month basis.

The following table sets out the movement and carrying value of the right of use asset:

	2024	2023
Cost		
Beginning/Ending balance	**₱17,652,621**	₱17,652,621
Modification	**7,124,938**	–
Ending balance	**24,777,559**	17,652,621
Accumulated Amortization		
Beginning balance	**11,768,414**	5,884,207
Amortization for the year (Note 21)	**13,009,145**	5,884,207
Ending balance	**24,777,559**	11,768,414
Net Book Value	**₱–**	₱5,884,207

Set out below is the carrying amount of lease liability and its movement:

	2024	2023
Beginning balance	**₱6,561,218**	₱12,221,196
Modification	**7,124,938**	–
Accretion of interest	**219,064**	532,022
Lease payments	**(13,436,640)**	(6,192,000)
	468,580	6,561,218
Less current portion of lease liability	**468,580**	6,561,218
Noncurrent portion of lease liability	**₱–**	₱–

The future aggregate minimum lease payments under the said lease are as follows:

	2024	2023
Not later than 1 year	**₱468,580**	₱6,754,853
More than 1 year but not later than 5 years	**–**	–
	₱468,580	₱6,754,853

b. The Department of Transportation and all other Manila airport authorities, through the Manila Slot Coordination Committee's Resolution 2024-02, states the move of all turbo prop aircraft and its operations to secondary airports of which IAI belongs. IAI is given up to the start of Summer 2026 or only up to March 2026 to completely transfer its turbo prop operations to other airports other than NAIA.

c. On November 7, 2022, the Board approved the acquisition of two (2) twin Otter aircraft from Viking Air Limited (VAL). On the same date, the Board authorized IAI to avail a 10-year loan amounting to ₱1.0 billion from BDO with variable or floating interest rate for the first two (2) years and an interest (for evaluation whether fixed, variable or a combination of both) for the succeeding years (see Note 19).

d. On November 29, 2022, IAI entered into a purchase agreement with VAL to acquire two Twin Otter aircraft with a total purchase price ₱965.47 million (US$17.07 million). As of December 31, 2022, IAI deposited to VAL advance payment based on the payment milestone for the aircraft amounting to ₱245 million funded by advances from SSRLI. In 2023, these advances were applied upon the finalization of the purchase of the aircrafts.

e. In 2019, IAI and PRI entered into an agreement wherein IAI will provide regular air transport service. IAI will charge PRI a fixed round trip rate, subject to an annual review by both parties, with a guarantee that all IAI's operating cost will be covered and that in the event of increase in the prices of fuel, IAI and PRI shall revisit and review the contract for rate adjustment. The agreement has a duration of three (3) years. On May 7, 2022, the agreement was renewed for another three (3) years effective February 15, 2022. The duration of the contract may be extended upon such terms and condition as may be mutually agreed by both parties. In 2023, IAI entered into a new air service agreement with PRI to supersede its existing agreement. Under the new agreement, PRI shall guarantee IAI nine hundred ninety (990) Twin Otter revenue roundtrip flights yearly starting January 1, 2023. The new agreement shall have a duration of not less than three (3) years starting January 1, 2023, unless otherwise pre-terminated formally in writing by either party.

<u>SSRLI and Subsidiaries</u>

a. On January 9, 2007, SSRLI and the Philippine Economic Zone Authority (PEZA) signed a Registration Agreement declaring SSRLI as an Ecozone Developer/Operator, entitling SSRLI to establish, develop and construct the villas and to operate the Ecozone. SSRLI is entitled to four-year income tax holiday and tax-free importation of machineries and equipment on PEZA-covered registered activities under the Registration Agreement.

   On December 18, 2009, SSRLI's resort operations have been registered with PEZA to engage in the renovation and expansion of Amanpulo Resort at the Pamalican Island Tourism Ecozone. SSRLI's resort operations are entitled to 5% gross income tax on revenues generated from foreign clients and regular income tax on non-foreign clients under the Registration Agreement.

   On July 1, 2011, PRI took over the resort operations of SSRLI. On the same date, PEZA approved PRI's application for registration as a locator at the Pamalican Island Ecozone Tourism Zone. SSRLI also transferred in the name of PRI all resort operation-related contracts entered into with related parties and third parties, including its long-term loans with a bank, except for the foreshore lease contract with the Department of Environment and Natural Resources (DENR) which is nontransferable.

   On October 3, 2012, PRI entered into an operating lease agreement with SSRLI covering all rights and interests in resort-related assets, which include land, land improvements and buildings for a period of 20 years beginning July 1, 2011. Annual lease rental amounted to ₱53.5 million, payable within the first five days at the beginning of each quarter. Effective January 1, 2016, the annual rental fee upon mutual agreement of both parties was reduced to ₱42.8 million.

b. On February 18, 2011, the BOD of the Company approved the Company's acquisition of additional shares from the shareholders of SSRLI. The acquisition increased the ownership of the Company from 46.79% to 62.30% of the total outstanding common and preferred shares of SSRLI.

Total acquisition price for the additional shares is US$5.9 million (₱255.9 million) cash consideration plus the fair value of the 46.79% investment amounting to ₱302.7 million. Goodwill recognized from the acquisition amounted to ₱99.3 million (see Note 7).

c. The Company charges a monthly fee amounting to US$15,000 or its Peso equivalent for the Company's general, administrative, treasury, tax and legal services rendered to PRI.

   Starting January 1, 2018, both parties mutually agreed to a monthly fee amounting to ₱650,000 (eliminated in the consolidated statements of comprehensive income), inclusive of VAT. AHI also charges PRI for a monthly fee of ₱100,000 (eliminated in the consolidated statements of comprehensive income), inclusive of VAT. Effective August 2021, ₱375,000 (inclusive of VAT) is billed by AHI to PRI and the same amount is charged by the Company to AHI.

   Effective January 1, 2023, the Company charges a monthly fee amounting to ₱916,667, inclusive of VAT (eliminated in the consolidated statement of comprehensive income).

d. PRI executed in the past an Operating and Management Agreement (OMA) with Amanresorts Management, B.V. (AMBV, the Operator of Amanresorts), a company based in Amsterdam, the Netherlands, for a fee of 5% of PRI's gross operating profits, as defined in the OMA. The OMA provides for, among others, the reimbursements by PRI to Amanresorts of all costs and expenses incurred by the latter in connection with the management and operation of the resort and a reserve cash funding equivalent to 3% of gross revenues, which will be used to cover the cost of replacements, renewals, and additions to furniture, fixtures and equipment (see Note 16).

   On June 24, 2013, both parties have mutually entered into a new OMA, effective on the same date, in which PRI will pay a basic fee amounting to 4% of gross revenue and an incentive fee of 10% based on the gross operating profit collectively known as "Management fee". In addition to the management fees discussed, PRI shall also reimburse AMBV for all costs and expenses incurred by AMBV directly in connection with rendering services under the new OMA.

   Likewise, a Marketing Service Agreement (MSA) was entered into by PRI with Amanresorts Services Limited (ASL) with marketing fee charges of 3% of PRI's annual gross hotel revenues. On June 24, 2013, both parties mutually entered into a new marketing services agreement of the same terms and conditions, except for a lower marketing fee rate of 1% of gross revenue from 3%.

   On June 24, 2011, PRI also executed a Reservation Service Agreement with Hotel Sales Services Ltd. (HSSL), a company established in British Virgin Islands, in which PRI will pay the latter a monthly fee of 6.5% on gross accommodation charges for all realized bookings processed through HSSL's central sales and reservation offices with the exception of bookings made through the Global Distribution System (GDS) in which PRI will pay US$100 per booking. An annual maintenance fee of US$1,000 shall also be paid to HSSL.

   On October 10, 2014, PRI and HSSL executed a new agreement, effective January 1, 2015, with similar terms as the original agreement, except for a higher annual maintenance fee which increased to US$3,000 from US$1,000 and a lower transaction fee for GDS Network bookings for US$100 from US$300.

   PRI also obtained from Amanresorts I.P.R.B.V. (AIPRBV), a company incorporated in Amsterdam, the Netherlands, the nonexclusive license to use the Amanresorts Marks in connection with the operation of the Resort for a monthly fee of US$1,000.

   The OMA, marketing and license contracts will expire on the thirty first (31st day) of December of the fifth full calendar year following their commencement. Further, AMBV has the option to extend the operating term for a period of five years from the date of its expiration.

On January 18, 2018 and March 9, 2018, the Aman Group notified PRI of the assignment of the OMA, MSA and RSA, among others, to Aman Group S.A.R.L., a company incorporated in Switzerland.

On November 28, 2018, Aman Group issued a Notice of Extension to PRI containing its election and intention to extend the operating term with PRI for a period of five (5) years or until December 31, 2023 from the date of expiration, which was on December 31, 2018, under the same terms and conditions as contained in the management agreement.

Total fees related to these agreements amounted to ₱140.43 million, ₱117.07 million, and ₱98.1 million in 2024, 2023 and 2022, respectively.

e. PRI entered into a lease agreement with IAI for the guest lounge, purchasing office including storage space and vehicle parking lots. In addition, in 2020, PRI entered into short-term lease agreements with IAI for PRI's disinfecting and rapid testing area, isolation area, staff room and additional vehicle parking slots.

   In 2022, the Company renewed its lease agreements with IAI for the Company's disinfecting and rapid testing area, isolation area, staff room and additional vehicle parking slots. These lease agreements are subjected to a lease term of one year or less.

   On April 21, 2022, a new lease arrangement between Manila International Airport Authority (MIAA) and A. Soriano Air Corporation (ASAC) was executed effective for a period of three years starting January 1, 2022 to December 31, 2024. This new lease agreement between MIAA and ASAC superseded the month-to-month arrangement between MIAA and IAI. Accordingly, all the existing lease agreements between IAI and the Company was terminated. New lease agreements was executed between the Company and ASAC starting August 1, 2022. These lease agreements are subjected to a lease term of one year or less.

   Total rent expense (eliminated in the consolidated profit or loss) relating to these lease agreements amounted to ₱5.86 million, ₱4.07 million and ₱3.84 million in 2024, 2023, and 2022, respectively.

f. On July 1, 2011, PRI entered into management agreements with the villa owning companies wherein it shall provide general maintenance and accounting and administrative services for the villas. PRI shall also be responsible for the marketing and promotion of the villas. In return for these services, PRI shall be entitled to 50% of the net villa rental proceeds. PRI shall also receive reimbursements of costs, with 15% handling fees (except for utilities, which are not subject to handling fees), incurred in providing services to the villa guests. PRI's share in the net villa rental proceeds including handling fees amounted to ₱237.37 million, ₱228.7 million, and ₱193.0 million in 2024, 2023 and 2022, respectively, and presented as "Services" revenue account in the consolidated statements of comprehensive income.

   As part of the agreement, PRI will also receive a fund which shall be used for future maintenance requirements of the villas. As at December 31, 2024 and 2023, the restricted fund amounted to ₱89.27 million and ₱86.57 million, respectively, which is included under "Other noncurrent assets" and "Other noncurrent liabilities" in the consolidated balance sheets (see Note 16).

g. In November 2005, the DENR awarded to SSRLI the use of the foreshore land surrounding the Pamalican Island, where Amanpulo Resort is situated. The award has a duration of 25 years which may be renewed for another full period at the option of SSRLI. Annual rent shall be paid in advance on or before the 16th day of November every year.

h. In 2014, SSRLI entered into a Construction Service Contract (Service Contract) with the PEZA-registered villa owners in which SSRLI shall provide project management general and specific administration and supervision over the preconstruction and construction stages of the Project. The villa owners shall pay SSRLI a handling fee which represents 15% of the actual project cost during the villa construction or renovation. As there are no ongoing construction projects, no handling fee was recognized in 2024, 2023 and 2022.

i. Starting 2013, SSRLI has property development in progress, which pertains to the costs related to the development of various projects. As at December 31, 2024 and 2023, total property development in progress mainly for Phase 4 villa development amounted to ₱18.7 million for both years.

j. On February 3, 2023, SSRLI entered into a lease agreement with PUI for the lease of land of approximately 4,452 sqm located at Pamalican Island, Barangay Manamoc, Cuyo, Palawan. The lease has a period of five (5) years and the renewal of the lease is subject to mutual agreement of the parties. The lease rental is ₱0.67 million per year.

k. On January 15, 2024, SSRLI entered into a lease agreement with PUI for the lease of land of approximately 30,000 sqm located at Pamalican Island, Barangay Manamoc, Cuyo, Palawan. The lease has a period of 25 years, commencing from September 1, 2024, and the renewal of the lease is subject to mutual agreement of the parties. The lease rental is ₱3.00 million per year.

l. On March 15, 2023, PRI entered into an energy service agreement with PUI for its power consumption requirement. The agreement shall be effective for a period of two years subject to renewal by mutual agreement of the parties.

m. On September 27, 2024, the Company issued an interest-bearing promissory note to SSRLI for the value received amounting to ₱103.18 million in funding the solar farm development cost. The advances shall be paid in equal monthly installments for 10 years with 7% interest per annum.

n. On December 1, 2024, the PRI entered into a golf cart service agreement with PUI for its golf cart service maintenance requirements. The agreement shall be effective for a period of five years subject to renewal by mutual agreement of the parties.

PDIPI and Subsidiaries

a. The Company has a management contract with PD Energy. Under the management agreement between the parties, the Company, as compensation to managerial and administrative services rendered to PD Energy, shall bill the latter for management fees equivalent to 50% of 15% of audited income before tax and management and technical assistance fees of PDE (VAT inclusive). As per renewal of the agreement, amendments in the management fee billings has taken place in which the fixed fee is no longer available. Due from PDP Energy (eliminated in the consolidated balance sheets) amounted to ₱24.0 million and ₱23.5 million as at December 31, 2024 and 2023, respectively. Management fees (eliminated in the consolidated profit or loss) amounted to ₱100.9 million, ₱99.4 million, and ₱100.1 million in 2024, 2023 and 2022, respectively.

   A new management contract was executed effective January 1, 2022, that this agreement shall continue for a period of five years from the effective date.

b. In 2012, PDP Energy entered into a contract of lease with a third party for the lease of its office building. The term is for a period of five years and renewable at the option of both parties.

Set out below are the carrying amount of right-of-use asset recognized as at December 31, 2024 and 2023, and the movement during the period.

	2024	2023
Cost		
Beginning/Ending balance	**₱84,885,098**	₱35,792,042
Additions	**–**	49,093,056
Ending balance	**84,885,098**	84,885,098
Accumulated Amortization		
Beginning balance	**38,246,695**	30,140,668
Amortization for the year (Note 21)	**7,522,399**	8,106,027
Ending balance	**45,769,094**	38,246,695
Net Book Value	**₱39,116,004**	₱46,638,403

Set out below is the carrying amount of lease liability and its movements in 2024 and 2023:

	2024	2023
Beginning balance	**₱47,498,308**	₱6,995,116
Additions	**–**	49,093,056
Accretion of interest	**804,665**	1,105,005
Lease payments	**(10,899,470)**	(9,694,869)
	₱37,403,503	₱47,498,308

As of December 31, 2024 and 2023, the current potion of lease liability amounted to ₱8.8 million and ₱12.2 million, respectively.

Operating lease commitments- PDP Energy as lessee

The future aggregate minimum lease payments under the said lease are as follows:

	2024	2023
Not later than 1 year	**₱11,158,969**	₱10,583,855
More than 1 year but not later than 5 years	**33,695,856**	39,869,521
	₱44,854,825	₱50,453,376

31. Changes in Liabilities Arising from Financing Activities

December 31, 2024

	December 31, 2023	**Cash Flows for Availment**	**Cash Flows for Repayments**	**Dividend Declaration**	**Noncash Movement**	**Accretion of Interest**	**December 31, 2024**
Dividends payable	**₱570,375,761**	**₱–**	**(₱840,207,145)**	**₱920,702,306**	**(₱42,000,000)**	**₱–**	**₱608,870,922**
Long-term debt	**1,000,000,000**	**–**	**(220,000,000)**	**–**	**–**	**–**	**780,000,000**
Note Payable	**–**	**670,000,000**	**–**	**–**	**–**	**–**	**670,000,000**
Interest on long term debt	**15,680,173**	**–**	**(63,441,841)**	**–**	**–**	**59,174,330**	**11,412,662**
Interest on Note payable	**–**	**–**	**–**	**–**	**–**	**7,165,228**	**7,165,228**
Lease liabilities	**54,059,526**	**–**	**(24,336,110)**	**–**	**7,124,938**	**1,023,729**	**37,872,083**
Total liabilities from financing activities	**₱1,640,115,460**	**₱670,000,000**	**(₱1,147,985,096)**	**₱920,702,306**	**(₱34,875,062)**	**₱67,363,287**	**₱2,115,320,895**

December 31, 2023

	December 31, 2022	Cash Flows for Availment	Cash Flows for Repayments	Dividend Declaration	Noncash Movement	Accretion of Interest	December 31, 2023
Dividends payable	₱501,959,779	₱–	(₱1,103,154,257)	₱1,227,570,239	(₱56,000,000)	₱–	₱570,375,761
Long-term debt	–	1,000,000,000	–	–	–	–	1,000,000,000
Interest on long term debt	–	–	(42,917,505)	–	–	58,597,678	15,680,173
Lease liabilities	19,216,312	–	(15,886,869)	–	49,093,056	1,637,027	54,059,526
Total liabilities from financing activities	₱521,176,091	1,000,000,000	(₱1,161,958,631)	₱1,227,570,239	₱6,906,944	₱60,234,705	₱1,640,115,460

December 31, 2022

	December 31, 2021	Cash Flows for Availment	Cash Flows for Repayments	Dividend Declaration	Noncash Movement	Accretion of Interest	December 31, 2022
Dividends payable	₱519,529,172	₱–	(₱1,189,139,632)	₱1,227,570,239	(₱56,000,000)	₱–	₱501,959,779
Long-term debt	75,714,286	–	(75,714,286)	–	–	–	–
Dividends payable	23,166,200	23,166,200	(23,166,200)	–	(23,166,200)	–	–
Lease liabilities	16,600,449	–	(17,416,249)	–	17,652,621	2,379,491	19,216,312
Total liabilities from financing activities	₱635,010,107	₱23,166,200	(₱1,305,436,367)	₱1,227,570,239	(₱61,513,579)	₱2,379,491	₱521,176,091

32. Other Matters

a. The Group have claims, commitments, litigations and contingent liabilities that arise in the normal course of their operations which are not reflected in the consolidated financial statements. Management is of the opinion that as at December 31, 2024 and 2023, losses, if any, from these commitments and contingencies will not have a material effect on the consolidated financial statements.

b. The other information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, are not disclosed as they many prejudice the Group's negotiation with third parties.

33. Notes to Consolidated Statements of Cash Flows

The Group's noncash investing activities 2023 includes additions to property and equipment amounting to ₱247.3 million paid in 2022 (nil in 2024).

34. Subsequent Events

Anscor

On February 24, 2025, the BOD of the Company approved the declaration of cash dividend of ₱0.50 per common share, payable on April 11, 2025 to common stockholders of record as at March 17, 2025.

PDP and Subsidiaries

- On February 24, 2025, the Board of Directors of PDEIC approved the declaration of ₱50 million cash dividend to PDPEPC representing ₱500 per share, payable on March 23, 2025.

- On February 24, 2025, the Board of Directors of PDPEPC approved the declaration of ₱350 million cash dividend to PDIPI representing ₱5.42 per share, payable on March 24, 2025.

- On February 24, 2025, the Board of Directors of PDIPI approved the declaration of ₱350 million cash dividend to its stockholders of record as of March 3, 2025 representing ₱3.95 per share, payable on March 26, 2025.

SGV
Building a better working world

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**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY SCHEDULES**

The Board of Directors and Stockholders
A. Soriano Corporation
7th Floor, Pacific Star Building
Makati Avenue corner Gil Puyat Avenue Extension
Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of A. Soriano Corporation and its subsidiaries (the Group) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, included in this Form 17-A and have issued our report thereon dated February 24, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Dhonabee B. Señeres
Partner
CPA Certificate No. 97133
Tax Identification No. 201-959-816
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-098-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465385, January 2, 2025, Makati City

February 24, 2025

A. SORIANO CORPORATION AND SUBSIDIARIES

INDEX TO THE SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2024

ANNEX A

A. SORIANO CORPORATION

SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

DECEMBER 31, 2024

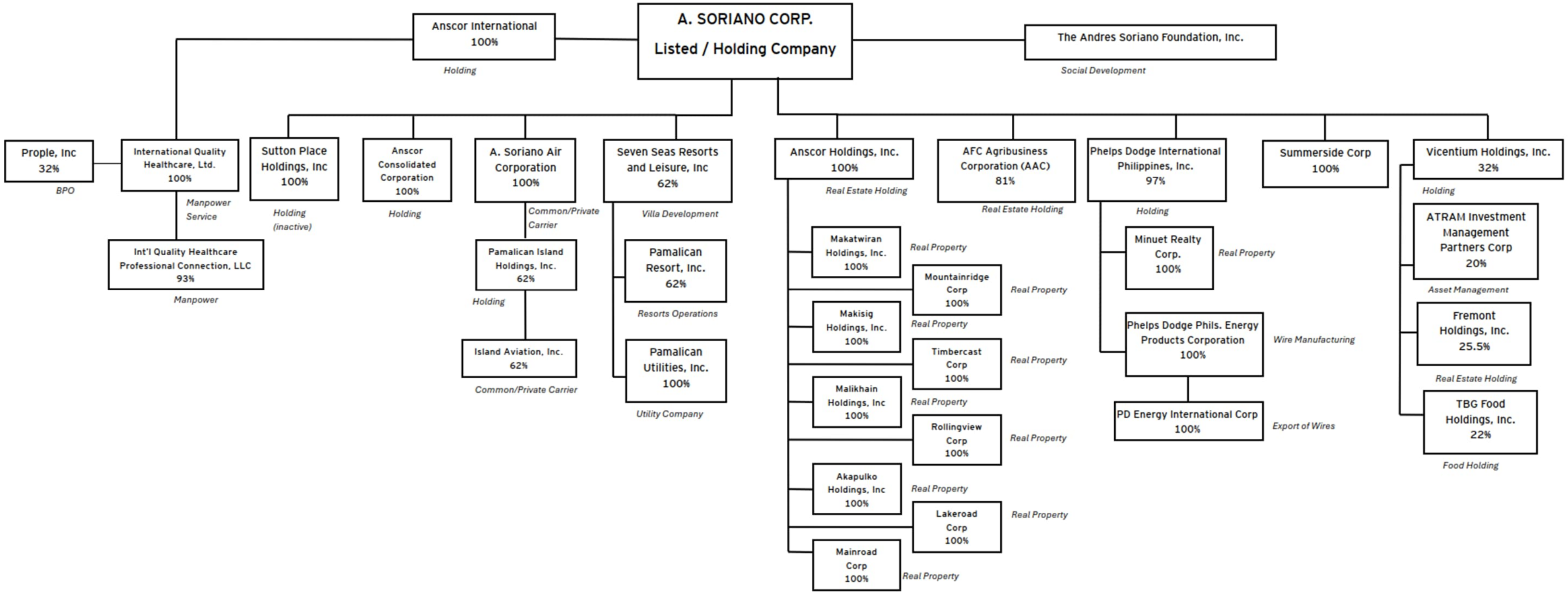
Unappropriated retained earnings, December 31, 2023		**₱3,894,670,136**
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period		(1,875,000,000)
Unappropriated Retained Earnings, as adjusted		**2,019,670,136**
Add: Net income for the current period		4,956,672,018
Less: Category C.1: Unrealized income recognized in the profit or loss during the period (net of tax)		
Unrealized foreign exchange gains, except those attributable to cash and cash equivalents	(45,494,182)	
Unrealized fair value adjustments (mark-to-market gains) of FVTPL	(2,250,725,959)	(2,296,220,141)
		4,680,122,013
Add: Category C.2: Unrealized income recognized in the profit or loss in the prior reporting periods but realized in the current reporting period (net of tax)		
Realized fair value adjustments (mark-to-market gains) of FVTPL	320,799,278	
Realized foreign exchange, except those attributable to cash and cash equivalents	14,250,128	335,049,406
		5,015,171,419
Add: Category F: Other items		
Net movement in DTA and DTL not considered in the reconciling items under the previous categories		(251,993)
		5,014,919,426
Total retained earnings available for dividend declaration, December 31, 2024		**₱5,014,919,426**

**The other categories in the reconciliation is not applicable.*

ANNEX B

A. SORIANO CORPORATION AND SUBSIDIARIES

GROUP STRUCTURE
DECEMBER 31, 2024



A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE A - FINANCIAL ASSETS (Note 1)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in PHP)

Name of issuing Entity and association of each issue	Number of shares or Principal Amount of Bonds and Notes	Amount shown in the Balance Sheet	Value Based on Market Quotations at end of reporting period	Income received & Accrued (Note 2)
	Face Amount	**Amount in PHP**	**Amount in PHP**	**Amount in PHP**
FVPL INVESTMENTS				
QUOTED EQUITY SHARES				
I C T S I	19,824,602	7,652,296,372	7,652,296,372	3,078,798,695
iPeople Inc."A"	93,301,439	633,516,771	633,516,771	(34,521,533)
Ayala Corporation	181,460	108,694,540	108,694,540	(10,497,501)
Globe Telecom Inc.	21,500	46,956,000	46,956,000	2,642,988
BDO Unibank Inc.	310,000	44,640,000	44,640,000	5,504,913
Ayala Land Inc.	1,643,500	43,059,700	43,059,700	(8,152,856)
Aboitiz Power Corporation	1,127,000	42,487,900	42,487,900	2,903,478
Jollibee Foods Corp.	153,240	41,221,560	41,221,560	2,999,395
Bank of Phil. Islands	331,030	40,385,660	40,385,660	8,035,055
GT Capital Holdings, Inc.	48,850	32,143,300	32,143,300	4,251,642
SM Prime Holdings	1,015,000	25,527,250	25,527,250	(7,764,924)
Universal Robina corp.	305,000	24,095,000	24,095,000	(7,072,062)
Bloomberry Resorts Corporation	4,168,400	19,091,272	19,091,272	(21,717,875)
Wilcon Depot Inc.	970,000	13,871,000	13,871,000	(6,672,029)
GRAB	142,410	38,881,882	38,881,882	43,939,433
AI - YMABS		112,265,930	112,265,930	82,580,485
		8,919,134,137	**8,919,134,137**	**3,135,257,303**
UNQUOTED EQUITY SHARES				
K S A Realty Inc	-	727,435,278	727,435,278	(200,000,000)
Navergar PE Fund 1	-	46,622,773	46,622,773	(19,470,355)
Navergar PE Fund 2	-	584,892,860	584,892,860	61,839,339
Sierra Madre	-	586,114,520	586,114,520	22,048,959
AP I Tycho Co-Invested Ltd	-	119,146,133	119,146,133	-
Asia Partners I	-	352,132,397	352,132,397	(16,603,508)
Asia Partners II	-	184,891,434	184,891,434	16,953,398
Third Prime Alpha III-A	-	91,295,954	91,295,954	1,476,783
Third Prime (Kafene B)	-	87,523,332	87,523,332	(66,312)
Third Prime (Kafene B-1)	-	46,691,211	46,691,211	(17,932)
Blue Voyant LLC	-	190,888,422	190,888,422	-
		3,017,634,315	**3,017,634,315**	**(219,470,355)**
FUNDS AND EQUITIES				
AB American Income Fund	107,357	109,856,155	109,856,155	3,152,119
A&Q Select SPC(Direct Access P72)	341	35,732,658	35,732,658	5,050,464
A&Q Select SPC(Focused Alpha Opp))	750	44,235,096	44,235,096	417,509
Algebris Financial Credit Fund	10,285	81,739,107	81,739,107	492,096
Alphabet Inc.-Class A	3,500	38,325,205	38,325,205	10,855,701
Amazon.Com.Inc (stock split 06-Jun)	2,925	37,120,048	37,120,048	14,392,426
Apollo Debt Solutions BDC iCapital	₱513	29,597,028	29,597,028	3,216,970
Apple Inc.	₱2,800	40,559,526	40,559,526	10,482,442
Blackstone Private Credit Fund (BOS)	307	25,618,965	25,618,965	4,398,581
BREIT iCap Offshore Access Fund	313	29,282,276	29,282,276	(68,985)
Brevan Howard Alpha Strat Fund	2,419	18,423,868	18,423,868	268,755
Broadcom Inc.	2,250	30,174,266	30,174,266	21,239,633
Capital Int'l Fund Sicav Group Multi-Sec Inc	212,078	145,371,701	145,371,701	7,266,648
Capital Int'l Fund SICAV-Cap Group New	82,563	126,608,683	126,608,683	13,335,858
Capital Credit Opportunities fund Ltd	400	26,203,061	26,203,061	2,809,757
Crowdstrike Holdings Inc	950	18,802,633	18,802,633	8,064,191
Eli Lili & Co.	325	14,513,311	14,513,311	170,844
Goldman Sachs Fund-India Equity	14,284	34,305,722	34,305,722	5,495,219
HSBC GIF-Global Investment Grade Sec	130,136	77,610,747	77,610,747	771,300

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE A - FINANCIAL ASSETS (Note 1)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in PHP)

Name of issuing Entity and association of each issue	Number of shares or Principal Amount of Bonds and Notes	Amount shown in the Balance Sheet	Value Based on Market Quotations at end of reporting period	Income received & Accrued (Note 2)
	Face Amount	**Amount in PHP**	**Amount in PHP**	**Amount in PHP**
Invesco Global Real Assets	361	1,695,766	1,695,766	(254,424)
IShares JPMorgan USD EM Corp Bond	121,811	43,478,314	43,478,314	4,033,121
iShares V Plc-iShares MSCI ACWI	20,700	106,735,957	106,735,957	6,914,479
KKR Private Markets Equity Fund	20,000	33,955,015	33,955,015	3,615,043
Linden International Ltd A	88	42,178,599	42,178,599	7,205,262
Man Funds PLC-GLG Japan	3,202	27,527,075	27,527,075	4,279,089
Mastercard Inc A	450	13,706,749	13,706,749	2,749,779
Meta Platforms Ord Shs Class A	1,040	35,223,579	35,223,579	15,011,711
Microsoft Corporation	1,395	34,012,426	34,012,426	5,905,716
NVIDIA Corporation	4,860	37,752,505	37,752,505	33,909,833
Owl Rock Technology Income Corp.(shares was restructured)	331	24,845,718	24,845,718	4,034,469
Palo Alto Networks, Inc. (inc 700shrs upon trnsfer)	960	10,104,457	10,104,457	6,218,938
PIMCO Funds Global Inv Ser PLC-INC FD	158,625	168,261,416	168,261,416	6,003,040
PineBridge Global Funds-Asia Pacific	159,436	117,708,706	117,708,706	4,488,763
Redwheel Funds-Next Gen EM Equity Fund JR	2,578	38,263,842	38,263,842	1,365,019
SPDR S&P 500 ETF Trust	682	23,121,026	23,121,026	(59,914)
SPDR Gold Trust ETF (GLD)	3,325	46,569,983	46,569,983	3,190,932
Salesforce.Ord Shs	1,310	25,334,508	25,334,508	5,807,295
Servicenow Inc	304	18,642,083	18,642,083	9,383,743
Silver Point Capital Offshore Fund-USD	50	31,397,254	31,397,254	2,185,529
VISA Inc-Class A shrs	1,970	36,014,228	36,014,228	6,774,120
Brookfield Super-Core Infra iCap Access Fund	1,275	81,646,011	81,646,011	8,203,906
Oaktree Alpha Credit Fund-302056	2,000,000	116,311,627	116,311,627	20,597,787
Straits 10-KKR(BOS PE Healthcare GR 2017)	3,106,542	212,454,922	212,454,922	12,149,770
ATRAM-iShares Global Aggregate 1-5yrs-USD	50,888	26,083,557	26,083,557	223,124
ATRAM-JPMorgan funds-USD Money Market-USD	2,001	13,652,596	13,652,596	2,509,605
ATRAM-Philippine Equity Smart Index Fund-PHP	398,958	40,364,825	40,364,825	4,496,048
ATRAM-RPGB 5 ¾ 03/07/28-PHP	106,000,000	105,079,807	105,079,807	4,637,145
ATRAM-RPGB 6 5/8 08/17/33-PHP	59,500,000	67,113,140	67,113,140	6,192,800
ATRAM-RPGB 6 7/8 01/10/29-PHP	85,000,000	87,045,500	87,045,500	4,152,012
MS-UBS USD Autocallable Stk-USD	-	266,500	266,500	-
AHI-PLDT Series Y 10% Cumm. Pref.	4,200	46,452	46,452	-
AHI-PLDT Series BB 10% Cumm. Pref.	1,200	13,248	13,248	-
		2,630,687,442	**2,630,687,442**	**307,735,265**
BONDS				
UBS-MTN Morgan Stanley 6.296% Global S1	$ 250,000	14,988,363	14,988,363	(158,508)
		14,988,363	**14,988,363**	**2,562,667**
PROPRIETARY SHARES				
Alabang Country Club "A"	2	30,000,000	30,000,000	6,000,000
Alta Vista De Cebu (Vistamar)	1	500,000	500,000	50,000
Camp John Hay	2	500,000	500,000	(100,000)
Canlubang Golf & Country Club	2	8,000,000	8,000,000	1,000,000
Celebrity Sports Plaza	1	350,000	350,000	50,000
Club Filipino	1	300,000	300,000	(50,000)
Cresta Del Mar	1	68,000	68,000	-
Makati Sports Club "A"	1	1,600,000	1,600,000	500,000
Anscorcon - Manila Golf	1	160,000,000	160,000,000	40,000,000
Anscor - Manila Golf & Country Club	3	480,000,000	480,000,000	120,000,000
Manila Polo Club	1	50,000,000	50,000,000	5,000,000
Manila Southwoods "A"	1	5,500,000	5,500,000	1,500,000
Maybank ATR KIMENG Partners, Inc.	-	15,000	15,000	-
Metropolitan Club	1	250,000	250,000	-

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE A - FINANCIAL ASSETS (Note 1)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in PHP)

Name of issuing Entity and association of each issue	Number of shares or Principal Amount of Bonds and Notes	Amount shown in the Balance Sheet	Value Based on Market Quotations at end of reporting period	Income received & Accrued (Note 2)
	Face Amount	**Amount in PHP**	**Amount in PHP**	**Amount in PHP**
Orchards Golf Club "A"	1	2,600,000	2,600,000	300,000
Palms Country Club 'Class A"	1	2,500,000	2,500,000	500,000
Philippine Village Resort	1,000	5,000	5,000	-
PLDT	11,330	119,073	119,073	-
Puerto Azul	1	250,000	250,000	130,000
Sta Elena Properties'A'	3	72,000,000	72,000,000	27,000,000
Tagaytay Midlands Golf Club, Inc.	1	1,500,000	1,500,000	-
Anscor - Valle Verde Country Club	1	950,000	950,000	200,000
PDP - Valle Verde Country Club	3	2,850,000	2,850,000	600,000
Valley Golf Club	1	5,000,000	5,000,000	-
		824,857,073	**824,857,073**	**202,680,000**
OTHERS				
ACMDC	840,173	3,679,964	3,679,964	714,147
Central Azucarera de La Carlota	271	780	780	-
Manila Peninsula Hotels,Inc.	265,000	2,444,945	2,444,945	-
Meralco	636	310,368	310,368	56,604
PLDT Co - Pref	1,200	12,600	12,600	-
Realty Investment Inc	120,000	32,500	32,500	-
		6,481,157	**6,481,157**	**770,751**
TOTAL - FVPL INVESTMENTS		**15,413,782,486**	**15,413,782,486**	**3,428,764,880**
FVOCI INVESTMENTS				
BONDS				
UBS-HSBC Holdings 2.206% 2021-17.08.2029-USD	$ 300,000	15,599,929	15,599,929	374,071
		15,599,929	**15,599,929**	**374,071**
TOTAL - FVOCI INVESTMENTS		**15,599,929**	**15,599,929**	**374,071**
GRAND TOTAL - FINANCIAL ASSETS		**15,429,382,415**	**15,429,382,415**	**3,429,138,951**

Note 1 This account consists of investments that are designated as FVPL, FVOCI and held-for-trading investments.

Note 2 This column includes interest income, dividends and unrealized gain/loss in market value of FVPL investments charged to income in 2024

A. SORIANO CORPORATION
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES AND RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
FOR THE YEAR ENDED DECEMBER 31, 2024

Name and Designation of Debtor	Beginning Balance	Additions	Collections	Current	Not Current	Ending Balance

NOT APPLICABLE

Aggregate indebtedness of the individual directors, officers, employees, and principal stockholders (other than related parties) are below P1,000,000.

A. SORIANO CORPORATION AND SUBSIDIARIES

SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Name and Designation of Debtor	Beginning of Period	Additions	Amounts Collected	Amount Written Off	Current	Non Current	Balance at End of Period
A. SORIANO CORPORATION RECEIVABLES FROM ITS SUBSIDIARIES							
Anscor Holdings, Inc.	323,665	291,072	-	-	291,072	323,665	614,737
Summerside Corporation	785,125	-	484,150	-	-	300,975	300,975
Seven Seas Resorts & Leisure Inc.	7,594	74,799,258	74,760,000	-	39,258	7,594	46,852
Pamalican Resorts, Inc.	35,740	11,000,968	10,084,302	-	952,407	-	952,407
Pamalican Island Holdings, Inc. (PIHI)	(594,693)	1,000	-	-	-	(593,693)	(593,693)
A. Soriano Air Coporation	36	-	-	-	-	36	36
Island Aviation Inc.	38,425	587,682	-	-	587,682	38,425	626,107
Anscor Consolidated Corporation	(144,122)	953,700,000	953,630,265	-	(74,387)	-	(74,387)
Phelps Dodge Philippines Energy Products Corporation	32,618,561	112,952,201	117,872,181	-	27,698,581	-	27,698,581
Phelps Dodge International Philippines, Inc.	-	436,500,000	436,500,000	-	-	-	-
AFC Agribusiness Corporation	25,548,796	3,945,078	-	-	3,945,078	25,548,796	29,493,874
Sutton Place Holdings	(8,727,064)	11,140	-	-	-	(8,715,924)	(8,715,924)
IQ Healthcare Investments Limited	19,585,076	-	-	-	-	19,585,076	19,585,076
Anscor International, Inc.	1,226,881,753	98,931,040	-	-	98,931,040	1,226,881,753	1,325,812,793
	1,296,358,892	**1,692,719,440**	**1,593,330,898**	**-**	**132,370,731**	**1,263,376,703**	**1,395,747,434**
RECEIVABLES BETWEEN PARENT/SUBSIDIARIES							
A. SORIANO AIR CORP. (Conso)							
Pamalican Resort Inc. (ASAC direct receivables)	1,148,391	3,890,259	-	-	3,890,259	1,148,391	5,038,650
Pamalican Resort Inc. (IAI direct receivables)	44,362,724	18,860,751	-	-	18,860,751	44,362,724	63,223,475
A. Soriano Corporation (PIHI direct receivables)	594,693	-	1,000	-	-	593,693	593,693
	46,105,808	22,751,011	1,000	-	22,751,011	46,104,808	68,855,819
ANSCOR CONSOLIDATED CORPORATION							
A. Soriano Corporation	144,122	953,630,265	953,700,000	-	74,387	-	74,387
	144,122	953,630,265	953,700,000	-	74,387	-	74,387
SEVEN SEAS RESORTS & LEISURE INC. (Conso)							
Island Aviation Inc. (direct receivable of PRI)	1,431,252	-	777,796	-	-	653,456	653,456
Pamalican Island Holdings, Inc. (direct receivable of Seven Seas)	65,000	-	-	-	-	65,000	65,000
Island Aviation Inc. (direct receivable of Seven Seas)	-	75,000,000	-	-	75,000,000	-	75,000,000
	1,496,252	75,000,000	777,796	-	75,000,000	718,456	75,718,456
SUTTON PLACE HOLDINGS, INC.. (Conso)							
A. Soriano Corporation (direct receivable of Sutton)	8,727,064	-	11,140	-	-	8,715,924	8,715,924
	8,727,064	-	11,140	-	-	8,715,924	8,715,924

A. SORIANO CORPORATION AND SUBSIDIARIES

SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

Name and Designation of Debtor	Beginning of Period	Additions	Amounts Collected	Amount Written Off	Current	Non Current	Balance at End of Period
ANSCOR INTERNATIONAL (Conso)							
IQ Healthcare Investments Limited)	52,739,925	30,229,052	-	-	30,229,052	52,739,925	82,968,977
	52,739,925	30,229,052	-	-	30,229,052	52,739,925	82,968,977
Anscor Holdings, Inc.							
Seven Seas Resorts & Leisure Inc.	2,051	-	-	-	-	2,051	2,051
	2,051	-	-	-	-	2,051	2,051
Summerside Corporation							
Anscor Holidngs, Inc.	2,019,776	-	10,813	-	-	2,008,963	2,008,963
	2,019,776	-	10,813	-	-	2,008,963	2,008,963
	111,234,998	**1,081,610,328**	**954,500,749**	**-**	**128,054,450**	**110,290,127**	**238,344,578**
PAYABLES BETWEEN PARENT/SUBSIDIARIES							
A. SORIANO AIR CORP. (Conso)							
A. Soriano Corporation	38,461	587,682	-	-	587,682	38,461	626,143
Pamalican Resort Inc. (direct payable of ASAC)	1,384,831	22,085	-	-	22,085	1,384,831	1,406,916
Seven Seas Resorts & Leisure Inc. (direct payable of PIHI)	65,000	-	-	-	-	65,000	65,000
Pamalican Utilities, Inc. (direct payable of ASAC)	35,014	3,502	-	-	3,502	35,014	38,516
Seven Seas Resorts & Leisure Inc. (direct payable of IAI)	-	75,000,000	-	-	75,000,000	-	75,000,000
Pamalican Resort Inc. (direct payable of IAI)	759,097	268,818	-	-	268,818	759,097	1,027,915
	2,282,403	75,882,087	-	-	75,882,087	2,282,403	78,164,490
SEVEN SEAS RESORTS & LEISURE INC. (Conso)							
A.Soriano Corporation (direct payable of PRI)	35,740	11,000,968	10,084,302	-	952,407	-	952,407
A.Soriano Corporation (direct payable of SSRLI)	7,594	74,799,258	74,760,000	-	39,258	7,594	46,852
Anscor Holdings, Inc. (direct payable of SSRLI)	2,051	-	2,051	-	-	-	-
A. Soriano Air Corp. (direct payable of PRI)	742,773	3,267,929			3,267,929	742,773	4,010,702
Island Aviation, Inc. (direct payable of PRI)	44,694,698	18,045,762	-	-	18,045,762	44,694,698	62,740,460
	45,482,856	107,113,917	84,846,353	-	22,305,356	45,445,065	67,750,421
PHELPS DODGE INTERNATIONAL PRODUCTS PHILIPPINES, INC. (PDIPI) - Conso							
A. Soriano Corporation (direct payable of PDP Energy)	32,618,561	112,952,201	117,872,181	-	27,698,581	-	27,698,581
A. Soriano Coporation (direct payyable of PDIPI)	-	436,500,000	436,500,000	-	-	-	-
	32,618,561	549,452,201	554,372,181	-	27,698,581	-	27,698,581

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name and Designation of Debtor	Beginning of Period	Additions	Amounts Collected	Amount Written Off	Current	Non Current	Balance at End of Period
ANSCOR HOLDINGS INC. (Conso)							
Summerside Corporation	2,019,776	-	10,813	-	-	2,008,963	2,008,963
A. Soriano Corporation	323,665	-	-	-	-	323,665	323,665
	2,343,441	-	10,813	-	-	2,332,628	2,332,628
SUMMERSIDE CORPORATION (Conso)							
A. Soriano Corporation	785,125	-	484,150	-	-	300,975	300,975
	785,125	-	484,150	-	-	300,975	300,975
AFC AGRIBUSINESS CORPORATION							
A. Soriano Corporation	25,548,796	3,945,078	-	-	3,945,078	25,548,796	29,493,874
	25,548,796	3,945,078	-	-	3,945,078	25,548,796	29,493,874
ANSCOR INTERNATIONAL							
A. Soriano Corporation	1,226,881,753	98,931,040	-	-	98,931,040	1,226,881,753	1,325,812,793
	1,226,881,753	98,931,040	-	-	98,931,040	1,226,881,753	1,325,812,793
IQ HEALTHCARE INVESTMENT LIMITED							
A. Soriano Corporation	20,201,485	-	-	-	-	20,201,485	20,201,485
Anscor International	52,739,925	30,229,052	-	-	30,229,052	52,739,925	82,968,977
	72,941,410	30,229,052	-	-	30,229,052	72,941,410	103,170,462
	1,408,884,345	**865,553,376**	**639,713,497**	**-**	**258,991,195**	**1,375,733,030**	**1,634,724,225**

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE D - LONG-TERM DEBT
AS OF DECEMBER 31, 2024
(Amounts in PHP)

Title of issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown under caption "Current portion of long-term debt" in related balance sheet	Amount Shown under caption "Long-term debt - net of current portion" in related balance sheet
Island Aviation, Inc.			
Banco de Oro	780,000,000	104,545,455	675,454,545
Total	780,000,000	104,545,455	675,454,545

a. On January 9, 2023, a Facility Agreement (IAI-BDO Loan) was executed between IAI and BDO, for a term loan in the aggregate principal amount of up to P1 billion. On the same date, the Continuing Suretyship (CS) in favor of BDO was jointly and severally irrevocably executed by SRRLI and PRI duly identified as the sureties to secure the due and full payment and performance of the Secured Obligations as defined in the CS.

b. On February 14, 2023, SSRLI, PRI and Pamalican Utilities Inc. (PUI) (the three companies as Trustors) and AB Capital and Investment Corporation (as Trustee) executed the Amended and Restated Mortgage Trust Indenture (MTI). PRI and PUI are now parties to the MTI which was originally entered into by SSRLI and the Trustee on November 29, 2005. The Trustors in the MTI are now parties to the Mortgage Obligations for the loan. The Trustee issued as of December 31, 2023 mortgage participating certificates representing 18.2% of the appraised value of the assets covered by the MTI.

c. On November 20, 2023, BDO and the Company agreed to adjust the interest rate to the higher of (a) the sum of the 3-month Benchmark Rate on interest setting date and on each repricing date plus 0.90% per annum, and (b) Target Reverse Repurchase Rate plus + 0.25% per annum; divided by the interest premium factor effective January 9, 2024.

   The loan shall be subject to the maintenance of financial ratios which include; (i) maximum of 2.5 times debt-to-equity ratio and (ii) minimum debt service coverage ratio of 1.2 times starting May 31, 2024 and annually each May 31 thereafter.

d. Total interest expense in 2024 and 2023 from this loan recognized in the consolidated profit or loss amounted to P59.2 million and P58.9 million, respectively.

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2024 AND 2023
(Amounts in PHP)

PARTICULARS	Balance at Beginning of Period	**Balance at End of Period**
Due From:		
Multi-media Telephony, Inc. (MTI) (Notes 1)	564,769,510	**564,769,510**
Others	1,828,850	**1,598,224**
	566,598,360	**566,367,734**
Less Allowance for Doubtful Accounts	564,761,343	**564,761,343**
RECEIVABLE - NET	1,837,017	**1,606,391**

Note 1 In June and September 2005, the Company entered into a loan agreement with MTI for the latter to issue convertible debts to the Company. The debts, totaling US$3.0 million are payable in 270 days and bear interest at 20% per annum. Prior to the payment date, the Company has the option to convert the said debt into Vicinetum Holdings, Inc.'s (VHI) (MTI's parent company) shares of stock.

In 2006, the Company provided additional advances to MTI amounting to US$6.5 million. The advances are payable in two years and bear interest at 20% per annum. The Company has the option to convert these advances to shares of stock of MTI.

In 2007, additional P25.0 million advances were extended to MTI to be converted to 278,822 shares of VHI.

As of December 31, 2009, these advances were converted into deposits for future stock subscription of VHI shares.

A. SORIANO CORPORATION AND SUBSIDIARIES

SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS

DECEMBER 31, 2024

(Amounts in PHP)

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by the Company for which this Statement is Filed	Nature of Guarantee
N A	NA	NA	NA	NA

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE G - CAPITAL STOCK
AS OF DECEMBER 31, 2024

Title of Issue	Number of Shares Authorized	Number of Shares issued & Outstanding	Number of shares Reserved for Options,Warrants Conversions & Other Rights	Number of shares Held by			
				Subsidiaries	Related Parties	Directors, Officers & employees	Others
Common Stock	3,459,310,958	2,500,000,000	NA				
Preferred Stock	500,000,000	500,000,000	NA	-	500,000,000	-	-
		3,000,000,000					
Treasury shares		-					
No. of shares issued and outstanding (legal)		**3,000,000,000**		1,272,429,761	63,692,335	671,313,481	492,564,423
No. of shares held by a subsidiary (Anscor Consolidated Corporation)		(1,272,429,761) *					
Outstanding shares - (common and preferred) net of shares held by a subsidiary		**1,727,570,239**					

* As at December 31, 2024 and 2023, Anscorcon holds 1,272,429,761 shares of the Company.

A. SORIANO CORPORATION AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION
DECEMBER 31, 2024

Schedule H

	2024	2023
Total Audit Fees	**₱4,530,000**	₱4,417,000
Non-audit services fees:		
Other assurance services	–	–
Tax services	–	–
All other services	300,000	–
Total Non-audit Fees	**300,000**	–
Total Audit and Non-audit Fees	**₱4,830,000**	₱4,417,000

Audit and Non-audit fees of other related entities

	2024	2023
Audit fees	–	–
Non-audit services fees:		
Other assurance services	–	–
Tax services	–	–
All other services	–	–
Total Audit and Non-audit Fees of other related entities	**₱–**	₱–

SGV
Building a better working world

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULE OF COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
A. Soriano Corporation
7th Floor, Pacific Star Building
Makati Avenue corner Gil Puyat Avenue Extension
Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of A. Soriano Corporation and its subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated February 24, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule of Components of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as of December 31, 2024, and 2023 and for each of the three years in the period ended December 31, 2024, and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Dhonabee B. Señeres
Partner
CPA Certificate No. 97133
Tax Identification No. 201-959-816
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-098-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465385, January 2, 2025, Makati City

February 24, 2025

A. SORIANO CORPORATION AND SUBSIDIARIES

COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2024 AND 2023

			2024		2023	
i.	Current Ratio	Total Current Assets	**23,823,216,771**	**8:8:1**	20,810,775,738	11:5:1
		Total Current Liabilities	**2,721,553,027**		1,815,372,738	
ii.	Acid Test Ratio	Total Current Assets less Inventories, Prepayments, and Other Current Assets	**21,239,727,843**	**7:8:1**	18,380,855,510	10.1:1
		Total Current Liabilities	**2,721,553,027**		1,815,372,738	
iii.	Solvency Ratio	Net Income Attributable to Equity Holders of the Parent + Depreciation and amortization	**5,126,622,367**	**117.30%**	2,914,871,050	78.68%
		Total Liabilities	**4,370,452,798**		3,704,634,675	
iv.	Debt-to-Equity Ratio	Total Liabilities	**4,370,152,798**	**0:2:1**	3,704,634,675	0.16:1
		Equity Attributable to Equity Holders of the Parent	**27,068,917,332**		23,172,977,333	
v.	Asset-to-Equity Ratio	Total Assets	**32,309,106,442**	**1.19**	27,692,602,665	1.20
		Equity Attributable to Equity Holders of the Parent	**27,068,917,332**		23,172,977,333	
vi.	Interest Rate Coverage Ratio	EBIT (earnings before interest and taxes)	**5,243,888,869**	**75.55**	3,079,675,617	49.29
		Interest expense	**69,405,706**		62,479,887	
vii.	Return on Equity	Net Income Attributable to Equity Holders of the Parent	**4,681,330,337**	**17.29%**	2,552,017,982	11.01%
		Equity Attributable to Equity Holders of the Parent	**27,068,917,332**		23,172,977,333	

A. SORIANO CORPORATION AND SUBSIDIARIES

COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2024 AND 2023

			2024		2023	
viii.	Return on Assets	Net Income Attributable to Equity Holders of the Parent	**4,681,330,337**	**14.49%**	2,552,017,982	9.22%
		Total Assets	**32,309,106,442**		27,692,602,665	
ix.	Profitability Ratio	Net Income Attributable to Equity Holders of the Parent	**4,681,330,337**	**27.84%**	2,552,017,982	18.49%
		Total Revenues	**16,817,732,782**		13,798,487,806	
x.	Book value per share	Equity Attributable to Equity Holders of the Parent	**27,068,917,332**	**22.05**	23,172,977,333	18.88
		Outstanding Number of Shares	**1,227,570,239**		1,227,570,239	

AMENDED BY-LAWS
OF
A. SORIANO CORPORATION

ARTICLE I

CAPITAL STOCK AND SHARES

Section 1. Each stockholder shall be entitled to one or more shares of the Corporation registered in its Stock Books in the name of the person who has subscribed thereto. Certificates of Stock shall be issued in numerical order from the Stock Certificates Book and shall be signed by the Chairman of the Board and Chief Executive Officer or by the President and Chief Operating Officer, and countersigned by the Secretary and sealed with its corporate seal; Provided, that in lieu of the original signatures of the Chairman of the Board and Chief Executive Officer, or the President and Chief Operating Officer, and of the Secretary there may be substituted a facsimile of said signatures, in which case a certificate must bear the original and genuine signature of the Assistant Secretary or of an authorized representative of the Corporation's stock transfer agent and shall be sealed with the corporate seal. The certificates of stock shall be numbered in the order in which they are issued. On the stub of each certificate issued shall be recorded the data relative to each certificate.

Section 2. The certificates of stock may be transferred, sold, ceded or pledged by written endorsement on the back of the certificate and delivery thereof to the assignee, but the Corporation shall continue to honor the ownership of such certificate of the person in whose name it was issued, until such certificate is surrendered to the Secretary for cancellation and in lieu thereof a new certificate is issued in the name of the assignee.

The Corporation will refuse to record on its book the transfer of, and will not issue or sell, any shares of its capital stock or interest thereon, to persons who are not citizens of the Philippines, if, as a result of such issuance, sale or transfer, the total number of shares of capital stock owned on record or beneficially, as may be known to the Corporation, by non-Philippine citizens, will exceed FORTY PERCENT (40%) of the number of outstanding shares of capital stock and this restriction shall be indicated in all stock certificates.

Section 3. All certificates presented for transfer to the Secretary must be stamped "CANCELLED" on the face thereof together with the date of cancellation, and must be immediately attached to the corresponding stub in the stock book.

Section 4. New certificates of stock in lieu of those which have been lost or destroyed may be issued provided the owner of said certificates of stock, or his legal representative, shall file an affidavit, in triplicate, setting forth the circumstances under which said certificates have been lost or destroyed, the number of shares represented be each certificate and the numbers of the certificates. The petitioner shall also submit such other information and evidence which he may deem convenient and necessary.

After verifying the affidavit and other information and evidence of the applicant with the books of the corporation, said corporation shall publish a notice of said loss in a newspaper of general circulation in the Philippines published in Manila, once a week for three consecutive weeks, at the expense of the petitioner. The notice shall state the name of the corporation, the name of the registered owner, the number of the certificates, and the number of shares represented by each certificate. After the expiration of one year from the date of the last publication, if no claim has been presented to said corporation regarding said certificates of stock, the right to make such claim shall be barred and said corporation shall cancel in its books the certificates of stock which have been lost or destroyed, issuing in lieu thereof new certificates of stock. If the registered owner files a bond satisfactory to the Board of Directors, running for a period of one year to indemnify the corporation during said period, of any loss or damages which it may incur for the issuance of the new certificates, the new certificates may be issued even before the expiration of the one-year period provided herein. Provided, however, that if a claim has been presented to the corporation or, if an action is pending in Court, regarding the ownership of said certificates of stock, the issuance of the new certificates of stock in lieu thereof shall be suspended until final adjudication by the Court regarding the ownership of the said certificates.

Section 5 The stock and transfer books of the corporation shall be closed for transfer at least twenty (20) days next preceding the Annual Meeting of Stockholders.

ARTICLE II

FUNDS OF THE CORPORATION

The funds of the Corporation shall be deposited in its name in such banks or credit institutions designated by the Board of Directors, with the exception of a small amount to be determined by the Board, which amount can be placed in the safe box of the Corporation.

ARTICLE III

MEETINGS

Section 1. The annual meeting of stockholders, legally constituted, represent the entire stockholdings and any resolutions adopted at such meetings are binding upon all stockholders present or absent.

Section 2. The meetings of stockholders shall be ordinary or extraordinary and held in the principal offices of the Corporation or in such place as may be designated by the Board within Metro Manila. Unless a different date and time preferably in April is fixed by the Board of Directors and only upon due notice, the annual meeting of stockholders shall be held at 10:00 o’clock in the morning on the THIRD WEDNESDAY OF APRIL OF EACH YEAR, if not a legal holiday, and if a legal holiday, then on the day following. The special meeting of stockholders may be held at any time whenever so called by the Board of Directors or the Chairman and Chief Executive Officer.

Section 3. Notices of ordinary stockholders meeting shall be sent to stockholders or record at least fifteen (15) business days prior to the scheduled annual stockholders meeting. Notices for special meetings shall be mailed and deposited in any post office in Metro Manila addressed to each stockholder at his/her address registered in the Stock and Transfer Books of the Corporation at least fifteen (15) business days prior to the date of the meeting. The notice shall state the business to be discussed at the meeting and any other matters not stated therein shall not be touched upon. *(As amended by the Board on February 15, 2000; by the Stockholders on April 19, 2000.)*

Section 4. The meetings of stockholders, ordinary and extraordinary, duly called, shall be constituted and the minutes recorded, provided that more than one-half of the outstanding stock must be present or represented except in cases in which the Corporation Law requires a higher majority. If no quorum is constituted, the meeting shall be adjourned until the requisite number of stockholders shall be present. When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At the reconvened meeting, any business may be transacted that might have been transacted on the original date of the meeting. *(As amended by the Board on February 15, 2000; by the Stockholders on April 19, 2000.)*

Section 5. For the election of Directors, it shall be necessary that one-half plus one of all shares subscribed be present or represented.

Section 6. Any stockholder with the right to vote may be represented by proxy at any stockholders' meeting, ordinary or extraordinary. The proxies shall be in writing and signed, with no other formality required. The proxies for the ordinary meetings shall be filed with the Corporate Secretary not less than ten (10) working days prior to the date of such meeting, otherwise the proxies will be invalid. *(As amended by the Board on February 15, 2000; by the Stockholders on April 19, 2000)*

The Board of Directors shall set the date for validation of proxies which shall not be less than five (5) days prior to the scheduled annual stockholders meeting.

Section 7. Each share of stock, provided each share is fully paid for, is entitled to one vote in the name of the person recorded in the Stock Book of the Corporation.

Section 8. The election of directors must be made in accordance with law and every stockholder entitled to vote such number of shares for as many persons as there are directors or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit;

provided, that the total number of votes cast by him shall not exceed the number of shares owned by him.

Section 9. In the annual meeting of stockholders, a board of SEVEN (7) directors shall be elected who will hold their offices for the ensuing term and until their successors are duly elected and qualified. *(As amended by the Board on February 15, 2000; by the Stockholders on April 19, 2000 and as further amended by the Board of Directors on March 6, 2007 and by the Stockholders on April 16, 2007.)*

ARTICLE IV

BOARD OF DIRECTORS

Section 1. The corporate powers, business and property of the Corporation shall be exercised, conducted and controlled by the Board of SEVEN (7) Directors who shall be elected annually by the stockholders for a term of one (1) year and shall serve until the election and acceptance of their qualified successors. *(As amended by the Board on February 15, 2000; by the Stockholders on April 19, 2000 and as further amended by the Board of Directors on March 6, 2007 and by the Stockholders on April 16, 2007.)*

Without prejudice to the general powers hereinabove conferred, the Board of Directors shall have the following express powers:

a. From time to time to make and change rules and regulations not consistent with the by-laws for the management of the Company's business and affairs;

b. To purchase or otherwise acquire for the Company, rights or privileges which the Company is authorized to acquire at such price and on such terms and conditions and for such consideration as it shall from time to time see fit;

c. To pay for any property or rights acquired by the Company or to discharge obligations of the Company either wholly or partly in money or in stock, bond, debentures or other securities of the Company;

d. To borrow money for the Company and for such purpose to create, make and issue mortgages, bonds, deeds of trust and negotiable instruments or securities, secured by mortgage or pledge of property belonging to the Company; provided that, as hereinafter provided, the proper officers of the Company shall have these powers, unless expressly limited by the Board of Directors;

e. To prosecute, maintain, defend, compromise or abandon any law suit in which the Corporation or its officers are either Plaintiffs or Defendants in connection with the business of the Corporation, and likewise, to grant installments for the payments or settlement of whatsoever debts are payable to the Corporation;

f. To delegate, from time to time, any of the powers of the Board in the course of the current business or businesses of the Company to any standing or special committee or to any officer or agent and to appoint any persons to be agents of the Company with such powers (including the power to sub-delegate), and upon such terms, as may be deemed fit; and

g. To dissolve doubts as to the meaning of these by-laws and supply the omissions thereof, and giving an account to the General Meeting of the same.

Section 2. No persons shall be elected director unless he has at lest twenty thousand shares of the capital stock of the Corporation registered in his name.

Section 3. In addition to the right of the Board of Directors to make nominations for the election of directors, nominations for the election of directors may be made by any shareholder entitled to vote for the election of directors if that shareholder complies with all of the following provisions:

a. Nominations shall be received by the Chairman of the Board of Directors (which nominations may be sent to such Chairman in care of the Secretary of the Corporation), on March 1 of every year or at such earlier or later date as the Board of Directors may fix.

b. Each nomination under the preceding paragraph shall set forth (i) the name, age, business address and, if known, residence address of each nominee, (ii) the principal occupation or employment of each such nominee, (iii) the number of shares of stock of the Corporation which are beneficially owned by each such nominee, and (iv) the interests and positions held by each nominee in other corporation. In addition, the shareholder making such nomination shall promptly provide any other information reasonably requested by the Corporation.

c. The Board, by a majority vote unless a greater majority is required under these By-Laws, may, in its discretion, determine and declare that a nomination was not made in accordance with the foregoing procedures, and/or that a nominee is disqualified for election as Director and if the Board should so determine, the defective nomination and the nomination of a disqualified person shall be disregarded.

Section 4. At least two (2) of the Corporation's seven (7) directors shall be independent directors. For this purpose, an independent director shall mean a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.

Independent directors shall be nominated and elected in accordance with the provisions of Section 38 of the Securities Regulation Code (Republic Act No. 8799). *(As amended by the Board on March 2, 2009; by the Stockholders on April 22, 2009)*

Section 5. A director shall be qualified to hold office only upon pledging the twenty thousand shares registered in his name to the Corporation to answer for his conduct. If any vacancy shall occur among the directors by death, resignation or otherwise, the remaining directors, by affirmative vote of a majority thereof, may elect a successor to hold office for the unexpired portion of the term of the director whose place shall be vacant and until the election of the new board of directors.

Section 6. Regular meetings of the Board of Directors shall be held once every quarter of the year in the office of the Corporation on such dates and at such times as the Chairman of the Board and Chief Executive Officer, or in his absence, the President and Chief Operating Officer may determine. Special meetings of the Board and Chief Executive Officer, or in his absence, of the President and Chief Operating Officer, or upon the request of a majority of the directors.

Section 7. Notice of the regular or special meetings of the Board shall be communicated by the Secretary to each director, verbally or in writing at his residence or usual place of business at least twenty-four (24) hours before the meeting.

Section 8. A majority of the entire membership of the Board shall constitute a quorum for the transaction of any business, and the decision of a majority of the quorum duly assembled as a Board shall be valid as a corporate act.

A written resolution signed by all the directors shall be binding and valid as if the same had been taken up by the Board in a meeting duly called.

ARTICLE V

EXECUTIVE COMMITTEE

The Board of Directors shall create an Executive Committee composed of five (5) members. The Executive Committee shall meet regularly at such times and places to be determined by a majority vote thereof. Unless otherwise provided for by the Board of Directors, the Executive Committee shall be composed of the Chairman and Chief Executive Officer, the Vice Chairman, the President and Chief Operating Officer, and two (2) officers or directors of the Company to be appointed by the Chairman. The Chairman and Chief Executive Officer of the Company shall act as Chairman of the Executive Committee.

The Executive Committee may act by majority vote of all of its members, on matters within the competence of the Board, except as specifically limited by law or by the Board of

Directors. *(As amended by the Board on 2-15-00; by the stockholders on 4-19-00)*

All actions of the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action, and shall be subject to revision or alteration by the Board, provided that no rights of third parties arising out of acts approved by the Executive Committee and within its scope of authority shall be affected by such revision or alteration.

Regular minutes of the proceedings of the Committee shall be kept in a book provided for that purpose. Vacancies in the Committee may be filled by the Board of Directors, provided that the parties agree to vote their shares, instruct their directors (to the extent permitted by law), or otherwise exercise their rights as stockholders so as to elect a person nominated by the party that nominated the member whose death, resignation or removal from office caused the vacancy.

Three (3) out of the five (5) members of the Executive Committee shall be necessary to constitute a quorum, and in every case the affirmative vote of the three members shall be necessary for the passage of any resolution. The Executive Committee may act by the written resolution of a quorum thereof, although not formally convened. It shall fix its own rules of procedure and shall meet as provided by such resolution or by resolution of the Board, and shall also meet at the call of its Chairman.

The Board of Directors shall fix the compensation of the members of the Executive Committee.

ARTICLE VI

OFFICERS

Section 1. The officers of the Corporation shall consist of a Chairman of the Board, who shall be the Chief Executive Officer, a Vice Chairman of the Board, a President, who shall be the Chief Operating Officer, an Executive Vice President, one or more Vice Presidents, a Treasurer and an Assistant Treasurer, a Secretary and an Assistant Secretary and such other officers as may, from time to time, be chosen and appointed by the Board of Directors.

Section 2. The Chairman of the Board and Chief Executive Officer of the Corporation shall have the following powers and duties:

a. To preside at the meetings of the Board of Directors and of the Stockholders;

b. To carry out the resolutions of the Board of Directors;

c. To initiate and develop corporate objectives and policies and formulate long range projects, plans and programs for the approval of the Board of Directors;

d. To have general supervision and administration of the affairs of the Corporation;

e. To represent the Corporation at all functions and proceedings and, unless otherwise directed by the Board, to attend and/or vote, (in person or by proxy) at any meeting of shareholders of corporations in which the Corporation may hold stock and at any such meeting, to exercise any and all the rights and powers incident to the ownership of such stock which the owner thereof might possess or exercise if present. *(As amended by the Board on 2-15-00; by the stockholders on 4-19-00)*

f. To execute on behalf of the Corporation all contracts, agreements and other instruments affecting the interests of the Corporation which required the approval of the Board of Directors, except as otherwise directed by the Board of Directors;

g. To make reports to the Directors and Stockholders;

h. To sign certificates of stock; and

i. To perform such other duties as are incident to his office or are entrusted to him by the Board of Directors.

Section 3. The Vice Chairman shall exercise the functions of the Chairman and Chief Executive Officer as specified in the next preceding section of this Article VI in the event of absence or temporary disability of the Chairman of the Board and Chief Executive Officer, and shall perform such other functions as the Board of Directors or the Chairman and Chief Executive Officer may from time to time entrust or delegate to him. *(As amended by the Board on 2-15-00; by the Stockholders on 4-19-00)*

Section 4. The President and Chief Operating Officer shall exercise the following functions:

a. To ensure that the administration and operational policies of the Corporation are carried out under the direction and control of the Chairman of the Board and Chief Executive Officer;

b. To supervise and direct the day-to-day business affairs of the Corporation;

c. To recommend to the Chairman of the Board and Chief Executive Officer specific projects for the attainment of corporate objectives and policies;

d. Subject to guidelines prescribed by law or by the Chairman of the Board and Chief Executive Officer, to appoint, remove, suspend or discipline employees of the Corporation, prescribe their duties, determine their salaries;

e. To oversee the preparation of the budgets and the statements of accounts of the

Corporation;

f. To prepare such statements and reports of the Corporation as may be required by law;

g. To exercise such powers and perform such duties as the Chairman of the Board and Chief Executive Officer may from time to time assign to him;

h. Unless otherwise directed by the Board of Directors or by the Chairman of the Board and Chief Executive Officer, to exercise the latter's functions as specified in the next preceding section of this Article VI in the event of absence or temporary disability of the Chairman of the Board and Chief Executive Officer and the Vice Chairman of the Board.

Section 5. The Executive Vice President – In the absence or disability of the President and Chief Operating Officer, the Executive Vice President shall act in his place, exercise his powers and perform his duties pursuant to these By-Laws. The Executive Vice President shall also exercise such powers and perform such duties as the Chairman of the Board and Chief Executive Officer or the President and Chief Operating Officer may assign.

Section 6. The Vice Presidents shall have such powers and shall perform such duties as may from time to time be assigned to them by the Chairman of the Board and Chief Executive Officer or by the President and Chief Operating Officer. *(As amended by the Board on 2-15-00; by the Stockholders on 4-19-00)*

Section 7. The Secretary shall issue notices of all meetings; shall keep their minutes; shall have charge of the seal and the corporate books; shall sign with the Chairman of the Board and Chief Executive Officer or with the President and Chief Operating Officer the certificates of stock and such other instruments as may require such signature; shall act as the inspector at the election of directors and other voting by stockholders, and as such, determine the number of shares of stock outstanding and entitled to vote, the shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and do such acts as are proper to conduct the election or vote; and shall make such reports and perform such other duties as are incident to his office or are properly required of him by the Board of Directors. The Secretary may assign the exercise or performance of his duty to act as election inspector and all duties related thereto, including the tabulation of votes and the proper conduct of the election or vote, to any other person or persons, subject always to his supervision and control. *(As amended by the Board on 2-15-00; by the Stockholders on 4-19-00)*

Section 8. In the absence of the Secretary, the Assistant Secretary shall act in his place and perform his duties. The Assistant Secretary shall also perform such other duties as may, from time to time, be assigned by the President and Chief Operating Officer.

Section 9. The Treasurer shall have the custody of all moneys, securities and values of the Corporation which come into his possession, and shall keep regular books of account. He shall deposit said moneys, securities and values of the Corporation in such banking institutions, as may be designated from time to time by the Board of Directors, subject to withdrawal therefrom only upon the checks or other written demands of the Corporation which have been signed by such officer or officers, or person or persons as the Board of Directors may from time to time direct.

Section 10. Assistant Treasurer – In the absence of the Treasurer, the Assistant Treasurer shall act in his place and perform his duties. The Assistant Treasurer shall also perform such other duties as may from time to time be assigned to him by the President and Chief Operating Officer.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Corporation shall indemnify every director, officer or member of the Board, his heirs, executors and administrators against all costs and expenses reasonably incurred by such person in connection with any civil, criminal, administrative or investigative action, suit or proceeding to which he may be, or is, made a party by reason of his being or having been a director, officer or member of the Board of the Corporation, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct.

In the event of a settlement or compromise, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Corporation is advised by counsel that the person to be indemnified did not commit such a breach of duty.

The costs and expenses incurred in defending the aforementioned action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided for in the preceding paragraph upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this Article.

ARTICLE VIII

AUDIT OF BOOKS

Section 1. In any ordinary meeting of stockholders to be held, a firm of Certified Public Accountants shall be appointed by the stockholders to examine the books of accounts of the Corporation, until said appointment has been revoked in another ordinary meeting of stockholders.

Section 2. The duties of the Auditor shall be to examine the books of ac counts of the Corporation when he may deem convenient. Such audits shall be made at least once every year and he shall issue his report on the annual balance sheets, which report shall be published together with the balance sheets. To this effect, the Auditor shall be allowed free access at any time to any and all books, documents and files of the Corporation concerning the status of the treasury.

Section 3. A copy of the audited financial statements of the Corporation shall be deposited in the offices of the Corporation at least fifteen (15) business days prior to the date of the annual meeting and shall be at the deposit of the shareholders for approval. *As amended by the Board on 2-15-00; by the Stockholders on 4-19-00)*

Section 4. The Board of Directors from time to time shall determine the remuneration of the Auditors; however, this power may be delegated to a Vice President or an Assistant Vice President.

Section 5. The fiscal year of the Corporation shall begin the first day of January and shall end on the last day of December of each year. *(As amended by the Board on 2-15-00; by the Stockholders on 4-19-00)*

ARTICLE IX

DISTRIBUTABLE FUNDS AND DISSOLUTION OF THE CORPORATION

Section 1. The Board of Directors may declare, from time to time, as partial dividends to the holder of stock, whichsoever funds of the Corporation the Board may deem not necessary for the carrying out of the purposes of the Corporation.

Section 2. The remuneration of the Board of Directors cannot be increased in the future without the approval, through a resolution, by the stockholders representing at lest a majority of the capital stock.

Section 3. Upon the expiration of the term of this Corporation if no agreement has been made regarding its extension, or, in case of dissolution, for any reason, the Board of Directors may perform the functions of liquidator and the applicable part of these by-laws shall continue in force and effect for the purpose and for the duration of such liquidation.

ARTICLE X

MISCELLANEOUS AND TRANSITORY PROVISIONS

Section 1. The Corporate Seal of the Corporation shall be circular in form and inscribed on its margin the name of the Corporation and the words “Makati, Rizal, Philippines” and within the circle, the words “Incorporated 1930”; and said seal shall, for the present, be adopted as seal of the Corporation.

Section 2. These By-Laws may be repealed, amended or revised at any special meeting of the Board of Directors called for the purpose when two-thirds of the members are present. Such amendments, revisions, repeals are to be presented to the stockholders for ratification at the Annual Stockholders' Meeting immediately following such special meeting of the Board of Directors. Acts done by the Board pursuant to such amendments, repeals or revisions shall, unless and until expressly further amended or repealed by the stockholders, be deemed valid and shall bind the Corporation to all intents and purposes.

Section 3. These By-Laws shall be effective from this date, February 5, 1930, on which they were approved.

STOCKHOLDERS' CERTIFICATE

The undersigned stockholders of "Sorox y Cia", representing more than two-thirds (2/3) of the capital stock issued by the Corporation, for these presents, certify that the foregoing By-Laws and Regulations of the Corporation was adopted by unanimous vote of all stockholders at the Special Meeting of Stockholders held on February 5, 1930 called for this purpose.

IN WITNESS WHEREOF, we have signed these presents this 5th day of February 1930, setting forth opposite our names the corresponding shares owned by each of the undersigned:

(SGD.) A. SORIANO	185 Shares
(MARGARITA ROXAS VDA. DE SORIANO) p.p. (SGD.) A. SORIANO	10 Shares
(SGD.) FRANCISCO ORTIGAS	1 Share
(SGD.) JOHN R. SCHULTZ	1 Share
(SGD.) BENITO RAZON	1 Share
(SGD.) C. A. SOMBRAL	1 Share

DIRECTORS' CERTIFICATE

Manila, February 5, 1930

We the undersigned, a majority of the members of the Board of Directors of "Sorox y Cia", do hereby certify that the preceding typewritten pages constitute the By-Laws of the Corporation, as adopted by unanimous vote of all stockholders present, represented by more than two-thirds (2/3) of the total subscribed and paid-up capital stock of the Corporation in the Annual Meeting of Stockholders held on February 5, 1930 and called for that purpose.

SGD.) A. SORIANO

(SGD.) FRANCISCO ORTIGAS

(SGD.) JOHN R. SCHULTZ

(SGD.) BENITO RAZON

ATTEST:

(SGD.) BENITO RAZON
Secretary

2024
ANNUAL REPORT

ANSCOR

Contents

CONCURRENT RESOLUTION OF THE BOARD OF DIRECTORS

The Board of Directors of A. Soriano Corporation by unanimous concurrence, submits herewith the Statement and Annual Report of the Chairman of the Board and President of the Corporation as its own Report to the Stockholders for the year ended December 31, 2024.

Chairman's Message

ANDRES SORIANO III
Chairman and Chief Executive Officer

THE PHILIPPINE ECONOMY IN 2024

In 2024, the Philippines' Gross Domestic Product grew by 5.6%, despite heightened geopolitical tensions. This growth rate was among the fastest in the Association of Southeast Asian Nations, driven by strong domestic demand. Easing inflation allowed for a less restrictive monetary policy.

The service sector was the main driver of growth, expanding by 6.7%. Construction grew by 10.3%, and Manufacturing rebounded with a 3.6% increase. Typhoons disrupted crop production, livestock, and fisheries and led to a 1.6% contraction in the agriculture sector.

The Philippine growth rate was among the fastest in the Association of Southeast Asian Nations, driven by strong domestic demand.

Anscor posted a record profit of ₱4.7 billion, an 83% increase from the previous year's net income of ₱2.6 billion.

The "Build Better More" program supported higher government expenditure for infrastructure projects in public transport, power, health, information technology, water resources, and agriculture. The program aims to improve connectivity and position the Philippines as an attractive investment destination.

THE 2024 FINANCIAL PERFORMANCE OF THE COMPANY

Anscor posted a record profit of ₱4.7 billion, an 83% increase from the previous year's net income of ₱2.6 billion. The gains were due to the exceptional performance of the Company's financial holdings, whose continuity may be difficult to sustain.

Financial holdings generated a ₱3.7 billion gain, compared to ₱1.9 billion in 2023. The significant contributor was the investment in International Container Terminal Services, Inc. which saw a 56% price increase, outperforming the Philippine Stock Exchange's 1.2% increase. Gains from other securities reached ₱417.6 million, while dividend income rose 5.7% to ₱389.3 million.

Our interests in Phelps Dodge Philippines Energy Products Corporation contributed ₱1.03 billion to net income. Earnings from Seven Seas Resorts and Leisure, Inc. slightly decreased to ₱123.8 million; financial services firm, ATRAM, contributed ₱25.3 million; and real estate firm, KSA Realty Corporation, provided ₱94.2 million in cash dividends.

On November 13, 2024, Anscor bought a 22% stake in TBG Food Holdings, Inc., known as "The Bistro Group," which owns and runs over two hundred full-service restaurants, including household names like Italianni's, TGI Fridays, Texas Roadhouse, and, most recently, Morton's Steakhouse.

PDP achieved record breaking sales of ₱11.2 billion, propelled by strong demand across all customer segments. It also commissioned solar rooftop power plant underscoring PDP's dedication to sustainability.

Anscor paid total cash dividends of ₱0.75 per share: ₱0.50 per share on March 25, 2024, and ₱0.25 per share on November 29, 2024. Investment assets increased in value from ₱23.3 billion to ₱27.8 billion, due to the supportive global financial environment and the investment in The Bistro Group. Your Company's book value per share increased by 16.9% from ₱18.9 to ₱22.1.

Phelps Dodge International Philippines, Inc. (PDP)

PDP achieved record-breaking sales of ₱11.2 billion in 2024, driven by robust domestic market growth. PDP's commitment to on-time delivery, product quality, safety, superior service, and innovation drove sales across all customer segments. Sales volume increased by 8.5%, propelled by strong demand across key sectors and the favorable impact of rising copper prices. Demand from the commercial, high-rise, industrial, infrastructure, and utilities sectors all fueled growth. And despite market challenges, the distribution segment also grew.

PDP's net income remained steady at ₱957.3 million, slightly lower than last year, due to a decline in export revenues. Moving forward, PDP will continue its pursuit of long-term, international sales partners to develop recurring export orders.

2024 was a year of operational advancements, including new machinery for specialized products catering to the utilities and infrastructure segments, and advanced raw material systems for more efficient handling and storage. The company also commissioned a 1.5 MW solar rooftop power plant, underscoring Anscor and PDP's common dedication to sustainability.

PDP distributed ₱450.0 million in cash dividends in 2024, of which ₱436.5 million was collected by Anscor.

PDP is still committed to sustaining growth and expanding its market leadership. The company plans to attract new customers through innovative products, value-engineered solutions, exceptional services, and a best-in-class value proposition.

Seven Seas Resorts and Leisure, Inc.
(Owner of Amanpulo)

In 2024, Amanpulo experienced significant shifts in tourism trends. Despite an industry-wide decline in occupancy rates and an unprecedented number of typhoons during the traditionally strong fourth quarter, Amanpulo generated a ₱1.4 billion revenue, matching 2023 levels. Net income was ₱159.6 million in 2024, a 10.8% decrease as compared to last year.

Amanpulo mitigated the decline in travel from key feeder markets of Japan and China by taking part in sales missions in Australia, China, Hong Kong, Singapore, Taiwan, Japan, and Korea. To develop long-term growth from the Middle East and Russia, the Resort intensified its sales activities in Kuwait, Qatar, Oman, Saudi Arabia, and the United Arab Emirates, and strengthened its outreach to key global travel and media partners.

As part of an ongoing commitment to sustainability, in the third quarter of 2024, Seven Seas commissioned a new solar operation. The solar farm covers 3.5 hectares of Pamalican Island and will supply at least 50% of the resort's electricity needs.

Other new additions to the property included a Kids' Club and activities for younger guests. It initiated the "Island Native Trees Propagation and Restoration" and the "Coconut Tree Micro-Project" programs, to reduce and repurpose the Resort's organic waste. 2025 will see the arrival of two new luxury speed boats, new trips to the Manamoc marine sanctuary, a new Kawayan Bar, and improvements in staff quarters and recreational facilities.

Amanpulo continues to receive prestigious awards and citations for its outstanding wellness, spa, dive, and resort facilities. It was a finalist for Travel + Leisure Asia's "Resort of the Year," was among the top 10 in the T+L Luxury Awards 2024 Asia Pacific for "Beach Island Upcountry Resorts," and was a nominee for "Private Island of the Year" at the Destination Deluxe Awards.

Amanpulo also takes pride in being a finalist for the Virtuoso Sustainability Award in the Supporting Local Economies category that recognizes the exceptional impact of its "Hospitality Vocational Program for Remote Island Youth" program on Manamoc Island, a partnership with the Andres Soriano Foundation.

The Seven Seas Group generated a consolidated net income of ₱198.6 million in 2024.

ATRAM Investment Management Partners Corporation (ATRAM)

ATRAM's assets under management (AUM) reached ₱363.3 billion by the end of December 2024, 16% higher than the previous year. The 2024 revenues reached ₱1.4 billion, a 38% increase over last year's ₱1.0 billion. Operating expenses increased due to staff hiring and investments in IT infrastructure, to enhance digital capabilities. ATRAM is focused on investing in future growth to continue providing high-quality financial solutions to its clients.

In the final quarter of 2024, the ATRAM Group signed an investment agreement with the Union Bank of the Philippines (UnionBank) to acquire its Union Bank's Investment Management and Trust Corporation Trust Group, in exchange for a 27.5% ownership stake in ATRAM's subsidiary, ATR Asset Management Inc.

At closing, ATRAM and UnionBank's trust corporations will merge, leaving ATRAM Trust Corporation as the surviving entity. The merged entity is expected to become a significant player in the trust industry, with AUM greater than ₱450.0 billion.

The transaction is subject to regulatory approval.

Photograph courtesy of GMA News Online

OUTLOOK

The positive outlook for the Philippine economy hinges on the country's ability to rein in inflation, implement a more supportive monetary policy to foster business growth, and sustain government spending on infrastructure to stimulate economic activity, while safeguarding against increased global policy uncertainty.

As the country strengthens social protection for its vulnerable populations and shores up its resilience against climate change, improving the access to credit, rooting out inefficiency, and accelerating digital transformation will be essential to unlocking sustainable growth.

With the shifting geopolitical and trade landscape, rapid technological advances, and mid-year elections, the outlook for 2025 appears less predictable than previous years. However, Anscor is well-positioned to navigate these uncertainties, thanks to a diversified portfolio and conservative balance sheet management.

Phelps Dodge's focus on innovation and domestic economic development, ICTSI's continued operational execution excellence and expansion plans, The Bistro Group's exposure to growing domestic consumption, and ATRAM's new partnership are catalysts for growing shareholder value. As a responsible corporate citizen, Anscor will continue to uphold sustainable practices and programs that enhance the well-being, livelihood, and quality of life for its employees, customers, partners, and the communities it serves.

ACKNOWLEDGMENT

Your Company mourns the passing of **Mr. Eduardo J. ("Ed") Soriano,** Vice Chairman, and Director, on February 17, 2025. Ed served as an Anscor Director since 1980, Vice Chairman since 1990, and Treasurer before retiring in 2018.

We are deeply grateful for his leadership and contributions to Anscor.

On behalf of the Board of Directors, we express our gratitude for the confidence of our shareholders, the loyalty of our customers, and the dedication of our employees.

Corporate Social Responsibility

The Andres Soriano Foundation, Inc. continues to embark on activities to empower communities and to enrich lives by providing access to opportunities and resources.

The Andres Soriano Foundation (ASF) marked its 57th year with collaboration and support from institutions, communities, and generous donors and sponsors.

SMALL ISLAND SUSTAINABLE PROGRAM

ASF conducted programs for isolated and marginalized fourth- and fifth-class island municipalities in Northeast Palawan.

Health

The 15th Annual Health Caravan in May 2024 provided 3,641 medical and laboratory services to 2,083 patients across three island barangays. ASF distributed basic medicines and vitamins, free of charge.

The Maternal and Child Health initiative included a Supplemental Feeding Program and the First 1,000 Days of a Baby project, which now features small-scale backyard vegetable farming. The Safe Delivery App, used by midwives, ensures proper delivery procedures even without internet access.

ASF also offered technical guidance on potable water for two communities managing their Community-Based Water System.

Education

ASF's Adopt-a-School project included:

- Repair and maintenance of technical-vocational facilities at Manamoc National High School.
- Immersion activities for forty-eight senior high school learners at Amanpulo.
- Support for 11 Tech-Voc Electromechanics Technology scholars, with five graduates and one bronze medalist.
- Support for two Academic scholars, one of whom graduated with honors in culinary arts.
- TORM Philippines Education Foundation's (TPEF) support for seven college scholars for the 2025-2026 school year.
- Donations of books, protective footwear, tables, chairs, and school supplies.

Fresh raw food materials available in the islands are sourced and used for meals prepared monthly by ASF.

Reading books, dental and hygiene kits were donated and distributed to each student of Manamoc Elementary School.

Livelihood

Technical training for over one hundred women weavers increased agricultural and handicraft productivity, generating ₱1.24 million in sales in 2024. ASF partnered with the Department of Trade and Industry to provide six handicraft machines worth over ₱3.0 million. ASF conducted Agricultural technology training for thirty-five vegetable farmers in Manamoc.

Environment

The War on Plastics initiative shredded over 1,800 kg. of single-use plastic waste, producing repurposed items like bricks and tiles. Coastal Resource Management efforts included monitoring 13 Marine Protected Areas, increasing live coral cover and fish count, and rehabilitating mangroves. Coastal clean-ups collected 4,373 kgs. of non-biodegradable waste.

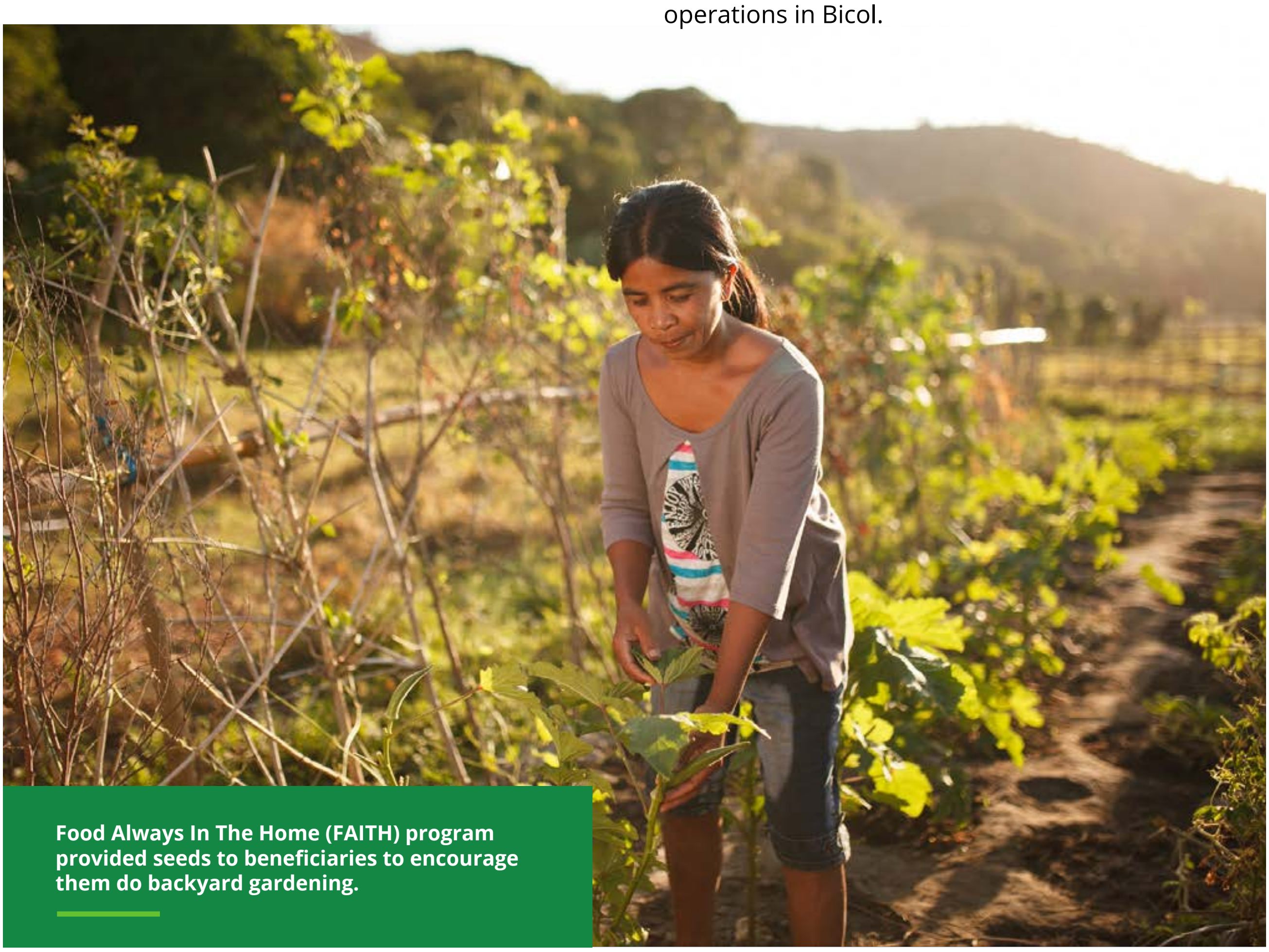
Cancer Care Program

ASF continued its partnership with pharmaceutical companies for the Medical Oncology Fellowship Training Program at UP-PGH and provided chemotherapy maintenance medicines for 203 indigent breast cancer patients.

Clean-up drives participated by community residents collected 4,373 kilograms of non-biodegradable waste.

Disaster Relief Response

In November 2024, ASF adopted two hundred households in Agoncillo, Batangas, affected by Typhoon Christine, and donated ₱100,000 for relief operations in Bicol.



Food Always In The Home (FAITH) program provided seeds to beneficiaries to encourage them do backyard gardening.

Financial Highlights

(In Million Pesos Except for Ratios and Per Share Data)

CONSOLIDATED FOR THE YEAR	2024	2023	2022
Revenues and net investment gains	16,817.7	13,798.5	13,624.7
Sale of goods	11,200.6	10,147.5	10,727.8
Services	1,762.9	1,709.3	1,292.1
Gain (loss) on increase (decrease) in market values of fair value through profit or loss investments	3,264.5	1,476.2	(994.1)
Dividend income	389.4	368.4	295.3
Interest income	104.3	91.9	67.4
Gain on sale of investment properties and sale of long-term investments - net	61.2	–	–
Equity in net earnings on investment in associates	33.8	8.7	26.6
Gain (loss) on sale of fair value through other comprehensive income investments	1.0	(3.5)	0.8
Gain on sale of noncurrent asset held for sale	–	–	2,208.8
NET INCOME*	4,681.3	2,552.0	2,800.6
EARNINGS PER SHARE**	3.81	2.08	2.28

CONSOLIDATED AT YEAR-END	2024	2023	2022
Total Assets	32,309.1	27,692.6	25,138.2
Equity Attributable to Equity Holders of the Parent	27,068.9	23,173.0	21,961.7
Investment Portfolio	18,963.2	15,345.4	14,216.7
Current Ratio	7.93	10.14	9.94
Debt to Equity Ratio***	0.16	0.16	0.11
Book Value Per Share****	22.05	18.88	17.89

* Attributable to equity holders of the Parent.
** Based on weighted average number of shares of 1,227.6 million in 2024, 2023 and 2022.
*** Computed using the equity attributable to equity holders of the Parent.
**** Based on outstanding shares of 1,227.6 million as of December 31, 2024, 2023 and 2022.

Five-Year Review

(In Million Pesos Except Per Share Data)

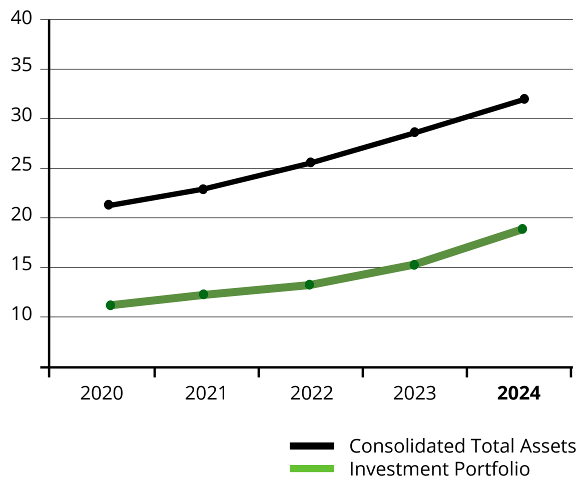
	2024	2023	2022	2021	2020
Net Income Attributable to Equity Holders of the Parent	4,681.3	2,552.0	2,800.6	2,504.1	165.6
Equity Attributable to Equity Holders of the Parent	27,068.9	23,173.0	21,961.7	20,460.6	18,695.6
Weighted Average Number of Shares Outstanding	1,227.6	1,227.6	1,227.6	1,227.6	1,242.0
Earnings Per Share*	3.81	2.08	2.28	2.04	0.13
Book Value Per Share**	22.05	18.88	17.89	16.67	15.23

	2024	2023	2022	2021	2020
Revenues and Net Investment Gains	16,817.7	13,798.5	13,624.7	11,354.1	6,883.7
Total Assets	32,309.1	27,692.6	25,138.2	23,625.0	21,602.3
Investment Portfolio	18,963.2	15,345.4	14,216.7	13,834.5	12,251.4

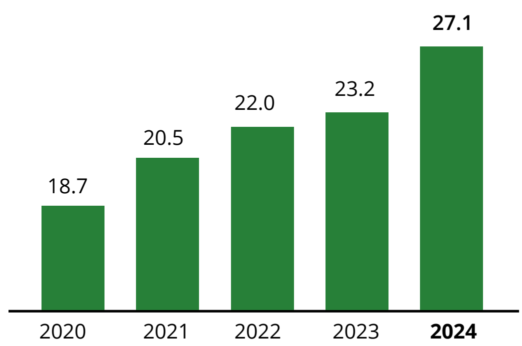
* Ratio of net income attributable to equity holders of the Parent to weighted average number of shares outstanding during the year.

** Ratio of equity attributable to equity holders of the Parent to outstanding number of shares as of end-December.

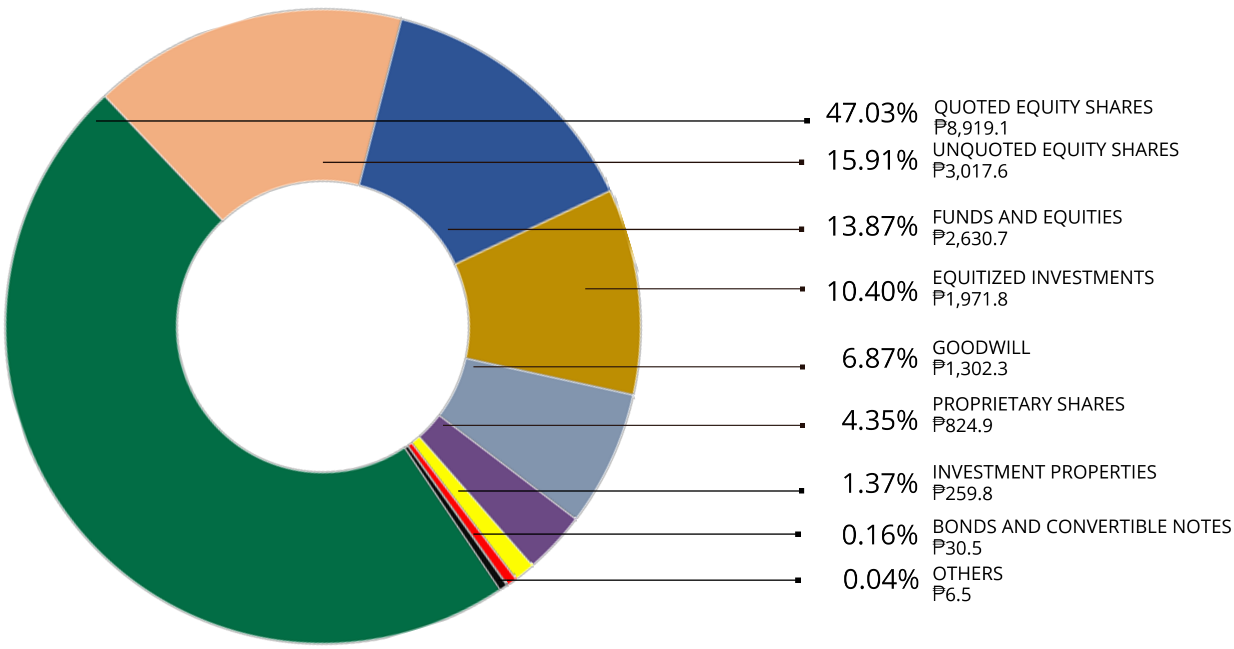
CONSOLIDATED TOTAL ASSETS & INVESTMENT PORTFOLIO
(In Billion Pesos)



EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT
(In Billion Pesos)



CONSOLIDATED INVESTMENT PORTFOLIO DETAILS DECEMBER 31, 2024
(In Million Pesos)



STATEMENT OF MANAGEMENT'S RESPONSIBILITY

The management of A. Soriano Corporation is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

ANDRES SORIANO III	**WILLIAM H. OTTIGER**	**NARCISA M. VILLAFLOR**
Chairman	President	Vice President
Chief Executive Officer	Chief Operations Officer	Comptroller/Treasurer

Signed this 24th day of February 2025

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA) S.S.

SUBSCRIBED AND SWORN to before me this 24th day of February 2025, affiants exhibited to me the following:

NAME	PASSPORT NO.	DATE & PLACE ISSUED
Andres Soriano III	A04490182	Dec. 4, 2023 to Dec. 3, 2033/ U.S.A
William H. Ottiger	X0C50961	Sept. 15, 2023 to Sept. 14, 2033/Switzerland
Narcisa M. Villaflor	P8592511A	Sept. 4, 2018 to Sept. 3, 2028 / DFA NCR West

Doc. No. 197;
Page No. 41;
Book No. IV;
Series of 2025.

ENRICO MIGUEL D. DIZON
Appointment No. M-459
Notary Public for Makati City
Until December 31, 2025
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 85474
PTR No. 10468809/Makati City/01-03-2025
IBP No. 510901/Makati City/12-17-2024
Admitted to the bar in 2023

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
A. Soriano Corporation
7th Floor, Pacific Star Building,
Makati Avenue corner Gil Puyat Avenue Extension
Makati City

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

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

Valuation of Unquoted Equity Instruments

As at December 31, 2024, the Group has unquoted equity investments classified as financial assets through profit or loss, with carrying value of ₱3,017.6 million and accounts for 9% of the consolidated total assets. We considered the valuation of these unquoted equity investments as a key audit matter because of the materiality of the amount involved and it is inherently subjective as it involves the use of valuation inputs that are not market observable. Management also applied judgment in selecting the valuation technique and the assumptions to be used.

The Group's disclosures about its equity investments are included in Notes 9 and 29 to the consolidated financial statements.

Audit Response

We involved our internal specialist in evaluating the valuation techniques and inputs and the other assumptions used. These assumptions include discount rates, revenue growth rates and comparable companies. In testing the discount rates, we performed independent testing of the determination of discount rates using market-based parameters. For investments valued using the income approach, we compared the revenue growth rates to the historical performance of the investment and the industry/market outlook. For investments valued under the market approach, we assessed the comparable companies used in the valuation and confirmed factors such as additional funding of the investee that would warrant the change in market value of the investments. For private equity fund investments valued using the cost approach (adjusted net asset value method), we evaluated the competence, capabilities and objectivity of the investment managers by considering their qualifications, experience and reporting responsibilities. We also inspected the latest available financial information of the investees and evaluated whether the financial information used reflect the fair values of the investee's assets and liabilities. In addition, we reviewed the Group's disclosures about those assumptions to which the outcome of the valuation is most sensitive; specifically, those that have the most significant effect on the determination of the fair value of the unquoted equity investments.

Other Information

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Dhonabee B. Señeres.

SYCIP GORRES VELAYO & CO.

Dhonabee B. Señeres
Partner
CPA Certificate No. 97133
Tax Identification No. 201-959-816
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-098-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465385, January 2, 2025, Makati City

February 24, 2025

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Note 8)	**₱3,437,652,253**	₱3,119,340,010
Fair value through profit or loss (FVPL) investments (Note 9)	**15,413,782,486**	13,094,238,353
Receivables (Note 10)	**2,388,293,104**	2,167,277,147
Inventories (Note 11)	**2,114,682,730**	1,757,321,449
Prepayments	**105,429,766**	404,675,288
Other current assets (Note 25)	**363,376,432**	267,923,491
Total Current Assets	**23,823,216,771**	20,810,775,738
Noncurrent Assets		
Fair value through other comprehensive income (FVOCI) investments (Note 12)	**15,599,929**	57,636,746
Notes receivable (Note 27)	**388,102,184**	416,774,404
Investments and advances (Note 13)	**1,973,377,995**	337,543,710
Goodwill (Note 7)	**1,302,276,264**	1,302,276,264
Property and equipment (Notes 14 and 19)	**3,967,421,731**	3,784,758,702
Investment properties (Note 15)	**259,799,808**	463,590,308
Retirement plan asset - net (Note 24)	**259,765,436**	179,367,643
Deferred income tax assets - net (Note 25)	**85,322,869**	118,241,184
Right-of-use assets (Note 30)	**39,116,004**	52,522,610
Deposits to suppliers	**63,201,286**	40,631,154
Other noncurrent assets (Note 16)	**131,906,165**	128,484,202
Total Noncurrent Assets	**8,485,889,671**	6,881,826,927
TOTAL ASSETS	**₱32,309,106,442**	₱27,692,602,665

LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses (Note 18)	**₱1,277,263,014**	₱1,149,206,028
Notes payable (Note 17)	**670,000,000**	–
Current portion of long-term debt (Notes 14 and 19)	**104,545,455**	–
Current portion of lease liabilities (Note 30)	**468,580**	18,763,285
Dividends payable (Note 20 and 29)	**608,871,296**	570,375,761
Income tax payable	**60,404,682**	77,027,664
Total Current Liabilities	**2,721,553,027**	1,815,372,738

(Forward)

	December 31	
	2024	2023
Noncurrent Liabilities		
Lease liabilities - net of current portion (Note 30)	**₱37,403,503**	₱35,296,241
Long-term debt - net of current portion (Notes 14 and 19)	**675,454,545**	1,000,000,000
Deferred income tax liabilities - net (Note 25)	**539,434,622**	493,566,194
Retirement benefits payable - net (Note 24)	**19,350,778**	22,609,622
Other noncurrent liabilities (Note 16)	**377,256,323**	337,789,880
Total Noncurrent Liabilities	**1,648,899,771**	1,889,261,937
Total Liabilities	**4,370,452,798**	3,704,634,675
Equity Attributable to Equity Holders of the Parent (Note 20)		
Capital stock	**2,505,000,000**	2,505,000,000
Additional paid-in capital (Note 27)	**1,724,358,371**	1,724,358,371
Cumulative translation adjustment	**257,763,444**	167,266,370
Net unrealized valuation gains on FVOCI investments (Note 12)	**280,554**	605,619
Remeasurement gain on retirement benefits (Note 24)	**129,360,369**	84,220,038
Retained earnings (Note 20):		
Appropriated	**7,150,000,000**	7,150,000,000
Unappropriated	**17,957,369,966**	14,196,742,307
Cost of shares held by a subsidiary (1,272,429,761 shares in 2024 and 2023), (Note 20)	**(2,655,215,372)**	(2,655,215,372)
	27,068,917,332	23,172,977,333
Noncontrolling Interests (Notes 3 and 27)	**869,736,312**	814,990,657
Total Equity	**27,938,653,644**	23,987,967,990
TOTAL LIABILITIES AND EQUITY	**₱32,309,106,442**	₱27,692,602,665

See accompanying Notes to Consolidated Financial Statements.

A. SORIANO CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2024	2023	2022
REVENUES			
Sale of goods - net (Note 5)	**₱11,200,557,895**	₱10,147,489,118	₱10,727,755,227
Services (Notes 5 and 30)	**1,762,935,264**	1,709,328,620	1,292,106,914
Dividend income (Note 9)	**389,344,319**	368,356,295	295,306,868
Interest income (Note 23)	**104,266,922**	91,870,114	67,461,869
	13,457,104,400	12,317,044,147	12,382,630,878
INVESTMENT GAINS (LOSSES)			
Gain (loss) on increase (decrease) in market values of FVPL investments - net (Notes 9 and 29)	**3,264,538,109**	1,476,197,600	(994,108,320)
Gain on sale of investment properties and long-term investments - net (Notes 13 and 15)	**61,239,464**	–	–
Gain (loss) on sale of FVOCI investments - net (Note 12)	**1,013,583**	(3,496,596)	764,165
Gain on sale of noncurrent asset held for sale (Note 13)	**–**	–	2,208,757,397
	3,326,791,156	1,472,701,004	1,215,413,242
EQUITY IN NET EARNINGS ON INVESTMENTS IN ASSOCIATES (Note 13)	**33,837,226**	8,742,755	26,639,523
TOTAL	**16,817,732,782**	13,798,487,906	13,624,683,643
Cost of goods sold (Note 21)	**(9,547,615,554)**	(8,470,102,746)	(9,048,418,434)
Cost of services rendered (Note 21)	**(577,987,248)**	(535,493,389)	(404,526,169)
Operating expenses (Note 21)	**(1,777,807,868)**	(1,737,010,603)	(1,373,857,309)
Interest expense (Note 23)	**(69,405,706)**	(62,479,987)	(4,687,677)
Foreign exchange gain (loss) - net	**137,971,808**	(26,915,621)	282,751,590
Other income - net (Note 23)	**191,594,949**	50,710,170	22,251,511
INCOME BEFORE INCOME TAX	**5,174,483,163**	3,017,195,730	3,098,197,155
PROVISION FOR INCOME TAX (Note 25)	**379,667,171**	368,000,045	242,155,199
NET INCOME	**4,794,815,992**	2,649,195,685	2,856,041,956
OTHER COMPREHENSIVE LOSS			
Other comprehensive gain (loss) to be reclassified to profit or loss in subsequent periods:			
Unrealized valuation gain (loss) on FVOCI investments (Note 12)	**580,162**	1,556,140	(3,845,678)
Income tax effect	**(145,041)**	(389,035)	961,420
	435,121	1,167,105	(2,884,258)

(Forward)

	Years Ended December 31		
	2024	2023	2022
Realized gains on FVOCI investments recognized in profit or loss (Note 12)	**(₱1,013,583)**	₱3,496,596	(₱764,165)
Income tax effect	**253,397**	(874,149)	191,041
	(760,186)	2,622,447	(573,124)
	(325,065)	3,789,552	(3,457,382)
Cumulative translation adjustment	**90,497,074**	(11,750,818)	(47,156,996)
	90,172,009	(7,961,266)	(50,614,378)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gain (loss) on retirement benefits (Note 24)	**60,187,107**	39,728,979	(27,918,980)
Income tax effect	**(15,046,776)**	(9,932,245)	6,686,112
	45,140,331	29,796,734	(21,232,868)
OTHER COMPREHENSIVE INCOME (LOSS)	**135,312,340**	21,835,468	(71,847,246)
TOTAL COMPREHENSIVE INCOME	**₱4,930,128,332**	₱2,671,031,153	₱2,784,194,710
Net Income Attributable to:			
Equity holders of the Parent	**₱4,681,330,337**	₱2,552,017,982	₱2,800,557,660
Noncontrolling interests	**113,485,655**	97,177,703	55,484,296
	₱4,794,815,992	₱2,649,195,685	₱2,856,041,956
Total Comprehensive Income Attributable to:			
Equity holders of the Parent	**₱4,816,642,677**	₱2,573,853,450	₱2,728,710,414
Noncontrolling interests	**113,485,655**	97,177,703	55,484,296
	₱4,930,128,332	₱2,671,031,153	₱2,784,194,710
Earnings Per Share			
Basic/diluted, for net income attributable to equity holders of the Parent (Note 26)	**₱3.81**	₱2.08	₱2.28
Basic/diluted, for total comprehensive income attributable to equity holders of the Parent (Note 26)	**₱3.92**	₱2.10	₱2.22

See accompanying Notes to Consolidated Financial Statements.

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Equity Attributable to Equity Holders of the Parent (Note 20)				
	Capital Stock	Additional Paid-in Capital	Cumulative Translation Adjustment	Unrealized Valuation Gains (Losses) on FVOCI Investments (Note 12)	Remeasurement on Retirement Benefits (Note 24)
BALANCES AT DECEMBER 31, 2021	**₱2,505,000,000**	**₱1,859,383,287**	**₱226,174,184**	**₱273,449**	**₱75,656,172**
Net income	–	–	–	–	–
Other comprehensive income (loss)	–	–	(47,156,996)	(3,457,382)	(21,232,868)
Total comprehensive income (loss) for the year	–	–	(47,156,996)	(3,457,382)	(21,232,868)
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱1,272.4 million (Note 20)	–	–	–	–	–
Movement in noncontrolling interests	–	–	–	–	–
BALANCES AT DECEMBER 31, 2022	**2,505,000,000**	**1,859,383,287**	**179,017,188**	**(3,183,933)**	**54,423,304**
Net income	–	–	–	–	–
Other comprehensive income (loss)	–	–	(11,750,818)	3,789,552	29,796,734
Total comprehensive income (loss) for the year	–	–	(11,750,818)	3,789,552	29,796,734
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱1,272.4 million (Note 20)	–	–	–	–	–
Movement in noncontrolling interests	–	(135,024,916)	–	–	–
BALANCES AT DECEMBER 31, 2023	**2,505,000,000**	**1,724,358,371**	**167,266,370**	**605,619**	**84,220,038**
Net income	–	–	–	–	–
Other comprehensive loss	–	–	90,497,074	(325,065)	45,140,331
Total comprehensive income (loss) for the year	–	–	90,497,074	(325,065)	45,140,331
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱954.3 million (Note 20)	–	–	–	–	–
Movement in noncontrolling interests	–	–	–	–	–
BALANCES AT DECEMBER 31, 2024	**₱2,505,000,000**	**₱1,724,358,371**	**₱257,763,444**	**₱280,554**	**₱129,360,369**

See accompanying Notes to Consolidated Financial Statements.

	Equity Attributable to Equity Holders of the Parent (Note 20)						
		Retained Earnings					
	Subtotal*	Appropriated	Unappropriated	Cost of Shares Held by a Subsidiary	Total	Noncontrolling Interests	Total
BALANCES AT DECEMBER 31, 2021	**₱4,666,487,092**	**₱7,150,000,000**	**₱11,299,307,145**	**(₱2,655,215,372)**	**₱20,460,578,865**	**₱596,527,599**	**₱21,057,106,464**
Net income		–	2,800,557,660	–	2,800,557,660	55,484,296	2,856,041,956
Other comprehensive income (loss)	(71,847,246)	–	–	–	(71,847,246)	–	(71,847,246)
Total comprehensive income (loss) for the year	(71,847,246)	–	2,800,557,660	–	2,728,710,414	55,484,296	2,784,194,710
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱1,272.4 million (Note 20)	–	–	(1,227,570,239)	–	(1,227,570,239)	–	(1,227,570,239)
Movement in noncontrolling interests	–	–	–	–	–	(726)	(726)
BALANCES AT DECEMBER 31, 2022	**4,594,639,846**	**7,150,000,000**	**12,872,294,566**	**(2,655,215,372)**	**21,961,719,040**	**652,011,169**	**22,613,730,209**
Net income		–	2,552,017,982	–	2,552,017,982	97,177,703	2,649,195,685
Other comprehensive income (loss)	21,835,468	–	–	–	21,835,468	–	21,835,468
Total comprehensive income (loss) for the year	21,835,468	–	2,552,017,982	–	2,573,853,450	97,177,703	2,671,031,153
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱1,272.4 million (Note 20)	–	–	(1,227,570,241)	–	(1,227,570,241)	–	(1,227,570,241)
Movement in noncontrolling interests	(135,024,916)	–	–	–	(135,024,916)	65,801,785	(69,223,131)
BALANCES AT DECEMBER 31, 2023	**4,481,450,398**	**7,150,000,000**	**14,196,742,307**	**(2,655,215,372)**	**23,172,977,333**	**814,990,657**	**23,987,967,990**
Net income		–	4,681,330,337	–	4,681,330,337	113,485,655	4,794,815,992
Other comprehensive loss	135,312,340	–	–	–	135,312,340	–	135,312,340
Total comprehensive income (loss) for the year	135,312,340	–	4,681,330,337	–	4,816,642,677	113,485,655	4,930,128,332
Cash dividends - net of dividends on common shares held by a subsidiary amounting to ₱954.3 million (Note 20)	–	–	(920,702,678)	–	(920,702,678)	–	(920,702,678)
Movement in noncontrolling interests	–	–	–	–	–	(58,740,000)	(58,740,000)
BALANCES AT DECEMBER 31, 2024	**₱4,616,762,738**	**₱7,150,000,000**	**₱17,957,369,966**	**(₱2,655,215,372)**	**₱27,068,917,332**	**₱869,736,312**	**₱27,938,653,644**

See accompanying Notes to Consolidated Financial Statements.
**Subtotal for the numbers of the five columns appearing on previous page*

A. SORIANO CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱5,174,483,163**	₱3,017,195,730	₱3,098,197,155
Adjustments for:			
Loss (gain) on sale/disposal of:			
Investment properties and long-term investment (Notes 13 and 15)	**(61,239,464)**	–	–
Property and equipment (Note 23)	**(7,278,291)**	(1,227,513)	69,643
FVOCI investments (Note 12)	**(1,013,583)**	3,496,596	(764,165)
Noncurrent asset held for sale (Note 13)	**–**	–	(2,208,757,397)
Loss (gain) on decrease (increase) in market values of FVPL investments - net (Note 9)	**(3,264,538,109)**	(1,476,197,600)	994,108,320
Depreciation and amortization (Note 21)	**445,292,030**	366,992,689	324,387,794
Dividend income (Note 9)	**(389,344,319)**	(368,356,295)	(295,306,868)
Interest income (Note 23)	**(104,266,922)**	(91,870,114)	(67,461,869)
Expected credit losses (recoveries) - net (Note 23)	**(89,256,318)**	1,331,205	825,054
Unrealized foreign exchange losses (gains) - net	**(80,379,718)**	8,951,986	(122,004,309)
Interest expense (Note 23)	**69,405,706**	62,479,987	4,687,677
Equity in net earnings on investments in associates (Note 13)	**(33,837,226)**	(8,742,755)	(26,639,523)
Reversal of impairment loss on investment properties (Note 23)	**(24,812,188)**	–	–
Retirement benefit costs (Note 24)	**11,262,342**	14,511,904	14,690,747
Operating income before working capital changes	**1,644,477,103**	1,528,565,820	1,716,032,259
Decrease (increase) in:			
FVPL investments	**1,094,512,060**	414,355,569	(1,212,179,031)
Receivables	**(132,864,698)**	65,998,787	(473,640,997)
Inventories	**(357,361,281)**	(62,282,308)	(69,913,940)
Prepayments and other current assets	**284,811,566**	(245,079,795)	(160,925,805)
Increase (decrease) in accounts payable and accrued expenses	**77,824,386**	(49,577,546)	396,771,041
Cash generated from operations	**2,611,399,136**	1,651,980,527	196,143,527
Income taxes paid	**(411,472,508)**	(339,909,404)	(388,546,682)
Dividends received	**389,344,319**	395,815,542	317,558,427
Interest received	**102,057,712**	88,226,867	91,022,401
Interest paid	**(9,207,647)**	(1,844,780)	(2,308,186)
Retirement benefit contributions and payments (Note 24)	**(34,620,089)**	(49,121,218)	(26,034,885)
Net cash flows from operating activities	**₱2,647,500,923**	₱1,745,147,534	₱187,834,602

(Forward)

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of:			
Investment properties (Note 15)	**₱283,035,714**	₱–	₱–
FVOCI investments (Note 12)	**43,254,877**	59,408,143	31,323,320
Property and equipment (Note 14)	**28,194,421**	4,378,512	2,862,322
Long-term investments (Note 13)	**500,000**	–	–
Noncurrent asset held-for-sale (Note 13)	**–**	–	1,974,595,600
Additions to:			
Investment in associate (Note 13)	**(1,602,700,000)**	–	–
Property and equipment (Notes 14 and 33)	**(613,816,683)**	(1,172,746,968)	(656,264,596)
Computer software (Note 16)	**(2,303,814)**	(7,036,767)	–
Investment properties (Note 15)	**(5,050,000)**	(6,217,326)	(6,607,517)
Notes receivable	**–**	(218,000,000)	–
FVOCI investments (Note 12)	**–**	(73,738,727)	(26,887,859)
Redemption of preferred shares	**7,072,315**	–	–
Collection from (advances to) affiliates (Notes 13 and 27)	**(69,374)**	771,097	(958,492)
Decrease on investments at equity (Note 13)	**–**	–	234,161,796
Increase in other noncurrent assets	**14,711,638**	–	(167,166,153)
Net cash flows from (used in) investing activities	**(1,847,170,906)**	(1,413,182,036)	1,385,058,421
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from (Note 31):			
Notes Payable (Note 17)	**670,000,000**	–	–
Long-term debt (Note 19)	**–**	1,000,000,000	–
Payments of (Note 31):			
Dividends (Note 20)	**(840,207,145)**	(1,103,154,257)	(1,189,139,632)
Long-term debt (Note 19)	**(220,000,000)**	–	(75,714,286)
Interest on long term-debt (Note 19)	**(63,441,841)**	(42,917,505)	–
Lease liabilities (Note 30)	**(24,336,110)**	(15,886,869)	(17,416,249)
Notes payable (Note 17)	**–**	–	(23,166,200)
Dividends paid to noncontrolling interest - net (Notes 20 and 27)	**(58,740,000)**	(69,176,769)	–
Advances from affiliates (Note 13)	**44,000,020**	76,700,001	29,791,998
Net cash flows used in financing activities	**(492,725,076)**	(154,435,399)	(1,275,644,369)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**307,604,941**	177,530,099	297,248,654
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**10,707,302**	(6,591,744)	(78,077,395)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**3,119,340,010**	2,948,401,655	2,729,230,396
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 8)	**₱3,437,652,253**	₱3,119,340,010	₱2,948,401,655

See accompanying Notes to Consolidated Financial Statements.

A. SORIANO CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information and Authorization for Issuance of the Consolidated Financial Statements

Corporate Information

A. Soriano Corporation (Anscor or the Company) was registered with the Philippine Securities and Exchange Commission (SEC) on February 13, 1930 to, among others, act as agent or representative of corporations, partnerships or individuals whether residing here or abroad; to buy, retain, possess shares of stock, franchises, patents of any person or entity and to issue shares of stock, bonds or other obligations for the payment of articles or properties acquired by the Company; and to buy or acquire all or part of the property, assets, business and clientele of any person, corporation or partnership, managing the properties or businesses so purchased or acquired and exercising all the powers necessary and convenient for the management and development of the said properties or businesses.

The Company is incorporated and domiciled in the Philippines whose shares are publicly traded.

The registered office address of the Company is at 7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City, Philippines.

Authorization for Issuance of the Consolidated Financial Statements

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were authorized for issue by the Board of Directors (BOD) on February 24, 2025.

2. Basis of Preparation and Changes in Accounting Policies and Disclosures

Basis of Preparation and Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards and on a historical cost basis, except for investments in debt and equity securities that have been measured at fair value. The consolidated financial statements are presented in Philippine pesos (Peso), which is the Company's functional and presentation currency. Amounts are presented to the nearest Peso unless otherwise stated.

New Standards, Interpretations and Amendments

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

Adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
  The amendments clarify:
  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16*, Lease Liability in a Sale and Leaseback*
  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7*, Disclosures: Supplier Finance Arrangements*
  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Standards Issued but not yet Effective
Pronouncements issued but not yet effective are listed below. The Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group will adopt the applicable pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21*, Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027
- PFRS 18, *Presentation and Disclosure in Financial Statements*

  The standard replaces PAS 1, *Presentation of Financial Statements*, and responds to investors' demand for better information about companies' financial performance. The new requirements include:
  - Required totals, subtotals and new categories in the statement of profit or loss
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

  The Group is currently assessing the impact of amendments on current practice.

- PFRS 19, *Subsidiaries without Public Accountability*

  The standard allows eligible entities to elect to apply PFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS accounting standards. The application of the standard is optional for eligible entities. The Group will evaluate to determine the eligible entities and the appropriate option to take.

Deferred effectivity
- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

3. Basis of Consolidation and Summary of Material Accounting and Financial Reporting Policies

Basis of Consolidation

The consolidated financial statements of the Group comprise the financial statements of the Company and the following subsidiaries as at December 31:

		Percentage of Ownership		
	Nature of Business	**2024**	2023	2022
A Soriano Air Corporation (ASAC, Note 30)	Services/Rental	**100**	100	100
Pamalican Island Holdings, Inc. (PIHI)	Investment Holding	**62**	62	62
Island Aviation, Inc. (IAI, Note 30)	Air Transport	**62**	62	62
Anscor Consolidated Corporation (Anscorcon)	Investment Holding	**100**	100	100
Anscor Holdings, Inc. (AHI, Note 30)	Real Estate Holding	**100**	100	100
Akapulko Holdings, Inc.	Real Estate Holding	**100**	100	100
Lakeroad Corporation	Real Estate Holding	**100**	100	100
Mainroad Corporation	Real Estate Holding	**100**	100	100
Makatwiran Holdings, Inc.	Real Estate Holding	**100**	100	100
Makisig Holdings, Inc.	Real Estate Holding	**100**	100	100
Malikhain Holdings, Inc.	Real Estate Holding	**100**	100	100
Mountainridge Corporation	Real Estate Holding	**100**	100	100
Rollingview Corporation	Real Estate Holding	**100**	100	100
Timbercrest Corporation	Real Estate Holding	**100**	100	100
Anscor International, Inc. (AI, Note 13)	Investment Holding	**100**	100	100
IQ Healthcare Investments Limited(IQHIL)	Holding	**100**	100	100
IQ Healthcare Professional Connection, LLC (IQHPC) (inactive)	Manpower Services	**93**	93	93
Phelps Dodge International Philippines, Inc. (PDIPI, Notes 7 and 30)*	Investment Holding	**97**	97	100
Minuet Realty Corporation (Minuet, Note 7)	Landholding	**97**	97	100
Phelps Dodge Philippines Energy Products Corporation (PDP Energy, Notes 7 and 30)	Wire Manufacturing	**97**	97	100
PD Energy International Corporation (PDEIC, Note 7)	Wire Manufacturing	**97**	97	100
Summerside Corp. (Summerside)	Investment Holding	**100**	100	100
Sutton Place Holdings, Inc. (Sutton)	Investment Holding	**100**	100	100
AFC Agribusiness Corporation (AAC, Note 15)	Real Estate Holding	**81**	81	81
Seven Seas Resorts and Leisure, Inc. (SSRLI, Notes 7 and 30)	Villa Project Development	**62**	62	62
Pamalican Resort, Inc. (PRI, Notes 7 and 30)	Resort Operations	**62**	62	62
Pamalican Utilities, Inc. (PUI)	Utility Company	**62**	62	62

**On March 31, 2023, PDPI issued new shares representing 3% of its total equity interest (see Note 27).*

Except for AI and its subsidiaries, all the companies above are based in the Philippines. The principal business location of AI and IQHIL is in the British Virgin Islands (BVI), while IQHPC is based in the United States of America (USA).

Material Partly-Owned Subsidiaries
Set out below are the summarized financial information of entities that have noncontrolling interest (NCI) that is material to the Group. The amounts disclosed are based on those included in the consolidated financial statements before intercompany eliminations.

(SSRLI and Subsidiaries)
Significant details of the statements of financial position and statements of comprehensive income of SSRLI and Subsidiaries are presented below as at and for the years ended December 31 (in millions):

Statements of Financial Position:	**2024**	2023
Current assets	**₱1,151.6**	₱1,144.6
Noncurrent assets	**1,039.3**	914.8
Current liabilities	**746.9**	694.8
Noncurrent liabilities	**105.8**	104.5
Equity	**1,338.2**	1,260.1
Equity attributable to NCI	**535.5**	505.9

Statements of Comprehensive Income:	**2024**	2023
Revenue	**₱1,457.7**	₱1,453.8
Income before tax	**221.1**	222.1
Net income	**198.6**	202.7
Other comprehensive income (loss)	**(0.6)**	0.6
Total comprehensive income	**198.0**	203.3
Total comprehensive income allocated to NCI during the year	**74.9**	76.6

Statements of Cash Flows:	**2024**	2023
Cash flows from operations	**₱551.4**	₱412.3
Cash flows used in investing activities	**(222.0)**	(152.9)
Cash flows used in financing activities	**(202.4)**	(260.0)

(PDIPI and Subsidiaries)
Significant details of the statements of financial position and statements of comprehensive income of PDIPI and Subsidiaries are presented below as at and for the years ended December 31 (in millions):

Statements of Financial Position:	**2024**	2023
Current assets	**₱5,720.9**	₱5,309.6
Noncurrent assets	**1,322.4**	1,171.1
Current liabilities	**446.4**	376.7
Noncurrent liabilities	**45.4**	58.5
Equity	**6,551.5**	6,045.5
Equity attributable to NCI	**197.4**	182.2

Statements of Comprehensive Income:	**2024**	2023
Revenue	**₱11,239.3**	₱10,193.5
Income before tax	**1,267.8**	1,250.6
Net income	**957.3**	963.5
Other comprehensive income	**(1.3)**	3.2
Total comprehensive income	**956.4**	955
Total comprehensive income allocated to NCI during the year	**28.7**	22.1

Statements of Cash Flows:	**2024**	2023
Cash flows from operations	**₱867**	₱764
Cash flows used in investing activities	**321**	344
Cash flows used in financing activities	**1,416.7**	1,333.7

Subsidiaries are all entities over which the Group has control.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins from the date of acquisition, being the date on which control is transferred to the Group and continue to be consolidated until the date that such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

NCI represent a portion of profit or loss and net assets of subsidiaries not held by the Group, directly or indirectly, and are presented separately in the consolidated statement of comprehensive income and within the equity section in the consolidated statements of financial position and consolidated statement of changes in equity, separately from the Company's equity.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control of the subsidiary are accounted for as equity transactions.

When the proportion of the equity held by the NCI changes, the Group adjusts the carrying amount of the controlling and noncontrolling interests to reflect the changes in their relative interests in the subsidiary. The Group recognizes directly in equity (i.e., Additional Paid-in Capital) any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any noncontrolling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

<u>Investments in Associates</u>
The Group holds interest in entities over which it has significant influence and are accounted for as investments in associates using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

After application of the equity method, the Group determines whether objective evidence that the investment in associate is impaired and recognizes an impairment loss if the recoverable amount exceeds the carrying value. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Any loss or reversal is recognized under "Equity in net earnings on investments in associates" in the consolidated statement of comprehensive income.

The reporting dates of the associates of the Group are identical and the associates' accounting policies conform to those used by the Group for like transactions and events in similar circumstances. Accordingly, no adjustments are made when measuring and recognizing the Group's share of the profit or loss of the investees after the date of acquisition.

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

The following are the Group's associates as at December 31:

		Percentage of Ownership		
	Nature of Business	**2024**	2023	2022
Vicinetum Holdings, Inc. (VHI)	Investment Holding	**32**	32	32
Prople Limited (Note 13)	Business Process Outsourcing	**32**	32	32
Fremont Holdings, Inc. (FHI, Note 13)	Real Estate Holding	**26**	26	26
ATRAM Investment Management Partners Corp. (AIMP, Note 13)	Asset Management	**20**	20	20
TBG Food Holdings. Inc.*	Food and Related Industries	**22**	–	–

** In November 13, 2024, the Group bought 22% stake in TBG Food Holdings, Inc. (TBG) for a total consideration of ₱1,609.3 million (see Note 13).*

The principal business location of the associates is located in the Philippines.

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and financial liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as of the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for noncontrolling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in the consolidated profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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

Foreign Currency Translation

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in Peso based on the exchange rate recorded at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing exchange rate at the end of reporting period. All differences are taken to the consolidated profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as of the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the closing exchange rates at the date when the fair value was determined. Foreign exchange gains and losses relating to FVPL investments are recognized in the consolidated profit or loss.

Financial statements of consolidated foreign subsidiaries which are considered foreign entities are translated into the presentation currency of the Group (Peso) at the closing exchange rate at the end of reporting period and their statements of profit or loss are translated using the monthly weighted average exchange rates for the year. The exchange differences arising from the translation are taken directly to a separate component of equity (under Cumulative translation adjustment). On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the consolidated profit or loss.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Fair Value Measurement

The Group measures financial assets, such as fair value through profit or loss (FVPL) investments and fair value through other comprehensive income (FVOCI) investments, at fair value at each balance sheet date. Also, fair values of investment properties are disclosed.

Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For certain unquoted investments, the Group also makes use of the report of the fund managers in developing assumptions and estimating the fair value.

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

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

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

The Group's management determines the policies and procedures for both recurring fair value measurement, such as unquoted FVPL financial assets, and for non-recurring fair value measurement.

External valuers (e.g., appraisers and fund managers) are involved for valuation of significant assets, such as investment properties and certain unquoted securities. Involvement of external valuers is decided upon annually by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or reassessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents with relevant external sources to determine whether the change is reasonable.

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

Financial Instruments

Initial recognition and measurement of financial instruments
At initial recognition, financial assets are classified as, and measured at amortized cost, FVOCI, and FVPL. Financial liabilities are classified at initial recognition as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Classification of financial instruments
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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

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

As at December 31, 2024 and 2023, the Group has the following categories of financial assets and financial liabilities:

(a) Financial assets at FVPL

This category includes financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets classified in this category may be designated by management on initial recognition when the following criteria are met:

- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognizing gains or losses on them on a different basis; or
- The assets are part of a group of financial assets or both which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The financial instrument contains an embedded derivative, unless the embedded derivative does not significantly modify the cash flows or it is clear, with little or no analysis, that it would not be separately recorded.

Derivatives recorded at FVPL
The Group has certain derivatives that are embedded in host financial contracts, such as structured notes and debt investments and conversion. These embedded derivatives include calls and puts in debt investments and interest rate and conversion options, among others.

A derivative embedded in a hybrid contract, with a financial liability or nonfinancial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at FVPL. Embedded derivatives are measured at fair value with changes in fair value recognized in the consolidated profit or loss. Reassessment occurs only if there is either a change in the terms of the contract that significantly modifies the cash flows that would be otherwise be required or a reclassification of a financial asset out of the FVPL category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at FVPL.

Financial assets at FVPL are recorded in the consolidated statements of financial position at fair value. Changes in fair value are recorded in "Gain (loss) on increase (decrease) in market values of FVPL investments-net". Interest earned or incurred is recorded in interest income or expense, respectively, while dividend income is recorded as such according to the terms of the contract, or when the right of payment has been established.

As at December 31, 2024 and 2023, the Group has designated as FVPL all equity investments, money market papers, investments in bonds that have callable and other features and managed/hedged (see Note 9). No financial liability at FVPL is outstanding as at December 31, 2024 and 2023.

(b) Financial assets at amortized cost (debt instruments)

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and,

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included as interest income in the consolidated profit or loss. Any losses arising from impairment of such financial assets are recognized as "Provision for impairment losses on receivables" account under "Other income (charges) - net" in the consolidated profit or loss.

Included under financial assets at amortized cost are cash in banks, cash equivalents, trade receivables, interest receivable, advances to employees, receivables from villa owners, dividend receivable, notes receivable and other receivables.

(c) Financial assets at FVOCI (debt instruments)

The Group measures debt instruments at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated profit or loss and computed in the same manner as financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI.

When the debt instrument is disposed of, the cumulative gain or loss previously recognized under OCI is transferred to profit or loss as "Gain (loss) on sale of FVOCI investments". Where the Group holds more than one investment in the same security, cost of the disposed investment is determined on a weighted average cost basis. Interest earned on holding FVOCI investments are reported as interest income using the effective interest rate.

As at December 31, 2024 and 2023, the Group's FVOCI investments include investments in bonds (see Note 12).

(d) Financial liabilities - loans and borrowings

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

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

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

As at December 31, 2024 and 2023, included in this category are the Group's notes payable, accounts payable and accrued expenses, lease liabilitiesc, long-term debt and dividends payable.

Impairment of Financial Assets
The Group recognizes an allowance for expected credit loss (ECL) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

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

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group's debt instruments at FVOCI comprise solely of top investment grade bonds that are graded by top credit rating agencies and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the top credit rating agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of Financial Assets and Financial Liabilities

Financial assets
A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when, and only when:

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

Financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification will result into the removal of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized in the consolidated profit or loss.

"Day 1" Difference
Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a "Day 1" difference) in the consolidated profit or loss unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is recognized in the consolidated profit or loss only when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the "Day 1" difference.

Inventories
Inventories are valued at the lower of cost and net realizable value (NRV).

Cost of aircraft spare parts and supplies is determined at purchase price using the first-in, first-out method, while NRV is the estimated current replacement cost of such spare parts and supplies.

Cost of food and beverage inventories and operating supplies is determined using the moving average method. NRV of food and beverage inventories is the estimated selling price in the ordinary course of business, less the estimated cost of preparation and the estimated cost necessary to make the sale.

For cable and wire manufacturing, finished goods and work in process is determined at standard cost adjusted to actual cost, which includes direct materials, direct labor and applicable allocation of fixed and variable costs, determined using weighted average method. Raw materials, other materials, reels inventory and spare parts and supplies are determined using weighted average method. NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Value Added Tax (VAT)
Input VAT is the 12% indirect tax paid by the Group in the course of the Group's trade or business on local purchase of goods or services, including lease or use of property, from a VAT-registered entity. In case of capital goods, input VAT is spread evenly over the useful life or 60 months, whichever is shorter. Effective January 1, 2022, all input tax on purchases of capital goods was allowed to be applied against output VAT upon purchase/payment and was no longer deferred.

Output VAT pertains to the 12% tax due on the lease or exchange of taxable goods or properties or services by the Group.

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

For its VAT-registered activities, when VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statements of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statements of financial position up to the extent of the recoverable amount.

For its non-VAT registered activities, the amount of VAT passed on from its purchases of goods or service is recognized as part of the cost of goods/asset acquired or as part of the expense item, as applicable.

Property and Equipment
Depreciable properties, including buildings and improvements, leasehold improvements, machinery and other equipment, flight and ground equipment, furniture, fixtures and office equipment, and transportation equipment are stated at cost, less accumulated depreciation and amortization, and any impairment in value. Land is stated at cost less any impairment in value.

The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Property and equipment are written off either when disposed of or when these are permanently withdrawn from use and there is no more future economic benefit expected from its use or disposal.

Depreciation is computed on a straight-line method over the following estimated useful lives of the properties, except for aircraft engine which is computed based on flying hours.

Category	Number of Years
Buildings and improvements	10 - 30
Land improvements	30
Leasehold improvements	5 - 20*
Flight, ground, machinery and other equipment	2 - 25
Furniture, fixtures and office equipment	2 - 5
Transportation equipment	3 - 5

**or lease term, whichever is shorter*

The useful lives, depreciation and amortization method, and residual values are reviewed periodically to ensure that the periods and method of depreciation and amortization are consistent with the expected pattern of economic benefits from the use of property and equipment.

Depreciation commences when an asset is in its operational location or working condition capable of being operated in the manner intended by management. Depreciation ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*, and the date the asset is derecognized.

Construction in progress (CIP) is stated at cost net of accumulated impairment losses, if any. This includes cost of construction and other direct costs. CIP is not depreciated until such time the relevant assets are completed and put into operational use.

Property Development in Progress
Property development in progress includes villa development costs and directly related expenditures.

Property development in progress is carried at the lower of cost incurred and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Investment Properties
Investment properties comprise completed property and property under construction or re-development (land, buildings and condominiums) that are held to earn rentals or capital appreciation or both and that are not occupied by the Group. Investment properties are initially measured at cost, including transaction costs.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, the Group's investment properties are stated at cost, less accumulated depreciation and any accumulated impairment losses. Land is subsequently carried at cost less any impairment in value.

Expenditures incurred after the investment properties have been put into operation, such as repairs and maintenance costs, are normally charged to income in the period in which the costs are incurred.

Investment properties are written off when either these are disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of the investment property are recognized in the consolidated profit or loss in the year of retirement or disposal.

Impairment of Nonfinancial Assets

At each reporting date, the Group assesses whether there is any indication that its nonfinancial assets (e.g., property and equipment, investment properties and investments in associates) may be impaired. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Group estimates the recoverable amount of the related asset. Recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash-generating unit to which it belongs. Where the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, the asset (or cash-generating unit) is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit).

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

Goodwill

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

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated profit or loss.

Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods. The Group performs its annual impairment test of goodwill as at the end of each financial reporting period.

Additional Paid-in Capital
Additional paid-in capital is the amount paid in excess of the par value of the shares issued, including equity adjustments relating to changes in equity interest of the Noncontrolling interests.

Retained Earnings
Retained earnings represent the cumulative balance of net income or loss, net of any dividend declared and the effects of any retrospective restatement recognized in accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors.*

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

Appropriated retained earnings represent that portion which has been restricted and therefore, is not available for any dividend declaration.

Cost of Shares Held by a Subsidiary
The Company's shares which are acquired and held by a subsidiary (treasury shares) are deducted from equity and stated at acquisition cost. No gain or loss is recognized in the consolidated profit or loss on the purchase, sale, issue or cancellation of the Company's shares. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital.

Revenue from Contracts with Customers
Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangement against specific criteria in order to determine if it is acting as principal or agent. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The following specific recognition criteria must be met before revenue is recognized:

Sale of goods
Revenue from the sale of goods is recognized at a point in time when the control over the goods are transferred to the buyer which is generally upon delivery of the goods.

Sale of services
Revenue from rooms is recognized over time based on the actual occupancy of the guests. Other ancillary services are recognized when the related services are rendered and/or facilities/amenities are used.

Revenue from air transport services is recognized at a point in time when the related services have been substantially performed.

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

Other Revenue/Income
Interest
Interest income from bank deposits and investments in bonds are recognized as interest accrues based on the effective interest rate method.

Dividends
Dividend income is recognized when the shareholders' right to receive the payment is established.

Rental
Rental income is accounted for on a straight-line basis over the lease term.

Other Comprehensive Income
Other comprehensive income comprises of items of income and expense that are not recognized in the consolidated profit or loss for the year in accordance with PFRSs. Other comprehensive income of the Group pertains to gains and losses on remeasuring FVOCI investments, exchange differences on translating foreign operations and remeasurements comprising actuarial gains and losses on retirement plan assets and liabilities.

Leases
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
The Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Category	Number of Years
Building	5 years
Leasehold improvement	2 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, the Group calculates depreciation using the estimated useful life of the asset.

Lease liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of office equipment and warehouse (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Pension Benefits
The Group has non-contributory defined benefit retirement plans.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to the consolidated profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Provisions and Contingencies
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated profit or loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized but are disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

Income Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that have been enacted or substantively enacted as of the end of the reporting period.

Deferred income tax

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for deductible temporary differences, carryforward benefits of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax, and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from excess MCIT and unused NOLCO can be utilized. Deferred income tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

Deferred income tax liabilities are not provided on taxable temporary differences associated with investments in domestic subsidiaries. With respect to investments in foreign subsidiaries, deferred income tax liabilities are recognized, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each end of the reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each end of the reporting period and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Current income tax and deferred income tax relating to items recognized directly in equity are also recognized in equity and not in the consolidated profit or loss.

Earnings Per Share
Basic earnings per share (EPS) is computed by dividing consolidated net income and the total comprehensive income attributable to the equity holders of the Parent for the year by the weighted average number of common shares outstanding during the year, after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Company does not have potentially dilutive common shares as at December 31, 2024, 2023 and 2022.

Segment Reporting
The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on business segments is presented in Note 6.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRSs requires the Group to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and other comprehensive income (loss). Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on amounts recognized in the consolidated financial statements.

Determination of functional currency
The Company's functional currency was determined to be the Philippine Peso. It is the currency of the primary economic environment in which the Company operates.

Classification of financial instruments
The Group classifies a financial instrument, or its component parts, on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definition of a financial asset, a financial liability or an equity instrument.

The substance of a financial instrument, rather than its legal form, governs its classification in the consolidated statements of financial position (see Note 29).

Classification and measurement of financial assets depend on the result of the SPPI and business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve particular business objectives. In classifying the investments not held for trading as at December 31, 2024 and 2023, the Group made an irrevocable election at initial recognition to designate the instruments as FVPL investments.

Determining ability to comply with contractual obligations
For FVOCI debt investments, the Group assesses the counterparty's ability to comply with the contractual obligations to pay out principal and interest. Further, the Group assesses whether the credit risk on that financial instrument has increased significantly since initial recognition. No impairment loss was recognized in 2024, 2023 and 2022 as there was no significant increase in the credit risk.

The carrying value of FVOCI debt investments amounted to ₱15.6 million and ₱57.6 million as at December 31, 2024 and 2023, respectively (see Note 12).

Estimates and Assumptions
The key assumptions concerning the future and other key sources of estimation and uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for expected credit losses of receivables
The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due.

The provision matrix is initially based on the Group's historically observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecasted economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year, which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historically observed default rates, forecasted economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For the advances to related parties, the Group uses judgment, based on the best available facts and circumstances, including but not limited to, assessment of the related parties' operating activities (active or dormant), business viability and overall capacity to pay, in providing reserve allowance against recorded receivable amounts. These reserves are re-evaluated and adjusted as additional information is received.

Allowance for expected credit losses as at December 31, 2024 and 2023 amounted to ₱690.3 million and ₱779.5 million, respectively. Receivables and advances, net of valuation allowance, amounted to ₱2,768.6 million and ₱2,585.9 million as at December 31, 2024 and 2023, respectively (see Notes 10, 13 and 27).

Valuation of unquoted equity investments
Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's-length market transactions;
- current fair value of another instrument that is substantially the same;
- the expected cash flows discounted at current rates applicable for terms with similar terms and risk characteristics; or
- other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation. In valuing the Group's unquoted equity instruments at fair value, management applied judgment in selecting the valuation technique and comparable companies and used assumptions in estimating future cash flows from its equity instruments considering the information available to the Group. The fair market values of the unquoted equity shares are based on valuation techniques applied as at December 31, 2024 and 2023 using income, market and cost approach (adjusted net asset value method).

The inputs used to these models were taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values (see Notes 9 and 29).

Unquoted equity investments amounted to ₱3,017.6 million and ₱2,921.4 million as at December 31, 2024 and 2023, respectively (see Notes 9 and 29).

Estimation of allowance for inventory obsolescence and impairment losses
The Group estimates the allowance for inventory obsolescence and impairment losses related to inventories based on specifically identified inventory items. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for inventory and impairment losses would increase the recorded expenses and decrease current assets.

Allowance for inventory losses and obsolescence amounted to ₱91.5 million and ₱101.6 million as at December 31, 2024 and 2023, respectively. The carrying amount of the inventories amounted to ₱2,114.7 million and ₱1,757.3 million as at December 31, 2024 and 2023, respectively (see Note 11).

Estimation of useful lives of the Group's property and equipment and investment properties
The Group estimates the useful lives of property and equipment and investment properties based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the assets.

In addition, the estimation of the useful lives of these assets is based on collective assessment of internal technical evaluation and experience with similar assets. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

As at December 31, 2024 and 2023, the carrying value of depreciable property and equipment and investment properties amounted to ₱3,629.1 million and ₱3,864.4 million, respectively (see Notes 14 and 15).

Recoverability of investment in associates
The carrying value of investments carried under the equity method are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group's impairment test on investments carried at equity is based on value-in-use calculations that use a discounted cash flow model. The expected cash flows are estimated from the operations of the associates for the next five years, as well as the terminal value at the end of fifth year. The recoverable amount is most sensitive to the discount rates used for the discounted cash flow model, as well as the expected future cash inflows, revenue growth rates and long-term growth rates used for extrapolation purposes.

The carrying amounts of the investments in associates amounted to ₱1,971.8 million and ₱335.7 million as at December 31, 2024 and 2023, respectively (see Note 13).

Impairment of non-financial assets

(a) Property and equipment and investment properties

The Group assesses impairment on assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Group considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;

- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

As at December 31, 2024 and 2023, the carrying value of property and equipment and investment properties amounted to ₱4,227.2 million and ₱4,248.4 million, respectively (see Notes 14 and 15).

No impairment loss indicator has been identified and therefore no impairment loss was recognized on property and equipment and investment properties for each of the three years in the period ended December 31, 2024 (see Notes 14 and 15).

(b) Goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. In assessing the recoverability of the Group's goodwill, management exercised significant judgments and used assumptions such as revenue growth rates, discount rates and long-term growth rates in estimating the value-in-use of these cash-generating units. Calculations indicated that there is no impairment on the Group's goodwill for each of the years ended.

As at December 31, 2024 and 2023, the carrying value of goodwill amounted to ₱1,302.3 million (see Note 7).

Recognition of deferred income tax assets
The Group reviews the carrying amounts of the deferred income tax assets at each end of the reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. However, there is no assurance that the Group will utilize all or part of the deferred income tax assets. As at December 31, 2024 and 2023, the Group recognized gross deferred income tax assets amounting to ₱95.7 million and ₱126.9 million, respectively. The Group also has temporary differences for which the deferred income tax assets are not recognized. Further details of the recognized and unrecognized deferred income tax assets are provided in Note 25.

Determination of retirement benefits
The cost of defined benefit pension plans, as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Net retirement plan asset as at December 31, 2024 and 2023 amounted to ₱259.8 million and ₱179.4 million, respectively. Net retirement benefits payable as at December 31, 2024 and 2023 amounted to ₱19.4 million and ₱22.6 million, respectively. Further details are provided in Note 24.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the Philippines and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the Philippines. Further details about the assumptions used are provided in Note 24.

5. Revenue from Contracts with Customers

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	For the Year Ended December 31, 2024			
	Cable and Wire Manufacturing	Resort Operations and Villa Development	Other Operations*	Total
Type of revenues:				
Sale of goods	**₱11,200,557,895**	**₱–**	**₱–**	**₱11,200,557,895**
Services	**–**	**1,452,889,334**	**310,045,930**	**1,762,935,264**
Total revenue from contracts with customers	**₱11,200,557,895**	**₱1,452,889,334**	**₱ 310,045,930**	**₱12,963,493,159**
Timing of revenue recognition:				
At a point in time	**₱11,200,557,895**	**₱–**	**₱–**	**₱11,200,557,895**
Over time	**–**	**1,452,889,334**	**310,045,930**	**1,762,935,264**
Total revenue from contracts with customers	**₱11,200,557,895**	**₱1,452,889,334**	**₱ 310,045,930**	**₱12,963,493,159**

Other Operations include ASAC and AHI.

	For the Year Ended December 31, 2023			
	Cable and Wire Manufacturing	Resort Operations and Villa Development	Other Operations*	Total
Type of revenues:				
Sale of goods	₱10,147,489,118	₱–	₱–	₱10,147,489,118
Services	–	1,450,243,745	259,084,875	1,709,328,620
Total revenue from contracts with customers	₱10,147,489,118	₱1,450,243,745	₱259,084,875	₱11,856,817,738
Timing of revenue recognition:				
At a point in time	₱10,147,489,118	₱839,259,988	₱259,084,875	₱11,245,833,981
Over time	–	610,983,757	–	610,983,757
Total revenue from contracts with customers	₱10,147,489,118	₱1,450,243,745	₱259,084,875	₱11,856,817,738

Other Operations include ASAC and AHI.

	For the Year Ended December 31, 2022			
	Cable and Wire Manufacturing	Resort Operations and Villa Development	Other Operations*	Total
Type of revenues:				
Sale of goods	₱10,727,755,227	₱–	₱–	₱10,727,755,227
Services	–	1,088,755,491	203,351,423	1,292,106,914
Total revenue from contracts with customers	₱10,727,755,227	₱1,088,755,491	₱203,351,423	₱12,019,862,141
Timing of revenue recognition:				
At a point in time	₱10,727,755,227	₱611,669,341	₱203,351,423	₱11,542,775,991
Over time	–	477,086,150	–	477,086,150
Total revenue from contracts with customers	₱10,727,755,227	₱1,088,755,491	₱203,351,423	₱12,019,862,141

Other Operations include ASAC and AHI.

Contract liabilities

Contract liabilities amounted to ₱61.2 million and ₱77.1 million as at December 31, 2024 and 2023, respectively. These pertain to customer advances received for customer orders (see Note 18). In 2024, 2023 and 2022, the Group recognized revenue from sales of goods and services from the contract liabilities amounting to ₱34.1 million, ₱35.2 million, and ₱76.1 million, respectively.

Information about the Group's performance obligations are summarized below:

Sale of goods

The Group enters into contracts to sell with one identified performance obligation, which is satisfied upon delivery of the goods. Receivables are generally collected within 30 to 60 days from the delivery of goods and receipt of invoice.

Villa development project
The performance obligation is satisfied at a point in time and payment is generally received in advance during the construction of the villa.

Resort operations
This pertains to the services provided to the guests which is satisfied over time. Some payments are received in advance from the guests.

6. Segment Information

The Company and its subsidiaries' operating businesses are organized and managed separately according to the nature of the products or services offered, as discussed below.

- Holding company segment pertains to the operations of the Company.

- Resort Operations segment pertains to the Company's subsidiary providing hotel and resort accommodation, relaxation and entertainment, among others, while Villa Development includes the sale of villa lots, construction of structures and set-up of furniture, fixture and equipment. In 2024, 2023 and 2022, the Group has no sale of villa lots and construction of structures.

- Cable and Wire Manufacturing segment pertains to the Company's subsidiaries engaged in manufacturing, importing, exporting, buying, selling or otherwise dealing in, at wholesale, goods such as building wires, power cables, aluminum wires and cables, copper rods, automotive wires and other energy-related goods of electrical nature, including all equipment, materials, supplies used or employed in or related to the manufacture of its finished products.

- Other operations include air transportation, hangarage, real estate holding and management.

- Amounts for the investments in associates comprise the Group's cost, equity in net losses and impairment loss.

Majority of the companies within the Group were incorporated and operating within the Philippines. The amounts disclosed were determined consistent with the measurement basis under PFRS Accounting Standards.

The following tables present the financial information of the business segments as at and for the years ended December 31, 2024, 2023 and 2022 (in thousands):

	Before Eliminations						
	Holding Company (Parent)	Resort Operations and Villa Development	Cable and Wire Manufacturing	Other Operations[1]	Total	Eliminations	Consolidated
As at and for the year ended December 31, 2024							
Revenues, excluding interest income[2]	₱1,738,910	₱1,457,659	₱11,230,396	₱1,400,874	₱15,827,839	(₱2,475,002)	₱13,352,837
Interest income	66,552	4,769	29,838	3,108	104,267	–	104,267
Investment gains (losses)	3,137,539	12,088	8,930	2,738,542	5,897,099	(2,570,308)	3,326,791
Interest expense	(7,165)	(1)	(2,846)	(59,394)	(69,406)	–	(69,406)
Income tax expense (benefit from income tax)	39,688	22,511	310,125	15,338	387,662	(7,995)	379,667
Equity in net earnings	–	–	–	–	–	33,837	33,837
Net income	4,959,461	198,636	957,297	3,653,805	9,769,199	(4,974,383)	4,794,816
Total assets	23,900,561	2,188,432	7,043,358	22,134,057	55,266,408	(22,957,302)	32,309,106
Investments and advances	9,005,324	75,000	–	293,075	9,373,399	(7,400,021)	1,973,378
Property and equipment	56,215	841,511	1,201,405	946,838	3,045,969	921,453	3,967,422
Total liabilities	1,802,574	850,219	491,815	1,108,315	4,252,923	117,530	4,370,453
Depreciation and amortization	18,148	123,431	139,311	127,664	408,554	(45,701)	362,853
Cash flows from (used in):							
Operating activities	1,742,878	551,392	867,247	115,750	3,277,267	(629,766)	2,647,501
Investing activities	(1,419,020)	(222,003)	(320,767)	(36,603)	(1,998,393)	142,822	(1,847,171)
Financing activities	(126,207)	(202,434)	(462,971)	994,099	202,487	(695,212)	(492,725)

[1] *Other Operations include ASAC, AAC, Anscorcon, AI, AHI, IAI and the Group's equity in net earnings (losses) of associates and impairment loss.*
[2] *Majority of the revenues of the Group were derived in the Philippines.*

	Before Eliminations						
	Holding Company (Parent)	Resort Operations and Villa Development	Cable and Wire Manufacturing	Other Operations[1]	Total	Eliminations	Consolidated
As at and for the year ended December 31, 2023							
Revenues, excluding interest income[2]	₱2,252,557	₱1,450,244	₱10,147,489	₱1,615,988	₱15,466,278	(₱3,241,104)	₱12,225,174
Interest income	61,465	3,572	26,295	537	91,869	1	91,870
Investment gains (losses)	1,340,140	–	9,200	3,488,958	4,838,298	(3,365,597)	1,472,701
Interest expense	(1,918)	(7)	(1,105)	(59,450)	(62,480)	–	(62,480)
Income tax expense (benefit from income tax)	68,350	19,397	287,126	1,123	375,996	(7,996)	368,000
Equity in net earnings	–	–	–	8,743	8,743	–	8,743
Net income	3,314,329	197,431	963,476	4,625,001	9,100,237	(6,451,041)	2,649,196
Total assets	19,991,201	2,059,449	6,480,712	16,005,321	44,536,683	(16,844,080)	27,692,603
Investments and advances	7,306,028	1,496	–	280,535	7,588,059	(7,250,515)	337,544
Property and equipment	15,489	766,641	1,007,823	1,046,702	2,836,655	948,104	3,784,759
Total liabilities	1,025,762	799,326	435,176	3,166,309	5,426,573	(1,721,938)	3,704,635
Depreciation and amortization	18,172	111,388	112,238	66,297	308,095	54,758	362,853
Cash flows from (used in):							
Operating activities	1,285,398	412,279	763,858	44,186	2,505,721	(843,308)	1,662,413
Investing activities	(351,542)	(152,887)	(343,800)	(938,156)	(1,786,385)	373,203	(1,413,182)
Financing activities	(1,036,819)	(260,014)	(324,567)	1,003,302	(618,098)	453,289	(164,809)

[1] *Other Operations include ASAC, AAC, Anscorcon, AI, AHI, IAI and the Group's equity in net earnings (losses) of associates and impairment loss.*
[2] *Majority of the revenues of the Group were derived in the Philippines.*

	Before Eliminations						
	Holding Company (Parent)	Resort Operations and Villa Development	Cable and Wire Manufacturing	Other Operations[1]	Total	Eliminations	Consolidated
As at and for the year ended December 31, 2022							
Revenues, excluding interest income[2]	₱2,001,817	₱1,088,755	₱10,727,755	₱1,523,882	₱15,342,209	(₱3,027,040)	₱12,315,169
Interest income	55,085	5,277	6,929	171	67,462	–	67,462
Investment gains (losses)	(704,043)	–	12,900	1,512,594	821,451	393,962	1,215,413
Interest expense	(10)	(68)	(1,186)	–	(1,264)	(3,424)	(4,688)
Income tax expense (benefit from income tax)	(88,695)	36,231	295,120	7,494	250,150	(7,995)	242,155
Equity in net earnings	–	–	–	26,640	26,640	–	26,640
Net income	2,276,878	143,464	956,472	2,732,632	6,109,446	(3,253,404)	2,856,042
Total assets	18,911,599	2,014,456	6,006,014	14,731,925	41,663,994	(16,525,759)	25,138,235
Investments and advances	7,044,805	248,630	–	282,486	7,575,921	(7,218,890)	357,031
Property and equipment	10,810	692,085	829,783	197,676	1,730,354	974,755	2,705,109
Total liabilities	801,443	706,365	602,851	2,180,317	4,290,976	(1,766,471)	2,524,505
Depreciation and amortization	18,172	111,388	112,238	66,297	308,095	16,293	324,388
Cash flows from (used in):							
Operating activities	665,146	167,097	564,622	(203,686)	1,193,179	(1,001,272)	191,907
Investing activities	1,234,073	(63,403)	(251,639)	165,774	1,084,805	300,253	1,385,058
Financing activities	(1,319,919)	(161,411)	(336,939)	12,091	(1,806,178)	526,461	(1,279,717)

[1] *Other Operations include ASAC, AAC, Anscorcon, AI, AHI, IAI and the Group's equity in net earnings (losses) of associates and impairment loss.*
[2] *Majority of the revenues of the Group were derived in the Philippines.*

7. Business Combinations

a. Goodwill represents the excess of acquisition cost of the following subsidiaries over Anscor's share in the fair value of their net assets. As at December 31, 2024 and 2023, the carrying amount of goodwill allocated to each cash-generating unit (subsidiaries) is as follows:

PDP	₱1,202,945,277
SSRLI (Note 30)	99,330,987
	₱1,302,276,264

b. Impairment Testing of Goodwill

i. PDP Group

The recoverable amount of the investment in PDP Group has been determined based on the value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period.

The key assumptions used to determine the recoverable amount as at December 31, 2024 and 2023 are discussed below:

Discount rate
Discount rate is consistent with the risk-free industry interest rate. The pre-tax discount rates applied to cash flow projections in 2024 and 2023 are 16.15% and 16.8%, respectively.

Terminal value
Terminal value is computed based on Gordon Growth model, which is the quotient of the normalized value of free cash flows assuming a long-term growth rate of 4.45% and 4.42% in 2024 and 2023, respectively, and the difference between the discount rate and growth rate.

Growth rate
Management used the average industry growth rate of 4.59% and 4.42% in 2024 and 2023, respectively.

Sensitivity to changes in assumptions
Based on the available information and management's evaluation, no reasonably possible change in any of the key assumptions would cause the carrying value of the cash-generating unit to exceed its recoverable amount.

ii. SSRLI

The recoverable amount of the investment in SSRLI has been determined based on the value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The key assumptions used to determine the recoverable amount as at December 31, 2024 and 2023 are discussed below:

Discount rate
Discount rate is consistent with the risk-free industry interest rate. The pre-tax discount rate applied to cash flow projections in 2024 and 2023 are 12.14% and 12.7%, respectively.

Terminal value
Terminal value is computed based on Gordon Growth model, which is the quotient of the normalized value of free cash flows assuming a long-term growth rate of 2% and 0% in 2024 and 2023, respectively, and the difference between the discount rate and growth rate.

Growth rate
Growth rate assumptions for the five-year cash flow projections in 2024 and 2023 are supported by the different initiatives of SSRLI. SSRLI used 2% and 0% growth rate in revenue for its cash flow projection in 2024 and 2023, respectively.

Sensitivity to changes in assumptions
Based on the available information and management's evaluation, no reasonably possible change in any of the key assumptions would cause the carrying value of the cash-generating unit to exceed its recoverable amount.

8. Cash and Cash Equivalents

	2024	2023
Cash on hand and in banks	**₱1,412,036,643**	₱1,139,149,381
Cash equivalents	**2,025,615,610**	1,980,190,629
	₱3,437,652,253	₱3,119,340,010

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods of up to three months, depending on the immediate cash requirements of the Group. These investments earn interest at prevailing rates (see Note 23).

Restricted cash funds are recorded as other noncurrent assets unless the restriction is expected to be released at least 12 months after the reporting period (see Note 16).

9. FVPL Investments

	2024	2023
Quoted equity shares	**₱8,919,134,137**	₱7,026,985,641
Unquoted equity shares	**3,017,634,315**	2,921,429,748
Funds and equities	**2,630,687,442**	2,367,481,944
Proprietary shares	**824,857,073**	625,177,073
Bonds	**14,988,363**	147,453,547
Others	**6,481,156**	5,710,400
	₱15,413,782,486	₱13,094,238,353

This account consists of investments that are designated as FVPL and held-for-trading investments. Quoted equity shares consist of marketable equity securities that are listed and traded in the Philippine Stock Exchange (PSE), Nasdaq Stock Market (NASDAQ) and New York Stock Exchange (NYSE). The fair market values of these listed shares are based on their quoted market prices as at December 31, 2024, and 2023, which are assessed to be the exit prices.

Held-for-trading investments include foreign currency-denominated mutual/hedge funds, and equity investments that are managed together on a fair value basis. These investments are classified under funds and equities.

Designated FVPL investments consist of foreign currency-denominated fixed income securities with embedded derivatives (e.g., call and put options) that significantly modify the security's cash flow. These investments are classified under bonds.

FVPL investments in bonds represent foreign currency-denominated bond securities with variable and fixed interest rates. The FVPL coupon interest rates per annum range from 2.5% to 6.1%, 2.0% to 8.3% and 2.3% to 8.3% in 2024, 2023 and 2022, respectively.

The fair market values of the unquoted equity shares are based on valuation techniques applied as at December 31, 2024 and 2023 using income, market and cost (adjusted net asset value method) approach (see Note 29).

The Group's FVPL unquoted equity shares and significant investment in funds and equities include the following:

a. Income approach - KSA Realty Corporation (KSA)

As at December 31, 2024 and 2023, the Company's investment in KSA amounted to ₱727.4 million and ₱927.4 million, respectively (see Note 29).

The Company earned cash dividends from KSA amounting to ₱94.3 million, ₱89.1 million, and ₱100.7 million in 2024, 2023 and 2022, respectively.

b. Market approach

Blue Voyant is a cybersecurity company that enables cybersecurity defense and protection through technology and tailored services.

As of December 31, 2024, and 2023, total investment in Blue Voyant, inclusive of foreign exchange gain, amounted to ₱190.9 million and ₱182.7 million, respectively. No recognized gains or losses on fair value adjustment in 2024 and 2023.

c. Cost approach (adjusted net asset value method)

i. Navegar I LP (Navegar I)

The Group, through AI, recognized a gain (loss) on fair market value adjustment in its investment in Navegar I amounting to (₱21.0) million, ₱24.1 million, and ₱21.5 million in 2024, 2023, and 2022, respectively.

Total investment in Navegar I, inclusive of foreign exchange adjustment, amounted to ₱46.62 million and ₱74.4 million as at December 31, 2024 and 2023, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Navegar I amounted to US$0.01 million (₱0.9 million) and US$0.03 million (₱1.7 million), respectively.

ii. Navegar II LP (Navegar II)

The Group, through AI, recognized gains on fair market value adjustment in its investment in Navegar II amounting to ₱57.7 million, ₱73.0 million, and ₱9.2 million, in 2024, 2023, and 2022, respectively.

Total investment in Navegar II, inclusive of foreign exchange adjustment, amounted to ₱584.9 million and ₱454.8 million as at December 31, 2024 and 2023, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Navegar II amounted to US$2.9 million (₱170.1 million) and US$3.8 million (₱212.7 million), respectively.

iii. Sierra Madre Philippines I LP (Sierra Madre)

Sierra Madre focuses on providing growth capital to small and mid-sized Philippine companies.

In 2024, 2023 and 2022, the Group, through AI, made additional investments to Sierra Madre amounting to US$0.17 million (₱9.81 million), US$0.2 million (₱9.4 million), and US$3.2 million (₱175.9 million), respectively. In 2022, the Group received distribution notice amounting to US$0.9 million (₱50.2 million), (nil in 2024 and 2023).

The Group recognized gain (loss) on fair market value adjustment amounting to ₱12.2 million, ₱36.0 million, and (₱39.2 million) in 2024, 2023 and 2022, respectively.

As at December 31, 2024 and 2023, total investment in Sierra Madre, inclusive of foreign exchange adjustment, amounted to ₱586.1 million and ₱540.0 million, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Sierra Madre amounted to US$0.3 million (₱17.1 million), and US$0.5 million (₱25.8 million), respectively.

iv. Asia Partners I LP, Asia Partners II LP and AP-I Tycho Co-invest Ltd (collectively Asia Partners)

In 2021, the Group, through AI, committed to invest US$6.0 million in Asia Partners I LP, a Singapore-based private equity fund focused on high growth technology and technology enabled companies across Southeast Asia. In addition, AI committed to invest US$1.0 million in AP-I Tycho Co-invest Ltd and US$10.0 million in Asia Partners II, LP.

In 2024, 2023 and 2022, the Group made investment to Asia Partners amounting to US$0.17 million (₱9.62 million), US$0.1 million (₱3.9 million), and US$4.0 million (₱219.1 million), respectively.

In 2024, 2023 and 2022, the Group recognized gain on fair market value adjustment in its investment in Asia Partners amounting to ₱41.1 million, ₱51.3 million, and ₱72.4 million, respectively.

As at December 31, 2024 and 2023, total investment in Asia Partners, inclusive of foreign exchange adjustment, amounted to ₱656.2 million, and ₱552.4 million, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Asia Partners amounted to US$7.5 million (₱436.4 million) and US$9.0 million (₱498.6 million) respectively.

v. Third Prime Alpha III-A, Third Prime (Kafene B) and Third Prime (Kafene B-1) (collectively Third Prime Series)

Third Prime Alpha III-A, is a venture firm focused primarily on the FinTech, PropTech and Crypto sectors. In 2022, AI also invested US$1.5 million (₱79.3 million) in Third Prime (Kafene B). In 2023, AI invested US$0.8 million (₱44.7 million) in Third Prime (Kafene B-1).

In 2024, 2023 and 2022, the Group recognized fair market value gain (loss) adjustment in its investment in Third Prime series amounting to ₱1.4 million, ₱0.7 million and (₱0.6 million), respectively.

As at December 31, 2024 and 2023, total investment in Third Prime series, inclusive of foreign exchange adjustment, amounted to ₱225.5 million and ₱189.6 million, respectively.

As at December 31, 2024 and 2023, the Group's remaining capital commitment to be called for Third Prime Alpha III-A amounted to US$0.5 million (₱26.03 million) and US$0.9 million (₱49.8 million), respectively.

There were no changes in the valuation techniques applied for each of the period ended (e.g., changing from a market approach to an income approach or the use of an additional valuation technique).

Net gains (losses) on increase (decrease) in market value of FVPL investments as at December 31 are as follows (in millions):

	Unrealized Valuation Gains (Losses) in Market Value		Gains (Losses) on Increase (Decrease) in Market Value of FVPL Investments
	2024	**2023**	**in 2024**
Quoted equity shares	**₱6,035.3**	**₱3,492.3**	**₱2,543**
Unquoted equity shares	**658.3**	**804.1**	**(145.8)**
Proprietary shares	**786.2**	**586.3**	**199.9**
Funds and equities	**311.5**	**177.1**	**134.4**
Bonds	**(94.2)**	**(88.2)**	**(6.0)**
Others	**(0.4)**	**(1.1)**	**0.7**
Total	**7,696.7**	**4,970.5**	**2,726.2**
Add realized gain on sale of FVPL investments			**538.3**
Net gain on increase in market value of FVPL investments			**₱3,264.5**

	Unrealized Valuation Gains (Losses) in Market Value		Gains (Losses) on Increase (Decrease) in Market Value of FVPL Investments
	2023	2022	in 2023
Quoted equity shares	₱3,492.3	₱2,443.0	₱1,049.3
Unquoted equity shares	804.1	804.4	(0.3)
Proprietary shares	586.3	476.2	110.1
Funds and equities	177.1	(145.6)	322.7
Bonds	(88.2)	(63.5)	(24.7)
Others	(1.1)	(1.1)	–
Total	4,970.5	3,513.4	1,457.1
Add realized gain on sale of FVPL investments			19.1
Net gain on increase in market value of FVPL investments			₱1,476.2

	Unrealized Valuation Gains (Losses) in Market Value		Gains (Losses) on Increase (Decrease) in Market Value of FVPL Investments
	2022	2021	in 2022
Quoted equity shares	₱2,443.0	₱3,353.2	(₱910.2)
Unquoted equity shares	804.4	633.7	170.7
Proprietary shares	476.2	357.9	118.3
Funds and equities	(145.6)	91.1	(236.7)
Bonds	(63.5)	(42.5)	(21.0)
Others	(1.1)	1.0	(2.1)
Total	3,513.4	4,394.4	(881.0)
Add realized loss on sale of FVPL investments			(113.1)
Net loss on decrease in market value of FVPL investments			(₱994.1)

Proprietary shares include golf and club membership shares with fair value determined based on available public market quotations.

There were no outstanding forward transactions as at December 31, 2024, 2023 and 2022.

In 2024, 2023 and 2022, the Group earned dividends from FVPL investments amounting to ₱389.3 million, ₱368.4 million, and ₱295.3 million, respectively.

10. Receivables

	2024	2023
Trade	**₱2,462,263,680**	₱2,262,546,217
Receivables from villa owners	**22,258,171**	77,279,674
Interest receivable	**14,954,041**	12,744,830
Others	**14,272,542**	29,418,074
	2,513,748,434	2,381,988,795
Less allowance for expected credit losses	**125,455,330**	214,711,648
	₱2,388,293,104	₱2,167,277,147

Trade receivables are noninterest-bearing and are normally settled on a 30 to 60 days term.

Receivables from villa owners pertain to SSRLI's net rental share and handling fees and reimbursable expenses such as guest supplies and other amenities, operating supplies, utilities, manpower, laundry services and other materials used for repairs and maintenance of the villas.

Interest receivable pertains to accrued interest income from cash and cash equivalents, notes receivable, and FVPL and FVOCI investments in debt instruments.

Movements in the allowance for expected credit losses of trade and other receivable accounts are as follows:

	2024		
	Trade	**Interest and Others**	**Total**
At January 1	**₱213,121,330**	**₱1,590,318**	**₱214,711,648**
Provision for the year (Note 23)	**33,680**	**–**	**33,680**
Recoveries (Note 23)	**(89,289,998)**	**–**	**(89,289,998)**
At December 31	**₱123,865,012**	**₱1,590,318**	**₱125,455,330**

	2023		
	Trade	Interest and Others	Total
At January 1	₱211,790,125	₱1,590,318	₱213,380,443
Provision for the year (Note 23)	1,418,536	–	1,418,536
Recoveries (Note 23)	(87,331)	–	(87,331)
At December 31	₱213,121,330	₱1,590,318	₱214,711,648

11. Inventories

	2024	2023
At lower of cost and net realizable value:		
Finished goods - net of allowance for inventory obsolescence of ₱32.0 million in 2024 and 2023	**₱743,603,841**	₱506,245,203
Raw materials - net of allowance for inventory obsolescence of in ₱6.7 million and ₱13.3 million in 2024 and 2023, respectively.	**656,033,759**	623,657,596
Work in process - net of allowance for inventory obsolescence of ₱7.1 million and ₱6.0 million in 2024 and 2023, respectively.	**273,904,495**	287,657,959
Spare parts and operating supplies - net of allowance for inventory obsolescence of ₱40.0 million and ₱40.1 million in 2024 and 2023, respectively.	**206,026,710**	150,520,960
Aircraft spare parts and supplies - net of allowance for inventory obsolescence and losses of ₱9.6 million in 2024 and 2023	**102,163,160**	89,510,187
Materials in transit – at cost	**56,861,522**	17,070,682
Reel inventory – at cost	**28,250,066**	21,134,720
Aircraft parts in transit – at cost	**24,683,169**	37,728,780
Food and beverage - cost	**22,550,452**	23,189,806
Construction-related materials - net of allowance for inventory obsolescence of ₱0.6 million in 2024 and 2023	**605,556**	605,556
	₱2,114,682,730	₱1,757,321,449

The total amount of inventories carried at cost amounted to ₱499.9 million and ₱515.6 million as at December 31, 2024 and 2023, respectively.

The total cost of inventories carried at NRV amounted to ₱1,706.3 million and ₱1,343.2 million, with the NRV amounting to ₱1,614.7 million and ₱1,241.7 million as at December 31, 2024 and 2023, respectively.

Net recovery for inventory obsolescence recognized in 2024, 2023 and 2022, which was recorded under “Materials used and changes in inventories”, amounted to ₱9.1 million, ₱0.5 million, and ₱1.6 million, respectively (see Note 21).

Aircraft parts in transit are purchased from suppliers abroad under Freight on Board Shipping Point. These items are in the custody of either the Bureau of Customs or freight forwarder as at December 31, 2024 and 2023.

Operating supplies pertain to inventory items used in providing services such as printing, cleaning and office and guest supplies.

Construction-related materials are excess materials and supplies from Villa Development Project. These are held for use in construction of villa or future repair or renovation of villas.

Inventories charged to cost of goods sold and services sold amounted to ₱8,918.7 million, ₱7,906.2 million, and ₱8,538.0 million, in 2024, 2023, and 2022, respectively (see Note 21).

12. FVOCI Investments

As at December 31, 2024 and 2023, FVOCI investments amounted to ₱15.6 million and ₱57.6 million, respectively, and these consist of investments in bonds represent the following:

a. Foreign currency-denominated bond securities are subject to variable and fixed coupon interest rate per annum ranging from 2.47% to 6.08% in 2024, 2.20% to 6.38% in 2023, and 2.35% to 6.13% in 2022. Maturity dates range from February 6, 2027 to June 15, 2032 for bonds held as at December 31, 2024, and February 16, 2025 to June 15, 2032 for bonds held as at December 31, 2023.

b. Geothermal Project

   In January 2014, a loan and investment agreement was entered by the Company with SKI Construction Company, Inc. (SKI), Red Core Investment Corp. (Red Core), Tayabas Power, Tiaong Geothermal Power, Inc. (Tiaong Power) and San Juan Geothermal Power, Inc. (San Juan Power), collectively referred to as Red Core Group to jointly survey and explore the geothermal energy potential in the areas defined by the Tayabas, Tiaong and San Juan Geothermal Renewable Energy Service Contract (GRESC). Under this agreement, the Company committed to lend up to ₱172.0 million for the exploration phase of the three sites, of which ₱140.0 million was actually invested by the Company to Red Core.

   The Company may choose to convert each note into common shares of the three operating companies: Tayabas Power, Tiaong Power and San Juan Power to achieve 9.1% stake in each of these entities. If the Company opts not convert the note within the agreed time frame, these notes will accrue interest until they mature 62 months from the initial drawdown date.

   Considering the status of Red Core, impairment losses were recognized on the investment (in 2017 and earlier), which brought the investment balance to nil as at December 31, 2024 and 2023.

   In March 2018, the Company filed before the Regional Trial Court (RTC) of Makati City a civil case for specific performance in order to compel Red Core Group to comply with the provisions of the loan investment agreement signed by the parties. On November 23, 2020, the Court partially granted the Motion for Summary Judgment filed by the Company.

   On August 15, 2022, the Court rendered a decision ordering Red Core Investments Corporation to pledge all its shares in Tayabas Geothermal Power, Inc., Tiaong Geothermal Power, Inc., and San Juan Geothermal Power Inc. and execute a deed of pledge in favor of the Company. On October 3, 2022, the Company filed a demand for payment under the loan and investment agreement to Red Core Group. Red Core did not comply with the decision and filed an appeal with the Court of Appeals (CA). In June 2023, the CA issued the Notice to File Brief which the Company filed on December 5, 2023. On January 2, 2024, Red Core manifested that it will not file a reply brief. In a resolution dated August 9, 2024, the CA deemed the case to have been submitted for decision. As of February 24, 2025, the case remains for decision of the CA.

In 2024, 2023 and 2022, gain (loss) on sale of FVOCI investments amounted to ₱1.0 million, (₱3.5 million), and ₱0.8 million, respectively.

Below is the rollforward of the unrealized valuation gains (losses) on FVOCI investments recognized in equity:

	2024	2023
Beginning balance	**₱605,619**	(₱3,183,933)
Unrealized valuation gain on FVOCI investments - net of tax	**435,121**	1,167,105
Realized gain (loss) on FVOCI investments recognized in profit or loss - net of tax	**(760,186)**	2,622,447
Ending balance	**₱280,554**	₱605,619

13. Investments and Advances

	2024	2023
Investments at equity - net of valuation allowance	**₱1,971,771,604**	₱335,706,693
Advances - net of allowance for expected credit losses of ₱564.8 million in 2024 and 2023	**1,606,391**	1,837,017
	₱1,973,377,995	₱337,543,710

Investments at equity consist of:

	2024	2023
Acquisition cost		
Common shares and Preferred shares	**₱2,324,349,339**	₱722,121,654
Accumulated equity in net losses and impairment loss	**(352,577,735)**	(386,414,961)
	₱1,971,771,604	₱335,706,693

The significant transactions involving the Group's investments in associates in 2024 and 2023 follow:

AGP-SG and AGP-BVI

The total acquisition cost of the investment in AGP-SG amounted to US$45.0 million (₱1,958.0 million). The Group in prior years has recognized impairment losses and has taken up equity in net losses of AGP to the extent that its carrying amount was reduced to nil (with unrecognized share in net losses, for which the Group has no commitment to contribute).

On February 17, 2022, the investment in associate held for sale carried at nil was sold for a total consideration of US$35.8 million (₱1,974.6 million). The Group recognized ₱2,208.8 million gain in its 2022 consolidated statements of comprehensive income, including the reversal of the related cumulative translation loss of ₱234.2 million.

AIMP

AIMP reported net income amounting to ₱126.7 million, ₱43.6 million, and ₱133.5 million in 2024, 2023 and 2022, respectively. The Group recognized equity in net earnings amounting to ₱25.3 million, ₱8.7 million, and ₱27.1 million in 2024, 2023 and 2022, respectively.

In 2024 and 2023, the Group received from AIMP cash dividend amounting to ₱0.6 million and ₱27.5 million, respectively (nil in 2022).

As at December 31, 2024 and 2023, the carrying value of the investment in AIMP amounted to ₱178.9 million and ₱160.7 million, respectively.

FHI

FHI reported a net income (loss) amounting to (₱5 million), ₱0.1 million, and (₱1.9 million) in 2024, 2023 and 2022, respectively. The Group recognized equity in net earnings (losses) amounting to (₱1.3 million), ₱0.02 million, and (₱0.5 million) in 2024, 2023 and 2022, respectively.

As at December 31, 2024 and 2023, the carrying value of the investment and advances in FHI amounted to ₱173.7 million and ₱175.0 million, respectively.

FHI made a cash advance to the Company amounting to ₱66.3 million 2023 (nil in 2024 and 2022). Total outstanding cash advance from FHI amounted to ₱170.7 million as of December 31, 2024 and 2023, respectively, which is presented under "Other noncurrent liabilities" (see Note 16).

Prople Limited

As at December 31, 2024 and 2023, the net carrying value of the Group's investment in Prople Limited amounted to nil (net of allowance for impairment loss of ₱295.0 million as of both years).

The Group has no share in the contingent liabilities of any associate as at December 31, 2024 and 2023. In 2023, the Group received advances from Prople Limited amounting to ₱10.4 million (nil in 2024), which is presented under "Other noncurrent liabilities" (see Note 16).

The Bistro Group

On November 13, 2024, the Group bought 22% stake in TBG Food Holdings, Inc. (TBG) for a total consideration of ₱1,609.3 million. TBG owns and runs over 200 full service restaurants, including household names like Itallianni's, TGI Fridays, Texas Roadhouse, and Morton's Steakhouse.

The Group recorded ₱1,609.3 million as an investment in an associate as a result of the acquisition and recognized ₱9.8 million in equity earnings on investment in associate, reckoning from the date of acquisition, along with the related liability amounting to ₱50.6 million (including the advances received from TBG amounting ₱44.0 million) as of December 31, 2024, which is presented under "Other noncurrent liabilities" (see Note 16).

As at December 31, 2024, the carrying value of the investment in TBG amounted to ₱1,619.1 million. The fair value measurement of the identifiable assets and liabilities of TBG and any resulting embedded goodwill is still in the process of being finalized.

Others

In 2024, the Group disposed of its other long-term equity investment carried at ₱2.1 million for consideration of ₱0.5 million. Loss recognized from the disposal amounted to ₱1.6 million in 2024 (nil in 2023 and 2022).

14. Property and Equipment

	2024					
	Land, Buildings and Improvements	Flight, Ground, Machineries and Other Equipment	Furniture, Fixtures and Office Equipment	Transportation Equipment	Construction in Progress	Total
Cost						
January 1	**₱3,116,006,313**	**₱2,698,170,221**	**₱718,779,693**	**₱290,559,147**	**₱243,198,336**	**₱7,066,713,710**
Additions	**51,823,067**	**45,548,711**	**91,336,057**	**20,727,306**	**404,381,542**	**613,816,683**
Reclassification	**115,528,583**	**258,111,359**	**19,878,798**	**12,324,760**	**(405,843,500)**	**–**
Retirement/disposals	**(10,284,535)**	**(196,535,637)**	**(33,217,916)**	**(5,685,514)**	**–**	**(245,723,602)**
December 31	**3,273,073,428**	**2,805,294,654**	**796,776,632**	**317,925,699**	**241,736,378**	**7,434,806,791**
Accumulated Depreciation and Amortization						
January 1	**1,205,324,410**	**1,269,878,795**	**594,415,334**	**212,336,469**	**–**	**3,281,955,008**
Depreciation and amortization (Note 21)	**108,143,223**	**221,179,133**	**54,547,993**	**26,367,175**	**–**	**410,237,524**
Retirement/disposals	**(6,632,065)**	**(180,822,763)**	**(33,215,818)**	**(4,136,826)**	**–**	**(224,807,472)**
December 31	**1,306,835,568**	**1,310,235,165**	**615,747,509**	**234,566,818**	**–**	**3,467,385,060**
Net Book Value	**₱1,966,237,860**	**₱1,495,059,489**	**₱181,029,123**	**₱83,358,881**	**₱241,736,378**	**₱3,967,421,731**

	2023					
	Land, Buildings and Improvements	Flight, Ground, Machineries and Other Equipment	Furniture, Fixtures and Office Equipment	Transportation Equipment	Construction in Progress	Total
Cost						
January 1	₱2,926,041,696	₱1,686,882,391	₱634,262,288	₱275,657,949	₱185,465,221	₱5,708,309,545
Additions	69,730,402	903,298,015	77,215,809	32,658,916	337,153,989	1,420,057,131
Reclassification	146,080,649	108,767,297	18,469,243	6,103,685	(279,420,874)	–
Retirement/disposals	(25,846,434)	(777,482)	(11,167,647)	(23,861,403)	–	(61,652,966)
December 31	3,116,006,313	2,698,170,221	718,779,693	290,559,147	243,198,336	7,066,713,710
Accumulated Depreciation and Amortization						
January 1	1,137,748,745	1,103,095,346	557,898,453	204,458,251	–	3,003,200,795
Depreciation and amortization (Note 21)	92,903,649	167,560,931	47,684,527	29,107,073	–	337,256,180
Retirement/disposals	(25,327,984)	(777,482)	(11,167,646)	(21,228,855)	–	(58,501,967)
December 31	1,205,324,410	1,269,878,795	594,415,334	212,336,469	–	3,281,955,008
Net Book Value	₱1,910,681,903	₱1,428,291,426	₱124,364,359	₱78,222,678	₱243,198,336	₱3,784,758,702

Construction in progress includes cost of the on-going construction of the land and building improvements and cost of assembling machineries and equipment.

Depreciation and amortization amounted to ₱410.2 million, ₱337.2 million, and ₱295.0 million in 2024, 2023 and 2022, respectively (see Note 21).

As at December 31, 2024 and 2023, certain items of land, buildings and improvements and machinery and equipment with carrying amount of ₱31.0 million were included in a participating Mortgage Trust Indenture (MTI). The aggregate appraised value of these assets amounted to ₱9,170.8 million, based on an appraisal report commissioned for the purpose of the loan. The loanable value represents 60% of these assets' appraised value. The aggregate loaned amount (₱1 billion) represents 18.2% of the total loanable value. (see Note 19).

15. Investment Properties

	2024		
	Land	**Condominium**	**Total**
Cost			
January 1	**₱254,749,808**	**₱293,595,000**	**₱548,344,808**
Additions	**5,050,000**	**–**	**5,050,000**
Disposal	**–**	**(293,595,000)**	**(293,595,000)**
December 31	**₱259,799,808**	**–**	**₱259,799,808**

(Forward)

	2024		
	Land	**Condominium**	**Total**
Accumulated Depreciation and Impairment			
January 1	–	**59,942,312**	**59,942,312**
Depreciation (Note 21)	–	**13,456,438**	**13,456,438**
Disposal	–	**(73,398,750)**	**(73,398,750)**
December 31	–	–	–
Accumulated Impairment Loss	–	**24,812,188**	**24,812,188**
Reversal of impairment loss	–	**(24,812,188)**	**(24,812,188)**
	–	–	–
Net Book Value	**₱259,799,808**	**₱–**	**₱259,799,808**

	2023		
	Land	Condominium	Total
Cost			
January 1	₱248,532,482	₱293,595,000	₱542,127,482
Additions	6,217,326	–	6,217,326
December 31	254,749,808	293,595,000	548,344,808
Accumulated Depreciation and Amortization			
January 1	–	45,262,562	45,262,562
Depreciation and amortization (Note 21)	–	14,679,750	14,679,750
December 31	–	59,942,312	59,942,312
Accumulated Impairment Loss	–	24,812,188	24,812,188
Net Book Value	₱254,749,808	₱208,840,500	₱463,590,308

The Group's investment properties include 136.8 hectares of land in Palawan, 36.9 hectares of land in Cebu, and 97.4 hectares of land in Guimaras. Condominium pertains to the two (2) commercial condominium units purchased by the Company in 2019 and sold in 2024 for ₱283.0 million, with gain amounting to ₱62.8 million. Further, the Group reversed the related impairment loss on these condominium units amounting to ₱24.8 million, as a result of the sale, (see Note 23).

The aggregate fair value of these investment properties as of December 31, 2024, and 2023 amounted to ₱3.9 billion and ₱3.3 billion, respectively.

Fair valuation of the land properties was performed by professionally qualified, SEC-accredited and independent appraiser as at January 2025. The fair value was determined using the sales comparison approach which considers the sale of similar or substitute properties, related market data and the assets' highest and best use. The fair value of the investment properties is categorized as Level 3 which used adjusted inputs for valuation that are unobservable as of the date of valuation.

The inputs used were offer prices of similar land. Significant increases or decreases in offer price would result in higher or lower fair value of the asset.

The appraisers determined that the highest and best use of these properties are either for residential, agricultural, commercial and recreational utility. For strategic reasons, the properties are not being used in this manner. These properties are currently held by the Group for capital appreciation.

The Group has no restrictions on the realizability of the investment properties. Under Department of Agrarian Reform (DAR) rules, AAC has to complete the development on the Guimaras land by September 2018. On November 11, 2018, DAR approved the Group's request for extension to develop the property within a non-extendible period of five years from the receipt of order or until December 6, 2023. The notice of order was received by the Group on December 7, 2018. On January 18, 2024, DAR approved the Group's request for another extension to develop the property within a non-extendible period of five years from the receipt of order or until February 13, 2029. The notice of order was received by the Group on February 14, 2024.

Fair valuation of the condominium units was also performed by a professionally qualified, SEC-accredited, and independent appraiser. Based on the report of the appraiser rendered for 2022, the fair value of the condominium units is ₱270.1 million.

The fair value of the condominium units was arrived at through the use of the "sales comparison approach," They used properties that are situated within the subject building or in other comparable condominium buildings nearby for comparison. The fair value of the condominium units is categorized as Level 3. The highest and best use of these properties is for leasing.

Management assessed that the fair value of these investment properties as at December 31, 2022 approximates its fair value as at December 31, 2023 as no significant changes on the properties have taken place since the latest appraisal, or will take place in the near future, in the market, economic or legal environment in which the Group operates or in the market to which the investment property is dedicated.

The Group recognized rental income of ₱13.3 million, ₱13.7 million, and ₱13.2 million from these investment properties in 2024, 2023 and 2022, respectively (see Note 30).

The aggregate direct expenses pertaining to real property taxes and depreciation expense amounted to ₱14.3 million, ₱15.5 million, and ₱16.1 million, in 2024, 2023 and 2022, respectively.

16. Other Noncurrent Assets and Other Noncurrent Liabilities

The Group's other noncurrent assets comprise the following as of December 31:

	2023	2022
Fund for villa operations and capital expenditures (Note 30)	**₱97,006,919**	₱93,816,895
Property held for future development (Note 30)	**18,703,423**	18,703,423
Computer software - net of accumulated depreciation of ₱17.2 million and ₱14.6 million as of December 31, 2024 and 2023, respectively	**7,313,319**	9,617,133
Refundable deposits	**4,009,493**	3,263,024
Others	**4,873,011**	3,083,727
	₱131,906,165	₱128,484,202

Fund for villa operations and capital expenditures is a restricted cash fund of PRI and PUI held as a source of future maintenance requirements and for future replacement of power generating units and desalination plant. Interest income on this fund shall accrue to the villa owners. A liability related to the fund was recognized and is presented as "Other noncurrent liabilities" in the consolidated statements of financial position (see Note 30).

FHI, Prople Limited and TBG made cash advances to the Company. Total outstanding cash advance amounted to ₱283.0 million and ₱236.1 million as of December 31, 2024 and 2023, respectively, which is presented under "Other noncurrent liabilities" (see Note 13).

17. Notes Payable

The Group has outstanding notes payable of ₱670.0 million as of December 31, 2024 (nil as of December 31, 2023).

a. On November 6, 2024, a clean promissory note was executed between Anscor and BDO for a short-term note payable in the aggregate principal amount of ₱670.0 million, payable on February 4, 2025. The promissory note is subject to an interest rate of 6.99%.

b. Total interest expense from notes payable recognized in the consolidated profit or loss amounted to ₱7.2 million in 2024 (nil in 2023 and 2022); (see Note 23).

The Group's unavailed credit line from banks (covering short-term and long term debts) amounted to ₱2,050.0 million and ₱2,850.0 million as at December 31, 2024 and 2023, respectively.

18. Accounts Payable and Accrued Expenses

	2024	2023
Trade payables	**₱457,523,407**	₱359,192,456
Refundable deposits	**349,089,710**	248,393,035
Accruals for:		
Personnel expenses	**157,546,261**	145,360,975
Utilities	**28,289,791**	22,411,259
Taxes and licenses	**9,357,826**	19,409,399
Others	**80,517,358**	50,451,672
Payable to government agencies	**76,815,628**	98,703,902
Contract liabilities (Note 5)	**61,231,384**	77,116,715
Payable to villa owners	**7,732,151**	61,559,677
Payable to contractors	**4,792,018**	11,609,210
Other payables	**44,367,480**	54,997,728
	₱1,277,263,014	₱1,149,206,028

Trade payables are non-interest bearing and are normally settled on 30 to 90 days' terms.

Other accrued expenses include unpaid operating costs of the Group.

Refundable deposits mainly pertain to advance payments made by guests.

Contract liabilities pertain to the customers' advances for the delivery of goods and services.

Payable to contractors are amounts due to suppliers for ongoing and completed construction projects.

19. Long-term Debt

The Group's outstanding long-term debt from a local bank amounting to ₱780.0 million and ₱1,000.0 million as of December 31, 2024, and December 31, 2023, respectively, pertains to ASAC group and is presented as follows:

	2024	2023
Current portion	**₱104,545,455**	₱–
Non-current portion	**675,454,545**	1,000,000,000
Total notes payable	**₱780,000,000**	₱1,000,000,000

a. On January 9, 2023, a Facility Agreement (IAI-BDO Loan) was executed between IAI and BDO, for a term loan in the aggregate principal amount of up to ₱1 billion. On the same date, the Continuing Suretyship (CS) in favor of BDO was jointly and severally irrevocably executed by SRRLI and PRI duly identified as the sureties to secure the due and full payment and performance of the Secured Obligations as defined in the CS (see Note 14).

b. On February 14, 2023, SSRLI, PRI and Pamalican Utilities Inc. (PUI) (the three companies as Trustors) and AB Capital and Investment Corporation (as Trustee) executed the Amended and Restated Mortgage Trust Indenture (MTI). PRI and PUI are now parties to the MTI which was originally entered into by SSRLI and the Trustee on November 29, 2005. The Trustors in the MTI are now parties to the Mortgage Obligations for the loan. The Trustee issued as of December 31, 2023 mortgage participating certificates representing 18.2% of the appraised value of the assets covered by the MTI (see Note 14).

Drawdowns made in the Facility Agreement in 2023 are as follows:

Date	Amount
January 9, 2023	₱450,000,000
March 15, 2023	63,500,000
April 13, 2023	255,000,000
May 25, 2023	231,500,000
	₱1,000,000,000

The loan is subject to an interest rate which shall be the higher of (a) the sum of the 3-month Benchmark Rate on interest setting date and on each repricing date plus 0.90% per annum, and (b) BSP Overnight Lending Facility Rate + 0.50% per annum; divided by the interest premium factor.

c. On November 20, 2023, BDO and the Company agreed to adjust the interest rate to the higher of (a) the sum of the 3-month Benchmark Rate on interest setting date and on each repricing date plus 0.90% per annum, and (b) Target Reverse Repurchase Rate plus + 0.25% per annum; divided by the interest premium factor effective January 9, 2024.

The loan is payable quarterly after a 2-year grace period starting from the initial drawdown. Payment due date of the loan based on nominal values are scheduled as at December 31, 2024 as follows:

Year	**2024**	2023
Less than 1 year	**₱104,545,455**	₱–
More than 1 year but less than 2 years	**94,545,456**	121,212,121
More than 2 years	**283,636,364**	363,636,364
More than 5 years	**297,272,725**	515,151,515
	₱780,000,000	₱1,000,000,000

The loan shall be subject to the maintenance of financial ratios which include; (i) maximum of 2.5 times debt-to-equity ratio and (ii) minimum debt service coverage ratio of 1.2 times starting May 31, 2024 and annually each May 31 thereafter.

d. Total interest expense in 2024 and 2023 from this loan recognized in the consolidated profit or loss amounted to ₱59.2 million and ₱58.6 million, respectively.

20. Equity

Equity holders of the Parent

Authorized capital stock as at December 31 consists of the following shares:

	2024		2023	
	Number of Shares	**Amount**	Number of Shares	Amount
Common - ₱1.0 par value	**3,459,310,958**	**₱3,459,310,958**	3,459,310,958	₱3,459,310,958
Preferred - ₱0.01 par value	**500,000,000**	**5,000,000**	500,000,000	5,000,000
	3,959,310,958	**₱3,464,310,958**	3,959,310,958	₱3,464,310,958

Issued and outstanding shares as at December 31 consists of the following:

	2024		2023	
	Number of Shares	**Amount**	Number of Shares	Amount
Common	**2,500,000,000**	**₱2,500,000,000**	2,500,000,000	₱2,500,000,000
Preferred	**500,000,000**	**5,000,000**	500,000,000	5,000,000
	3,000,000,000	**₱2,505,000,000**	3,000,000,000	₱2,505,000,000

On February 19, 2020, the Company's BOD approved the amendment of its Articles of Incorporation (AOI) wherein authorized capital stock of 5,000,000 common shares (par value of ₱1.00 per share) amounting to ₱5.0 million will be reclassified to 500,000,000 preferred shares (par value of ₱0.01 per share) amounting to ₱5.0 million. In August 2020, the Company applied for the amendment of the AOI with the SEC and this was approved by the SEC on June 21, 2021.

Outstanding common shares, net of shares held by a subsidiary, as at December 31, 2024 and 2023 totaled 1,272,329,761. The Company's equity holders as at December 31, 2024 and 2023 are 11,015 and 11,020, respectively.

The Philippine SEC authorized the offering/sale to the public of the Company's 10.0 million and 140.0 million common shares with par value of ₱1.00 each on December 29, 1948 and January 17, 1973, respectively. On August 30, 1996, the Philippine SEC authorized the licensing of 910,476,302 common shares at the subscription price of ₱2.50 per share.

In 2024, 2023 and 2022, the Company declared the following cash dividends:

	2024	2023	2022
Month of declaration	**February and October**	March and November	March and November
Cash dividend per share	**₱0.50 and ₱0.25**	₱0.50 and ₱0.50	₱0.50 and ₱0.50
Total cash dividend	**₱1,875.0 million**	₱2,500.0 million	₱2,500.0 million
Share of a subsidiary	**₱954.3 million**	₱1,272.4 million	₱1,272.4 million

As at December 31, 2024 and 2023, the Company's dividends payable amounted to ₱608.9 million and ₱570.4 million, respectively, and represents mainly dividend checks that were returned by the post office and which remained outstanding as at December 31, 2024 due to problematic addresses of some of the Company's stockholders.

Net dividends paid to Noncontrolling interests in 2024, 2023 and 2022 amounted to ₱58.7 million, ₱69.2 million (net of ₱35.6 million contributions), and ₱56.6 million, respectively.

The Company's BOD approved the following appropriation of the Company's unrestricted retained earnings:

Date of Appropriation	Amount
2011	₱2,100,000,000
2013	900,000,000
2014	1,600,000,000
2015	1,700,000,000
2016	850,000,000
	₱7,150,000,000

The appropriation will be used for the Company's investment program within the next three years on business activities related to tourism, business process outsourcing and manufacturing, whether based in the Philippines or offshore. Appropriations in 2011 and 2013 were extended in 2017 for another three years. Appropriations in 2014 and 2015 were extended in 2018 and 2019, respectively for another three years.

On November 11, 2020, the BOD approved the extension of the appropriation of retained earnings totaling ₱7,150.0 million for another three years for the same investment program.

On November 15, 2023, the BOD approved the extension of the appropriation of retained earnings totaling ₱7,150.0 million for another three years for the same investment program including business activities related to digital technology.

The unappropriated retained earnings is restricted for the dividend declaration by the following:

- Balance of gross deferred income tax assets, fair value adjustments related to unrealized market to market gains of FVPL investments and unrealized foreign exchange gains (except those attributable to cash and cash equivalents) amounting to ₱5,683.8 million and ₱4,971.6 million as at December 31, 2024 and 2023, respectively.
- Shares in the undistributed retained earnings of subsidiaries and accumulated equity in net earnings of associates amounting to ₱7.3 billion and ₱6.6 billion as at December 31, 2024 and 2023, respectively, which are included in retained earnings, are not available for declaration as dividends until declared by the subsidiaries.

Shares held by a subsidiary
As at December 31, 2024 and 2023, Anscorcon holds 1,272,429,761 shares of the Company amounting to ₱2.7 billion.

21. Cost of Goods Sold, Cost of Services Rendered and Operating Expenses

Cost of goods sold consists of:

	2024	2023	2022
Materials used and changes in inventories (Note 11)	**₱8,918,686,730**	₱7,906,232,511	₱8,538,054,588
Depreciation and amortization (Note 14)	**150,216,308**	121,275,291	100,590,598
Salaries, wages and employee benefits (Note 22)	**124,865,029**	126,220,794	105,885,345
Utilities	**110,171,668**	111,085,374	101,357,802
Supplies	**81,301,525**	75,202,038	78,339,274
Outside Services	**67,272,610**	53,467,763	42,771,793
Repairs and maintenance	**60,975,631**	43,684,367	47,393,337

(Forward)

	2024	2023	2022
Security services	**₱8,996,536**	₱8,267,405	₱7,433,248
Transportation and travel	**4,200,565**	3,818,057	3,252,704
Taxes and licenses	**3,452,941**	5,343,441	2,318,459
Insurance	**3,202,297**	2,339,261	3,971,287
Dues and subscription	**1,425,600**	1,426,800	1,426,800
Professional fees	**1,309,549**	883,897	444,039
Communication	**439,545**	450,597	497,242
Others	**11,099,020**	10,405,150	14,681,918
	₱9,547,615,554	₱8,470,102,746	₱9,048,418,434

Cost of services rendered consists of:

	2024	2023	2022
Salaries, wages and employee benefits (Note 22)	**₱156,671,264**	₱66,572,127	₱87,778,405
Resort operating costs	**122,422,403**	210,669,296	142,844,960
Depreciation and amortization (Note 14)	**99,626,608**	72,879,568	52,910,287
Fuel cost	**59,058,248**	52,096,470	24,469,324
Materials and supplies - resort operations (Note 11)	**51,408,033**	52,882,524	30,894,212
Insurance	**29,249,516**	27,466,338	10,151,631
Repairs and maintenance	**15,149,954**	9,075,116	10,869,034
Taxes and licenses	**6,740,568**	6,902,507	5,871,088
Outside services	**2,828,000**	12,337,439	14,325,302
Transportation and travel	**597,314**	257,951	23,824,212
Others	**34,235,340**	24,354,053	587,714
	₱577,987,248	₱535,493,389	₱404,526,169

Operating expenses consist of:

	2024	2023	2022
Salaries, wages and employee benefits (Note 22)	**₱389,129,729**	₱462,901,033	₱347,040,443
Utilities	**201,993,339**	228,144,642	136,737,400
Depreciation and amortization (Notes 14, 15 and 30)	**195,449,114**	172,837,830	170,886,909
Advertising, marketing and management fee (Note 30)	**191,877,901**	168,253,796	129,279,596
Shipping and delivery expenses	**147,662,363**	122,724,609	125,034,606
Professional and directors' fees	**116,093,124**	61,059,591	62,323,136
Repairs and maintenance	**112,107,372**	110,548,597	67,321,569
Taxes and licenses	**99,062,966**	97,338,997	74,963,797
Transportation and travel	**47,423,428**	48,457,123	50,266,466
Insurance	**39,164,698**	37,216,181	26,822,760
Commissions	**36,770,113**	36,845,930	27,408,445
Security services	**32,682,075**	30,655,408	21,306,153
Communications	**16,229,822**	15,254,367	14,444,211
Association dues	**15,545,728**	13,926,186	8,624,847
Donation and contribution	**12,823,137**	12,152,600	14,742,214
Computer programming	**10,070,741**	10,104,655	3,838,143
Office supplies	**9,749,113**	11,722,874	18,472,462
Medical expenses	**7,744,160**	6,430,014	7,629,053
Meetings and conferences	**7,734,442**	7,434,728	7,611,742
Entertainment, amusement and recreation	**5,595,517**	8,091,840	5,030,562
Trainings	**4,551,059**	6,455,677	5,382,846
Others	**78,347,927**	68,453,925	48,689,949
	₱1,777,807,868	₱1,737,010,603	₱1,373,857,309

In 2024, 2023 and 2022, the Company paid bonus to its non-executive directors amounting to ₱14.7 million, ₱18.1 million, and ₱19.3 million respectively.

As approved in 2004, the directors are given bonus representing no more than 1.0% of previous year's net income of the Company.

22. Personnel Expenses

	2024	2023	2022
Salaries and wages	**₱607,137,258**	₱603,880,806	₱481,002,471
Social security premiums and other employee benefits	**52,266,422**	37,301,244	45,010,975
Pension costs (Notes 23 and 24)	**11,262,342**	14,511,904	14,690,747
	₱670,666,022	₱655,693,954	₱540,704,193

In 2024, 2023, and 2022, the Group declared and paid bonuses to its executive officers amounting to ₱83.5 million, ₱91.6 million and ₱78.8 million, respectively.

An annual bonus of no more than 3.0% of the preceding year's net income is given to executive officers of the Company as approved by the BOD in 2004.

23. Interest Income, Interest Expense and Other Income (Charges)

Interest income consists of:

	2024	2023	2022
Cash and cash equivalents (Note 8)	**₱60,700,360**	₱51,436,960	₱24,918,106
Notes receivable (Note 27)	**24,852,916**	19,331,002	15,393,943
Debt instruments (Notes 9 and 12)	**17,774,433**	20,742,464	25,807,800
Others	**939,213**	359,688	1,342,020
	₱104,266,922	₱91,870,114	₱67,461,869

Interest income on debt instruments is net of bond discount amortization amounting to (₱0.5 million), ₱0.8 million, and ₱0.3 million, in 2024, 2023 and 2022, respectively.

Interest expense arose from the following:

	2024	2023	2022
Long-term debt (Note 19)	**₱59,174,330**	₱58,597,678	₱1,943,829
Notes payable (Note 17)	**7,165,228**	–	–
Lease liabilities (Note 30)	**1,023,729**	1,637,027	2,379,491
Others	**2,042,419**	2,245,282	364,357
	₱69,405,706	₱62,479,987	₱4,687,677

Other income (charges) - net consists of:

	2024	2023	2022
Recovery of (provision for) impairment losses - net (Note 10)	**₱89,256,318**	(₱1,331,205)	(₱825,054)
Trading income	**25,821,642**	18,475,662	–
Recovery of impairment loss on investment properties (Note 15)	**24,812,188**	–	–
Fuel surcharge	**19,522,305**	14,954,000	–
Rental income (Notes 15 and 30)	**13,287,332**	13,718,182	13,228,239
Gain on disposal of PPE	**7,278,291**	1,227,513	(69,643)
Reimbursement	**2,433,500**	2,811,144	3,291,769
Retirement benefit income	**–**	–	1,321,427
Others - net	**9,183,373**	854,874	5,304,773
	₱191,594,949	₱50,710,170	₱22,251,511

24. Pension

The Group has funded defined benefit pension plans covering substantially all of its officers and employees. The benefits to be received by the officers and employees under the pension plans shall not be less than the minimum mandated retirement benefit plan under Republic Act (RA) No. 7641.

The funds are administered by trustee banks under the control and supervision of the Board of Trustees (BOT) of the pension plans, which is composed of the executive officers of the Company.

The Group contributes to the funds as required under accepted actuarial principles to maintain the plan in sound condition and reserves the right to discontinue, suspend or change the rate and amount of its contribution to the funds at any time.

Funding Policy

The Group contributes to the plans amounts (estimated by an actuary on the basis of reasonable actuarial assumptions) which are necessary to provide the defined benefits. No member is required to make any contribution to the plans. Contributions to the plans are determined using the projected unit credit method. Under this method, the current service cost is the present value of retirement benefits payable in the future in respect of services in the current period. The past service cost (PSC) is the present value of the units of benefits payable in the future in respect of services rendered prior to valuation date.

The Group's management performs an Asset-Liability Matching Study annually. The overall investment policy and strategy of the Group's defined benefit plans is guided by the objective of achieving an investment return which, together with contributions, ensures that there will be sufficient assets to pay pension benefits as they fall due while also mitigating the various risks of the plans.

As at December 31, 2024 and 2023, the Company's defined benefit retirement fund (the Fund) has investments in shares of stock of the Company with a cost of ₱413.6 million. The fair value of the shares of stock amounted to ₱871.3 million and ₱742.6 million as at December 31, 2024 and 2023, respectively.

All of the fund's investing decisions are made by the BOT of the pension plans. The retirement benefit fund's gain arising from the net changes in market prices amounted to ₱113.12 million and ₱146.72 million in 2024 and 2023, respectively.

The following tables summarize the components of net benefit expense recognized in the consolidated profit or loss and the fund status and amounts recognized in the consolidated statements of financial position.

	2024	2023	2022
Retirement benefit cost:			
Current service cost	**₱20,070,908**	₱19,687,831	₱19,185,398
Net interest income	**(8,808,566)**	(5,175,927)	(4,494,651)
Net benefit expense (Notes 22 and 23)	**₱11,262,342**	₱14,511,904	₱14,690,747
Actual return on plan assets	**₱186,196,854**	₱250,281,932	₱107,014,499

Changes in net retirement plan asset are as follows:

	2024	2023	2022
Net retirement plan assets, beginning	**₱179,367,643**	₱122,351,083	₱147,141,624
Current service cost	**(6,098,228)**	(7,036,429)	(9,314,406)
Net interest income	**9,720,068**	6,776,901	6,681,667
	3,621,840	(259,528)	(2,632,739)
Actuarial changes arising from:			
Changes in financial assumptions	**(18,922,987)**	(5,304,655)	(13,603,079)
Experience adjustments	**(38,038,138)**	15,654,040	26,120,992
Changes in the effect of asset ceiling	**5,824,919**	(164,334,396)	(124,421,947)
Remeasurement of plan assets	**120,188,983**	203,537,923	81,047,994
Changes in demographic adjustments	**–**	–	836,842
	69,052,777	49,552,912	(30,019,198)
Contributions	**7,723,176**	7,723,176	8,219,373
Transfer to net retirement payable	**–**	–	(357,977)
Net retirement plan assets, end	**₱259,765,436**	₱179,367,643	₱122,351,083

Changes in net retirement benefits payable are as follows:

	2024	2023	2022
Net retirement benefits payable, beginning	**(₱22,609,622)**	(₱39,931,355)	(₱48,147,054)
Current service cost	**(13,972,680)**	(12,651,402)	(9,870,992)
Net interest cost	**(911,502)**	(1,600,974)	(2,187,016)
	(14,884,182)	(14,252,376)	(12,058,008)
Actuarial changes arising from:			
Changes in financial assumptions	**(4,894,841)**	(3,177,929)	12,435,292
Experience adjustments	**(6,373,422)**	615,651	(3,206,968)
Remeasurement of plan assets	**2,514,376**	(7,293,180)	(7,128,106)
Changes in demographic adjustments	**–**	–	–
Changes in the effect of asset ceiling	**–**	31,525	–
	(8,753,887)	(9,823,933)	2,100,218
Contribution	**22,393,428**	41,398,042	17,815,512
Transfer from net retirement assets	**–**	–	357,977
Benefits paid from book reserve	**4,503,485**	–	–
Net retirement benefits payable, end	**(₱19,350,778)**	(₱22,609,622)	(₱39,931,355)

Changes in the present value of defined benefit obligation:

	2024	2023
Defined benefit obligation, beginning	**₱491,396,056**	₱505,613,269
Current service cost	**20,094,723**	14,511,904
Interest cost	**29,683,325**	33,153,794
Remeasurement in other comprehensive income:		
Actuarial gain- experience adjustments	**43,614,505**	5,359,922
Actuarial gain (loss) - changes in financial assumptions	**23,501,711**	7,730,675
Actuarial gain (loss) - changes in demographic assumptions	**–**	(15,654,040)
Benefits paid from plan assets	**(49,908,982)**	(59,319,468)
Benefits paid directly from book reserve	**(4,503,485)**	–
Defined benefit obligation, ending	**₱553,877,853**	₱491,396,056

Changes in the fair value of plan assets:

	2024	2023
Fair value of plan assets, beginning	**₱1,082,279,381**	₱839,922,864
Interest income	**64,590,569**	52,522,161
Contributions	**30,116,576**	47,841,494
Remeasurement gain	**121,606,285**	196,244,743
Business combinations/disposals	**–**	5,067,587
Benefits paid from plan assets	**(49,908,982)**	(59,319,468)
Fair value of plan assets, ending	**₱1,248,683,829**	₱1,082,279,381

Changes in the effect of asset ceiling:

	2024	2023
Beginning balance	**₱434,120,660**	₱252,889,704
Changes in the effect of asset ceiling	**5,824,919**	(164,334,396)
Interest on the effect of asset ceiling	**26,079,506**	345,565,352
Ending balance	**₱466,025,085**	₱434,120,660

The fair value of plan assets as at December 31 are as follows:

	2024	2023
Debt instruments	**₱344,967,038**	₱353,220,657
Equity instruments	**802,279,100**	653,897,385
Unit investment trust funds	**68,865,618**	67,329,763
Cash and cash equivalents	**30,648,125**	7,657,238
Others	**1,923,948**	174,338
	₱1,248,683,829	₱1,082,279,381

The financial instruments with quoted prices in active market amounted to ₱506.7 million and ₱616.4 million as at December 31, 2024 and 2023, respectively. The remaining plan assets do not have quoted market prices in active market.

The plan assets have diverse investments and do not have any concentration risk.

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation of retirement plan asset of the Parent Company as of the end of the reporting period, assuming all other assumptions were held constant:

2024	**Change in Rates**	**Effect on Present Value of Defined Benefit Obligation Increase (Decrease)**
Discount rates	**+100 bps**	**(₱10,384,795)**
	-100 bps	**11,501,226**
Future salary increases	**+100 bps**	**11,235,871**
	-100 bps	**(10,349,561)**

2023	Change in Rates	Effect on Present Value of Defined Benefit Obligation Increase (Decrease)
Discount rates	+100 bps	(₱7,824,053)
	-100 bps	9,103,344
Future salary increases	+100 bps	10,835,390
	-100 bps	(9,704,310)

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation of the retirement plan liabilities of the subsidiaries as of the end of the reporting period, assuming all other assumptions were held constant:

2024	**Change in Rates**	**Effect on Present Value of Defined Benefit Obligation Increase (Decrease)**
Discount rates	**+100 bps**	**(₱11,595,353)**
	-100 bps	**13,067,692**
Future salary increases	**+100 bps**	**13,213,567**
	-100 bps	**(11,925,166)**

2023	Change in Rates	Effect on Present Value of Defined Benefit Obligation Increase (Decrease)
Discount rates	+100 bps	(₱8,667,448)
	-100 bps	9,520,264
Future salary increases	+100 bps	9,547,139
	-100 bps	(8,850,312)

The Group expects to make contributions amounting to ₱22.24 million to its defined benefit pension plans in 2024.

The principal assumptions used in determining pension benefit obligations for the Group's plans are shown below:

	2024	2023
Discount rate	**6.07% to 6.13%**	6.01% to 6.10%
Future salary increases	**3.00% to 5.90%**	3.00% to 5.00%

The weighted average duration of the defined benefit obligation as at December 31, 2024 and 2023 ranges from 3.3 to 5.9 years and 2.8 to 5.9 years, respectively.

Shown below is the maturity analysis of the expected future benefit payments as at December 31, 2024:

Year	Amount
2025	₱269,156,611
2026	23,909,690
2027	81,401,899
2028	26,082,954
2029	37,804,384
2030 to 2034	257,261,810

There were no changes from the previous period in the method and assumptions used in preparing the sensitivity analysis.

25. Income Taxes

The provision for income tax consists of:

	2024	2023	2022
Current	**₱322,536,161**	₱308,322,710	₱338,153,898
Deferred	**57,131,010**	59,677,335	(95,998,699)
	₱379,667,171	₱368,000,045	₱242,155,199

As at December 31, 2024 and 2023, tax credits or refunds included in "other current assets" amounted to ₱325.7 million and ₱253.4 million, respectively.

The components of the net deferred income tax assets (liabilities) are as follows:

	2024		2023	
	Net Deferred Income Tax Assets(1)	**Net Deferred Income Tax (Liabilities)(2)**	Net Deferred Income Tax Assets(1)	Net Deferred Income Tax (Liabilities)(2)
Recognized in the consolidated profit or loss:				
Deferred income tax assets on:				
Allowance for expected credit losses	**₱44,584,149**	**₱–**	₱66,809,534	₱–
Allowance for inventory obsolescence and losses	**20,712,937**	–	23,134,206	–
Net retirement benefits payable	**9,214,403**	–	13,284,792	–
Unamortized past service cost	**9,569,144**	–	9,162,158	–
MCIT	**1,807,699**	–	1,807,699	–
NOLCO	–	–	1,804,960	–
Unrealized foreign exchange loss	**22,616**	–	155,902	–
Others	**9,748,820**	–	10,713,715	–
	95,659,768	–	126,872,966	–

(Forward)

	2024		2023	
	Net Deferred Income Tax Assets[(1)]	**Net Deferred Income Tax (Liabilities)[(2)]**	Net Deferred Income Tax Assets[(1)]	Net Deferred Income Tax (Liabilities)[(2)]
Deferred income tax liabilities on:				
Unrealized foreign exchange gains	**–**	**(30,954,925)**	(1,002,517)	(18,340,643)
Net retirement plan assets	**–**	**(13,560,725)**	–	(9,598,592)
Fair value adjustment on equity investments	**–**	**(274,419,799)**	–	(284,431,074)
Market adjustment on FVPL investments	**(728,193)**	**(169,025,021)**	(745,335)	(145,750,693)
	(728,193)	**(487,960,470)**	(1,747,852)	(458,121,002)
	94,931,575	**(487,960,470)**	125,125,114	(458,121,002)
Recognized in other comprehensive income:				
Deferred income tax assets (liabilities) on:				
Unrealized valuation gains on FVOCI investments	**–**	**(93,518)**	–	(201,873)
Cumulative actuarial gains	**(9,608,706)**	**(51,380,634)**	(6,883,930)	(35,243,319)
	(9,608,706)	**(51,474,152)**	(6,883,930)	(35,445,192)
	₱85,322,869	**(₱539,434,622)**	₱118,241,184	(₱493,566,194)

(1) *Pertain to SSRLI, ASAC, PDP and AHI.*
(2) *Pertain to Anscor and Anscorcon.*

The following are the deductible temporary differences and carryforward benefits for which no deferred income tax assets were recognized as future realizability of these deferred income tax assets is not probable:

	2024	2023
Deductible temporary differences on:		
Allowances for:		
Impairment losses	**₱1,040,969,632**	₱1,040,969,632
Expected credit losses	**567,537,073**	567,537,073
Accrued pension benefits and others	**–**	65,361
Carryforward benefits of:		
NOLCO	**59,984,327**	219,513,310
MCIT	**296,340**	5,016,267
Others	**–**	217,612

On March 26, 2021, the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was signed into law to attract more investments and maintain fiscal prudence and stability in the Philippines. Republic Act (RA) 11534 or the CREATE Act introduces reforms to the corporate income tax and incentives systems. It takes effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation or April 11, 2021.

The following are the key changes to the Philippine tax law pursuant to the CREATE Act which have an impact on the Group:

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30% to 25% for domestic corporations.
- For domestic corporations with net taxable income not exceeding ₱5.0 million and with total assets not exceeding ₱100.0 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%.
- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2020 to June 30, 2023.
- Imposition of improperly accumulated earnings tax of 10% is repealed.

The reconciliation of provision for income tax computed at the statutory income tax rate with the provision for income tax is as follows:

	2024	2023	2022
Provision for income tax at statutory tax rates	**₱1,293,620,791**	₱754,298,933	₱774,549,289
Additions to (reductions from) income taxes resulting from:			
Increase in market values of marketable equity securities and other investments subjected to final tax	**(708,513,391)**	(301,244,721)	(145,941,385)
Dividend income not subject to income tax	**(87,082,920)**	(93,290,258)	(66,751,373)
Nontaxable income	**(83,901,461)**	–	(493,648,900)
Income tax at 5% GIT	**(34,023,959)**	(4,012,024)	(33,624,145)
Equity in net earnings of associates not subject to income tax	**(8,459,307)**	(2,185,689)	(6,659,881)
Interest income already subjected to final tax	**(6,809,251)**	(4,020,168)	(123,402)
Movement in unrecognized deferred income tax assets	**(2,036,189)**	(2,678,391)	191,691,568
Change in income tax rate	**–**	782,393	–
Others	**16,872,858**	20,349,970	22,663,428
	₱379,667,171	₱368,000,045	₱242,155,199

The Group has available NOLCO and MCIT which can be claimed as deduction from taxable income and as credit against income tax due, respectively, as follows:

NOLCO

Period of Recognition	**Availment Period**	**Beginning of the year**	**Additions**	**Applied**	**Expired**	**End of the year**
2020	2021-2025	₱18,823,962	₱–	(₱558,520)	₱–	**₱18,265,442**
2021	2022-2026	10,987,867	–	–	–	**10,987,867**
2022	2023-2025	17,928,564	–	–		**17,928,564**
2023	2024-2026	171,772,917	–	(159,284,058)	–	**12,488,859**
2024	2025-2027	–	313,595	–	–	**313,595**
		₱219,513,310	**₱313,595**	**(₱159,842,578)**	**₱–**	**₱59,984,327**

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover As One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss. Hence, the incurred NOLCO of the Group in taxable year 2020 and 2021 can be claimed as deduction from the regular taxable income from taxable years 2021 to 2025 and taxable years 2022 to 2026, respectively, in pursuant to the Bayanihan to Recover As One Act.

MCIT

Period of Recognition	**Availment Period**	**Beginning of the year**	**Additions**	**Applied**	**Expired**	**End of the year**
2021	2022-2024	₱497,520	₱	(₱461,175)	(₱36,345)	**₱–**
2022	2023-2025	2,556,521	–	(2,507,589)	–	**48,932**
2023	2024-2026	3,769,925	–	(1,915,976)	–	**1,853,949**
2024	2025-2027	–	201,158	–	–	**201,158**
		₱6,823,966	**₱201,158**	**(₱4,884,740)**	**(₱36,345)**	**₱2,104,039**

26. Earnings Per Share - Basic / Diluted

Earnings per share - basic / diluted were computed as follows:

	2024	2023	2022
Net income attributable to equity holders of the Parent	**₱4,681,330,337**	₱2,552,017,982	₱2,800,557,660
Total comprehensive income attributable to equity holders of the Parent	**₱4,816,642,676**	₱2,573,853,450	₱2,728,710,414
Weighted average number of shares	**1,227,570,239**	1,227,570,239	1,227,570,239
Earnings Per Share			
Basic/diluted, for net income attributable to equity holders of the Parent	**₱3.81**	₱2.08	₱2.28
Basic/diluted, for comprehensive income attributable to equity holders of the Parent	**₱3.92**	₱2.10	₱2.22

The Company does not have potentially dilutive common stock equivalents in 2024, 2023 and 2022.

27. Related Party Transactions

Related party relationship exists when the party has the ability to control, directly or indirectly, through one or more intermediaries, or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity and its key management personnel, directors or stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

All related party transactions exceeding ₱5.0 million in a single transaction or in aggregate transactions within the last 12 months are disclosed to and evaluated by the Related Party Transaction Committee for approval by at least majority of the BOD.

All material related party transactions, representing 10% or more of the consolidated total assets of the Group, shall be approved by at least two-thirds (2/3) vote of the BOD, with at least majority of the independent directors voting to approve the material related party transactions. These transactions shall be disclosed with the SEC.

In the normal course of business and in addition to those disclosed in Notes 13 and 30, the Group grants/ receives cash advances to/from its associates and affiliates. Related Party transactions are generally settled through cash.

Compensation of the Group's key management personnel (in millions):

	2024	2023	2022
Short-term employee benefits (Notes 21 and 22)	**₱200.9**	₱186.9	₱152.2
Retirement benefits (Notes 21, 22 and 24)	**12.2**	5.1	4.4
Total	**₱213.1**	₱192.0	₱156.6

On March 29, 2023, PDPI sold and issued shares to a key officer representing 3% of its outstanding shares of stock for ₱35.6 million. At date of sale, the Group recognized the corresponding NCI and the related adjustment as a charge against the Additional Paid-in Capital in the consolidated financial statements amounting to ₱135.0 million.

On November 4, 2019, the Company granted a five-year loan amounting to ₱363.5 million to A. Soriano Corporation Retirement Plan (the Retirement Plan) at 5% interest per annum. The loan is secured by the Company's shares of stock held by the Retirement Plan with a fair value of ₱766.1 million and ₱652.9 million as at December 31, 2024 and 2023, respectively. On February 28, 2024, the loan term was extended for another nine years effective November 3, 2024.

The balance of the loan, which is presented as "Notes receivable" in the consolidated statements of financial position, amounted to ₱160.7 million and ₱198.8 million as at December 31, 2024 and 2023, respectively.

On August 10, 2023, the Company entered into an agreement with AIMP for ₱218.0 million convertible note ("Note"), with gross interest rate of 8% per annum. The principal is payable on the third year anniversary of the Note issuance, while the interest is payable monthly. The Notes are convertible on or after the occurrence of an event of default. As at December 31, 2024 there has been no event of default and the Company intends to hold the Note until maturity. Accordingly, the Note was included under "Notes receivable" and accounted for at amortized cost.

28. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash and cash equivalents, receivables, investments in debt instruments, quoted and unquoted equity securities, investments in mutual and hedge funds, and short-term and long-term bank loans. The Group's other financial instruments include accounts payable, lease liabilities and dividends payable and amounts due to affiliates, which arose directly from operations.

The Company's investment objectives consist mainly of:

a) maintaining a bond portfolio that earns adequate cash yields, and
b) maintaining a stable equity portfolio that generates capital gains through a combination of long-term strategic investments and short-term to medium-term hold type investment.

The main risks arising from the use of these financial instruments are credit risk, liquidity risk, interest rate risk, equity price risk, price risk of mutual funds, foreign currency risk, copper rod price risk, and operating and regulatory risks. These risks are monitored by the Company's Investment Committee (the Committee).

The Committee evaluates the performance of all investments and reviews fund allocation to determine the future strategy of the fund. The Committee is composed of the Company's Chairman, Vice Chairman, President and Chief Operating Officer, and former Chief Finance Officer, Treasurer and Corporate Development Officer, and an independent consultant. The Committee meets at least every quarter for the review and evaluation. The BOD reviews and approves the Company's risk management policies. The Company's policies for managing each of these risks are summarized below.

Credit risk
The Group is exposed to credit risk primarily because of its investing and operating activities. Credit risk losses may occur as a result of either an individual, counterparty or issuer being unable to or unwilling to honor its contractual obligations. The Group is exposed to credit risk arising from default of the counterparties (i.e., foreign and local currency denominated debt instruments and receivables) to its financial assets. The Group does not have a counterparty that accounts for more than 10% of the consolidated revenue.

Credit risk management
In managing credit risk on these investments, capital preservation is paramount. The Group transacts only with recognized and creditworthy counterparties. Investments in bonds are invested in highly recommended, creditworthy debt instruments that provides satisfactory interest yield.

Credit risk exposures
The table below shows the gross maximum exposure for each class of financial assets before the effects of collateral, credit enhancements and other credit risk mitigation techniques:

	2024	2023
Cash in banks	**₱1,334,818,959**	₱1,138,681,881
Cash equivalents	**2,025,615,610**	1,980,190,629
FVPL investments - bonds	**14,988,363**	147,453,547
FVOCI investments - bonds	**15,599,929**	57,636,746
Advances	**566,406,391**	566,637,017
	3,957,429,252	3,890,599,820
Receivables:		
Trade	**2,462,263,680**	2,262,546,217
Notes receivable	**388,102,184**	416,774,404
Receivable from villa owners	**22,258,171**	77,279,674
Interest receivable	**14,697,041**	12,744,830
Others	**14,529,542**	29,418,074
	2,901,850,618	2,798,763,199
	₱6,859,279,870	₱6,689,363,019

Credit quality per class of financial assets
For the Group's financial assets, credit quality is monitored and managed using internal credit ratings. Internal risk ratings are derived in accordance with the Group's rating policy.

Trade receivables
An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix.

		Days Past Due But Not Impaired					
December 31, 2024	**Current**	**Less than 30 days**	**31 to 60 days**	**61 to 90 days**	**91 to 120 days**	**More than 120 days**	**Total**
Expected credit loss rate	**0%**	**0%**	**0%-0.01%**	**0%-0.84%**	**0%--48.82%**	**0%--100%**	
Estimated total gross carrying amount at default	**₱7,755,798**	**₱1,870,823,645**	**₱306,212,853**	**₱41,142,533**	**₱220,529,044**	**₱15,799,807**	**₱2,462,263,680**
Expected credit loss	**₱–**	**₱44,750**	**₱19,654**	**₱343,628**	**₱107,657,173**	**₱15,799,807**	**₱123,865,012**

		Days Past Due But Not Impaired					
December 31, 2023	Current	Less than 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 120 days	Total
Expected credit loss rate	0%	0% - 0.02%	0%- 0.20%	0%-0.47%	0% - 96.35%	0%-98.91%	
Estimated total gross carrying amount at default	₱1,402,081,696	₱392,216,755	₱163,807,399	₱24,709,838	₱23,488,179	₱256,242,350	₱2,262,546,217
Expected credit loss	₱–	₱54,167	₱250,751	₱90,690	₱17,912,308	₱194,813,414	₱213,121,330

Other financial assets
Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Group invests only on quoted debt securities with very low credit risk. The Group's debt instruments at fair value through OCI comprised solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the Good Credit Rating Agency and, therefore, are considered to be low credit risk investments.

The tables below present the summary of the Group's exposure to credit risk as of December 31 and show the credit quality of the assets by indicating whether the assets are subjected to the 12-month ECL or lifetime ECL.

2024	**12-month ECL**	**Lifetime ECL Not Credit Impaired**	**Lifetime ECL Credit Impaired**	**Total**
Cash in banks	**₱1,334,818,959**	**₱–**	**₱–**	**₱1,334,818,959**
Cash equivalents	**2,025,615,610**	**–**	**–**	**2,025,615,610**
FVOCI investments	**15,599,929**	**–**	**–**	**15,599,929**
Receivables:				
Notes receivable	**388,102,184**	**–**	**–**	**388,102,184**
Receivable from villa owners	**22,258,171**	**–**	**–**	**22,258,171**
Interest receivable	**14,105,946**	**–**	**591,095**	**14,697,041**
Others	**13,530,319**	**–**	**999,223**	**14,529,542**
Advances	**1,606,391**	**–**	**564,800,000**	**566,406,391**
	₱3,815,637,509	**₱–**	**₱566,390,318**	**₱4,382,027,827**

2023	12-month ECL	Lifetime ECL Not Credit Impaired	Lifetime ECL Credit Impaired	Total
Cash in banks	₱ 1,138,681,881	₱–	₱–	₱ 1,138,681,881
Cash equivalents	1,980,190,629	–	–	1,980,190,629
FVOCI investments	57,636,746	–	–	57,636,746
Receivables:				
Notes receivable	416,774,404	–	–	416,774,404
Receivable from villa owners	77,279,674	–	–	77,279,674
Interest receivable	12,153,735	–	591,095	12,744,830
Others	28,418,851	–	999,223	29,418,074
Advances	1,837,017	–	564,800,000	566,637,017
	₱ 3,712,972,937	₱–	₱566,390,318	₱4,279,363,255

Liquidity risk
Liquidity risk is defined as the risk that the Group may not be able to settle or meet its obligations as they fall due. Aside from yielding good returns, the Group ensures investments have ample liquidity to finance operations and capital requirements. Short-term bank loans are secured to fill in temporary mismatch of funds for new investments.

Where applicable, long-term debt or equity are used for financing when the business requirement calls for it to ensure adequate liquidity in the subsidiaries and affiliates' operation.

The Group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when they are due. This is done by primarily investing in highly liquid investments.

The tables below summarize the maturity profile of the Group's financial liabilities based on undiscounted contractual payments as well as the financial assets used for liquidity management.

December 31, 2024	Within 6 Months	Over 6 to 12 Months	Over 1 Year to 5 Years	Over 5 Years	Total
Cash on hand and in banks	**₱1,334,818,959**	**₱–**	**₱–**	**₱–**	**₱1,334,818,959**
Cash equivalents	**2,025,615,610**	**–**	**–**	**–**	**2,025,615,610**
FVPL investments - bonds	**–**	**–**	**14,988,363**	**–**	**14,988,363**
FVOCI investments - bonds	**–**	**–**	**15,599,929**	**–**	**15,599,929**
Receivables*	**2,515,548,995**	**–**	**388,102,184**	**–**	**2,903,651,179**
	₱5,875,983,564	**₱–**	**₱418,690,476**	**₱–**	**₱6,294,674,040**
Accounts payable and accrued expenses**	**₱1,200,447,386**	**₱–**	**₱–**	**₱–**	**₱1,200,447,386**
Lease liabilities	**–**	**8,850,347**	**28,969,736**	**–**	**37,820,083**
Long-term debt	**56,960,227**	**46,647,727**	**466,477,272**	**209,914,774**	**780,000,000**
Dividends payable	**608,871,295**	**–**	**–**	**–**	**608,871,295**
	₱1,866,278,908	**₱55,498,074**	**₱495,447,008**	**₱209,914,774**	**₱2,627,138,764**

**Including notes receivable amounting to million ₱388.1 million.*
*** Excluding non-financial liabilities amounting to ₱77.5 million*

December 31, 2023	Within 6 Months	Over 6 to 12 Months	Over 1 Year to 5 Years	Over 5 Years	Total
Cash on hand and in banks	₱1,138,681,881	₱–	₱–	₱–	₱1,138,681,881
Cash equivalents	1,980,190,629	–	–	–	1,980,190,629
FVPL investments - bonds	–	–	14,515,661	132,937,886	147,453,547
FVOCI investments - bonds	–	–	29,622,064	28,014,682	57,636,746
Receivables*	2,381,988,795	–	416,774,404	–	2,798,763,199
	₱5,500,861,305	₱–	₱460,912,129	₱160,952,568	₱6,122,726,002
Accounts payable and accrued expenses**	₱1,050,502,126	₱–	₱–	₱–	₱1,050,502,126
Lease liabilities	–	17,152,948	36,906,578	–	54,059,526
Long-term debt	–	–	484,848,485	515,151,515	1,000,000,000
Dividends payable	570,375,761	–	–	–	570,375,761
	₱1,620,877,887	₱17,152,948	₱521,755,063	₱515,151,515	₱2,674,937,413

** Including notes receivable amounting to ₱245.8 million.*
1 million.

Accounts payable and accrued expenses, dividend payable, lease liabilities, notes payable and current portion of long-term debt are expected to be settled using cash to be generated from operations and drawing from existing lines of credits or liquidity reserves.

Market risks
Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is the risk coming from adverse movements in factors that affect the market value of financial instruments of the Group. The Group is exposed primarily to the financial risks of changes in interest rates, equity price risk, price risk of mutual funds, foreign currency risk, copper rod price risk and operating and regulatory risk..

Investments exposed to market risk are foreign and local currency-denominated quoted debt instruments, foreign and local-currency denominated equity instruments and mutual fund/hedge fund investments.

There has been no change to the Group's manner in managing and measuring the risk.

a. Interest rate risks

Cash flow interest rate risk
Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The following table demonstrates management's best estimate of the sensitivity to reasonably possible change in interest rates, with all other variables held constant:

Floating Debt Instrument	Change in Interest Rates [in Basis Points (bps)]	Effect on Income Before Tax and Equity Increase (Decrease) (in millions)
2024	**+3.77**	**₱1.9**
2023	+0.21	₱2.1

The sensitivity analysis shows the effect on the consolidated profit or loss of assumed changes in interest rates on the net interest income for one year, based on the floating rate of financial assets and financial liabilities held as at December 31, 2024 and 2023. There is no other impact on equity other than those affecting profit or loss.

Fair value interest rate risk
Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group accounts for its quoted debt instruments at fair value. Changes in benchmark interest rate will cause changes in the fair value of quoted debt instruments.

The tables below show the impact on income before income tax and equity of the estimated future bond yields using a duration-based sensitivity approach. Items affecting profit or loss are bonds classified as FVPL and items affecting equity account are bonds classified as FVOCI. The impact of change in interest rates are as follows (in millions):

	Change in	**Increase (Decrease)**	
2024	**Interest Rates (in bps)**	**Effect on Income Before Tax**	**Effect on Equity**
FVOCI investments	**+100**	**₱–**	**(₱1.93)**
	-100	**–**	**(2.05)**
FVPL investments	**+100**	**(₱1.30)**	**₱–**
	-100	**1.38**	**–**

	Change in	Increase (Decrease)	
2023	Interest Rates (in bps)	Effect on Income Before Tax	Effect on Equity
FVOCI investments	+100	₱–	(₱1.93)
	-100	–	(2.05)
FVPL investments	+100	(₱1.30)	₱–
	-100	1.38	–

b. Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of the equity indices and the values of individual stock. The equity price risk exposure arises from the Group's investment in stock listed in the PSE, NASDAQ and NYSE.

The sensitivity analysis assumes that the stock's standard deviation on its historical returns for the past one year provides the basis for the range of reasonably possible changes in prices of the stock investments. In establishing the relative range of the stock investment returns, the Group also assumes a 99% confidence level.

The table below shows the impact on income before income tax and equity of the estimated future return of the stock investments using a Beta-based sensitivity approach.

The impact of the change in equity prices are as follows (in millions):

FVPL Investments	Change in PSE Price Index	Effect on Income Before Tax and Equity Increase (Decrease)
2024	**+15.31%**	**₱965.15**
	-15.31%	**(965.15)**
2023	+14.75%	₱942.29
	-14.75%	(942.29)

The annual standard deviation of the PSE price index is approximately with 15.31% and 35.61% and with 99% confidence level, the possible change in PSE price index could be +/-15.31% and +/-14.75% in 2024 and 2023, respectively.

c. Price risk of mutual funds

The Group is exposed to the risk of changes in the fund's net asset value (NAV) due to its market risk exposures.

The sensitivity analysis demonstrates management's best estimate of the impact of reasonably possible change in NAV, with all other variables held constant.

The table below shows the impact on income before income tax and equity of assumed changes in NAV. A negative amount in the table reflects a potential reduction on income before income tax or equity while a positive amount reflects a potential increase on income before income tax or equity.

The impact of the change in mutual fund prices are as follows (in millions):

Mutual Funds	Change in NAV	Effect on Income Before Tax and Equity Increase (Decrease)
2024	**+10.00%**	**₱206.12**
	-10.00%	**(206.12)**
2023	+10.00%	₱259.19
	-10.00%	(259.19)

d. Foreign currency risks

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. The Group's exposure arises primarily from investments in foreign currency-denominated debt investments and equity securities.

The Company and a subsidiary's foreign exchange risk arises primarily from investments in foreign currency - denominated debt and equity securities. To minimize income volatility due to exchange rate movements, liquid investments are held in a basket of currencies, including Philippine peso and other major currencies such as U.S. dollar, Australian dollar and Japanese Yen. This also enables the Company and a subsidiary to access investment opportunities in those currencies.

On borrowings, it is the Company's group-wide policy for its subsidiaries to minimize any foreign exchange risks. Thus, all borrowings, whether short-term or long-term, in general, should be in Philippine peso. Any foreign currency borrowings may be engaged only if matched by the entities' corresponding currency revenue flows or by a foreign currency asset. As such, PRI and SSRLI can borrow in U.S. dollar as their revenues are dollar-based. It is also the policy of the Group to minimize any foreign exchange exposure in its management of payables. Any substantial exposure is covered by foreign exchange contracts, if necessary.

The analysis discloses management's best estimates of the effect of reasonably possible movement of the currency rate against the Philippine peso on income before tax. It assumes that all other variables remain constant.

The impact of the change in currency rates are as follows (in millions):

US Dollar	Change in Currency Rate	Effect on Income Before Tax and Equity Increase (Decrease)
2024	**+4.76%**	**₱20.19**
	-4.76%	**(20.19)**
2023	+7.80%	₱412.15
	-7.80%	(412.15)

e. Copper rod price risk

The PDP Group uses copper rods in the manufacturing of its products. Copper rods component represents a significant portion of the cost of each unit produced. Average monthly purchase of copper rods amounted to ₱410.0 million, with an average quantity of about 733 metric tons in 2024 and ₱516.9 million, with an average quantity of about 1,103 metric tons in 2023.

Copper rods are priced based on the London Metal Exchange prices and are affected by the volatility in the price of metal in the world market. The following table represents the effect on income before tax and equity of the reasonably possible change in metal prices, as they affect prices of copper rods, with all other variables held constant.

The impact of the change in copper prices are as follows (in millions):

	% Change in Copper Rod Prices	Effect on Income Before Income Tax and Equity Increase (Decrease)
2024	**+4.33**	**(₱53.8)**
	-4.33	**53.8**
2023	+4.83	(₱53.4)
	-4.83	53.4

PDP Group's exposure to price risk on copper rod purchases is managed through back-to-back purchase of rods versus sales orders, average pricing on the firm orders like automobile wire products with long-term contracts and obtaining orders from contractors with a fixed price or locked-in contracts with a specified period.

Capital management
The primary objective of the Group's capital management is to ensure an adequate return to its shareholders and to maximize its value to its shareholders. In pursuance of this goal, the Group establishes an optimum risk-return investment objectives through a sound diversified investment portfolio and in ensuring a fair credit rating, the Group establishes prudent financial policies through appropriate capitalization ratios in its investments and maintain reasonable liquidity.

The Group monitors capital on the basis of the carrying amount of equity as presented on the face of the consolidated statements of financial position.

No changes were made in the objectives, policies or process for the years ended December 31, 2024, 2023 and 2022.

29. Financial Instruments

Categorization of Financial Instruments

December 31, 2024	**At Amortized Cost**	**Financial Assets at FVPL**	**Financial Assets at FVOCI**	**Total**
Cash and cash equivalents	**₱3,437,652,253**	**₱–**	**₱–**	**₱3,437,652,253**
FVPL investments	**–**	**15,413,782,486**	**–**	**15,413,782,486**
FVOCI investments	**–**	**–**	**15,599,929**	**15,599,929**
Receivables*	**2,776,395,288**	**–**	**–**	**2,776,395,288**
	₱6,214,047,541	**₱15,413,782,486**	**₱15,599,929**	**₱21,643,429,956**

**Including notes receivable amounting to ₱388.1 million.*

December 31, 2023	At Amortized Cost	Financial Assets at FVPL	Financial Assets at FVOCI	Total
Cash and cash equivalents	₱3,027,406,563	₱–	₱–	₱3,027,406,563
FVPL investments	–	13,186,171,800	–	13,186,171,800
FVOCI investments	–	–	57,636,746	57,636,746
Receivables*	2,584,051,551	–	–	2,584,051,551
	₱5,611,458,114	₱13,186,171,800	₱57,636,746	₱18,855,266,660

**Including notes receivable amounting to ₱416.7 million.*

Fair Values of Financial Assets and Financial Liabilities
The carrying amounts of cash and cash equivalents, receivables, notes payable, dividends payable, current portion of lease liabilities and accounts payable and accrued expenses approximate their respective fair values due to the short-term maturity of these financial instruments.

The carrying value of long-term debt, which have floating rates with quarterly repricing, approximate its fair value.

FVPL and FVOCI investments are carried at fair value. The following methods and assumptions were used to estimate the fair values:

- FVPL quoted equity shares, investments in bonds, funds and equities, proprietary shares and others - derived from quoted market prices in active markets.

- FVOCI investments in bonds - derived from quoted market prices in active markets.

- FVPL investment in KSA - based on the discounted cash flow (DCF) model (income approach). The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows (from dividends), the discount rate, and growth rate. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for this unquoted equity investment.

- FVPL investments in private equity funds are valued using the adjusted net asset method. The underlying investments under these private equity funds are carried at fair value. Other FVPL investments in unquoted equity shares are based on prices and other relevant information generated by market transactions involving identical and comparable assets, liabilities or a group of assets and liabilities, such as business. The valuation requires management to use market multiples derived from a set of comparables. Multiples might be in ranges with a different multiple for each comparable. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors specific to the measurement.

The following tables provide the Group's fair value measurement hierarchy of its assets:

		Fair Value Measurement Using		
December 31, 2024	**Total**	**Quoted Prices in Active Markets (Level 1)**	**Significant Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
FVPL investments:				
Quoted equity shares	**₱8,919,134,137**	**₱8,919,134,137**	**₱–**	**₱–**
Unquoted equity shares	**3,017,634,315**	**–**	**2,290,199,037**	**727,435,278**
Funds and equities	**2,630,687,442**	**–**	**2,630,687,442**	**–**
Proprietary shares	**824,857,073**	**–**	**824,857,073**	**–**
Bonds	**14,988,363**	**14,988,363**	**–**	**–**
Others	**6,481,156**	**6,481,156**	**–**	**–**
	15,413,782,486	**8,940,603,656**	**5,745,743,552**	**727,435,278**
FVOCI investments	**15,599,929**	**15,599,929**	**–**	**–**
	₱15,429,382,415	**₱8,956,203,585**	**₱5,745,743,552**	**₱727,435,278**

		Fair Value Measurement Using		
December 31, 2023	Total	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FVPL investments:				
Quoted equity shares	₱6,935,052,194	₱6,935,052,194	₱–	₱–
Unquoted equity shares	2,921,429,748	–	1,993,994,470	927,435,278
Funds and equities	2,459,415,391	–	2,459,415,391	–
Proprietary shares	625,177,073	–	625,177,073	–
Bonds	147,453,547	147,453,547	–	–
Others	5,710,400	5,710,400	–	–
	13,094,238,353	7,088,216,141	5,078,586,934	927,435,278
FVOCI investments	57,636,746	57,636,746	–	–
	₱13,151,875,099	₱7,145,852,887	₱5,078,586,934	₱927,435,278

Description of significant unobservable inputs to valuation of investment in KSA classified under Level 3 (amounts in millions):

2024:

	Valuation Technique	**Significant Unobservable inputs**	**Range**	**Sensitivity of Input to Fair Value**
KSA	DCF Model	**Dividend payout is ₱94.3 million with 3% annual increase**	**2% to 4%**	**2%: fair value of ₱723 4%: fair value of ₱894**
		Liquidity discount of 20%	**10% to 30%**	**10%: fair value of ₱899 30%: fair value of ₱782**
		Cost of equity of 12.45%	**11.45% to 13.45%**	**11.45%: fair value of ₱727 13.45%: fair value of ₱726**

2023:

	Valuation Technique	Significant Unobservable inputs	Range	Sensitivity of Input to Fair Value
KSA	DCF Model	Dividend payout is ₱95.8 million with 4% annual increase	3% to 5%	3%: fair value of ₱833 5%: fair value of ₱1,047
		Liquidity discount of 20%	10% to 30%	10%: fair value of ₱1,043 30%: fair value of ₱812
		Cost of equity of 12.78%	11.78% to 13.78%	11.78%: fair value of ₱1,042 13.78%: fair value of ₱836

An increase in the expected lease income of KSA would increase the dividend payout, which in turn would lead to an increase in the fair value of the investment in KSA.

As at December 31, 2024 and 2023, the carrying value of the investment in KSA amounts to ₱727.4 million and ₱927.4 million, respectively. The Group recognized loss on fair value adjustment amounting to ₱200 million and ₱94.3 million in 2024 and 2023, respectively (nil in 2022).

For the years ended December 31, 2024, 2023 and 2022, there were no transfers.

30. Contracts and Agreements

Anscor

a. On November 29, 2019, the Company entered into a lease agreement with ATR Asset Management, Inc., ATRAM Trust Corporation and MET Holdings, Inc. for the lease of its condominium unit commencing on the agreement date until April 30, 2021. The contract was renewed for another five (5) years effective May 1, 2021, and the Company will receive monthly rental payments of ₱1.2 million, which is subject to 5% escalation rate starting May 1, 2022. Considering the sale of the property (see Note 15), the lease agreement was pre-terminated effective December 1, 2024.

   The Company recognized rental income amounting to ₱13.3 million, ₱13.7 million, and ₱13.2 million, in 2024, 2023 and 2022, respectively (see Notes 15 and 23).

IAI

a. IAI entered into a lease or concessionaire agreement with Manila International Airport Authority (MIAA) which granted IAI to operate as an aircraft hangar and conduct fixed base operations within the leased premises. The agreement shall be effective for a period of one (1) year commencing on January 1, 2016. After the end of the first year, the lease is automatically renewed until IAI is permitted to stay in Ninoy Aquino International Airport (NAIA) Complex. IAI will continue to operate at NAIA Complex by virtue of the Certificate of Public Convenience and Necessity (CPCN) to operate Domestic Scheduled Air Transportation Services issued on March 31, 2017 and valid from March 1, 2017 up to February 28, 2022. On March 28, 2022, the CPCN was renewed for a period of 5 years, effective from March 1, 2022 up to February 28, 2027.

   On October 15, 2019, MIAA issued a memorandum stating that all general aviation operations be transferred to other alternate airports to ease the traffic congestion at the NAIA Complex. MIAA gave general aviation companies until May 31, 2020 to vacate and turn over the leased premises.

   IAI continues to operate in the leased premises after May 31, 2020 and the lease agreement was converted to a month-to-month basis starting June 1, 2020.

On January 28, 2021, IAI received a letter from MIAA stating that should IAI desire to renew the agreement, documentary requirements must be submitted on or before February 15, 2021 and that IAI should provide its best lease offer. Rent expense in 2021 and 2020 amounted to ₱5.2 million and ₱1.5 million.

At the beginning of February 2021, Federation of Aviation Organization, of which IAI is a member, sent a letter proposal to MIAA for the best lease offer price which was agreed by all of its members.

A new lease arrangement between MIAA and ASAC was executed on April 21, 2022 effective for a period of three years starting January 1, 2022 to December 31, 2024 or earlier depending on MIAA's development plan affecting the area. The contract may be renewed or extended only upon the written agreement by the parties on such terms and conditions as they may be mutually agreed upon. The new lease arrangement between MIAA and ASAC superseded the month-to-month arrangement between MIAA and IAI.

On September 14, 2024, New NAIA Infra Corporation (NNIC) took over the operations of MIAA. Beginning January 1, 2025 the lease agreement of ASAC with NNIC is deemed extended on a month-to-month basis.

	2024	2023
Cost		
Beginning/Ending balance	**₱17,652,621**	₱17,652,621
Modification	**7,124,938**	–
Ending balance	**24,777,559**	17,652,621
Accumulated Amortization		
Beginning balance	**11,768,414**	5,884,207
Amortization for the year	**13,009,145**	5,884,207
Ending balance	**24,777,559**	11,768,414
Net Book Value	**₱–**	₱5,884,207

Set out below is the carrying amount of lease liability and its movement:

	2024	2023
Beginning balance	**₱6,561,218**	₱12,221,196
Modification	**7,124,938**	–
Accretion of interest	**219,064**	532,022
Lease payments	**(13,436,640)**	(6,192,000)
	468,580	6,561,218
Less current portion of lease liability	**468,580**	6,561,218
Noncurrent portion of lease liability	**₱–**	₱–

The future aggregate minimum lease payments under the said lease are as follows:

	2024	2023
Not later than 1 year	**₱468,580**	₱6,754,853
More than 1 year but not later than 5 years	**–**	–
	₱468,580	₱6,754,853

b. The Department of Transportation and all other Manila airport authorities, through the Manila Slot Coordination Committee's Resolution 2024-02, states the move of all turbo prop aircraft and its operations to secondary airports of which IAI belongs. IAI is given up to the start of Summer 2026 or only up to March 2026 to completely transfer its turbo prop operations to other airports other than NAIA.

c. On November 7, 2022, the Board approved the acquisition of two (2) twin Otter aircraft from Viking Air Limited (VAL). On the same date, the Board authorized IAI to avail a 10-year loan amounting to ₱1.0 billion from BDO with variable or floating interest rate for the first two (2) years and an interest (for evaluation whether fixed, variable or a combination of both) for the succeeding years (see Note 19).

d. On November 29, 2022, IAI entered into a purchase agreement with VAL to acquire two Twin Otter aircraft with a total purchase price ₱965.47 million (US$17.07 million). As of December 31, 2022, IAI deposited to VAL advance payment based on the payment milestone for the aircraft amounting to ₱245 million funded by advances from SSRLI. In 2023, these advances were applied upon the finalization of the purchase of the aircrafts.

e. In 2019, IAI and PRI entered into an agreement wherein IAI will provide regular air transport service. IAI will charge PRI a fixed round trip rate, subject to an annual review by both parties, with a guarantee that all IAI's operating cost will be covered and that in the event of increase in the prices of fuel, IAI and PRI shall revisit and review the contract for rate adjustment. The agreement has a duration of three (3) years. On May 7, 2022, the agreement was renewed for another three (3) years effective February 15, 2022. The duration of the contract may be extended upon such terms and condition as may be mutually agreed by both parties. In 2023, IAI entered into a new air service agreement with PRI to supersede its existing agreement. Under the new agreement, PRI shall guarantee IAI nine hundred ninety (990) Twin Otter revenue roundtrip flights yearly starting January 1, 2023. The new agreement shall have a duration of not less than three (3) years starting January 1, 2023, unless otherwise pre-terminated formally in writing by either party.

SSRLI and Subsidiaries

a. On January 9, 2007, SSRLI and the Philippine Economic Zone Authority (PEZA) signed a Registration Agreement declaring SSRLI as an Ecozone Developer/Operator, entitling SSRLI to establish, develop and construct the villas and to operate the Ecozone. SSRLI is entitled to four-year income tax holiday and tax-free importation of machineries and equipment on PEZA-covered registered activities under the Registration Agreement.

   On December 18, 2009, SSRLI's resort operations have been registered with PEZA to engage in the renovation and expansion of Amanpulo Resort at the Pamalican Island Tourism Ecozone. SSRLI's resort operations are entitled to 5% gross income tax on revenues generated from foreign clients and regular income tax on non-foreign clients under the Registration Agreement.

   On July 1, 2011, PRI took over the resort operations of SSRLI. On the same date, PEZA approved PRI's application for registration as a locator at the Pamalican Island Ecozone Tourism Zone. SSRLI also transferred in the name of PRI all resort operation-related contracts entered into with related parties and third parties, including its long-term loans with a bank, except for the foreshore lease contract with the Department of Environment and Natural Resources (DENR) which is nontransferable.

   On October 3, 2012, PRI entered into an operating lease agreement with SSRLI covering all rights and interests in resort-related assets, which include land, land improvements and buildings for a period of 20 years beginning July 1, 2011. Annual lease rental amounted to ₱53.5 million, payable within the first five days at the beginning of each quarter. Effective January 1, 2016, the annual rental fee upon mutual agreement of both parties was reduced to ₱42.8 million.

b. On February 18, 2011, the BOD of the Company approved the Company's acquisition of additional shares from the shareholders of SSRLI. The acquisition increased the ownership of the Company from 46.79% to 62.30% of the total outstanding common and preferred shares of SSRLI.

Total acquisition price for the additional shares is US$5.9 million (₱255.9 million) cash consideration plus the fair value of the 46.79% investment amounting to ₱302.7 million. Goodwill recognized from the acquisition amounted to ₱99.3 million (see Note 7).

c. The Company charges a monthly fee amounting to US$15,000 or its Peso equivalent for the Company's general, administrative, treasury, tax and legal services rendered to PRI.

   Starting January 1, 2018, both parties mutually agreed to a monthly fee amounting to ₱650,000 (eliminated in the consolidated statements of comprehensive income), inclusive of VAT. AHI also charges PRI for a monthly fee of ₱100,000 (eliminated in the consolidated statements of comprehensive income), inclusive of VAT. Effective August 2021, ₱375,000 (inclusive of VAT) is billed by AHI to PRI and the same amount is charged by the Company to AHI.

   Effective January 1, 2023, the Company charges a monthly fee amounting to ₱916,667, inclusive of VAT (eliminated in the consolidated statement of comprehensive income).

d. PRI executed in the past an Operating and Management Agreement (OMA) with Amanresorts Management, B.V. (AMBV, the Operator of Amanresorts), a company based in Amsterdam, the Netherlands, for a fee of 5% of PRI's gross operating profits, as defined in the OMA. The OMA provides for, among others, the reimbursements by PRI to Amanresorts of all costs and expenses incurred by the latter in connection with the management and operation of the resort and a reserve cash funding equivalent to 3% of gross revenues, which will be used to cover the cost of replacements, renewals, and additions to furniture, fixtures and equipment (see Note 16).

   On June 24, 2013, both parties have mutually entered into a new OMA, effective on the same date, in which PRI will pay a basic fee amounting to 4% of gross revenue and an incentive fee of 10% based on the gross operating profit collectively known as "Management fee". In addition to the management fees discussed, PRI shall also reimburse AMBV for all costs and expenses incurred by AMBV directly in connection with rendering services under the new OMA.

   Likewise, a Marketing Service Agreement (MSA) was entered into by PRI with Amanresorts Services Limited (ASL) with marketing fee charges of 3% of PRI's annual gross hotel revenues. On June 24, 2013, both parties mutually entered into a new marketing services agreement of the same terms and conditions, except for a lower marketing fee rate of 1% of gross revenue from 3%.

   On June 24, 2011, PRI also executed a Reservation Service Agreement with Hotel Sales Services Ltd. (HSSL), a company established in British Virgin Islands, in which PRI will pay the latter a monthly fee of 6.5% on gross accommodation charges for all realized bookings processed through HSSL's central sales and reservation offices with the exception of bookings made through the Global Distribution System (GDS) in which PRI will pay US$100 per booking. An annual maintenance fee of US$1,000 shall also be paid to HSSL.

   On October 10, 2014, PRI and HSSL executed a new agreement, effective January 1, 2015, with similar terms as the original agreement, except for a higher annual maintenance fee which increased to US$3,000 from US$1,000 and a lower transaction fee for GDS Network bookings for US$100 from US$300.

   PRI also obtained from Amanresorts I.P.R.B.V. (AIPRBV), a company incorporated in Amsterdam, the Netherlands, the nonexclusive license to use the Amanresorts Marks in connection with the operation of the Resort for a monthly fee of US$1,000.

   The OMA, marketing and license contracts will expire on the thirty first (31st day) of December of the fifth full calendar year following their commencement. Further, AMBV has the option to extend the operating term for a period of five years from the date of its expiration.

On January 18, 2018 and March 9, 2018, the Aman Group notified PRI of the assignment of the OMA, MSA and RSA, among others, to Aman Group S.A.R.L., a company incorporated in Switzerland.

On November 28, 2018, Aman Group issued a Notice of Extension to PRI containing its election and intention to extend the operating term with PRI for a period of five (5) years or until December 31, 2023 from the date of expiration, which was on December 31, 2018, under the same terms and conditions as contained in the management agreement.

Total fees related to these agreements amounted to ₱140.43 million , ₱117.07 million, and ₱98.1 million in 2024, 2023 and 2022, respectively.

e. PRI entered into a lease agreement with IAI for the guest lounge, purchasing office including storage space and vehicle parking lots. In addition, in 2020, PRI entered into short-term lease agreements with IAI for PRI's disinfecting and rapid testing area, isolation area, staff room and additional vehicle parking slots.

In 2022, the Company renewed its lease agreements with IAI for the Company's disinfecting and rapid testing area, isolation area, staff room and additional vehicle parking slots. These lease agreements are subjected to a lease term of one year or less.

On April 21, 2022, a new lease arrangement between Manila International Airport Authority (MIAA) and A. Soriano Air Corporation (ASAC) was executed effective for a period of three years starting January 1, 2022 to December 31, 2024. This new lease agreement between MIAA and ASAC superseded the month-to-month arrangement between MIAA and IAI. Accordingly, all the existing lease agreements between IAI and the Company was terminated. New lease agreements was executed between the Company and ASAC starting August 1, 2022. These lease agreements are subjected to a lease term of one year or less.

Total rent expense (eliminated in the consolidated profit or loss) relating to these lease agreements amounted to ₱5.86 million, ₱4.07 million and ₱3.84 million in 2024, 2023, and 2022, respectively.

f. On July 1, 2011, PRI entered into management agreements with the villa owning companies wherein it shall provide general maintenance and accounting and administrative services for the villas. PRI shall also be responsible for the marketing and promotion of the villas. In return for these services, PRI shall be entitled to 50% of the net villa rental proceeds. PRI shall also receive reimbursements of costs, with 15% handling fees (except for utilities, which are not subject to handling fees), incurred in providing services to the villa guests. PRI's share in the net villa rental proceeds including handling fees amounted to ₱237.37 million, ₱228.7 million, and ₱193.0 million in 2024, 2023 and 2022, respectively, and presented as "Services" revenue account in the consolidated statements of comprehensive income.

As part of the agreement, PRI will also receive a fund which shall be used for future maintenance requirements of the villas. As at December 31, 2024 and 2023, the restricted fund amounted to ₱89.27 million and ₱86.57 million, respectively, which is included under "Other noncurrent assets" and "Other noncurrent liabilities" in the consolidated balance sheets (see Note 16).

g. In November 2005, the DENR awarded to SSRLI the use of the foreshore land surrounding the Pamalican Island, where Amanpulo Resort is situated. The award has a duration of 25 years which may be renewed for another full period at the option of SSRLI. Annual rent shall be paid in advance on or before the 16th day of November every year.

h. In 2014, SSRLI entered into a Construction Service Contract (Service Contract) with the PEZA-registered villa owners in which SSRLI shall provide project management general and specific administration and supervision over the preconstruction and construction stages of the Project. The villa owners shall pay SSRLI a handling fee which represents 15% of the actual project cost during the villa construction or renovation. As there are no ongoing construction projects, no handling fee was recognized in 2024, 2023 and 2022.

i. Starting 2013, SSRLI has property development in progress, which pertains to the costs related to the development of various projects. As at December 31, 2024 and 2023, total property development in progress mainly for Phase 4 villa development amounted to ₱18.7 million for both years.

j. On February 3, 2023, SSRLI entered into a lease agreement with PUI for the lease of land of approximately 4,452 sqm located at Pamalican Island, Barangay Manamoc, Cuyo, Palawan. The lease has a period of five (5) years and the renewal of the lease is subject to mutual agreement of the parties. The lease rental is ₱0.67 million per year.

k. On January 15, 2024, SSRLI entered into a lease agreement with PUI for the lease of land of approximately 30,000 sqm located at Pamalican Island, Barangay Manamoc, Cuyo, Palawan. The lease has a period of 25 years, commencing from September 1, 2024, and the renewal of the lease is subject to mutual agreement of the parties. The lease rental is ₱3.00 million per year.

l. On March 15, 2023, PRI entered into an energy service agreement with PUI for its power consumption requirement. The agreement shall be effective for a period of two years subject to renewal by mutual agreement of the parties.

m. On September 27, 2024, the Company issued an interest-bearing promissory note to SSRLI for the value received amounting to ₱103.18 million in funding the solar farm development cost. The advances shall be paid in equal monthly installments for 10 years with 7% interest per annum.

n. On December 1, 2024, the PRI entered into a golf cart service agreement with PUI for its golf cart service maintenance requirements. The agreement shall be effective for a period of five years subject to renewal by mutual agreement of the parties.

<u>PDIPI and Subsidiaries</u>

a. The Company has a management contract with PD Energy. Under the management agreement between the parties, the Company, as compensation to managerial and administrative services rendered to PD Energy, shall bill the latter for management fees equivalent to 50% of 15% of audited income before tax and management and technical assistance fees of PDE (VAT inclusive). As per renewal of the agreement, amendments in the management fee billings has taken place in which the fixed fee is no longer available. Due from PDP Energy (eliminated in the consolidated balance sheets) amounted to ₱24.0 million and ₱23.5 million as at December 31, 2024 and 2023, respectively. Management fees (eliminated in the consolidated profit or loss) amounted to ₱100.9 million, ₱99.4 million, and ₱100.1 million in 2024, 2023 and 2022, respectively.

   A new management contract was executed effective January 1, 2022, that this agreement shall continue for a period of five years from the effective date.

b. In 2012, PDP Energy entered into a contract of lease with a third party for the lease of its office building. The term is for a period of five years and renewable at the option of both parties.

Set out below are the carrying amount of right-of-use asset recognized as at December 31, 2024 and 2023, and the movement during the period.

	2024	2023
Cost		
Beginning/Ending balance	**₱84,885,098**	₱35,792,042
Additions	**–**	49,093,056
Ending balance	**84,885,098**	84,885,098
Accumulated Amortization		
Beginning balance	**38,246,695**	30,140,668
Amortization for the year (Note 21)	**7,522,399**	8,106,027
Ending balance	**45,769,094**	38,246,695
Net Book Value	**₱39,116,004**	₱46,638,403

Set out below is the carrying amount of lease liability and its movements in 2024 and 2023:

	2024	2023
Beginning balance	**₱47,498,308**	₱6,995,116
Additions	**–**	49,093,056
Accretion of interest	**804,665**	1,105,005
Lease payments	**(10,899,470)**	(9,694,869)
	₱37,403,503	₱47,498,308

As of December 31, 2024 and 2023, the current potion of lease liability amounted to ₱8.8 million and ₱12.2 million, respectively.

Operating lease commitments- PDP Energy as lessee

The future aggregate minimum lease payments under the said lease are as follows:

	2024	2023
Not later than 1 year	**₱11,158,969**	₱10,583,855
More than 1 year but not later than 5 years	**33,695,856**	39,869,521
	₱44,854,825	₱50,453,376

31. Changes in Liabilities Arising from Financing Activities

December 31, 2024

	December 31, 2023	**Cash Flows for Availment**	**Cash Flows for Repayments**	**Dividend Declaration**	**Noncash Movement**	**Accretion of Interest**	**December 31, 2024**
Dividends payable	**₱570,375,761**	**₱–**	**(₱840,207,145)**	**₱920,702,306**	**(₱42,000,000)**	**₱–**	**₱608,870,922**
Long-term debt	**1,000,000,000**	**–**	**(220,000,000)**	**–**	**–**	**–**	**780,000,000**
Note Payable	**–**	**670,000,000**	**–**	**–**	**–**	**–**	**670,000,000**
Interest on long term debt	**15,680,173**	**–**	**(63,441,841)**	**–**	**–**	**59,174,330**	**11,412,662**
Interest on Note payable	**–**	**–**	**–**	**–**	**–**	**7,165,228**	**7,165,228**
Lease liabilities	**54,059,526**	**–**	**(24,336,110)**	**–**	**7,124,938**	**1,023,729**	**37,872,083**
Total liabilities from financing activities	**₱1,640,115,460**	**₱670,000,000**	**(₱1,147,985,096)**	**₱920,702,306**	**(₱34,875,062)**	**₱67,363,287**	**₱2,115,320,895**

December 31, 2023

	December 31, 2022	Cash Flows for Availment	Cash Flows for Repayments	Dividend Declaration	Noncash Movement	Accretion of Interest	December 31, 2023
Dividends payable	₱501,959,779	₱–	(₱1,103,154,257)	₱1,227,570,239	(₱56,000,000)	₱–	₱570,375,761
Long-term debt	–	1,000,000,000	–	–	–	–	1,000,000,000
Interest on long term debt	–	–	(42,917,505)	–	–	58,597,678	15,680,173
Lease liabilities	19,216,312	–	(15,886,869)	–	49,093,056	1,637,027	54,059,526
Total liabilities from financing activities	₱521,176,091	1,000,000,000	(₱1,161,958,631)	₱1,227,570,239	₱6,906,944	₱60,234,705	₱1,640,115,460

December 31, 2022

	December 31, 2021	Cash Flows for Availment	Cash Flows for Repayments	Dividend Declaration	Noncash Movement	Accretion of Interest	December 31, 2022
Dividends payable	₱519,529,172	₱–	(₱1,189,139,632)	₱1,227,570,239	(₱56,000,000)	₱–	₱501,959,779
Long-term debt	75,714,286	–	(75,714,286)	–	–	–	–
Dividends payable	23,166,200	23,166,200	(23,166,200)	–	(23,166,200)	–	–
Lease liabilities	16,600,449	–	(17,416,249)	–	17,652,621	2,379,491	19,216,312
Total liabilities from financing activities	₱635,010,107	₱23,166,200	(₱1,305,436,367)	₱1,227,570,239	(₱61,513,579)	₱2,379,491	₱521,176,091

32. Other Matters

a. ASAC is a defendant in labor lawsuits and claims. As at December 31, 2019, management has provisions for losses amounting to ₱5.7 million that may be incurred from these lawsuits. In 2020, ASAC reversed the provisions in full as management assessed that the claim is no longer probable due to the prescription of the period from which the complainants may file an independent action to re-open the labor lawsuits. The 10-year prescriptive period ended on April 20, 2020.

b. The Group have claims, commitments, litigations and contingent liabilities that arise in the normal course of their operations which are not reflected in the consolidated financial statements. Management is of the opinion that as at December 31, 2024 and 2023, losses, if any, from these commitments and contingencies will not have a material effect on the consolidated financial statements.

c. The other information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, are not disclosed as they many prejudice the Group's negotiation with third parties.

33. Notes to Consolidated Statements of Cash Flows

The Group's noncash investing activities 2023 includes additions to property and equipment amounting to ₱247.3 million paid in 2022 (nil in 2024).

34. Subsequent Events

Anscor

On February 24, 2025, the Board of Directors (BOD) approved the declaration of cash dividend of ₱0.50 per common share, payable on April 11, 2025 to common stockholders of record as at March 17, 2025.

PDP and Subsidiaries

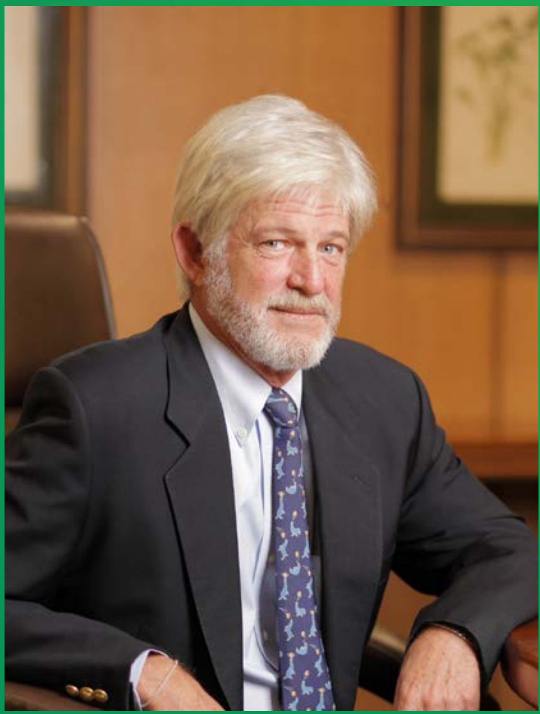
- On February 24, 2025, the Board of Directors of PDEIC approved the declaration of ₱50 million cash dividend to PDPEPC representing ₱500 per share, payable on March 23, 2025.

- On February 24, 2025, the Board of Directors of PDPEPC approved the declaration of ₱350 million cash dividend to PDIPI representing ₱5.42 per share, payable on March 24, 2025.

- On February 24, 2025, the Board of Directors of PDIPI approved the declaration of ₱350 million cash dividend to its stockholders of record as of March 3, 2025 representing ₱3.95 per share, payable on March 26, 2025.

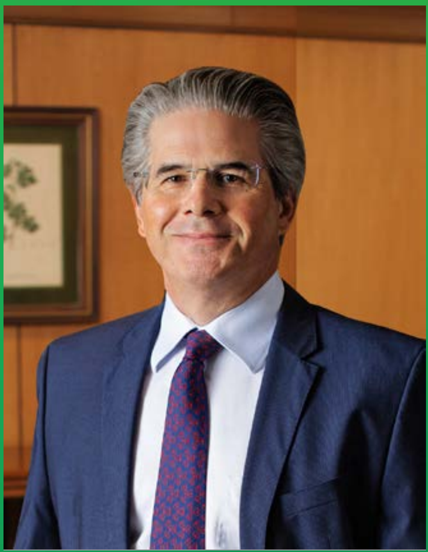
Board of Directors

ANDRES SORIANO III
Chairman of the Board/
Chief Executive Officer



EDUARDO J. SORIANO⁺
Vice Chairman

⁺ *Passed away last February 17, 2025.*



WILLIAM H. OTTIGER
President & Chief Operating Officer

ERNEST K. CUYEGKENG

JOHNSON ROBERT G. GO, JR.

OSCAR J. HILADO

CAMILA MARIA H. SORIANO

Officers

WILLIAM H. OTTIGER
President & Chief Operating Officer

NARCISA M. VILLAFLOR
Vice President & Comptroller/ Treasurer

JOSHUA L. CASTRO
Vice President & Assistant Corporate Secretary

SALOME M. BUHION
Assistant Vice President

MARIA VICTORIA L. CRUZ
Assistant Vice President

LEMIA L. SIMBULAN [1]/
Executive Assistant

LORNA P. KAPUNAN
Corporate Secretary

[1]/ Assigned to ASF.

Corporate Directory

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Andrews Avenue, Pasay City
(632) 8831-99-41 • (632) 8851-55-07
www.asorianofoundation.org

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1209 Makati City, Philippines

Post Office Box
1304 Makati Central Post Office
1252 Makati City, Philippines

Websites
www.anscor.com.ph
www.sorianogroup.com.ph

Telephone Numbers
(632) 8819-02-51 to 60

Fax Number
(632) 8811-50-68

External Auditors
SyCip Gorres Velayo & Co.

Stock Transfer Agent
Stock Transfer Service, Inc.
34th Floor, Unit D, Rufino Pacific Tower
6784 Ayala Avenue, Makati City

Legal Counsels
Angara Abello Concepcion Regala & Cruz
Kapunan & Castillo
Picazo Buyco Tan Fider & Santos
Tan Acut Lopez & Pison

SUBSIDIARIES

A. Soriano Air Corporation
AFC Agribusiness Corporation
Anscor Consolidated Corporation
Anscor Holdings, Inc.
Anscor International, Inc.
Island Aviation, Inc.
Minuet Realty Corporation
Pamalican Island Holdings, Inc.
Pamalican Resort, Inc.
Pamalican Utilities, Inc.
PD Energy International Corporation
Phelps Dodge International Philippines, Inc.
Phelps Dodge Philippines Energy
Products Corporation
Seven Seas Resorts and Leisure, Inc.
Summerside Corporation

ASSOCIATES AND INVESTEE COMPANIES

Asia Partners LP
ATRAM Investment Management
Partners Corporation
Fremont Holdings, Inc.
KSA Realty Corporation
Navegar LP
Prople Limited
Sierra Madre Philippines I LP
TBG Food Holdings Inc.
Third Prime Alpha Fund
Vicinetum Holdings, Inc.
Y-mAbs Therapeutics, Inc.

A. SORIANO CORPORATION
7th Floor, Pacific Star Building
Makati Avenue corner Gil Puyat Avenue Ext.
1209 Makati City, Philippines

COVER SHEET

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SEC Registration Number

A . S O R I A N O C O R P O R A T I O N

(Company's Full Name)

7/ F P A C I F I C S T A R B U I L D I N G

G I L J. P U Y A T A V E N U E C O R. M A K A T I A V E.

M A K A T I C I T Y

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

ATTY. JOSHUA L. CASTRO
(Contact Person)

819-0251
(Company Telephone Number)

1 2 **3 1**
Month *Day*
(Fiscal Year)

DEFINITIVE INFORMATION STATEMENT
(Form Type)

0 4 **1 6**
Month *Day*
(Annual Meeting)

Not Applicable
(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

2025 INFORMATION STATEMENT

ANSCOR

A. SORIANO CORPORATION

Notice of Annual Meeting of Stockholders

NOTICE IS HEREBY GIVEN that the regular Annual Stockholders Meeting (ASM) of A. Soriano Corporation (ANSCOR or the Company) will be held on Wednesday, 16 April 2025 at 10:00 A.M. virtually at https://www.anscor.com.ph/2025-annualstockholders-meeting-live-stream/. There will be no physical venue for the ASM.

Stockholders who would like to participate in the virtual ASM may register by sending an email of their intention to participate to registration@anscor.com.ph not later than three (3) working days before the ASM or not later than 11 April 2025. The Procedure for Registration, Participation and Voting in the 2025 ASM of the Company is attached as Annex "A". A livestream of the virtual ASM will also be posted in the Company's website.

The agenda for the meeting and its explanation is as follows:

1. Approval of the minutes of previous meeting. The minutes of ASM last 17 April 2024 is posted in the Company's website. Please refer to pages 12 to 13 of the Information Statement (IS) for further information on the approval of minutes of previous meeting.

2. Presentation of the Chairman and Chief Executive Officer's Message to Stockholders. The Chairman's Message to Stockholders is a summary of the Company's financial performance for the year ended December 31, 2024.

3. Election of the members of the Board of Directors. The members of the Board of Directors are elected annually during the ASM and shall serve until the next ASM or until their successors are elected or appointed in case of vacancy due to death, resignation or removal. Please refer to pages 5 to 6 of the IS for the nominees for election as Directors of the Company.

4. Approval for Mr. Oscar J. Hilado to continue to act as Independent Director of the Company. The Company is allowed to retain an Independent Director who has served for more than nine years to continue based on meritorious justification/s and provided Stockholders' approval is secured. Please refer to pages 4 and 5 of the IS.

5. Approval of the amendment of the first paragraph of Article V (Executive Committee), and Sections 1, 3, and 4(h) of Article VI (Officers) of the By-Laws in order to retire the position of Vice-Chairman. Specifically:

    a. Article V (Executive Committee) was amended to read as follows:

    The Board of Directors shall create an Executive Committee composed of five (5) members. The Executive Committee shall meet regularly at such times and places to be determined by a majority vote thereof. Unless otherwise provided for by the Board of Directors, the Executive Committee shall be composed of the Chairman and Chief Executive Officer, the President and Chief Operating Officer, and three (3) officers or directors of the Company to be appointed by the Chairman. The Chairman and Chief Executive Officer of the Company shall act as Chairman of the Executive Committee.

    b. Section 1 of Article VI (Officers) was amended to read as follows:

    Section 1. The officers of the Corporation shall consist of a Chairman of the Board, who shall be the Chief Executive Officer, a President, who shall be the Chief Operating Officer, an Executive Vice President, one or more Vice Presidents, a Treasurer and an Assistant Treasurer, a Secretary and an Assistant Secretary and such other officers as may, from time to time, be chosen and appointed by the Board of Directors.

    c. The entire Section 3 of Article VI (Officers) was deleted and the subsequent Sections 4, 5, 6, 7, 8, 9, and 10 were re-numbered as Sections 3, 4, 5, 6, 7, 8, and 9, accordingly.

    d. The newly re-numbered Section 3 (h) of Article VI (Officers) was amended to read as follows:

    Section 3. The President and Chief Operating Officer shall exercise the following functions:

    xxx xxx xxx

    h. Unless otherwise directed by the Board of Directors or by the Chairman of the Board and Chief Executive Officer, to exercise the latter's functions as specified in the next preceding section of this Article VI in the event of absence or temporary disability of the Chairman of the Board and Chief Executive Officer.

In honor of the late Mr. Eduardo J. Soriano, and to commemorate his memory, the position of a Vice Chairman is being retired following his passing. Please refer to pages 16 to 18 of the IS.

6. Appointment of external auditors. The appointment of SGV & Co. will be presented for approval of the Stockholders.

7. Ratification of all acts, contracts, investments and resolutions of the Board of Directors and Management since the last annual meeting. As a matter of policy, Management seeks the ratification of all acts, contracts, investments and resolutions of the Board of Directors and Management since the last annual meeting. Please refer to pages 20 to 24 of the IS for a summary of resolutions passed by the Board of Directors.

8. Such other business as may properly come before the meeting. Any other matter which may properly be brought may be taken up by the stockholders during this portion of the meeting.

Only stockholders of record in the books of the Company at the close of business on 17 March 2025 will be entitled to vote at the meeting.

Stockholders are requested to complete, date, sign, and return the enclosed proxy form to reach the Company as promptly as possible not less than ten (10) working days prior to the Annual Meeting or not later than 1 April 2025. The duly signed proxy form may be emailed to our Stockholder Relations Officer, Ms. Rose Reyes at rose.reyes@anscor.com.ph.

Proxy validation will be held at A. Soriano Corporation, 7th Floor, Pacific Star Bldg., Makati Avenue corner Gil Puyat Avenue, Makati City on 8 April 2025 from 11:00 A.M. to 12:00 noon.

Makati City, Philippines, 17 March 2025.

THE BOARD OF DIRECTORS

By:

LORNA PATAJO-KAPUNAN
Corporate Secretary

You may scan the QR Code below which contains the Notice of Meeting, Proxy Form, Definitive Information Statement and Annual Report. Electronic copies of the Information Statement, Management Report and other pertinent documents are also available on the Company's website and PSE Edge.

SCAN ME

How to Use QR Code:

Step 1: Open the QR Scanning App or Camera from your device's Home Screen, Control Center or Lock Screen;
Step 2: Scan the QR Code using the App and you will see a Notification with a link;
Step 3: Click on the notification to open the link associated with the QR Code

As a token, of appreciation, we will be providing meal voucher for our stockholders who will register and participate in our virtual Annual Stockholders Meeting. The meal voucher will be emailed to the stockholders' registered email.

Annex "A"

Procedure for Registration, Participation and Voting in the 2025 Annual Stockholders Meeting of A. SORIANO CORPORATION

A. Soriano Corporation (the Company) will be conducting its Annual Stockholders Meeting (ASM) on 16 April 2025 at 10:00 AM virtually at https://www.anscor.com.ph/2025-annualstockholders-meeting-live-stream/. There will be no physical venue for the ASM.

Each share of stock outstanding as of 17 March 2025 are entitled to participate and vote in the 2025 ASM.

I. Registration and Participation/Attendance Procedure:

1. Stockholders who intend to participate in the virtual ASM may register by sending an email to registration@anscor.com.ph not later than three (3) working days before the ASM or not later than 11 April 2025, of their intention to participate together with the following:

   a. For individual stockholders:

      i. Scanned copy of any valid government-issued ID;

      ii. Scanned copy of stock certificate in the name of the individual stockholder; and

      iii. Active contact number, either landline or mobile.

   b. For stockholders with joint accounts:

      i. Scanned copy of authorization letter signed by the joint stockholders indicating the individual authorized to participate and/or vote in the 2025 ASM;

      ii. Documents required under items 1.a (i) and (iii) for the authorized stockholder; and

      iii. Scanned copy of stock certificate in the name of the joint stockholders.

   c. For stockholders under PCD Participant/Brokers Account or "Scripless Shares":

      i. Coordinate with the broker and request for the full account name and reference number or account number;

      ii. Documents required under items 1.a (i) and (iii).

   d. For corporate stockholders:

      i. Secretary's Certificate attesting to the authority of the representative to participate and/or vote in the 2025 ASM;

      ii. Documents required under items 1.a (i) and (iii) for the authorized representative; and

      iii. Scanned copy of stock certificate in the name of the corporate stockholder.

2. Upon successful registration and validation of the documents submitted through email above, the stockholder will receive an email confirmation and a unique link which can be used to log in and view the 2025 ASM.

3. Only those stockholders who have registered following the procedure above and stockholders who have provided their duly signed Proxy Form shall be included for purposes of determining the existence of a quorum.

4. For purposes of voting during the 2025 ASM please see section on Voting Procedure below.

5. For the Question and Answer portion during the 2025 ASM, stockholders may send their questions related to the agenda by email to registration@anscor.com.ph. Due to limitations on technology and time, not all questions may be responded to during the 2025 ASM but the Company will endeavor to respond to all the questions through email.

6. The proceedings during the 2025 ASM will be recorded as required by the Securities and Exchange Commission.

II. Voting Procedure:

Stockholders may vote during the 2025 ASM either (1) by Proxy or (2) by voting in absentia through our Online Stockholder Voting System.

1. Voting by Proxy:

    a. Download and fill up the Proxy Form at https://www.anscor.com.ph/disclosures/proxy. The Chairman and CEO, or in his absence, the President and COO or the Corporate Secretary is authorized to cast the votes pursuant to the instructions in the Proxy Form.

    b. Send a scanned copy of the duly signed Proxy Form by email to our Stockholder Relations Officer, Ms. Rose Reyes at rose.reyes@anscor.com.ph or at registration@anscor.com.ph not later than ten (10) working days prior to the ASM or not later than 1 April 2025.

    c. The hard copy of the signed Proxy Form should be delivered to: The Corporate Secretary, 7th Floor, Pacific Star Building, Gil Puyat Avenue corner Makati Avenue, Makati City.

2. Voting in absentia through the Online Stockholder Voting System:

    a. Follow the Registration and Participation/Attendance Procedure set forth above.

    b. Signify your intention to vote in absentia through the Online Stockholder Voting System by email to registration@anscor.com.ph not later than three (3) working days before the 2025 ASM or not later than 11 April 2025.

    c. Upon validation, the Company will send an email to the stockholder containing the link for the Online Stockholder Voting System and the instructions for casting votes in the Online Stockholder Voting System. Registered stockholders shall have until the adjournment of the ASM on 16 April 2025 to cast their votes.

    d. All agenda items indicated in the Notice of Meeting will be included in the Online Stockholder Voting System and the registered stockholder may vote as follows:

        i. For items other than election of the Directors, the stockholder may vote: “For”, “Against”, or “Abstain”. The vote shall be considered as cast for all the stockholder’s shares; and

        ii. For the election of Directors, the stockholder may vote for all the nominees, not vote for any of the nominees, or vote for some of the nominees only, in such number of shares as the stockholder may see fit, provided that the total number of votes cast shall not exceed the number of shares owned, multiplied by the number of Directors to be elected.

    e. Once voting is completed in the Online Stockholder Voting System, the stockholder shall proceed to click on the “Submit” button which shall complete the process. Once submitted, the stockholder may no longer change the votes cast. The votes cast in absentia will have equal effect as votes cast by proxy.

For any questions or clarification, you may contact us through Ms. Rose Reyes at rose.reyes@anscor.com.ph or through telephone number 8819-0251 or our stock transfer agent, Stock Transfer Service, Inc., through Michael C. Capoy at mccapoy@stocktransfer.com.ph or Riel C. Revelar at rcrevelar@stocktransfer.com.ph, or their telephone number 5307-5037.

A. SORIANO CORPORATION

P R O X Y

THIS PROXY IS BEING SOLICITED IN BEHALF OF ANDRES SORIANO III

____
Date

KNOW ALL MEN BY THESE PRESENTS:

I, the undersigned stockholder of A. Soriano Corporation, do hereby appoint, name and constitute ANDRES SORIANO III, or in his absence, the President and Chief Operating Officer or the Corporate Secretary, in the order as enumerated, as my true and lawful proxy for me and in my name and stead, to attend the Annual Meeting of the Stockholders of the Corporation on 16 April 2025 and at any adjournment(s) thereof, to vote all my shares of stock in the Corporation in all matters set forth in the agenda as I have expressly indicated by marking the same with an "X" or a "√".

If no specific instruction is given, the shares will be voted FOR the election of the nominees for directorship whose names appear in this proxy form and FOR the approval of all matters listed in the proxy statement the stockholders' approval of which is sought in the meeting. Moreover, this proxy shall confer discretionary authority to vote with respect to the election of any person to any office for which a bona fide nominee is named in the proxy statement and such nominee is unable to serve or for good cause will not serve; and to all matters incident to the conduct of the meeting.

I T E M	A C T I O N		
	FOR	AGAINST	ABSTAIN
1. To approve the minutes of the 17 April 2024 Annual Meeting of Stockholders			
2. To approve the 2024 Annual Report of the Corporation			
3. To elect the following nominees as Directors of the Corporation			
a. Andres Soriano III			
b. Ernest K. Cuyegkeng			
c. Johnson Robert G. Go, Jr.			
d. Oscar J. Hilado			
e. William H. Ottiger			
f. Camila Maria H. Soriano			
g. Eduardo Jose M. Soriano, Jr.			
4. To approve the continuation of Mr. Oscar J. Hilado to act as Independent Director of the Corporation			
5. To approve the amendment of the first paragraph of Article V (Executive Committee), and Sections 1, 3, and 4(h) of Article VI (Officers) of the By-Laws in order to retire the position of Vice-Chairman. Specifically: a. Article V (Executive Committee) was amended to read as follows: The Board of Directors shall create an Executive Committee composed of five (5) members. The Executive Committee shall meet regularly at such times and places to be determined by a majority vote thereof. Unless otherwise provided for by the Board of Directors, the Executive Committee shall be composed of the Chairman and Chief Executive Officer, the President and Chief Operating Officer, and three (3) officers or directors of the Company to be appointed by the Chairman. The Chairman and Chief Executive Officer of the Company shall act as Chairman of the Executive Committee. b. Section 1 of Article VI (Officers) was amended to read as follows: Section 1. The officers of the Corporation shall consist of a Chairman of the Board, who shall be the Chief Executive Officer, a President, who shall be the Chief Operating Officer, an Executive Vice President, one or more Vice Presidents, a Treasurer and an Assistant Treasurer, a Secretary and an Assistant Secretary and such other officers as may, from time to time, be chosen and appointed by the Board of Directors.			

c. The entire Section 3 of Article VI (Officers) was deleted and the subsequent Sections 4, 5, 6, 7, 8, 9, and 10 were re-numbered as Sections 3, 4, 5, 6, 7, 8, and 9, accordingly. d. The newly re-numbered Section 3 (h) of Article VI (Officers) was amended to read as follows: Section 3. The President and Chief Operating Officer shall exercise the following functions: xxx xxx xxx h. Unless otherwise directed by the Board of Directors or by the Chairman of the Board and Chief Executive Officer, to exercise the latter's functions as specified in the next preceding section of this Article VI in the event of absence or temporary disability of the Chairman of the Board and Chief Executive Officer.			
6. To re-appoint SGV & Co. as external auditors of the Corporation			
7. To ratify all acts, contracts and resolutions of Management and the Board of Directors since the last annual meeting of the Corporation			
8. Other Matters			

Please refer to the Notice of Meeting for the agenda items of the stockholders' meeting on 16 April 2025.
Please see reverse side for voting, revocability, validation, submission deadline and authentication of proxies.

Printed Name of Stockholder

Signature of Stockholder
or Authorized Signatory*

[*N.B.: Corporations, Partnerships and Associations must attach certified resolutions or extracts thereof designating the authorized signatory/ ies for the purpose of this Proxy.]

PLEASE DATE, SIGN, and RETURN PROXY

Voting, Revocability of Proxies, Validation/Submission Deadline, Authentication

When proxies are properly dated, executed, and returned on or before 1 April 2025, the shares they represent will be voted at the Annual Meeting in accordance with the instructions of the stockholder. If no specific instructions are given, the shares will be voted FOR the election of the nominees for directorship whose names appear in the proxy form and FOR the approval of all matters the stockholders' approval of which is sought in the meeting. A stockholder giving a proxy has the power to revoke it at any time prior to its exercise by voting in person at the Annual Meeting, by giving written notice to the Corporate Secretary prior to the Annual Meeting or by giving a subsequent proxy which must be received by the office of the Corporate Secretary not later than 1 April 2025.

Each share of stock outstanding as of record date will be entitled to one (1) vote on all matters. The candidates for election as directors at the Annual Meeting who receive the highest number of affirmative votes will be elected. The appointment of the independent auditors for the Company for the current year as well as other items presented to the Stockholders during the Annual Meeting will require the affirmative votes of a majority of the votes cast on the matter. Pursuant to Section 6, Article III of the By-Laws of the Corporation, written proxy shall be filed with the Corporate Secretary not less than ten (10) working days prior to the date of such meeting or not later than 1 April 2025.

Pursuant to the provisions of the By-Laws, the Board of Directors has set the date of validation of proxies to 8 April 2025. For this purpose, the Corporate Secretary shall act as the inspector at the election of directors and other voting by stockholders.

Under SEC Memo Circular No. 5 Series of 1996, all proxies executed abroad must be duly authenticated by the Philippine Embassy or Consular Office.

Person Making the Solicitation

The solicitation of proxies in the form accompanying this Statement is made in behalf of Management through Atty. Lorna Patajo-Kapunan and the proxy given will be voted in accordance with the authority contained therein. The solicitation of proxies in the accompanying form will be primarily by mail. However, personal solicitation may be made by officers, directors and regular employees of the Company whose number is not expected to exceed fifteen (15), and who will receive no additional compensation therefor. The Company will have no cost in preparing and mailing the annual report, information statement and other materials furnished to the stockholders in connection with proxy solicitation as these materials will be posted in the Company's website.

None of the Directors has informed the Company that he intends to oppose any action intended to be taken by the Company.

Interest of Certain Persons in Matters to be Acted Upon

No Director or Executive Officer, nominated for re-election as Director or his associate has, at any time, any substantial interest, direct or indirect, by security holdings or otherwise, on any of the matters to be acted upon in the meeting, other than the approval of the Annual Report, election to office and ratification of acts of Management.

SECURITIES AND EXCHANGE COMMISSION SEC FORM 20-IS
INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1.	Check the appropriate box: / / Preliminary Information Statement	:	/ x / Definitive Information Statement
2.	Name of the registrant as specified in its charter	:	A. SORIANO CORPORATION
3.	Province, or country or other jurisdiction of incorporation organization	:	Makati City, Philippines
4.	SEC Identification Number	:	PW - 02
5.	BIR Tax Identification Code	:	000-103-216-000
6.	Address of principal office	:	7th Floor Pacific Star Building Makati Avenue corner Gil Puyat Avenue Makati City
7.	Registrant's telephone number, including area code	:	(632) 8819-0251 to 60
8.	Date, Time and Place of the meeting	:	16 April 2025, Wednesday at 10:00 A.M. 7th Floor, Pacific Star Building Makati Avenue cor. Gil Puyat Avenue Makati City The meeting will be conducted virtually at https://www.anscor.com.ph/2025-annualstockholders-meeting-live-stream/
9.	Approximate date on which the Information Statement (IS) is first to be sent or given to security holders	:	The IS will be posted in the Company's website/PSE Edge on or before 24 March 2025
10.	In case of Proxy Solicitations Name of Person Filing the Statement/Solicitor	:	Atty. Lorna Patajo-Kapunan, Corporate Secretary
	Address	:	7th Floor, Pacific Star Bldg., Makati Avenue corner Gil Puyat Avenue, 1209 Makati City, Philippines
	Telephone Nos.	:	(632) 8819-0251 to 60

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount to debt is applicable only to corporate registrants):

Title of Each Class	:	Common Shares
Number of shares of Common Stock Outstanding or Amount of Debt Outstanding	:	2,500,000,000 as of February 28, 2025

12.	Are any or all of registrant's securities listed in a Stock Exchange?	:	Yes
	If so, disclose name of the Exchange	:	Philippine Stock Exchange

Information Statement

A. GENERAL INFORMATION

Item 1: Date, Time and Place of Meeting of Security Holders

(a) Date : Wednesday, 16 April 2025
Time : 10:00 A.M.
Place : Virtual Meeting at https://www.anscor.com.ph/2025-annualstockholders-meeting-live-stream/
Principal Office : 7th Floor, Pacific Star Building
Makati Avenue corner Gil Puyat Avenue
1209 Makati City, Philippines

(b) This information statement (IS) and the enclosed proxy form are posted in the Company's website and/or PSE Edge.

Item 2: Dissenter's Right of Appraisal

There are no corporate matters or actions that will trigger the exercise by the stockholders of their Right of Appraisal under Section 80 of the Revised Corporation Code. However, if at any time after the IS has been sent out, an action which may give rise to the Right of Appraisal is proposed at the meeting, any stockholder who wishes to exercise such right and who voted against the proposed action must make a written demand within thirty (30) days after the meeting. The appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action, by making a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares. Provided, that failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of the certificate(s) of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made. Provided, that no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment; and provided, further, that upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation.

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

(a) No Director or Executive Officer, nominated for re-election as Director, or his Associate has, at any time, any substantial interest, direct or indirect, by security holdings or otherwise, on any of the matters to be acted upon in the meeting, other than the approval of the Annual Report, election to office and ratification of acts of Management.

(b) None of the Directors has informed the Company of any intention to oppose an action intended to be taken by the Company.

B. CONTROL AND COMPENSATION INFORMATION

Item 4: Voting Securities and Principal Holders Thereof

(a) There are 2,500,000,000 shares of common stock and 500,000,000 shares of preferred stock outstanding and issued as of 17 March 2025. All the issued shares are entitled to vote on a one (1) share - one (1) vote basis. The Company has two (2) class of shares, common and preferred.

(b) Only stockholders of record on the books of the Company at the close of business on 17 March 2025 will be entitled to vote at the Annual Meeting. Presence by proxy or through registration for the virtual ASM of a majority of the shares outstanding on the record date is required for a quorum.

(c) Pursuant to the Revised Corporation Code and as provided under Section 8, Article III of the By-Laws, every stockholder is entitled to vote such number of shares for as many persons as there are directors or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit. Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the corporation multiplied by the whole number of directors to be elected. The proxy being solicited includes the authority to cumulate votes.

(d) Security Ownership of Certain Record and Beneficial Owners and Management

i. Security Ownership of Certain Record and Beneficial Owners

As of 28 February 2025, the following are the security ownership* of certain record and beneficial owners of the Company:

Title of Class	Name/Address of Record Owner & Relationship w/ Issuer	Name of Beneficial Ownership & Relationship with Record Owner	Citizenship	Number of Shares Held	Percentage
Common	Anscor Consolidated Corporation 7th Flr, Pacific Star Bldg.,Makati Avenue, Makati City (Subsidiary)	Anscor Consolidated Corporation (Subsidiary)	Filipino	1,272,329,761	42.411%
Common	PCD Nominee Corp. (Non-Filipino) 37th Flr. The Enterprise Center, Inc. Ayala Avenue corner Paseo de Roxas, Makati City (Depository Account)	PCD Nominee Corp. (Non-Filipino) (Depository Account)	Filipino	499,645,439	16.655%
Common	A-Z Asia Limited Philippines, Inc. Barrio Mabacan Calauan, Laguna (Stockholder)	A-Z Asia Limited Philippines, Inc. (Stockholder)	Filipino	161,546,329	5.385%
Common	PCD Nominee Corp. (Filipino) 37th Flr., The Enterprise Center, Inc. Ayala Avenue corner Paseo de Roxas, Makati City (Depository Account)	PCD Nominee Corp (Filipino) (Depository Account)	Filipino	124,987,183	4.166%
Common & Preferred	A. Soriano Corp. Retirement Plan 7th Flr. Pacific Star Bldg., Makati City (Filipino)	A. Soriano Corp. Retirement Plan (Filipino)	Filipino	63,692,335** Common 500,000,000 Preferred	2.123% 16.667%

* Security Ownership percentages include both common and preferred shares.
**Include 7,692,335 shares lodged with PCD Nominee Corp. (Filipino).

Anscor Consolidated Corporation is wholly owned by A. Soriano Corporation, the registrant Company, represented by Mr. Ernest K. Cuyegkeng as Treasurer.

PCD Nominee Corporation, a wholly owned subsidiary of Philippine Central Depository, Inc. (PCD), is the registered owner of the common shares in the books of the Company's transfer agent in the Philippines. The beneficial owners of such shares are PCD's participants, who hold the shares on their behalf or in behalf of their clients of which ATRAM Trust Corporation is the sole owner of more than 5%, specifically 17.558%, which it holds on behalf of Deerhaven, LLC, a company registered in Delaware, USA. Shares owned by Deerhaven, LLC are indirectly owned by Andres Soriano III. PCD is a private company organized by the major institutions actively participating in the Philippine capital markets to implement an automated book-entry system of handling securities transactions in the Philippines.

A-Z Asia Limited Philippines, Inc. is a holding company incorporated in the Philippines on 25 April 2003. Ma. Carmen M. Soriano is the majority owner of A-Z Asia Limited Philippines, Inc.

A. Soriano Corporation Retirement Plan (the Plan) is a retirement benefit program established by the Company for the benefit of its employees. The Plan is administered by Trustees who are at the same time employees of the Company.

Other than the above, there are no stockholders owning more than 5% of the Company's outstanding shares of stock.

The Company is not aware of any material pending legal proceedings to which the Company or any of its subsidiaries is a party.

ii. Securities Ownership of Directors and Management

As of 28 February 2025, the following are the security ownership of the Directors and Officers of the Company:

Title of Class	Name of Beneficial Owner	Amount and Nature Of Security Ownership		Citizenship	Percentage
Common	Andres Soriano III	489,428,270	Direct/Indirect	American	16.314%
Common	Eduardo J. Soriano+	177,285,111	Direct/Indirect	Filipino	5.910%
Common	Oscar J. Hilado	4,520,000	Direct	Filipino	0.151%
Common	William H. Ottiger	20,000	Direct	Swiss	0.001%
Common	Ernest K. Cuyegkeng	20,000	Direct	Filipino	0.001%
Common	Johnson Robert G. Go, Jr.	20,100	Direct	Filipino	0.001%
Common	Camila Maria H. Soriano	20,000	Direct	American	0.001%
Total		671,313,481			22.377%

+ Passed away last February 17, 2025

Lorna Patajo-Kapunan, Narcisa M. Villaflor, Joshua L. Castro, Salome M. Buhion and Ma. Victoria L. Cruz do not own shares of the Company.

iii. Voting Trust Agreement

The Company does not have any voting trust agreement with any stockholder.

(e) No change in control of the Company occurred since the beginning of the last calendar year. Management is not aware of any arrangement which may result in a change in control of the Company.

Except as indicated in the above section on Security Ownership of Certain Record and Beneficial Owners, there are no other persons holding 5% or more of the common stock of the Company.

As of 28 February 2025 the foreign ownership level of total outstanding common & preferred shares is 16.67%.

The Company does not own any other equity securities beneficially owned by its directors and other nominees.

Item 5: Information required of Directors and Executive Officers

(a) Directors and Executive Officers

Pursuant to the Corporation's By-Laws, in addition to the right of the Board of Directors to make nominations for the election of Directors including independent Directors, nominations for Directors including independent Directors may be made by any shareholder entitled to vote for the election of Directors.

Nominations shall be received by the Chairman of the Board of Directors (which nominations may be sent through the Corporate Secretary), on the 1st of March of every year or at such earlier or later date as the Board of Directors may fix.

For this year, the Board of Directors set the deadline for nomination of Directors on March 1, 2025.

Each nomination under the preceding paragraph shall set forth the name, age, business address and, if known, residence address of each nominee, the principal occupation or employment of each such nominee, the number of shares of stock of the Corporation which are beneficially owned by each such nominee, and the interests and positions held by each nominee in other corporations. In addition, the shareholder making such nomination shall promptly provide any other information reasonably requested by the Corporation.

The Board, by a majority vote unless a greater majority is required under the By-Laws, may, in its discretion, determine and declare that a nomination was not made in accordance with the foregoing procedures, and/or that a nominee is disqualified for election as Director and if the Board should so determine, the defective nomination and the nomination of the disqualified person shall be disregarded.

On 1 March 2025, Mr. Ernest K. Cuyegkeng, Director and Stockholder, nominated all the nominees for Directors including independent Directors contained in the IS. Mr. Cuyegkeng is not related to any of the independent Directors nominated. No other nomination was submitted as of 3 March 2025. Unless marked otherwise, the proxies received will be voted FOR the election of the nominees named below who have signified their acceptance of their respective nominations. The Board of Directors has no reason to believe that any of such nominees will be unwilling or unable to serve if elected as a Director. Each Director shall serve until the next annual meeting of stockholders or until his successor is elected or appointed in case of vacancy due to death, resignation or removal. Management recommends a vote FOR the election of each of the nominees listed below. All the nominees are incumbent Directors of the Company except for Mr. Eduardo Jose M. Soriano, Jr., who is a first time nominee.

The nominations for independent Directors complied with SRC Rule 38, which requires that a corporation with a class of equity securities listed for trading on the Philippine Stock Exchange or with assets in excess of Fifty Million Pesos (₱50,000,000.00) and having two hundred (200) or more holders, at least two hundred (200) of which are holding at least one hundred (100) shares of a class of its equity securities shall have at least two (2) independent Directors or such independent Directors shall constitute at least twenty percent (20%) of the members of such Board.

The two nominated independent Directors of the Company are Mr. Oscar J. Hilado and Mr. Johnson Robert G. Go, Jr.

Mr. Hilado has been an independent Director of the Company for the last five years and has served as independent Director for more than nine years reckoned from the year 2012. The Company is allowed to retain an independent Director who has served for more than nine years to continue as long as meritorious justifications are provided and shareholders' approval is secured.

The Company believes that there are meritorious justifications to retain Mr. Hilado as an independent Director. He has been an essential member of the Board of Directors, serving at the same time as the Chairman of the Audit and Compensation Committees of the Company. He is highly qualified and well respected in the business community and sits as independent director in the Boards of other companies. He has performed his role as independent Director with dedication and commitment. His insights, wisdom, and knowledge of the Company gained from his experience over the years will help the Company navigate new challenges in the years ahead.

The retention of Mr. Hilado as independent Director will also preserve a well-balanced Board composition in terms of tenure. Mr. Go, the other nominee as an independent Director was first elected in 2019. Mr. Ottiger, also a nominee for Director, was first elected in April 2022. Ms. Soriano was first elected as a Director in April 2024, and Mr. Eduardo Jose M. Soriano, Jr. is a first-time nominee. This mix ensures that the Board has fresh perspective from relatively new members. Because of the invaluable contribution of Mr. Hilado, the Company is unable to find a suitable replacement for him. Please refer to page 6 for his business experience.

The two nominated independent Directors are neither officers nor employees of the Company or of any of its subsidiaries. They do not have any relationship with the Company which would interfere with the exercise of independent judgment in carrying out their responsibilities. Further, the nominated independent Directors possess all the qualifications and none of the disqualifications to serve as independent Directors of the Company. The independent Directors are nominated and elected in the same manner as regular directors in accordance with the nomination and election procedures provided in the By-Laws. The Company amended its By-Laws on 10 June 2009 to incorporate the requirements of SRC Rule 38 with respect to the nomination and election of independent Directors.

A brief description of the nominated Directors' business experiences for the last five years follows:

ANDRES SORIANO III, age 73, American, Director of the Company since 19 May 1982; Chairman and Chief Executive of the Company (1983 to present); Chairman and President of Anscor Consolidated Corporation (1987 to present); Chairman of The Andres Soriano Foundation, Inc. (1985 to present), Phelps Dodge International Philippines, Inc. (1983 to present), Phelps Dodge Philippines Energy Products Corporation (1997 to present), Seven Seas Resorts and Leisure, Inc. (1998 to present) and Pamalican Resort, Inc. (May 2011 to present); Director of International Container Terminal Services, Inc. (ICTSI) (July 1992 to present). Mr. Soriano was formerly the President and Chief Operating Officer of San Miguel Corporation and was subsequently the Chairman and Chief Executive Officer of San Miguel Corporation. He was Chairman of Coca-Cola (Philippines), Coca-Cola Amatil (Australia) and Nestle (Philippines). He was a Director of SPI Technologies and eTelecare Global Solutions, Inc. until 2006. He was also a Member of the G.E. Asian Advisory and the Wharton East Asia Executive Board. He holds a Bachelor of Science Degree in Economics, Major in Finance and International Business, Wharton School of Finance and Commerce, University of Pennsylvania, (1972).

ERNEST K. CUYEGKENG, age 78, Filipino, Director of the Company since 22 April 2009; Formerly President and Chief Operating Officer (April 2022 to April 2024), and Executive Vice President and Chief Financial Officer of the Company (1990 to April 2022), President and Director of Phelps Dodge Philippines Energy Products Corporation (1999 to present), and Anscor Holdings, Inc. (2012 to present); Director (2008 to present) and President (since 2021) of Seven Seas Resorts and Leisure, Inc.; KSA Realty Corporation (2001 to present), Prople, Inc. (2007 to present), Testech, Inc. (2003 to present), T-O Insurance (2008 to present), Sumifru, Singapore (2003 to present), and Philippine British Assurance Co. Inc. (Nov. 2011 to present); Chairman and Director of ArthaLand Corporation (2007 to present); Member of the Board of Trustees of The Andres Soriano Foundation, Inc. (1990 to present); Member of the Management Association of the Philippines, Makati Business Club and Financial Executive Institute of the Philippines (FINEX), and Treasurer, Columbia University Alumni Association of the Philippines. Graduate of De La Salle University, B.A. Economics and B.S. Business Administration, (1968), Masters Degree in Business Administration, Columbia Graduate School of Business, New York, (1970).

JOHNSON ROBERT G. GO, JR., age 60, Filipino, Director of the Company since 19 November 2019 and an independent Director since 2022; Director of JG Summit Holdings, Inc., Universal Robina Corporation (May 5, 2005 to present) and Robinsons Land Corporation; President of the Dameka Trading, Inc., member of the Senior Advisory Board of Robinsons Bank Corporation and a Trustee of the Gokongwei Brothers Foundation, Inc. He received his Bachelor of Arts degree in Interdisciplinary Studies (Liberal Arts) from the Ateneo de Manila University.

OSCAR J. HILADO, age 87, Filipino, an independent Director of the Company since 13 April 1998; Chairman of Philippine Investment Management (PHINMA), Inc. (August 2005 to present); Chairman-Emeritus of Phinma Corporation (April 12, 2022 to present); Vice-Chairman of Phinma Property Holdings Corporation (April 30, 2021 to present); Vice-Chairman of Union Galvasteel Corporation (March 2017 to present); Director of Philex Mining Corporation (Dec 2009 to present); Director of Rockwell Land Corporation (May 27, 2015 to present); Director of A. Soriano Corporation (April 13, 1998 to present); Director of Roxas Holdings, Inc. (March 2016 to present); Director of Smart Communications, Inc. (May 6, 2013 to present); Independent Advisor of Metro Pacific Investments Corporation (October 17, 2023 to present); Director of Phil Cement Corp. (September 22, 2017 to present); Director of Philcement Mindanao Corporation (March 15, 2024 to present); Director of Union Insulated Panel Corp. (June 30, 2022 to present); Director of Phinma Education Holdings, Inc. (March 2016 to present); Director of Araullo University, Inc. (April 2004 to present); Director of Cagayan de Oro College, Inc. (June 2005 to present); Director of University of Iloilo, Inc. (August 17, 2009 to present); Director of University of Pangasinan, Inc. (August 17, 2009 to present); Director of Southwestern University (June 20, 2016 to present); Director of Phinma Hospitality, Inc. (July 15, 2011 to present); Director of United Pulp and Paper Company, Inc. (Dec. 2, 1969 to present); Director of Digital Telecommunications Philippines, Inc. (DIGITEL) (May 6, 2013 to present); Director of Seven Seas Resorts & Leisure, Inc. (1996 to present); Director of Beacon Venture Holdings, Inc. (November 15, 1994 to present); and Director of Manila Cordage Company (1986 to present). Graduate of De La Salle College (Bacolod), Bachelor of Science in Commerce (1958), Master's Degree in Business Administration, Harvard Graduate School of Business, (1962).

WILLIAM H. OTTIGER, age 57, Swiss, Director (since 20 April 2022), President and Chief Operating Officer (April 2024 to present), and formerly Executive Vice President and Corporate Development Officer (2013 to April 2024) of the Company; Director of Anscor International, Inc. (2021 to present), Seven Seas Resorts and Leisure, Inc. (2019 to present) and Phelps Dodge International Philippines, Inc. (April 2016 to present); Independent Director of iPeople, Inc. (August 2023 to present); Director of TBG Food Holdings, Inc. (the Bistro Group, November 2024 to present); ATRAM Trust Corporation (2019 to present); ATR Asset Management, Inc. (2019 to present) and AG&P International Holdings Pte. Ltd. (2014 to 2022). Formerly CEO of Cirrus Medical Staffing, Inc. (USA), an Anscor portfolio investment sold in 2017; UBS Investment Bank, London (UK) and San Miguel Brewing Hong Kong Ltd. Graduate of Washington & Lee University, B.A. European History, (1990); London Business School, MBA, (2001).

CAMILA MARIA H. SORIANO, age 35, American, Director of the Company from April 2024 to present; Founder, Chief Financial Officer of Wholesome Spirits Inc. (DBA Volley), Charles, SC (June 2019 to present); Chief Financial Officer of American Juice Company LLC, Charles, SC, (May 2017 to present); Registered Client Associate of Wells Fargo Advisors, New York, NY, (2013 to May 2017); Intern, Funds Research of Bank of Singapore (Subsidiary of OCBC) Singapore, (Summer 2012); Intern, Retail Event Marketing of Ralph Lauren, New York, NY, (Summer 2011), Intern, European Observatory on Children's Television (OETI), Barcelona, Spain, (Fall 2010) and Assistant to Vice President, Business Development of The Coca-Cola Company, New York, NY, (Summer 2010). Graduate of Fundamentals of Corporate Finance, New York City University (Fall 2012); Political Science and Hispanic Studies, B.A., Trinity College (2012). Studied in University Pompeu Fabra, Barcelona, Spain (Fall 2010), New York University, Intercultural Communications (Summer 2009) and Kent School (2008 with Honors).

EDUARDO JOSE M. SORIANO, JR., age 31, Filipino, Director of Nibertex Pte Ltd., Singapore (January 2025 to present); Hacienda Macalauan, Inc. (2015 to present) and Seven Seas Resorts and Leisure, Inc. (November 2015 to June 2019); Chief Business Officer (January 2019 to present), Operations Manager (April 2017 to January 2019), Operations Supervisor (August 2016 to April 2017), and Personal Assistant to the President of Hacienda Macalauan, Inc. (August 2015 to August 2016). Graduate of Bachelor of Arts, Major in International Business and Minor in Sustainability Development, Rollins College, Winter Park, Florida, USA (2015).

The following are the members of the Executive Committee, Audit Committee, Compensation Committee and Nomination Committee for the period April 17, 2024 to April 16, 2025:

Executive Committee:

Mr. Andres Soriano III	Chairman
Mr. Eduardo J. Soriano +	Vice Chairman
Mr. Oscar J. Hilado	Member
Mr. Ernest K. Cuyegkeng	Member
Mr. William H. Ottiger	Member

Audit Committee:

Mr. Oscar J. Hilado	Chairman
Mr. Eduardo J. Soriano +	Member
Mr. Ernest K. Cuyegkeng	Member
Mr. Johnson Robert G. Go, Jr.	Member
Ms. Camila Maria H. Soriano	Member

Compensation Committee:

Mr. Oscar J. Hilado	Chairman
Mr. Andres Soriano III	Member
Mr. Ernest K. Cuyegkeng	Member

Nomination Committee:

Mr. Eduardo J. Soriano +	Chairman
Mr. Oscar J. Hilado	Member
Mr. Ernest K. Cuyegkeng	Member

+ Passed away last February 17, 2025.

On April 16, 2025, the Board of Directors will elect the members of the different Board Committees during the Organizational Meeting of the Board of Directors to serve for the ensuing year.

The following are not nominees but incumbent officers of the Company:

LORNA PATAJO-KAPUNAN, age 72, Filipino, Corporate Secretary of A. Soriano Corporation (1998 to present); Senior Partner of Kapunan & Castillo Law Offices; Corporate Secretary, Roxas Holdings, Inc. (1995 to 2014), Central Azucarera de Don Pedro (February 1995), Central Azucarera de la Carlota (March 1996), Beverage Industry Association of the Philippines (February 1991), Seven Seas Resorts & Leisure, Inc. (November 1990 to present), Pamalican Island Holdings, Inc. (1995 to present), iAcademy (2002 to 2011), Uni-President Phils., Inc. (2002 to present), Huntly Corporation (February 1992 to present), Palomino Resources, Inc. and Malate Pensionne, Inc. (2001 to 2014), Cuisine Exchange, Inc. and Culinary Innovators, Inc. (2001 to 2014), Jose M. Velero Corporation (2001 to 2014), Creative Concoctions, Inc. (2001 to 2014), Hotel Concepts, Inc. (September 2001 to present), Creative Hotel Concepts, Inc. (September 2001 to 2014), Culinary Events, Inc. (2001 to 2014), AH Distribution Corporation, Hotel & Resorts, Inc. (2002 to 2014), It's About Taste (I'ATE), Inc. (2002 to 2014), Kitchen Alley, Inc. (2001 to 2014), Les Maitres Gourmands, Inc. (July 2001 to 2014); Traditional Financial Services Philippines, Inc. (2008 to present); Avaya Philippines, Inc. (2006 to present), Elixir Gaming Technologies Philippines, Inc. (2007 to 2008), Elixir Group Philippines, Inc. (2006 to 2008); Director of AMAX Holdings Limited (2008 to 2014); Corporate Secretary, Blessed Mary Mother of the Poor Foundation, Inc. (2014), Montemar Beach Club, Inc. (2013 to present), Philcomsat Communications Satellite Corporation (Philcomsat) (2013 to present), UNLAD Foundation (2015 to present), Dusit Thani Philippines, Inc. (Formerly Philippine Hoteliers,Inc.); PARAF Holdings, Inc. AIC Group of Companies Holdings Corp. (Airspeed). Graduate of University of the Philippines College of Law, (1978); Seminar Courses: Japan Institute of Invention and Innovation (JIII) Tokyo (1997); National Institute on Humanitarian Law, San Remo, Italy (September 2005); Summer Course International Humanitarian Law, Magdalene College, Cambridge University, London UK (July 2010). Bar Examiner, Mercantile Law (1988). The Outstanding Women In The Nations Service (TOWNS) Awardee – Corporate Law (1995); Filipinas Women Network (FWN) Influential Women Award (2016 to present); Columnist, Business Mirror "Legally Speaking"; Program Host/Commentator "Laban Para Sa Karapatan" DWIZ, 882 AM; "Trio Tagapampayo" Face to Face, Channel 5; Top 100 Lawyers in the Philippines (2019 to 2021); 2021 Corporate Int'l Global Awardee; ASEAN Women Entrepreneurs Conference (2024) – Best Women Entrepreneur Award (2024); Linguistic Intelligence Award (2024); Past Councilor, Asian Patent Attorneys Association (APAA); Past President/Director Intellectual Property Association of the Philippines (IPAP); Chairperson Management Association of the Philippines (MAP) Arts and Culture Committee; Past Area Director, Area 5 Zonta International; Legal Adviser Rotary International District 3800; Governor/Counselor Philippine National Red Cross (PRC); Past President/Trustee – Women's Business Council (WBC); Vice Chairman Cultural Center of the Philippines (CCP) (up to 2022); Board of Adviser – World Wildlife Fund (WWF); Legal Adviser, LGBTQ Foundation, Inc. (2025)

NARCISA M. VILLAFLOR, age 62 Filipino, Vice President and Comptroller of the Company since 19 April 2000, Treasurer since January 2023; Treasurer of Seven Seas Resorts and Leisure, Inc., Pamalican Resort, Inc. and Anscor Holdings, Inc., The Andres Soriano Foundation, Inc., Pamalican Island Holdings, Inc., and Sutton Place Holdings, Inc.; Director of Anscor Consolidated Corporation and A. Soriano Air Corporation; Trustee of The Andres Soriano Foundation, Inc. Joined SGV (January 1985 to November 1989) and joined Anscor in December 1989; Graduate of University of the Philippines, Bachelor of Science in Business Administration and Accountancy (1984). Attended AIM Management Program (November 1996).

JOSHUA L. CASTRO, age 50, Filipino, Vice President (April 2017 to present) and Assistant Corporate Secretary of the Company; Assistant Corporate Secretary of Seven Seas Resorts and Leisure, Inc. and Island Aviation, Inc. (2006 to present); Corporate Secretary of Phelps Dodge Philippines Energy Products Corporation and The Andres Soriano Foundation, Inc. (2006 to present); Tax Lawyer, SyCip Gorres Velayo & Co. (1999 to 2005); Graduate of San Beda College of Law (1999), and University of the Philippines Diliman, Bachelor of Arts, Political Science (1995).

SALOME M. BUHION, age 52, Filipino, Assistant Vice President for Corporate Accounting (April 2017 to present) and Accounting Manager (January 1998 to April 2017) of the Company; Assistant Manager, Business System Division (Support Management Group), Equitable PCI Bank, (1997); Auditor, SyCip Gorres Velayo & Co. (1994 to 1997); Certified Public Accountant.

MA. VICTORIA L. CRUZ, age 60, Filipino, Assistant Vice President of the Company (April 2017 to present); Executive Secretary to the Chairman (September 1998 to March 2017). Ms. Cruz was formerly the Executive Assistant to the Head of Mission of the Embassy of Peru. She also worked with Shangri-La's Mactan Island Resort, John Clements Consultants, Inc. and the Mandarin Oriental Hotel, Manila. She received a Bachelor of Science degree major in Business Management from De La Salle University in 1984.

(b) Resignation of Directors

Since the date of the last annual meeting, no incumbent Director has resigned or declined to stand for re-election to the Board of Directors due to disagreement with Management.

(c) Ownership Structure and Parent Company

The registrant has no parent company.

(d) Family Relationship

Ms. Camila Maria H. Soriano is the daughter of Mr. Andres Soriano III while Mr. Eduardo Jose M. Soriano, Jr. is his nephew. There are no other family relations up to the Fourth Civil Degrees either by consanguinity or affinity among the Directors, Executive Officers or persons nominated that is known to the Company.

(e) Executive Officers and Significant Employees

There are no significant employees.

(f) Legal Proceedings

For the last five years and as of 28 February 2025, Management is not aware of any pending material legal proceeding i.e., bankruptcy petitions, convictions by final judgment, being subject to any order, judgment or decree or violation of a Securities or Commodities Law involving its nominees for directorship, executive officers and incumbent officers and directors.

In addition, the 2024 Audited Consolidated Statement of the Company contains the following annotations with respect to legal proceedings involving the Company, or any of its subsidiaries or affiliates:

a. ASAC is a defendant in labor lawsuits and claims. As at December 31, 2019, management has provisions for losses amounting to ₱5.7 million that may be incurred from these lawsuits. In 2020, ASAC reversed the provisions in full as management assessed that the claim is no longer probable due to the prescription of the period from which the complainants may file an independent action to re-open the labor lawsuits. The 10-year prescriptive period ended on April 20, 2020.

b. The Group has claims, commitments, litigations and contingent liabilities that arise in the normal course of their operations which are not reflected in the consolidated financial statement. Management is of the opinion that as at December 31, 2024 losses, if any, from these commitments and contingencies will not have a material effect on the consolidated financial statements.

(g) Certain Relationship and Related Transactions

The related party transactions of the Company as contained in the Company's Audited Consolidated Financial Statement are as follows:

Related Party Transactions

Related party relationship exists when the party has the ability to control, directly or indirectly, through one or more intermediaries, or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity and its key management personnel, directors or stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

All related party transactions exceeding ₱5.0 million in a single transaction or in aggregate transactions within the last twelve (12) months shall be disclosed to and evaluated by the Related Party Transaction Committee for approval by at least majority of the BOD.

All material related party transactions, representing 10% or more of the consolidated total assets of the Group, shall be approved by at least two-thirds (2/3) vote of the BOD, with at least majority of the independent directors voting to approve the material related party transactions. These transactions shall be disclosed with the SEC.

In the normal course of business, the Group grants/ receives cash advances to/from its associates and affiliates. Related Party transactions are generally settled through cash.

Compensation of the Group's key management personnel (in millions):

	2024	2023	2022
Short-term employee benefits	**200.9**	₱ **186.9**	₱ 152.2
Retirement benefits	**12.2**	**5.1**	4.4
Total	**213.1**	₱ **192.0**	₱ 156.6

On March 29, 2023, PDPI sold and issued shares to a key officer representing 3% of its outstanding shares of stock for ₱35.6 million. At date of sale, the Group recognized the corresponding noncontrolling interest and the related adjustment as a charge against the Additional Paid-in-Capital in the consolidated financial statements amounting to ₱135.0 million.

On November 4, 2019, the Company granted a five-year loan amounting to ₱363.5 million to A. Soriano Corporation Retirement Plan (the Retirement Plan) at 5% interest per annum. The loan is secured by the Company's shares of stock held by the Retirement Plan with a fair value of ₱766.1 million and ₱652.9 million as at December 31, 2024 and 2023, respectively. On February 28, 2024, the loan term was extended for another nine years effective November 3, 2024. The balance of the loan, which is presented as "Notes receivable" in the consolidated statements of financial position, amounted to ₱161.5 million and ₱198.8 million as at December 31, 2024 and 2023, respectively.

On August 10, 2023, the Company entered into an agreement with ATRAM Investment Management Partners for ₱218 million convertible note ("Note"), with interest rate of 8% per annum. The principal is payable on the third year anniversary of the Note issuance, while the interest is payable monthly. The Notes are convertible on or after the occurrence of an event of default. As at December 31, 2024, there has been no event of default and the Company intends to hold the Note until maturity. Accordingly, the Note was included under "Notes receivable" and accounted for at amortized cost.

Item 6: Compensation of Directors and Executive Officers

(a) As approved in 2004, Directors are paid a per diem of ₱20,000.00 per meeting attended and are given directors bonus representing no more than 1% of previous year's net income. Similarly, annual bonus, of no more than 3% of the preceding year's net income as well as salary increase of Executive Officers are approved by the Compensation Committee and the Board of Directors.

Name	Principal Position	Compensation		
		2023 Actual	2024 Actual	2025 (Estimate)
Andres Soriano III	Chairman & Chief Executive Officer			
William H. Ottiger	President & Chief Operating Officer			
Narcisa M. Villaflor	Vice President & Comptroller/Treasurer			
Joshua L. Castro	Vice President & Assistant Corporate Secretary			
Salome M. Buhion	Assistant Vice President-Accounting			
Ma. Victoria L. Cruz	Assistant Vice President			
Executive Directors*				
Salaries		₱ 43,958,043	₱ 44,632,990	₱ 36,282,897
Bonus		72,100,000	64,571,429	113,022,000
Other Executive Officers**				
Salaries		17,928,826	16,824,047	14,659,549
Bonus		19,500,000	17,000,000	31,028,400
Benefits		2,606,325	2,993,986	2,445,120
Subtotal Executive Directors and Officers		156,093,194	146,022,451	197,437,966
Non-Executive Directors*** Consultancy Fee		2,901,786	3,348,214	13,462,500
Bonus		18,064,286	14,785,714	35,655,541
Directors Fees		520,000	500,000	560,000
Subtotal Non-Executive Directors		21,486,071	18,633,929	49,678,041
Total		**₱ 177, 579,265**	**₱ 164,656,380**	**₱ 247,116,007**

** Executive Directors include members of the Board of Directors who are at the same time Executive Officers.*
*** Other Executive Officers include Executive Officers who are not members of the Board of Directors.*
**** Non-Executive Directors include members of the Board of Directors who are not at the same time Executive Officers of the Company.*

(b) Employment Contracts and Termination of Employment and Change-in Control Arrangements. All the Executive Officers are not subject of any employment contract. Neither are there any compensatory plans or arrangements with respect to the named Executive Officers that will result from their resignation, retirement or any other termination or from change in control in the Company or change in the named Executive Officers' responsibilities following a change in control.

c) Warrants and Options Outstanding
There are no warrants or options granted to the Directors, Chief Executive Officer, and other named Executive Officers.

Item 7: Independent Public Accountants

(a) SyCip Gorres Velayo & Co. (SGV) has been the Company's independent auditors since its establishment in 1946. They will again be nominated for reappointment and presented for approval by the stockholders during the stockholders' meeting as external auditors for the ensuing calendar year. Unless marked to the contrary, proxies received will be voted FOR the appointment of SGV as the independent auditors for the ensuing year. The Management recommends a vote FOR the appointment of SGV as independent auditors of the Company for the ensuing year.

(b) In compliance with SRC Rule 68 paragraph 3(b) (IX) (Rotation of External Auditors), the SGV audit partner, as of December 2024, is Ms. Dhonabee B. Señeres, who is on her sixth year of audit engagement. Ms. Señeres will again be the SGV audit partner for the ensuing year.

(c) A representative of SGV is expected to be present at the Annual Meeting to respond to appropriate questions from the stockholders and to make a statement if so desired.

(d) The Company has no disagreement with its independent auditors on Accounting and Financial Disclosures and changes in Accounting and Financial Disclosures are included in the attached Notes to Financial Statements, if applicable.

(e) Audit and Audit Related Fees
The Company paid to its external auditors the following fees for the past two years:

Year	Audit Fees
2024	₱ 4,830,000
2023	₱ 4,417,000

The audit fees were evaluated and approved by the Audit Committee based on the scope of work of external auditors and the complexity of accounting and audit issues identified. There are no other fees paid to the external auditors for other assurance and related services.

(f) Consultancy and Other Fees
There are no consultancy and other fees paid by the Company to SGV for the year 2024.

Item 8: Compensation Plan

There is no matter or action to be taken up in the meeting with respect to any compensation plan pursuant to which cash or noncash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9: Authorization or issuance of securities other than exchange

There is no matter or action to be taken up with respect to authorization or issuance of securities.

Item 10: Modification or Exchange of Securities

There is no matter or action to be taken up for the modification or exchange of any class of the Company securities.

Item 11: Financial and Other Information

The audited financial statements (included in the Annual Report) as of December 31, 2024, Management's Discussion and analysis, market price of shares and dividends and other data related to the Companies' financial information are attached hereto as "Annex B".

1. Financial statements meeting the requirements of SRC Rule 68, as amended; (please see Audited Financial Statements attached hereto).

2. "Annex B", management discussion and analysis and plan of operation (please see pages 25 to 35 of the IS); and

3. "Annex B", changes in and disagreements with accountants on accounting and financial disclosure. (please see page 35 of the IS).

Item 12: Mergers, Consolidation, Acquisitions, and Similar Matters

There is no matter or action to be taken up with respect to any transactions involving mergers, consolidation, acquisitions, or similar matters.

Item 13: Acquisition or Disposition of Property

There is no matter or action to be taken up with respect to acquisition or disposition of any property.

Item 14: Restatement of Accounts

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the new and amended Philippine Financial Reporting Standards (PFRSs) which became effective beginning 1 January 2024. There is no restatement of accounts to disclose.

D. OTHER MATTERS

Item 15: Action with Respect to Reports

The following reports/minutes shall be submitted for approval/ratification:

(a) Approval of Minutes of Annual Meeting of Stockholders on 17 April 2024

The Minutes of Annual Meeting of Stockholders of the Company held on 17 April 2024 ("Minutes") will be presented for approval of the stockholders. Such action on the part of the stockholders will not constitute approval or disapproval of the matters referred to in said Minutes since Stockholders' approval and action on those items had already been obtained in that meeting and subsequently carried out.

The Minutes and related records are available for inspection at the office of the Company during business hours. In addition, copies of the Minutes shall be posted at the meeting site.

Summary of the Minutes of 17 April 2024:

In the Annual Stockholders' Meeting the following were taken up:

1. Approval of the minutes of previous meeting.
2. Presentation of the Chairman and Chief Executive Officer's Message to Stockholders.
3. Election of members of the Board of Directors.
4. Approval of the continuation of Mr. Oscar J. Hilado to act as Independent Director and to serve as such if elected as one of the Directors of the Corporation.
5. Re-appointment of SGV & Co. as external auditors of the Corporation.
6. Ratification of all acts, contracts, investments, and resolutions of the Board of Directors and Management since the last annual meeting.

In the organizational meeting that followed after the Stockholders' Meeting, the Executive Officers were re-elected and the members of the Executive, Audit, Compensation, and Nomination Committees are as follows:

Executive Committee:

Mr. Andres Soriano III	Chairman
Mr. Eduardo J. Soriano	Vice Chairman
Mr. Oscar J. Hilado	Member
Mr. Ernest K. Cuyegkeng	Member
Mr. William H. Ottiger	Member

AUDIT COMMITTEE

Mr. Oscar J. Hilado	Chairman
Mr. Eduardo J. Soriano	Member
Mr. Ernest K. Cuyegkeng	Member
Mr. Johnson Robert G. Go, Jr.	Member
Ms. Camila Maria H. Soriano	Member

COMPENSATION COMMITTEE

Mr. Oscar J. Hilado	Chairman
Mr. Andres Soriano III	Member
Mr. Ernest K. Cuyegkeng	Member

NOMINATION COMMITTEE

Mr. Eduardo J. Soriano	Chairman
Mr. Oscar J. Hilado	Member
Mr. Ernest K. Cuyegkeng	Member

(b) Approval of 2024 Audited Financial Statements

The Audited Financial Statements of the Company for the period ended 31 December 2024 will be submitted for approval of the stockholders at the Annual Meeting.

SGV had examined the Financial Statements in accordance with generally accepted auditing standards and have expressed their opinion on the fairness of the presentation in their report to the Board of Directors and Stockholders of the Company. The information and representation in the Financial Statements are the responsibility of Company's Management.

(c) Ratification of All Acts, Contracts, Investments and Resolutions of the Board of Directors and Management since 17 April 2024 Meeting.

As a matter of corporate policy, Management seeks the approval and ratification by the stockholders of all acts, contracts, investments and resolutions of the Board of Directors and Management since 17 April 2024. These are reflected in the Minutes of the meetings of the Board of Directors, in the regular reports and disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange, and in the 2023 Annual Report of the Company. For reference, attached herewith (Annex A) is a list of all the resolutions approved by the Board of Directors since April 17, 2024 which are the subject of ratification by the stockholders.

Requirements under Section 49 of the Revised Corporation Code of the Philippines

(a) Pursuant to the Procedure for the Registration, Participation and Voting in the 2024 ASM of the Company, the stockholders have the option of voting either (1) by Proxy or (2) by voting in absentia through the Company's Online Stockholder Voting System. All the stockholders who attended the virtual ASM either by Proxy or by registration via email elected to vote by Proxy. Hence, the Corporate Secretary voted the shares covered by the Proxies from stockholders in accordance with the instructions given by the stockholders in the Proxy Forms. The Company's stock transfer agent, Stock Transfer Service, Inc. validated the Proxy Forms and the votes cast during the ASM.

(b) In accordance with the Procedure for the Registration, Participation and Voting in the 2024 ASM, the stockholders were given the opportunity to send their questions for the Question and Answer portion of the ASM by email to registration@anscor.com.ph. The following is the record of the Question read by the Corporate Secretary and responded to by the Chairman during the ASM:

"Secretary: Mr. Chairman, we received a question from a stockholder - What are the Company's expansion projects for the year, if any?

Chairman: Thank you Ms. Secretary. Anscor remains actively engaged in seeking new investment opportunities. In particular, we like consumer driven sectors given the expanding middle class in the Philippines with increasing disposable income, and as the Philippine economy grows with its youthful population, there is demand for new and premium experiences.

For our subsidiaries, Phelps Dodge recently completed the addition of another CCV line last year to augment its capacity for power cable production. For this year, it has earmarked close to ₱400 million in capex to further expand production capacity and upgrade existing machinery.

Meanwhile, Amanpulo, given the positive reception from guests, will install swimming pools in additional beach casitas. We are also in the process of developing a multi-year property improvement plan for the resort aimed at maintaining its status as a premier luxury destination. "

(c) The following are matters discussed and resolutions reached during the 2024 ASM:
1. Approval of the minutes of the 19 April 2023 Annual Meeting of Stockholders;
2. Approval of the 2023 Annual Report of the Corporation;
3. Election of the Members of the Board of Directors;
4. Approval for the continuation of Mr. Oscar J. Hilado to act as Independent Director;
5. Appointment of the External Auditor; and
6. Ratification of all acts, contracts and resolutions of Management and the Board of Directors since the 2023 ASM.

(d) The following are the voting results for each agenda item during the 2024 ASM:

Agenda Item	For	Against	Abstain
Approval of the minutes of the 19 April 2023 Annual Meeting of Stockholders	2,774,585,125	0	0
Approval of the 2023 Annual Report of the Corporation	2,774,584,125	0	0
Election of the Members of the Board of Directors			
a. Andres Soriano III	2,774,585,125	0	0
b. Eduardo J. Soriano	2,774,585,125	0	0
c. Ernest K. Cuyegkeng	2,774,585,125	0	0
d. Johnson Robert G. Go, Jr.	2,774,585,125	0	0
e. Oscar J. Hilado	2,774,585,125	0	0
f. Alfonso S. Yuchengco III	2,774,585,125	0	0
g. Camila Maria H. Soriano	2,774,585,125	0	0
Approval for the continuation of Mr. Oscar J. Hilado to act as Independent Director	2,774,584,125	0	1,000
Appointment of SGV & Co. as External Auditor	2,774,584,125	0	1,000

(e) The following are the directors and officers and stockholders who attended the 2024 ASM;

Directors and Officers:

1. Andres Soriano III
2. Eduardo J. Soriano
3. Ernest K. Cuyegkeng
4. Johnson Robert G. Go, Jr.
5. Oscar J. Hilado
6. Jose C. Ibazeta
7. Atty. Lorna Patajo-Kapunan
8. William H. Ottiger
9. Camila Maria H. Soriano
10. Joshua L. Castro
11. Salome M. Buhion
12. Ma. Victoria L. Cruz
13. Narcisa M. Villaflor

Stockholders:

1. Anscor Consolidated Corporation
2. A.Soriano Corporation Retirement Plan (Common & Preferred)
3. A. Soriano Corporation Domestic Retirement Trust Fund
4. A. Soriano Corp. Fractional Shares
5. Citibank N.A. FAO 7568421675 (ASIII)
6. Citibank N.A. FAO 7571821942 (Anscor Retirement Plan)
7. Citibank N.A. FAO 757831700 and 757831706 (Deerhaven)
8. Citiomnifor
9. Balangingi Shipping Corporation
10. DAO Investment & Management Corp.
11. A-Z Asia Ltd. Philippines, Inc.
12. C & E Property Holdings, Inc.
13. Edmen Property Holdings, Inc.
14. MCMS Property Holdings, Inc.
15. EJS Holdings, Inc.
16. Universal Robina Corp.
17. JG Summit Holdings, Inc.
18. JG Digital Equity Ventures, Inc.
19. John Lance Gokongwei
20. Robina Gokongwei
21. Santiago Tanchan Jr.
22. Constantine Tanchan
23. Santiago Tanchan III
24. Communications Electrical Equipment and Supply Co., Inc.
25. Phil. International Life Insurance Co., Inc.
26. M E Holding Corporation
27. Mercury Group of Companies
28. Peter Paul Philippines Corp.
29. JTQ Securities Corporation
30. United Realty Corporation
31. COL Financial Group
32. Jose C. Lee
33. Jocelyn C. Lee
34. Lennie C. Lee
35. Edwin Chua Lee
36. Irene Chua Lee
37. Jose C. Ibazeta Acct. #2
38. Sylvia A. Ibazeta
39. Silverio Benny J. Tan
40. Purisimo S. Buyco
41. Enrique M. Cruz
42. Imelda T. Tagudar
43. Lauro Go
44. Roderick Alain Alvarez
45. Julius Victor J. Sanvictores
46. Jose Mari Yupangco
47. Erlinda D. Santos
48. Iderlina Crisostomo
49. Emelinda P. Orozco
50. Jose D. Cayobit
51. Vicente M. Obando
52. Adelisa Cifra Ramos
53. Thaddeus F. Fabic
54. Jane V. Jingco
55. Celso J. Ditan
56. Carmelita C. Ramas
57. Luisito N. Cuasito
58. Jesus Luis Valencia
59. Rosario Monteverde
60. Antonieto D. Bandola
61. Pedro A. Rudio, Jr.
62. Yvonne Zenaida R. Gantioqui
63. James John G. Tupaz
64. Jesus E. Fajardo

(f) Material information on the current stockholders voting rights were provided during the 2024 ASM. Specifically, the Corporate Secretary informed the stockholders during the meeting that 2,774,585,125 shares of stock or 92.49% of the issued and outstanding capital stock of the Company were represented at the ASM by proxy or were present through remote communication in accordance with the procedure for the ASM. On the voting rights, the Proxy Form and the IS of the Company provided that each share of stock outstanding as of the record date shall be entitled to one vote on all matters.

g) There is no transaction to which the Company was a party in which any of the Directors have material interest.

Item 16: Matters Not Required to be Submitted

There is no action or matter to be taken up with respect to any matter which is not required to be submitted to a vote of the security holders.

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

As stated in the Proxy and the Notice of Meeting, the following are the proposed amendments to the By-Laws:

Article and Section Numbers	**FROM**	**TO**	**EFFECTS OF THE AMENDMENTS**
Article V (Executive Committee)	The Board of Directors shall create an Executive Committee composed of five (5) members. The Executive Committee shall meet regularly at such times and places to be determined by a majority vote thereof. Unless otherwise provided for by the Board of Directors, the Executive Committee shall be composed of the Chairman and Chief Executive Officer, **the Vice Chairman**, the President and Chief Operating Officer, and **two (2)** officers or directors of the Company to be appointed by the Chairman. The Chairman and Chief Executive Officer of the Company shall act as Chairman of the Executive Committee.	The Board of Directors shall create an Executive Committee composed of five (5) members. The Executive Committee shall meet regularly at such times and places to be determined by a majority vote thereof. Unless otherwise provided for by the Board of Directors, the Executive Committee shall be composed of the Chairman and Chief Executive Officer, the President and Chief Operating Officer, and three (3) officers or directors of the Company to be appointed by the Chairman. The Chairman and Chief Executive Officer of the Company shall act as Chairman of the Executive Committee. *(As amended by the Board on February 24, 2025, and the Stockholders on April 16, 2025)*	In honor of the late Mr. Eduardo J. Soriano, and to commemmorate his memory, the position of Vice Chairman is being retired following his passing. The position of Vice-Chairman would no longer exist.

Article VI (Officers), Section 1	Section 1. The officers of the Corporation shall consist of a Chairman of the Board, who shall be the Chief Executive Officer, **a Vice Chairman of the Board**, a President, who shall be the Chief Operating Officer, an Executive Vice President, one or more Vice Presidents, a Treasurer and an Assistant Treasurer, a Secretary and an Assistant Secretary and such other officers as may, from time to time, be chosen and appointed by the Board of Directors.	Section 1. The officers of the Corporation shall consist of a Chairman of the Board, who shall be the Chief Executive Officer, a President, who shall be the Chief Operating Officer, an Executive Vice President, one or more Vice Presidents, a Treasurer and an Assistant Treasurer, a Secretary and an Assistant Secretary and such other officers as may, from time to time, be chosen and appointed by the Board of Directors. *(As amended by the Board on February 24, 2025, and the Stockholders on April 16, 2025)*	In honor of the late Mr. Eduardo J. Soriano, and to commemmorate his memory, the position of Vice Chairman is being retired following his passing. The position of Vice-Chairman would no longer exist.
Article VI Section 3	**Section 3. The Vice Chairman shall exercise the functions of the Chairman and Chief Executive Officer as specified in the next preceding section of this Article VI in the event of absence or temporary disability of the Chairman of the Board and Chief Executive Officer, and shall perform such other functions as the Board of Directors or the Chairman and Chief Executive Officer may from time to time entrust or delegate to him.** (As amended by the Board on 2-15-00; by the Stockholders on 4-19-00)	The entire Section 3 of Article VI was deleted and the subsequent Sections 4, 5, 6, 7, 8, 9, and 10 were renumbered as Sections 3, 4, 5, 6, 7, 8, and 9, accordingly.	In honor of the late Mr. Eduardo J. Soriano, and to commemmorate his memory, the position of Vice Chairman is being retired following his passing. The position of Vice-Chairman would no longer exist.

Article VI Section 4(h)	Section **4**. The President and Chief Operating Officer shall exercise the following functions: x x x x x h. Unless otherwise directed by the Board of Directors or by the Chairman of the Board and Chief Executive Officer, to exercise the latter's functions as specified in the next preceding section of this Article VI in the event of absence or temporary disability of the Chairman of the Board and Chief Executive Officer **and the Vice Chairman of the Board**.	Section 3. The President and Chief Operating Officer shall exercise the following functions: x x x x x h. Unless otherwise directed by the Board of Directors or by the Chairman of the Board and Chief Executive Officer, to exercise the latter's functions as specified in the next preceding section of this Article VI in the event of absence or temporary disability of the Chairman of the Board and Chief Executive Officer. *(As amended by the Board on February 24, 2025, and the Stockholders on April 16, 2025)*	In honor of the late Mr. Eduardo J. Soriano, and to commemmorate his memory, the position of Vice Chairman is being retired following his passing. The position of Vice-Chairman would no longer exist.

Item 18: Other Proposed Actions

As indicated in the Notice of Annual Meeting of the Stockholders, the fourth item on the agenda is for approval of the shareholders for Mr. Oscar J. Hilado to continue to act as an independent Director of the Company. The Company is allowed to retain an independent Director who has served for more than nine years based on meritorious justification/s and provided shareholders' approval is secured.

The Company believes that there are meritorious justifications to retain Mr. Hilado as an independent Director. He has been an essential member of the Board of Directors, serving at the same time as the Chairman of the Audit and Compensation Committees of the Company. He is highly qualified and well respected in the business community and sits as independent director in the Boards of other companies. He has performed his role as independent Director with dedication and commitment. His insights, wisdom, and knowledge of the Company gained from his experience over the years will help the Company navigate new challenges in the years ahead. The retention of Mr. Hilado as independent Director will also preserve a well-balanced Board composition in terms of tenure. Mr. Go, the other nominee as an independent Director was first elected in 2019. Mr. Ottiger, also a nominee for Director, was first elected in April 2022. Ms. Soriano was first elected as a Director in April 2024, and Mr. Eduardo Jose M. Soriano, Jr. is a first-time nominee. This mix ensures that the Board has fresh perspective from relatively new members. Because of the invaluable contribution of Mr. Hilado, the Company is unable to find a suitable replacement for him. Please refer to page 6 for his business experience.

Item 19: Voting Procedures

(a) All questions and elections shall be decided by majority vote of the stockholders present and in proxy and entitled to vote thereat.

(b) Stockholders may vote during the 2025 ASM either (1) by Proxy or (2) by voting in absentia through our Online Stockholder Voting System.

1. Voting by Proxy:

   a. Download and fill up the Proxy Form at https://www. anscor.com.ph/disclosures/proxy. The Chairman and Chief Executive Officer, or in his absence, the President and Chief Operating Officer or the Corporate Secretary is authorized to cast the votes pursuant to the instructions in the Proxy Form.

   b. Send a scanned copy of the duly signed Proxy Form by email to our Stockholder Relations Officer, Ms. Rose Reyes at rose.reyes@anscor.com.ph or at registration@anscor.com.ph.

   c. The scanned copy of the duly signed Proxy Form should be emailed as mentioned above not less than ten (10) working days prior to the ASM or not later than 1 April 2025.

   d. The hard copy of the signed Proxy Form should be delivered to: The Corporate Secretary, 7th Floor, Pacific Star Building, Gil Puyat Avenue corner Makati Avenue, Makati City.

2. Voting in absentia through the Online Stockholder Voting System:

   a. Follow the Registration and Participation/Attendance Procedure set forth above.

   b. Signify your intention to vote in absentia through the Online Stockholder Voting System by sending an email at registration@anscor.com.ph not later than three (3) working days before the 16 April 2025 ASM or not later than 11 April 2025.

   c. Upon validation, the Company will send an email to the stockholder containing the link for the Online Stockholder Voting System and the instructions for casting votes in the Online Stockholder Voting System. Registered stockholders shall have until the adjournment of the ASM on 16 April 2025 to cast their votes.

   d. All agenda items indicated in the Notice of Meeting will be included in the Online Stockholder Voting System and the registered stockholder may vote as follows:

      i. For items other than election of the Directors, the stockholder may vote: “For”, “Against”, or “Abstain”. The vote shall be considered as cast for all the stockholder’s shares.

      ii. For the election of Directors, the stockholder may vote for all the nominees, not vote for any of the nominees, or vote for some of the nominees only, in such number of shares as the stockholder may see fit, provided that the total number of votes cast shall not exceed the number of shares owned, multiplied by the number of Directors to be elected.

   e. Once voting is completed in the Online Stockholder Voting System, the stockholder shall proceed to click on the “Submit” button which shall complete the process. Once submitted, the stockholder may no longer change the votes cast. The votes cast in absentia will have equal effect as votes cast by proxy.

Other Matters

As of the date hereof, there are no other matters which the Board of Directors intends to present or has reason to believe others will present at the meeting. If other matters come before the meeting, the proxy holders will vote in accordance with his best judgment with respect to such matters that are not known to the solicitors at a reasonable time before the solicitation is made.

The Company shall provide without charge to each person solicited, on the written request of any such person, a copy of the Company’s annual report on SEC Form 17-A and shall indicate the name and address of the person to whom such a written request is to be directed. At the discretion of Management, a charge may be made for exhibits, provided such charge is limited to reasonable expenses incurred by the Company in furnishing such exhibits.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on 17 March 2025.

LORNA PATAJO-KAPUNAN
Corporate Secretary

ANNEX A

Resolutions Approved During the Meetings of the Board of Directors of A. Soriano Corporation for the Period February 28, 2024 to February 24, 2025

1. **<u>Board Meeting held on February 28, 2024:</u>**

1.1 RESOLVED, as it is hereby resolved, that the audited Financial Statements of A. Soriano Corporation for the year ended December 31, 2023 is approved.

1.2 RESOLVED, as it is hereby resolved, that the Board of Directors of the Corporation hereby approves the commitment to invest US$15 million in a Continuation Fund for Navegar I.

1.3 The Board proceeded to approve the record date, proxy validation date and the date of the Annual Stockholders' Meeting as follows:

Record Date – March 13, 2024
Proxy Validation Date – April 8, 2024
Date of Stockholders' Meeting – April 17, 2024

1.4 RESOLVED, as it is hereby resolved, that there is hereby declared out of the surplus profits of the Corporation, a regular cash dividend of Fifty Centavos (₱0.50) per share on the common stock of the Corporation, payable on March 25, 2024, to all stockholders of record as of the close of business on March 14, 2024, and Mr. Ernest K. Cuyegkeng, the Corporation's President and Chief Operating Officer, is hereby directed and authorized to cause the payment of the said cash dividend on the specified date.

1.5 RESOLVED, as it is hereby resolved, that the Corporation, through its Board of Directors, Officers and Employees, expresses its sincerest thanks and deep gratitude to Mr. Alfonso S. Yuchengco III for his valuable services as Director for the last 5 years.

2. **<u>Board Meeting held on April 17, 2024:</u>**

2.1 RESOLVED, as it is hereby resolved, that the Board of Directors of A. Soriano Corporation (the Corporation) hereby authorizes the Corporation to continue negotiation for the acquisition of up to 22% of the total and outstanding stock of TBG Food Holdings, Inc. (the Bistro Group) for the amount of up to ₱1,650,000,000.00.

2.2 RESOLVED, as it is hereby resolved, that the Integrated Annual Corporate Governance Report (I-ACGR) of the Corporation for the year 2023 pursuant to SEC Memorandum Circular No. 15, Series of 2017 is hereby approved.

2.3 RESOLVED, That the Board of Directors hereby authorizes Mr. William H. Ottiger, President and Chief Operating Officer, to sign the proxy form for iPeople, Inc. (IPO), and/or to designate, name and appoint proxy to represent and vote the share/s of the Corporation during IPO's 2024 Annual Stockholders' Meeting, including any adjournments or postponements thereof;

RESOLVED, FURTHER, That the proxy is authorized to vote on all matters which may properly be taken in the meeting and other matters indicated in the agenda for said meeting.

2.4 RESOLVED, That the Company hereby authorizes the sale and disposal of its motor vehicle particularly described as follows:

Year Model	:	2022
Make	:	Volvo
Type	:	XC40
Motor/Engine No.	:	B4204T184090081
Chassis Number	:	PNVXZ16ACN5699754
Plate Number	:	NIB 1595

RESOLVED, FURTHER, that MR. WILLIAM H. OTTIGER, President and Chief Operating Officer, is hereby authorized to sign, execute and deliver, for and in behalf of the Company, as Vendor, the necessary agreement, deed of sale and other relevant documents that may be required to give full force and effect to this resolution.

2.5 RESOLVED, AS IT IS HEREBEY RESOLVED, That the Corporation authorizes Bank of the Philippine Islands Pacific Star Branch to reactivate the Corporation's dormant Peso Savings Account Number 3761-0080-55;

RESOLVED, FURTHER, That ANY TWO (2) of the following officers of the Corporation, namely:

NAME	POSITION
Ernest K. Cuyegkeng	Director
Narcisa M. Villaflor	Treasurer, VP and Comptroller
Joshua L. Castro	VP and Assistant Corporate Secretary
Emelinda P. Orozco	Manager (up to ₱100,000.00 only)

are authorized to sign, execute, and process, for and on behalf of the Corporation, any and all documents necessary or required to be signed in connection with the reactivation of the aforesaid dormant account of the Corporation;

RESOLVED, FINALLY, that the foregoing resolution shall continue to be in full force and effect until revoked or modified by subsequent resolution/s duly passed and adopted by the Board of Directors of the Corporation.

2.6 RESOLVED, as it is hereby resolved, that the Corporation shall transact with BDO UNIBANK, INC. or any of its branches, its subsidiaries, and affiliates such as BDO Finance Corporation(BDOFC), BDO Rental, Inc. (BDORI), BDO Capital & Investments Corporation, BDO Network Bank, Inc., BDO Life Assurance Company, Inc. and BDO Private Bank, Inc. (BDOPBI), [singularly or collectively referred to as "the Bank"] for the obtainment of loan facilities and availment of banking products and services;

RESOLVED, FURTHER, as it is hereby resolved, that in this regard, the Corporation shall be authorized to do the following:

1. AVAIL OF CREDIT AND LEASE FACILITIES. To apply for, negotiate and obtain loans, credit and/or lease accommodations or facilities, such as letters of credit, trust receipts, bill purchases, foreign exchange settlement lines from time to time in amounts which may be required by the Corporation, which authority shall include extensions, renewals, re-availments, increases, excess / over-availments, roll-overs, restructurings, novations, amendments or conversions into other credit form or type, and in this regard, it may:

   1a. Execute, sign and deliver from time to time the relevant loan, lease agreements, promissory note/s, disclosure statements, lease schedules, trust receipts and any and all other documents pertinent and necessary to implement the accommodations/facilities referred hereto;

   1b. Lease from and/or sell to BDOFC and/or BDORI real and/or personal property (such as motor vehicle/s, vessels, aircraft, equipments and/or machinery) including availment of BDOFC and BDORI facilities such as Installment Paper Purchase, factoring, floor stock financing, assignment of trade receivables and sale-and-lease back transactions.

   1c. Request for issuance of bank certificates containing information of the credit and/or lease facilities obtained from the Bank including its respective security and/or collateral ("loan and security accounts"), in favor of various institutions, both government and/or private relative to the Corporation's loan and security accounts and authorizing the Bank to disclose any and all information relative thereto as requested by the addressee institution. For the foregoing purposes, the Corporation hereby waives its rights in favor of the Bank under Republic Act No. 1405 (The Bank Secrecy Act of 1955) as amended, Section 55 of the Republic Act No. 8791 (The General Banking Law of 2000) as amended, Republic Act No. 6426 (Foreign Currency Deposit Act of the Philippines of 1974), as amended, and other laws/regulations, including all subsequent amendments or supplements thereto, relative to the confidentiality of secrecy of loan and security accounts and similar or related assets in the custody of the Bank. The Corporation shall hold the Bank, its directors, officers, employees, representatives and agents, free and harmless from any liability arising from its exercise of its remedies and authorities hereunder, or from any action taken by it on the basis of and within the framework of the foregoing authority.

2. APPOINT AND CONSTITUTE ATTORNEY-IN-FACT. The Corporation appoints and constitutes the Bank as its attorney-in-fact, with full powers of substitution, to register the lease, sale, mortgage, pledge, assignment and/or encumbrance as well cancellation thereof, including the payment of any taxes such as but not limited to capital gains, creditable withholding tax(es), documentary stamp taxes, to receive the Certificate Authorizing Registration (CAR), transfer and/or reclassification of the necessary tax declaration(s), to file and request for the conversion of non-PHILARIS manually issued title over the mortgaged property(ies) to electronic PHILARIS title with any and all appropriate government offices / agencies; The power of attorney given by the Corporation is coupled with interest and is irrevocable until all obligations secured by the aforementioned properties of the Corporation are fully paid to the entire satisfaction of the Bank.

RESOLVED, FURTHER, that any two of the following officers of the Corporation:

NAME	POSITION/TITLE
Eduardo J. Soriano	Vice Chairman
Ernest K. Cuyengkeng	Director
Narcisa M. Villaflor	Treasurer, VP and Comptroller
Joshua L. Castro	VP and Assistant Corporate Secretary

shall be authorized on behalf of the Corporation to enter into the above-specified arrangements with the Bank under such terms and conditions as the said individuals may deem necessary and to accordingly for the implementation of the foregoing transactions. Provided, further, that the aforementioned officers are hereby authorized with full powers of substitution, to receive, for and on behalf of the Corporation any and all of the mortgaged / pledged / assigned and / encumbered property/ies of the Corporation upon full payment to the entire satisfaction of the Bank of the obligations secured thereby.

RESOLVED, that all transactions, warranties, representations, covenants, dealing and agreements by the Corporation through the above named individuals with the Bank prior to the approval of this Resolution are all hereby approved, confirmed and ratified to be the valid and binding acts, representation, warranties and covenants of the Corporation as they may lawfully do or cause to be done by virtue of authorities given to them.

RESOLVED, FINALLY, that the foregoing Resolutions shall remain valid and subsisting unless otherwise revoked or amended in writing by the Corporation and duly served on the Bank.

2.7 RESOLVED, as it is hereby resolved, that the Corporation is authorized to enter into, sign, execute and deliver the Agreement on Assignment of Shares at No Consideration with Puerto Holdings Limited (“PHL”), whereby the Corporation agrees to the transfer of PHL’s 6,317,930 Common B shares in Seven Seas Resorts and Leisure, Inc. to the Corporation at no consideration and under such terms and conditions as may be for the best interest of the Corporation.

RESOLVED, FURTHER, that Ms. Narcisa M. Villaflor, Vice President-Comptroller and Treasurer, is hereby empowered and authorized to represent and act for and in behalf of the Corporation, and to sign, execute and deliver the aforesaid Assignment of Shares at No Consideration and such other documents that may be required to give full force and effect to this resolution.

2.8 RESOLVED, that the Corporation is hereby authorized to acquire Navegar I (Singapore) Pte. Ltd.’s (“Navegar I”) 2,703,706 Common Shares (“Subject Shares”) in TBG Food Holdings, Inc. (“TBG”) representing 22% of the total issued and outstanding capital stock of TBG for a total purchase price of One Billion Six Hundred Nine Million Three Hundred Thousand Pesos (₱1,609,300,000.00), and under such other terms and conditions as the duly authorized representative of the Corporation may agree upon with Navegar I.

RESOLVED, FURTHER, that William H. Ottiger, the Corporation's President and Chief Operating Officer and/or Joshua L. Castro, Vice President and Assistant Corporate Secretary, are hereby authorized to sign, execute and deliver for and on behalf of the Corporation, the following: (i) the Share Purchase Agreement and the Deed of Absolute Sale covering the sale, transfer and conveyance of the Subject Shares in favor of the Corporation, (ii) Tax Escrow Agreement, CGT Escrow Agreement and Share Escrow Agreement, (iii) Shareholders' Agreement, (iv) Sworn Certification confirming the satisfaction of Navegar I's Conditions and Joint Conditions; (v) Declaration of Trust, (vi) such other agreements, documents, or instruments that are required or necessary to consummate the Corporation's acquisition of the Subject Shares and/or to give full force and effect to the agreement and deed referred to in (i).

3. Board Meeting held on September 17, 2024:

3.1 RESOLVED, that the Corporation hereby authorizes Ms. Narcisa M. Villaflor, Vice President-Comptroller and Treasurer, to accept the offer to purchase Units A & D, 8th Floor of the 8 Rockwell, Makati City for and in behalf of the Corporation at a price of no less than ₱400,000 per sqm., subject to the Rights of First Refusal of Rockwell Land Corporation.

3.2 RESOLVED, that the Corporation hereby appoints Mr. Marlon T. Dorado, Liaison Officer, to be its Authorized Representative with full power and authority to represent and act for and on behalf of the Corporation in all its dealings and transactions with the Makati Assessor's Office, the Makati Treasurer's Office, with the power to sign, execute, and deliver any and all applications and/or documents relative to the Corporation's requests for Tax Declaration and Tax Clearance, and the power to receive the aforesaid documents; and with the Registry of Deeds, Makati, relative to the Corporation's request for a certified true copy of the Condominium Certificates of Title Numbers 006-2020001204 (Unit 8A) and 006-2020001205 (Unit 8D), and other requests for any and/or all documents/instruments related thereto, and the power to receive the same on behalf of the Corporation and to perform any other acts as may be necessary or appropriate to effect the foregoing.

4. Board Meeting held on October 29, 2024:

4.1 RESOLVED, as it is hereby resolved, that A. Soriano Corporation (the "Corporation") is hereby authorized to sell its Units 8A and 8D of 8 Rockwell Building with a total area of 782.92 sq. m., covered by Condominium Certificates of Title Numbers 006-2020001204 (Unit 8A) and 006-2020001205 (Unit 8D), respectively, to Rockwell Land Corporation for a total purchase price of Php317,000,000.00, inclusive of Value-Added Tax (VAT);

RESOLVED, FURTHER that Mr. William H. Ottiger, the Corporation's President and Chief Operating Officer, is hereby authorized to sign any and all documents that may be required to give full force and effect to this resolution.

4.2 RESOLVED, as it is hereby resolved, that there is hereby declared out of the surplus profits of the Corporation, a special cash dividend of Twenty-Five Centavos (₱0.25) per share on the common stock of the Corporation, payable on November 29, 2024, to all stockholders of record as of the close of business on November 14, 2024.

RESOLVED, FURTHER, that Mr. William H. Ottiger, the Corporation's President and Chief Operating Officer, is hereby directed and authorized to cause the payment of the said cash dividend on the specified date.

5. Board Meeting held on February 24, 2025:

5.1 RESOLVED, as it is hereby resolved, that the audited Financial Statements of A. Soriano Corporation for the year ended December 31, 2024, is approved.

5.2 The Board proceeded to approve the record date, proxy validation date and the date of the Annual Stockholders' Meeting as follows:

i) Record Date – March 17, 2025
ii) Proxy Validation Date – April 8, 2025
iii) Date of Stockholders' Meeting – April 16, 2025

5.3 "RESOLVED, as it is hereby resolved, that the first paragraph of Article V (Executive Committee), and Sections 1, 3, and 4(h) of Article VI (Officers) of the By-Laws of the Company be amended as follows:

a. Article V (Executive Committee) was amended to read as follows:

The Board of Directors shall create an Executive Committee composed of five (5) members. The Executive Committee shall meet regularly at such times and places to be determined by a majority vote thereof. Unless otherwise provided for by the Board of Directors, the Executive Committee shall be composed of the Chairman and Chief Executive Officer, the President and Chief Operating Officer, and three (3) officers or directors of the Company to be appointed by the Chairman. The Chairman and Chief Executive Officer of the Company shall act as Chairman of the Executive Committee.

b. Section 1 of Article VI (Officers) was amended to read as follows:

Section 1. The officers of the Corporation shall consist of a Chairman of the Board, who shall be the Chief Executive Officer, a President, who shall be the Chief Operating Officer, an Executive Vice President, one or more Vice Presidents, a Treasurer and an Assistant Treasurer, a Secretary and an Assistant Secretary and such other officers as may, from time to time, be chosen and appointed by the Board of Directors.

c. The entire Section 3 of Article VI (Officers) was deleted and the subsequent Sections 4, 5, 6 7, 8, 9, and 10 were re-numbered as Sections 3, 4, 5, 6, 7, 8, and 9, accordingly.

d. The newly renumbered Section 3 (h) of Article VI (Officers) was amended to read as follows:

Section 3. The President and Chief Operating Officer shall exercise the following functions:

xxx xxx xxx

h. Unless otherwise directed by the Board of Directors or by the Chairman of the Board and Chief Executive Officer, to exercise the latter's functions as specified in the next preceding section of this Article VI in the event of absence or temporary disability of the Chairman of the Board and Chief Executive Officer.

5.4 "RESOLVED, as it is hereby resolved, that there is hereby declared out of the surplus profits of the Corporation, a regular cash dividend of Fifty Centavos (₱0.50) per share on the common stock of the Corporation, payable on April 11, 2025, to all stockholders of record as of the close of business on March 17, 2025, and Mr. William H. Ottiger, the Corporation's President and Chief Operating Officer, is hereby directed and authorized to cause the payment of the said cash dividend on the specified date."

ANNEX B

MANAGEMENT REPORT

I. Brief Description of General Nature and Scope of the Business and Management's Discussion and Analysis of Operation

Description of General Nature and Scope of Business

A. Soriano Corporation ("Anscor") was incorporated on February 13, 1930.

Anscor is a Philippine holding company with diverse investments. Anscor's major investments are in Phelps Dodge Philippines Energy Products Corporation ("PDP Energy") which manufactures wire and cable products and Seven Seas Resorts and Leisure, Inc., owner of Amanpulo Resort. It has other investments in companies engaged in a wide range of activities in the Philippines including aviation, business process outsourcing and real estate. On November 13, 2024, Anscor bought a 22% stake in TBG Food Holdings, Inc., known as "The Bistro Group," which owns and runs over two hundred full-service restaurants, including household names like Italianni's, TGI Fridays, Texas Roadhouse, and, most recently, Morton's Steakhouse.

As a holding company, the principal sources of income for Anscor are the share in net earnings of the companies in which it has investments, management fees, interest income, dividends and gains from the sale of investments, mainly the trading gain on marketable securities and bonds.

Growing businesses is vital to Anscor's long-term success. The Company keeps a tight watch on the existing portfolio of businesses and new opportunities as they emerge.

As of 31st December 2024, the Company's consolidated total assets stood at ₱32.3 billion. For the year ended 31st December 2024, consolidated revenues of the Company amounted to ₱16.8 billion.

A. Soriano Corporation has the following direct/indirect subsidiaries/ associates as of December 31, 2024:

Company	Ownership	Business	Jurisdiction
A. Soriano Air Corporation	100%	Rental	Philippines
Pamalican Island Holdings, Inc.	62%	Holding Company	Philippines
Island Aviation, Inc.	62%	Air Transport	Philippines
Anscor Consolidated Corporation	100%	Holding Company	Philippines
Anscor International, Inc.	100%	Holding Company	British Virgin Island
International Quality Healthcare Investment Ltd.	100%	Holding Company	British Virgin Island
IQ Healthcare Professional Connection, LLC	93%	Inactive	USA
Prople Limited, Inc.	32%	Business Processing & Outsourcing	Hong Kong
Prople, Inc.	32%	Business Processing & Outsourcing	Philippines
Anscor Holdings, Inc.	100%	Real Estate Holding	Philippines
Akapulko Holdings, Inc.	100%	Real Estate Holding	Philippines
Lakeroad Corporation	100%	Real Estate Holding	Philippines
Mainroad Corporation	100%	Real Estate Holding	Philippines
Makatwiran Holdings, Inc.	100%	Real Estate Holding	Philippines
Makisig Holdings, Inc.	100%	Real Estate Holding	Philippines
Malikhain Holdings, Inc.	100%	Real Estate Holding	Philippines
Mountainridge Corporation	100%	Real Estate Holding	Philippines
Rollingview Corporation	100%	Real Estate Holding	Philippines
Timbercrest Corporation	100%	Real Estate Holding	Philippines
Sutton Place Holdings, Inc.	100%	Holding Company	Philippines
Summerside Corporation	100%	Holding Company	Philippines
Phelps Dodge International Philippines, Inc.	97%	Holding Company	Philippines
Minuet Realty Corporation	97%	Landholding	Philippines
Phelps Dodge Philippines Energy Products Corporation	97%	Wire Manufacturing	Philippines

Company	Ownership	Business	Jurisdiction
PD Energy International Corporation	97%	Wire Manufacturing	Philippines
AFC Agribusiness Corporation	81%	Agricultural Land Holding	Philippines
Seven Seas Resorts and Leisure, Inc.	62%	Villa Project Development	Philippines
Pamalican Resort, Inc.	62%	Resort Operations	Philippines
Pamalican Utilities, Inc.	62%	Utility Company	Philippines
Vicinetum Holdings, Inc.	32%	Holding Company	Philippines
Fremont Holdings, Inc.	26%	Real Estate Holding	Philippines
TBG Food Holdings, Inc.	22%	Food Businesses	Philippines
ATRAM Investment Management Partners Corporation	20%	Asset Management	Philippines
KSA Realty Corporation	14%	Realty	Philippines

Below are the Key Performance Indicators of the Group:

Over the last years, consolidated revenues and net income from operations are as follows (in thousand pesos except earnings per share):

	Years Ended December 31		
	2024	2023	2022
REVENUES			
Sale of goods - net	₱ **11,200,558**	₱ 10,147,489	₱ 10,727,755
Services	**1,762,935**	1,709,329	1,292,107
Dividend income	**389,344**	368,356	295,307
Interest income	**104,267**	91,870	67,462
	₱ **13,457,104**	₱ 12,317,044	₱ 12,382,631
INVESTMENT GAINS (LOSSES)			
Gain (loss) on increase (decrease) in market values of FVPL investments - net	**3,264,538**	1,476,198	(994,108)
Gain on sale of investment properties	**62,839**	-	-
Gain (loss) on sale of FVOCI investments - net	**1,014**	(3,497)	764
Gain (loss) on sale of long-term investment	**(1,600)**	-	2,208,757
	3,326,791	1,472,701	1,215,413
EQUITY IN NET EARNINGS	**33,837**	8,743	26,640
TOTAL	**16,817,732**	13,798,488	13,624,684
INCOME BEFORE INCOME TAX	**5,174,483**	3,017,196	3,098,197
PROVISION FOR INCOME TAX	**379,667**	368,000	242,155
NET INCOME	**4,794,816**	2,649,196	2,856,042
OTHER COMPREHENSIVE INCOME (LOSS)	**135,312**	21,835	(71,847)
TOTAL COMPREHENSIVE INCOME	₱ **4,930,128**	₱ 2,671,031	₱ 2,784,195
Net Income Attributable to:			
Equity holders of the Parent	₱ **4,681,330**	₱ 2,552,018	₱ 2,800,558
Noncontrolling interests	**113,486**	97,178	55,484
	₱ **4,794,816**	₱ 2,649,196	₱ 2,856,042
Total Comprehensive Income Attributable to:			
Equity holders of the Parent	₱ **4,816,642**	₱ 2,573,853	₱ 2,728,711
Noncontrolling interests	**113,486**	97,178	55,484
	₱ **4,930,128**	₱ 2,671,031	₱ 2,784,195
Earnings Per Share			
Basic/diluted, for net income attributable to equity holders of the Parent	₱ **3.81**	₱ 2.08	₱ 2.28
Basic/diluted, for total comprehensive income attributable to equity holders of the Parent	₱ **3.92**	₱ 2.10	₱ 2.22

Financial Performance in 2024

Anscor posted a record profit of ₱4.7 billion, an 83% increase from the previous year's net income of ₱2.6 billion. The gains were due to the exceptional performance of the Company's financial holdings, whose continuity may be difficult to sustain.

Financial holdings generated a ₱3.7 billion gain, compared to ₱1.9 billion in 2023. The significant contributor was the investment in International Container Terminal Services, Inc. which saw a 56% price increase, outperforming the Philippine Stock Exchange's 1.2% increase. Gains from other securities reached ₱417.6 million, while dividend income rose 5.7% to ₱389.3 million.

Anscor's interests in Phelps Dodge Philippines Energy Products Corporation contributed ₱1.03 billion to net income. Earnings from Seven Seas Resorts and Leisure, Inc. slightly decreased to ₱123.8 million; financial services firm, ATRAM, contributed ₱25.3 million; and real estate firm, KSA Realty Corporation, provided ₱94.2 million in cash dividends.

Anscor paid total cash dividends of ₱0.75 per share: ₱0.50 per share on March 25, 2024, and ₱0.25 per share on November 29, 2024. Investment assets increased in value from ₱23.3 billion to ₱27.8 billion, due to the supportive global financial environment and the investment in The Bistro Group. Your Company's book value per share increased by 16.9% from ₱18.9 to ₱22.1.

The Soriano Group Operations

PHELPS DODGE INTERNATIONAL PHILIPPINES, INC. (PDP)

PDP achieved record-breaking sales of ₱11.2 billion in 2024, driven by robust domestic market growth. PDP's commitment to on-time delivery, product quality, safety, superior service, and innovation drove sales across all customer segments. Sales volume increased by 8.5%, propelled by strong demand across key sectors and the favorable impact of rising copper prices. Demand from the commercial, high-rise, industrial, infrastructure, and utilities sectors all fueled growth. And despite market challenges, the distribution segment also grew.

PDP's net income remained steady at ₱957.3 million, slightly lower than last year, due to a decline in export revenues. Moving forward, PDP will continue its pursuit of long-term, international sales partners to develop recurring export orders.

2024 was a year of operational advancements, including new machinery for specialized products catering to the utilities and infrastructure segments, and advanced raw material systems for more efficient handling and storage. The company also commissioned a 1.5 MW solar rooftop power plant, underscoring Anscor and PDP's common dedication to sustainability.

PDP distributed ₱450.0 million in cash dividends in 2024, of which ₱436.5 million was collected by Anscor.

PDP is still committed to sustaining growth and expanding its market leadership. The company plans to attract new customers through innovative products, value-engineered solutions, exceptional services, and a best-in-class value proposition.

SEVEN SEAS RESORTS AND LEISURE, INC. (OWNER OF AMANPULO RESORT)

In 2024, Amanpulo experienced significant shifts in tourism trends. Despite an industry-wide decline in occupancy rates and an unprecedented number of typhoons during the traditionally strong fourth quarter, Amanpulo generated a ₱1.4 billion revenue, matching 2023 levels. Net income was ₱159.6 million in 2024, a 10.8% decrease as compared to last year.

Amanpulo mitigated the decline in travel from key feeder markets of Japan and China by taking part in sales missions in Australia, China, Hong Kong, Singapore, Taiwan, Japan, and Korea. To develop long-term growth from the Middle East and Russia, the Resort intensified its sales activities in Kuwait, Qatar, Oman, Saudi Arabia, and the United Arab Emirates, and strengthened its outreach to key global travel and media partners.

As part of an ongoing commitment to sustainability, in the third quarter of 2024, Seven Seas commissioned a new solar operation. The solar farm covers 3.5 hectares of Pamalican Island and will supply at least 50% of the resort's electricity needs. Other new additions to the property included a Kids' Club and activities for younger guests. It initiated the "Island Native Trees Propagation and Restoration" and the "Coconut Tree Micro-Project" programs, to reduce and repurpose the resort's organic waste. 2025 will see the arrival of two new luxury speed boats, new trips to the Manamoc marine sanctuary, a new Kawayan Bar, and improvements in staff quarters and recreational facilities.

Amanpulo continues to receive prestigious awards and citations for its outstanding wellness, spa, dive, and resort facilities. It was a finalist for Travel + Leisure Asia's "Resort of the Year," was among the top 10 in the T+L Luxury Awards 2024 Asia Pacific for "Beach Island Upcountry Resorts," and was a nominee for "Private Island of the Year" at the Destination Deluxe Awards.

Amanpulo also takes pride in being a finalist for the Virtuoso Sustainability Award in the Supporting Local Economies category that recognizes the exceptional impact of its "Hospitality Vocational Program for Remote Island Youth" program on Manamoc Island, a partnership with the Andres Soriano Foundation.

The Seven Seas Group generated a consolidated net income of ₱198.6 million in 2024.

ATRAM INVESTMENT MANAGEMENT PARTNERS CORPORATION (ATRAM)

ATRAM's assets under management (AUM) reached ₱363.3 billion by the end of December 2024, 16% higher than the previous year. The 2024 revenues reached ₱1.4 billion, a 38% increase over last year's ₱1.0 billion. Operating expenses increased due to staff hiring and investments in IT infrastructure, to enhance digital capabilities. ATRAM is focused on investing in future growth to continue providing high-quality financial solutions to its clients.

In the final quarter of 2024, the ATRAM Group signed an investment agreement with the Union Bank of the Philippines (UnionBank) to acquire its Union Bank's Investment Management and Trust Corporation Trust Group, in exchange for a 27.5% ownership stake in ATRAM's subsidiary, ATR Asset Management Inc.

At closing ATRAM and UnionBank's trust corporations will merge, leaving ATRAM Trust Corporation as the surviving entity. The merged entity is expected to become a significant player in the trust industry, with AUM greater than ₱450.0 billion.

The transaction is subject to regulatory approval.

Other Information

Except as discussed above, disclosures of the following information are not applicable for the registrant and its subsidiaries:

Business Development

- Bankruptcy, receivership or similar proceedings
- Material reclassification, merger, consolidation or purchase or sale of a significant amount of asset

Business of the Issuer

- Distribution methods of the products or services
- Status of any publicly announced new product and services
- Competition
- Transaction with and/or related parties (except those disclosed in the notes to financial statements)
- Patents, trademarks, copyrights, licenses, franchises, royalty, etc.
- Need for any government approval of principal products and services
- Effect of existing or probable governmental regulations on the business
- The amount spent on development activities and its percentage to revenues during each of the last three years.

Anscor and its subsidiaries are not aware of any major risks involved in their businesses.

Components of financial soundness and indicators of the Group are shown in Annex E of this report.

The following are the key performance indicators for the Parent Company (In thousand pesos except earnings per share and market price per share):

	Periods ended December 31	
	2024	2023
Revenues (excluding investment gains or losses)	**2,005,704**	2,314,022
Investment Gains	**3,137,540**	1,340,140
Net Income	**4,959,461**	3,314,329
Total Comprehensive Income	**5,007,548**	3,355,283
Earnings Per Share		
Net Income	**1.98**	1.33
Total Comprehensive Income	**2.00**	1.34
Market Price Per Share (PSE)	**13.68**	11.66

The Key Financial Indicators of the Major Subsidiaries are the following:

PDP Energy and PDIPI

In Million Pesos

	12/31/2024	12/31/2023	12/31/2022
1. Net sales	**11,201**	10,147	10,728
2. Gross profit	**1,653**	1,677	1,679
3. Net income	**957**	963	956

Seven Seas Group

In Million Pesos

	12/31/2024	12/31/2023	12/31/2022
1. Occupancy rate	**46.2%**	49.6%	47.1%
2. Hotel revenue	**1,387.1**	1,385.4	1,088.8
3. Gross operating profit (GOP)	**433.2**	483.7	448.2
4. GOP ratio	**31.2%**	34.9%	41.2%
5. Resort net income	**159.7**	178.9	127.5
3. Lease net income	**33.6**	19.6	16.0
4. Pamalican Utilities net income	**5.3**	3.9	-
5. Consolidated net income	**198.6**	202.7	143.5

Occupancy rate is based on actual room nights sold over room nights on a 12-month period. Hotel revenues include rooms, food and beverage and other ancillary services. GOP is total revenues less direct costs and GOP ratio is GOP over total hotel revenues.

Outlook

The positive outlook for the Philippine economy hinges on the country's ability to rein in inflation, implement a more supportive monetary policy to foster business growth, and sustain government spending on infrastructure to stimulate economic activity, while safeguarding against increased global policy uncertainty.

As the country strengthens social protection for its vulnerable populations and shores up its resilience against climate change, improving the access to credit, rooting out inefficiency, and accelerating digital transformation will be essential to unlocking sustainable growth.

With the shifting geopolitical and trade landscape, rapid technological advances, and mid-year elections, the outlook for 2025 appears less predictable than previous years. However, Anscor is well-positioned to navigate these uncertainties, thanks to a diversified portfolio and conservative balance sheet management.

Phelps Dodge's focus on innovation and domestic economic development, ICTSI's continued operational execution excellence and expansion plans, The Bistro Group's exposure to growing domestic consumption, and ATRAM's new partnership are catalysts for growing shareholder value. As a responsible corporate citizen, Anscor will continue to uphold sustainable practices and programs that enhance the well-being, livelihood, and quality of life for its employees, customers, partners, and the communities it serves.

Employees

The Company and the Group as of December 31, 2024, have 26 and 864 employees, respectively. Breakdowns are as follows:

	Parent	Subsidiaries	Group
Management	13	188	201
Rank and file	13	650	663
TOTAL	**26**	**838**	**864**

- The Company and the Group were not subjected to any employees' strike in the past three years nor were there any threatening strike for the ensuing year.
- Employees of the Group are not subject to Collective Bargaining Agreement (CBA).
- The Group provides various employee benefits including health care and retirement benefits and has enjoyed good labor relations in the past.

Properties

Anscor owns and just renovated its office at 7th Floor, Pacific Star Building in Makati City with approximately 2,000 square meters.

Information regarding properties of major subsidiaries and affiliates are:

- PDP Energy plants are situated on an 18.4 hectare property owned by Phelps Dodge's wholly owned subsidiary, Minuet Realty Corporation in the Luisita Industrial Park in San Miguel, Tarlac.
- Seven Seas owns a 40-room resort in Pamalican Island, called Amanpulo. This covers about 75 hectares of land, with 40 room casitas of about 65 sq. meter each and back of house facilities to service its power and water and staff house requirements. Additional 62 villa rooms are available for rent under the management agreement executed by PRI and the villa owners as of December 31, 2024.
- AHI has interests in land covering an area of approximately 111.39 hectares in Berong, Palawan, 24.1 hectares in San Vicente, Palawan and parcels of land with a total area of 36.9 hectares in Cebu. Also, AHI owns 1.27 hectare properties in Puerto Princesa.
- AFC Agribusiness has 97.4 hectares of land in Guimaras.

Other Information:

- The registrant is not involved in lease contracts requiring it to pay a substantial amount of rental fees.
- There were no commitments for major capital expenditures or acquisitions of properties in the next twelve months.

Financial Condition

There was no other significant change in the Company's Consolidated Balance Sheet as of December 31, 2024 versus December 31, 2023.

The discussions below were based on the consolidated balance sheet of the Company and its subsidiaries as of December 31, 2024 and 2023.

Cash and Cash Equivalents
The increase in cash and cash equivalents can be attributed to net cash generated from operating activities, partially offset by cash used in investing and financing activities.

(Please see attached consolidated cash flow statements for detailed analysis of cash movements.)

Fair Value Through Profit and Loss (FVPL) Investments
The increase in the account can be attributed to higher market value of local traded shares and foreign denominated investment in bonds, stocks and funds of ₱3.3 billion and foreign exchange gain of ₱60.0 million, offset by net disposal of ₱999.7million.

Receivables
The increase in receivables was mainly due to improved revenues of the wire manufacturing subsidiary.

Inventories
The increase was due to higher level of finished goods and work in process inventories of the wire manufacturing subsidiary and higher spare parts and supplies of the aviation and utility subsidiaries.

Prepayments
Decrease in this account pertains mainly to reclassification to inventories of in transit materials of the wire manufacturing subsidiary wherein the new terms and conditions in the contract with the supplier doesn't meet the criteria for it to be classified and presented as inventories in 2023.

Other Current Assets
Movement in the account is mainly due to increase in the creditable withholding taxes of the parent company, manufacturing and resort subsidiaries.

Fair Value Through Other Comprehensive Income Investments (FVOCI) – noncurrent
Net decrease in this account amounted to ₱42.0 million due to sale of investments amounting to ₱41.6 million, partially offset by foreign exchange gain of ₱0.7 million.

Notes Receivable
The decrease was attributable to the collection of advances.

Investments and Advances
The increase in investments and advances was mainly due to acquisition of 22% stake in TBG Food Holdings, Inc. known as "The Bistro Group" for ₱1.61 billion. Also the share in the equity earnings of the associates amounted to ₱33.8 million in 2024.

Property, Plant and Equipment - net
The increase can be traced to net acquisition of property and equipment of ₱592.9 million mainly attributable to capital expenditures of the parent company, manufacturing, aviation and resort subsidiaries, offset by depreciation amounting to ₱410.2 million.

Investment Properties - net
The decrease was mainly due to sale of 8 Rockwell office condominium units.

Retirement Plan Assets
Increase in the retirement plan asset arises mainly from fair value adjustments of the underlying assets of the retirement plan of the Group.

Deferred Tax Assets
Decrease in the account was mainly due reversal of related deferred tax assets on previously recognized allowance for expected credit loss and allowance for inventory obsolescence.

Right-of-Use-Assets
With the adoption of PFRS 16, Leases, the manufacturing, and aviation subsidiaries as a lessee recognized asset representing the right to use the asset/property during the lease term.

Deposit to suppliers
Increase in the account balance can be attributed to deposit to contractor for capex requirement of the utility subsidiary.

Notes Payable
The notes payable pertained to the parent company's short-term loan. The loan proceed was used in the acquisition of shares of TB Food Holdings, Inc.

Accounts Payable and Accrued Expenses
The increase was mainly attributable to the recorded liabilities to the suppliers of the resort and wire manufacturing subsidiaries.

Dividends Payable
Dividends payable represent mainly dividend checks that were returned by the post office and which remained outstanding as of December 31, 2024 due to problematic addresses of some of the Company's stockholders. Anscor paid total cash dividends of ₱0.75 per share: ₱0.50 per share on March 25, 2024, and ₱0.25 per share on November 29, 2024.

Income Tax Payable
Decrease in the account pertained to income tax paid by the resort, aviation and wire manufacturing subsidiaries, partially offset by provision for income tax during the year by the Group.

Lease Liability (current and noncurrent)
With the adoption of PFRS 16, Leases, the manufacturing and aviation subsidiaries as lessees recognized a liability for future lease payments.

Long-term Debt (current and noncurrent)
The decrease was mainly attributable to the prepayment of long-term loan by the aviation subsidiary.

Deferred Income Tax Liabilities
Increase was mainly due to the deferred tax effect of unrealized gain on increase in market value of FVPL investments and unrealized foreign exchange gain of the parent company.

Retirement Benefits Payable
Decrease resulted mainly due to payment of employees who retired in 2024.

Other noncurrent liabilities
Movement can be traced to use of sinking fund by the utility subsidiary.

Cumulative Translation Adjustment (CTA)
This account includes translation adjustments of Anscor International, Inc., and IQHPC. CTA balance increased by ₱90.5 million, due to depreciation of Philippine peso vis-à-vis US dollar.

Remeasurement on Retirement Benefits
Movement in the account was mainly due to the increase in fair value of the underlying assets of the retirement trust fund.

Noncontrolling Interest (equity portion)
Increase was mainly due to share of minority shareholders in the net income of the resort, aviation and the wire manufacturing subsidiary for the year 2024, partially offset by the share in dividends declared and paid by the above mentioned subsidiaries.

Others
There were no commitments for major capital expenditures in 2024.

Results of Operation

Management is not aware of any known trends, events or uncertainties except for political and market uncertainties that may have material impact on the Company’s recurring revenues and profits.

The discussions below were based on the consolidated results of the Company and its subsidiaries for the year ended December 31, 2024 as compared to consolidated results for the year ended December 31, 2023:

Revenues
This year’s consolidated gross revenues of ₱16.8 billion improved from P13.8 billion, attributable to gain on increase in market value of FVPL investments by ₱3.3 billion, mainly local traded shares and higher interest income.

Cost of Goods Sold
The increase in cost of goods sold was due to the 8.5% increase in sales volume (domestic sales) of the wire manufacturing subsidiary.

Cost of Services Rendered
Cost of services increased due to higher cost of services of the resort and utility subsidiaries.

Operating Expenses
The Group reported a 2.3% increase in consolidated operating expenses contributed by higher overhead of the resort and manufacturing subsidiary.

Interest Expense
The amount was higher in 2024 due to interest expense for the short-term loan of the parent company.

Foreign Exchange Gain
Due to the appreciation of peso vis-à-vis dollar, the parent company reported foreign exchange gain on its foreign currency denominated investments in financial assets.

Provision for Income Tax - Net
The tax provision of the Group was higher than last year mainly due higher taxable income of the parent company and the aviation and wire manufacturing subsidiaries.

Year Ended December 31, 2023 Compared with Year Ended December 31, 2022 (as reported in 2022 SEC 17-A)

Revenues
This year's consolidated gross revenues of ₱13.8 billion slightly increased from last year's revenue of ₱13.6 billion. Revenue in 2022 included nonrecurring gain on sale of investment in AGP of ₱2.2 billion. Gain on increase in market value of FVPL investments and higher dividend and interest income were registered in 2023. Lower sales of PDP was offset by a significant increase in revenues of the resort subsidiary.

Cost of Goods Sold
Decrease in cost of goods sold was due to the lower sales volume of the wire manufacturing subsidiary.

Cost of Services Rendered
Increase in cost of services rendered was due to higher occupancy rate of the resort subsidiary.

Operating Expenses
The Group reported an increase in consolidated operating expenses for nine months of 2023 due to higher overhead of the parent company (from bonus paid based on higher net income in 2022) and rise in operating expenses of the resort.

Interest Expense
The amount was higher in 2023 due to interest expense on the long-term loan of the aviation subsidiary.

Foreign Exchange Gain (loss)
Due to the depreciation of dollar vis-à-vis peso, the parent company reported foreign exchange loss on its foreign currency denominated investments in financial assets.

Provision for Income Tax - Net
The tax provision of the Group was higher than last year mainly due to deferred income tax of the parent company related to unrealized gain on increase in market value of its FVPL investments. The previous year's credit balance of provision for income tax can be attributed to the Parent Company's unrealized loss from decline in market value of FVPL investments.

Year Ended December 31, 2022 Compared with Year Ended December 31, 2021 (as reported in 2022 SEC 17-A)

Revenues
This year's consolidated gross revenues of ₱13.6 billion was higher from last year's revenue of ₱11.4 billion due to gain on sale of investment in AGP of ₱2.2 billion and higher revenues of the resorts and the wire manufacturing operations.

Cost of Goods Sold
Increase in cost of goods sold was mainly attributable to higher copper cost of the wire manufacturing subsidiary and increased volume of products sold.

Cost of Services Rendered
Increase in cost of services rendered was due to higher occupancy rate of the resort subsidiary.

Operating Expenses
The Group reported an increase in consolidated operating expenses for 2022 due to higher overhead of the parent company (from bonus paid based on higher net income in 2021) and rise in operating expenses of the resort and wire manufacturing subsidiaries due to higher volume of business.

Interest Expense
Interest expense in 2022 was lower than 2021 due to payment of loan by PDP.

Foreign Exchange Gain (loss)
Due to the depreciation of peso vis-à-vis dollar, the parent company reported foreign exchange gain on its foreign currency denominated investments in financial assets.

Provision for Income Tax - Net
The current tax provision of the resort, aviation and wire manufacturing subsidiaries was offset by the benefit from deferred income tax, mainly of the parent company, attributable to unrealized loss from decline in market value of FVPL investments.

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

Adoption of these new standards did not have an impact on the consolidated financial statements of the Group.
- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
  The amendments clarify:
  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*
  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Standards Issued but not yet Effective
Pronouncements issued but not yet effective are listed below. The Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the applicable pronouncements when they become effective.

Effective beginning on or after January 1, 2025
- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity
- Amendments to PFRS 10, *Consolidated Financial Statements, and PAS 28, Sale or Contribution of Assets* between an Investor and its Associate or Joint Venture

Other Financial information

- There are no material events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

- There are no off-balance sheet transactions, arrangements, obligations including contingent obligations, and other relationships of the Company with unconsolidated entities or other persons created during the year.

- There were no commitments for major capital expenditures in 2024 and onwards.

- The management has no knowledge of known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenue or income from continuing operations.

- There are no seasonality or cyclicality trends in the business that would have material effect on the Company's result of operations and financial condition.

- There is no other change in the composition of the registrant, no restructuring, except the business combination mentioned above.

- There is no other material event subsequent to the reporting period that has not been reflected in the financial statements.

<u>Financial Statements</u>

1. The financial statements were presented using the classified balance sheet format in accordance with the Philippines Financial Reporting Standards (PFRS).

2. The financial statements were prepared in accordance with the disclosures required by SRC Rules 68 and 68.1, current PFRS/IAS.

3. The consolidated financial statements included disclosures with regards to new accounting standards that the Company and its subsidiaries adopted.

Audited Financial Statements

The Audited Financial Statements as of 31 December 2024 and the Statement of Management Responsibility are attached to the Definitive Information Statement.

II. Changes in and Disagreement with Accountants on Accounting and Financial Disclosure

The Company has no disagreement with its independent auditors on Accounting and Financial Disclosures and changes in Accounting and Financial Disclosures that are included in the attached Notes to the Financial Statements, if applicable.

III. External Audit Fees

SyCip Gorres Velayo & Co. (SGV) has been the Company's independent auditors since its establishment in 1946. They will again be nominated for reappointment and presented for approval by the stockholders during the stockholders' meeting as external auditors for the ensuing calendar year. Unless marked to the contrary, proxies received will be voted FOR the appointment of SGV as the independent auditors for the ensuing year. The Management recommends a vote FOR the appointment of SGV as independent auditors of the Company for the ensuing year.

In compliance with SRC Rule 68 paragraph 3(b) (IX) (Rotation of External Auditors), the SGV audit partner, as of December 2022, is Ms. Dhonabee B. Señeres, who is on her sixth year of audit engagement. Ms. Señeres will again be the SGV audit partner for the ensuing year.

A representative of SGV is expected to be present at the Annual Meeting to respond to appropriate questions from the stockholders and to make a statement if so desired.

Audit and Audit Related Fees

The Company paid to its external auditors the following fees for the past two years:

Year	Audit Fees
2024	₱ 4,830,000
2023	₱ 4,417,000

The audit fees were evaluated and approved by the Audit Committee based on the scope of work of external auditors and the complexity of accounting and audit issues identified. There are no other fees paid to the external auditors for other assurance and related services.

Consultancy, Tax and Other Fees

There are no consultancy, tax and other fees paid by the Company to SGV for the year 2024.

IV. Market Price of Shares and Dividends

The Principal Market where the registrant's Common equity is traded:

Philippine Stock Exchange
Latest Market Price –5 March 2025

Previous close	**High**	**Low**	**Close**
14.46	**14.46**	**14.42**	**14.42**

The following are the high and low sale prices of the shares of the Company for each quarter within the last two fiscal years:

	2024		2023	
Quarter	High	Low	High	Low
First	**12.30**	**11.00**	11.00	8.84
Second	**14.38**	**11.70**	11.92	10.10
Third	**16.00**	**12.50**	11.18	10.76
Fourth	**15.40**	**10.70**	11.70	10.84

Source: PSE Report

The total number of stockholders/accounts as of 28 February 2025 is 10,994 holding 2,500,000,000 shares of common stock and 1 stockholder holding 500,000,000 preferred shares

Dividends

The cash dividends declared by the Board of Directors in 2023 was:

Classification	Peso Rate Per Share	Declaration Date	Record Date	Payable Date
Regular	0.50	01-Mar-2023	16-Mar-2023	10-Apr-2023
Special	0.50	15-Nov-2023	01-Dec-2023	12-Dec-2023

In 2024, the Board of Directors declared the following cash dividends:

Classification	Peso Rate Per Share	Declaration Date	Record Date	Payable Date
Regular	0.50	28-Feb-2024	14-Mar-2024	25-Mar-2024
Special	0.25	29-Oct-2024	14-Nov-2024	29-Nov-2024

On February 24, 2025, the Board of Directors declared the following cash dividend:

Classification	Peso Rate Per Share	Declaration Date	Record Date	Payable Date
Regular	0.50	24-Feb-2025	17-Mar-2025	11-Apr-2025

There is no restriction on payment of dividends other than the availability of retained earnings following the SEC rule on calculation of available retained earnings for dividend declaration. As of 31 December 2024, the Company has sufficient retained earnings available for dividend declaration.

The top 20 stockholders as of 28 February 2025 is broken down as follows:

Stockholder Name	Type	Number of Shares	% of Ownership
1. Anscor Consolidated Corporation	Common	1,272,329,761	42.411
2. A. Soriano Corporation Retirement Plan	Common Preferred	63,692,335* 500,000,000	2.123 16.667
3. PCD Nominee Corp. (Non-Filipino)	Common	499,659,239	16.655
4. A-Z Asia Limited Philippines, Inc.	Common	161,546,329	5.385
5. PCD Nominee Corp. (Filipino)	Common	124,973,383	4.166
6. Universal Robina Corporation	Common	64,605,739	2.154
7. Philippines International Life Insurance Co., Inc.	Common	57,921,593	1.931
8. C & E Property Holdings, Inc.	Common	28,011,922	0.934
9. Edmen Property Holdings, Inc.	Common	27,511,925	0.917
10. MCMS Property Holdings, Inc.	Common	26,513,928	0.884
11. JG Digital Equity Ventures, Inc.	Common	23,210,457	0.774
12. EJS Holdings, Inc.	Common	15,518,782	0.517
13 DAO Investment & Management Corp.	Common	8,628,406	0.288
14. Philippine Remnants Co., Inc.	Common	7,556,183	0.252
15. Balangingi Shipping Corporation	Common	2,767,187	0.092
16. Jocelyn C. Lee	Common	2,000,000	0.067
17. Lennie C. Lee	Common	2,000,000	0.067
18. F. Yap Securities, Inc.	Common	1,361,011	0.045
19. Josefina O. Yupangco	Common	1,309,176	0.044
20. Jose C. Lee	Common	1,128,000	0.038
Total		2,892,245,356	96.411

* Included 7,692,335 shares lodged with PCD Nominee Corp. (Filipino).

Recent Sale of Unregistered Securities

There are no recent sales of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction.

V. Compliance with Leading Practice on Corporate Governance

As part of the Company's continuing efforts to comply with leading practice on corporate governance, on 10 March 2010, the Company submitted to the SEC and PSE its revised Manual on Corporate Governance in conformity with SEC Memorandum Circular No. 6, Series of 2009. The Manual on Corporate Governance was further revised on 18 February 2011 to comply with additional requirements of the SEC. On 02 July 2014, the Company submitted to the SEC and PSE its Amended Manual on Corporate Governance in conformity with SEC Memorandum Circular No. 9, Series of 2014.

With the promulgation of the Code of Corporate Governance for Publicly Listed Companies under SEC Memorandum Circular No. 19 dated November 22, 2016, the Company submitted to the SEC and PSE its Manual on Corporate Governance in compliance with said Circular. This Manual superseded all previous Manuals on Corporate Governance of the Company including its revisions.

All the revisions to the Manual on Corporate Governance are discussed and deliberated upon by the Board of Directors prior to its approval and subsequent submission to the SEC.

The Board of Directors and Management evaluate on an annual basis, the Company's compliance with the Manual on Corporate Governance. The different Board Committees also evaluate the level of compliance with the Manual on Corporate Governance.

The Company continues to improve its systems and processes to enhance adherence and fully comply with leading practices on good corporate governance. These improvements are contained in the Company's Integrated Annual Corporate Governance Report and updates thereto to be submitted to the SEC yearly. Further, Directors of the Company are required, before assuming office and annually thereafter, to attend a seminar on Corporate Governance conducted by a duly recognized private or government institution.

Likewise, following SEC's thrust to promote a better corporate governance environment, the Company complied with SEC Memorandum Circular No. 11, Series of 2014, which provides for template for publicly-listed companies' websites. The Company's website contains all the items indicated in said Circular.

As of 28 February 2025, there were no deviations from the Company's Manual on Corporate Governance.

Gorres Velayo & Co.
ıyala Avenue
/lakati City
ıines

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Fax: (632) 8819 0872
ey.com/ph

INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
A. Soriano Corporation
7th Floor, Pacific Star Building
Makati Avenue corner Gil Puyat Avenue Extension
Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of A. Soriano Corporation and its subsidiaries (the Group) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, included in this Form 17-A and have issued our report thereon dated February 24, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Dhonabee B. Señeres
Partner
CPA Certificate No. 97133
Tax Identification No. 201-959-816
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-098-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465385, January 2, 2025, Makati City

February 24, 2025

A. SORIANO CORPORATION AND SUBSIDIARIES

INDEX TO THE SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2024

Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Annex C: Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock
- Schedule H: External Auditor Fee

ANNEX A

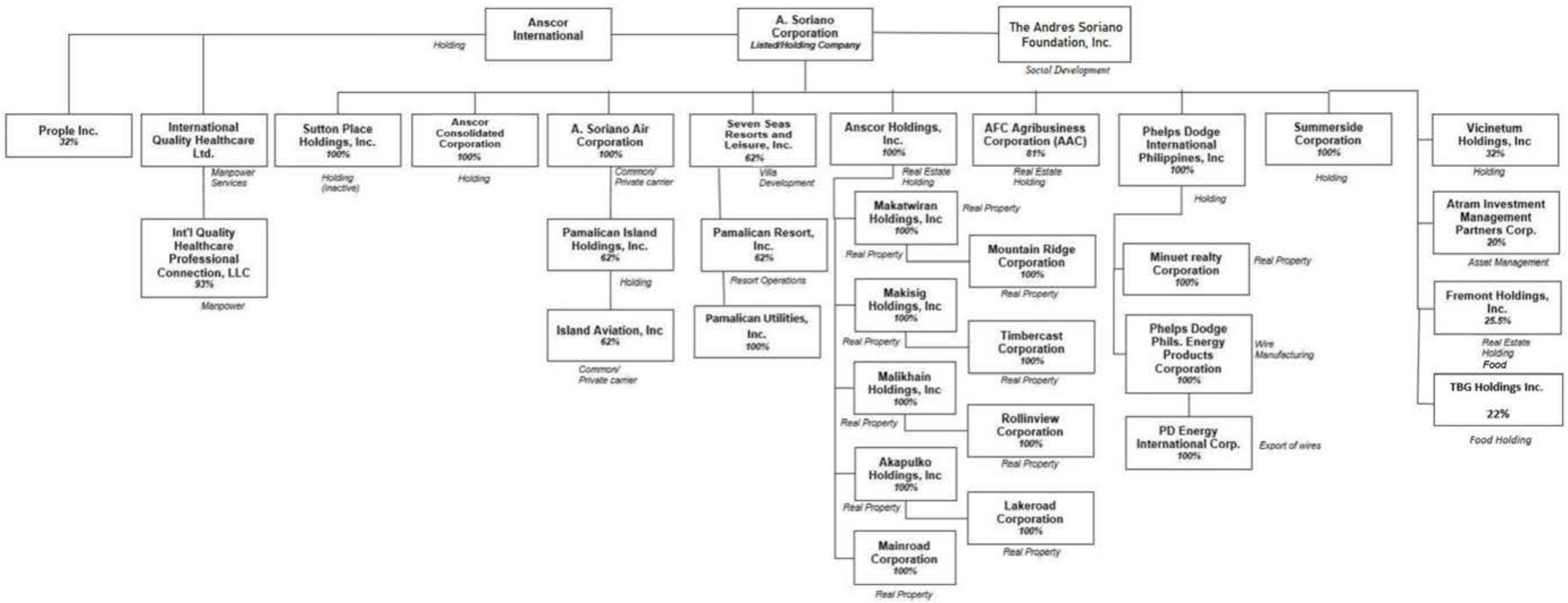
A. SORIANO CORPORATION

SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION DECEMBER 31, 2024

Unappropriated retained earnings, December 31, 2023		**₱3,894,670,136**
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	(1,875,000,000)	
Unappropriated Retained Earnings, as adjusted		**2,019,670,136**
Add: Net income for the current period		4,959,461,340
Less: Category C.1: Unrealized income recognized in the profit or loss during the period (net of tax)		
Unrealized foreign exchange gains, except those attributable to cash and cash equivalents	(45,494,182)	
Unrealized fair value adjustments (mark-to-market gains) of FVTPL	(2,250,725,959)	(2,296,220,141)
		4,682,911,335
Add: Category C.2: Unrealized income recognized in the profit or loss in the prior reporting periods but realized in the current reporting period (net of tax)		
Realized fair value adjustments (mark-to-market gains) of FVTPL	320,799,278	320,799,278
		5,003,710,613
Add: Category C.3: Unrealized income recognized in the profit or loss in the prior reporting periods but realized in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	11,460,806	11,460,806
		5,015,171,419
Add: Category F: Other items		
Deferred tax on past service cost	(251,993)	(251,993)
Total retained earnings available for dividend declaration, December 31, 2024		**₱5,014,919,426**

ANNEX B

A. SORIANO CORPORATION AND SUBSIDIARIES
GROUP STRUCTURE
DECEMBER 31, 2024



A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE A - FINANCIAL ASSETS (Note 1)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in PHP)

Name of issuing Entity and association of each issue	Number of shares or Principal Amount of Bonds and Notes	Amount shown in the Balance Sheet	Value Based on Market Quotations at end of reporting period	Income received & Accrued (Note 2)
	Face Amount	Amount in PHP	Amount in PHP	Amount in PHP
Invesco Global Real Assets	361	1,695,766	1,695,766	(254,424)
IShares JPMorgan USD EM Corp Bond	121,811	43,478,314	43,478,314	4,033,121
iShares V Plc-iShares MSCI ACWI	20,700	106,735,957	106,735,957	6,914,479
KKR Private Markets Equity Fund	20,000	33,955,015	33,955,015	3,615,043
Linden International Ltd A	88	42,178,599	42,178,599	7,205,262
Man Funds PLC-GLG Japan	3,202	27,527,075	27,527,075	4,279,089
Mastercard Inc A	450	13,706,749	13,706,749	2,749,779
Meta Platforms Ord Shs Class A	1,040	35,223,579	35,223,579	15,011,711
Microsoft Corporation	1,395	34,012,426	34,012,426	5,905,716
NVIDIA Corporation	4,860	37,752,505	37,752,505	33,909,833
Owl Rock Technology Income Corp.(shares was restructured)	331	24,845,718	24,845,718	4,034,469
Palo Alto Networks, Inc. (inc 700shrs upon trnsfer)	960	10,104,457	10,104,457	6,218,938
PIMCO Funds Global Inv Ser PLC-INC FD	158,625	168,261,416	168,261,416	6,003,040
PineBridge Global Funds-Asia Pacific	159,436	117,708,706	117,708,706	4,488,763
Redwheel Funds-Next Gen EM Equity Fund JR	2,578	38,263,842	38,263,842	1,365,019
SPDR S&P 500 ETF Trust	682	23,121,026	23,121,026	(59,914)
SPDR Gold Trust ETF (GLD)	3,325	46,569,983	46,569,983	3,190,932
Salesforce.Ord Shs	1,310	25,334,508	25,334,508	5,807,295
Servicenow Inc	304	18,642,083	18,642,083	9,383,743
Silver Point Capital Offshore Fund-USD	50	31,397,254	31,397,254	2,185,529
VISA Inc-Class A shrs	1,970	36,014,228	36,014,228	6,774,120
Brookfield Super-Core Infra iCap Access Fund	1,275	81,646,011	81,646,011	8,203,906
Oaktree Alpha Credit Fund-302056	2,000,000	116,311,627	116,311,627	20,597,787
Straits 10-KKR(BOS PE Healthcare GR 2017)	3,106,542	212,454,922	212,454,922	12,149,770
ATRAM-iShares Global Aggregate 1-5yrs-USD	50,888	26,083,557	26,083,557	223,124
ATRAM-JPMorgan funds-USD Money Market-USD	2,001	13,652,596	13,652,596	2,509,605
ATRAM-Philippine Equity Smart Index Fund-PHP	398,958	40,364,825	40,364,825	4,496,048
ATRAM-RPGB 5 ¾ 03/07/28-PHP	106,000,000	105,079,807	105,079,807	4,637,145
ATRAM-RPGB 6 5/8 08/17/33-PHP	59,500,000	67,113,140	67,113,140	6,192,800
ATRAM-RPGB 6 7/8 01/10/29-PHP	85,000,000	87,045,500	87,045,500	4,152,012
MS-UBS USD Autocallable Stk-USD	-	266,500	266,500	-
AHI-PLDT Series Y 10% Cumm. Pref.	4,200	46,452	46,452	-
AHI-PLDT Series BB 10% Cumm. Pref.	1,200	13,248	13,248	-
		2,630,687,442	2,630,687,442	307,735,265
BONDS				
UBS-MTN Morgan Stanley 6.296% Global S1	$ 250,000	14,988,363	14,988,363	(158,508)
		14,988,363	14,988,363	2,562,667
PROPRIETARY SHARES				
Alabang Country Club "A"	2	30,000,000	30,000,000	6,000,000
Alta Vista De Cebu (Vistamar)	1	500,000	500,000	50,000
Camp John Hay	2	500,000	500,000	(100,000)
Canlubang Golf & Country Club	2	8,000,000	8,000,000	1,000,000
Celebrity Sports Plaza	1	350,000	350,000	50,000
Club Filipino	1	300,000	300,000	(50,000)
Cresta Del Mar	1	68,000	68,000	-
Makati Sports Club "A"	1	1,600,000	1,600,000	500,000
Anscorcon - Manila Golf	1	160,000,000	160,000,000	40,000,000
Anscor - Manila Golf & Country Club	3	480,000,000	480,000,000	120,000,000
Manila Polo Club	1	50,000,000	50,000,000	5,000,000
Manila Southwoods "A"	1	5,500,000	5,500,000	1,500,000
Maybank ATR KIMENG Partners, Inc.	-	15,000	15,000	-
Metropolitan Club	1	250,000	250,000	-

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE A - FINANCIAL ASSETS (Note 1)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in PHP)

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ATRAM-Philippine Equity Smart Index Fund-PHP	398,958	40,364,825	40,364,825	4,496,048
ATRAM-RPGB 5 ¾ 03/07/28-PHP	106,000,000	105,079,807	105,079,807	4,637,145
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AHI-PLDT Series Y 10% Cumm. Pref.	4,200	46,452	46,452	-
AHI-PLDT Series BB 10% Cumm. Pref.	1,200	13,248	13,248	-
		2,630,687,442	2,630,687,442	307,735,265
BONDS				
UBS-MTN Morgan Stanley 6.296% Global S1	$ 250,000	14,988,363	14,988,363	(158,508)
		14,988,363	14,988,363	2,562,667
PROPRIETARY SHARES				
Alabang Country Club "A"	2	30,000,000	30,000,000	6,000,000
Alta Vista De Cebu (Vistamar)	1	500,000	500,000	50,000
Camp John Hay	2	500,000	500,000	(100,000)
Canlubang Golf & Country Club	2	8,000,000	8,000,000	1,000,000
Celebrity Sports Plaza	1	350,000	350,000	50,000
Club Filipino	1	300,000	300,000	(50,000)
Cresta Del Mar	1	68,000	68,000	-
Makati Sports Club "A"	1	1,600,000	1,600,000	500,000
Anscorcon - Manila Golf	1	160,000,000	160,000,000	40,000,000
Anscor - Manila Golf & Country Club	3	480,000,000	480,000,000	120,000,000
Manila Polo Club	1	50,000,000	50,000,000	5,000,000
Manila Southwoods "A"	1	5,500,000	5,500,000	1,500,000
Maybank ATR KIMENG Partners, Inc.	-	15,000	15,000	-
Metropolitan Club	1	250,000	250,000	-

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE A - FINANCIAL ASSETS (Note 1)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in PHP)

Name of issuing Entity and association of each issue	Number of shares or Principal Amount of Bonds and Notes	Amount shown in the Balance Sheet	Value Based on Market Quotations at end of reporting period	Income received & Accrued (Note 2)
	Face Amount	**Amount in PHP**	**Amount in PHP**	**Amount in PHP**
Orchards Golf Club "A"	1	2,600,000	2,600,000	300,000
Palms Country Club 'Class A"	1	2,500,000	2,500,000	500,000
Philippine Village Resort	1,000	5,000	5,000	-
PLDT	11,330	119,073	119,073	-
Puerto Azul	1	250,000	250,000	130,000
Sta Elena Properties'A'	3	72,000,000	72,000,000	27,000,000
Tagaytay Midlands Golf Club, Inc.	1	1,500,000	1,500,000	-
Anscor - Valle Verde Country Club	1	950,000	950,000	200,000
PDP - Valle Verde Country Club	3	2,850,000	2,850,000	600,000
Valley Golf Club	1	5,000,000	5,000,000	-
		824,857,073	**824,857,073**	**202,680,000**
OTHERS				
ACMDC	840,173	3,679,964	3,679,964	714,147
Central Azucarera de La Carlota	271	780	780	-
Manila Peninsula Hotels,Inc.	265,000	2,444,945	2,444,945	-
Meralco	636	310,368	310,368	56,604
PLDT Co - Pref	1,200	12,600	12,600	-
Realty Investment Inc	120,000	32,500	32,500	-
		6,481,157	**6,481,157**	**770,751**
TOTAL - FVPL INVESTMENTS		**15,413,782,486**	**15,413,782,486**	**3,428,764,880**
FVOCI INVESTMENTS				
BONDS				
UBS-HSBC Holdings 2.206% 2021-17.08.2029-USD	$ 300,000	15,599,929	15,599,929	374,071
		15,599,929	**15,599,929**	**374,071**
TOTAL - FVOCI INVESTMENTS		**15,599,929**	**15,599,929**	**374,071**
GRAND TOTAL - FINANCIAL ASSETS		**15,429,382,415**	**15,429,382,415**	**3,429,138,951**

Note 1 This account consists of investments that are designated as FVPL, FVOCI and held-for-trading investments.

Note 2 This column includes interest income, dividends and unrealized gain/loss in market value of FVPL investments charged to income in 2024

A. SORIANO CORPORATION
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES AND RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
FOR THE YEAR ENDED DECEMBER 31, 2024

Name and Designation of Debtor	Beginning Balance	Additions	Collections	Current	Not Current	Ending Balance

NOT APPLICABLE

Aggregate indebtedness of the individual directors, officers, employees, and principal stockholders (other than related parties) are below P1,000,000.

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name and Designation of Debtor	Beginning of Period	Additions	Amounts Collected	Amount Written Off	Current	Non Current	Balance at End of Period
A. SORIANO CORPORATION RECEIVABLES FROM ITS SUBSIDIARIES							
Anscor Holdings, Inc.	323,665	291,072	-	-	291,072	323,665	614,737
Summerside Corporation	785,125	-	484,150	-	-	300,975	300,975
Seven Seas Resorts & Leisure Inc.	7,594	74,799,258	74,760,000	-	39,258	7,594	46,852
Pamalican Resorts, Inc.	35,740	11,000,968	10,084,302	-	952,407	-	952,407
Pamalican Island Holdings, Inc. (PIHI)	(594,693)	1,000	-	-	-	(593,693)	(593,693)
A. Soriano Air Coporation	36	-	-	-	-	36	36
Island Aviation Inc.	38,425	587,682	-	-	587,682	38,425	626,107
Anscor Consolidated Corporation	(144,122)	953,700,000	953,630,265	-	(74,387)	-	(74,387)
Phelps Dodge Philippines Energy Products Corporation	32,618,561	112,952,201	117,872,181	-	27,698,581	-	27,698,581
Phelps Dodge International Philippines, Inc.	-	436,500,000	436,500,000	-	-	-	-
AFC Agribusiness Corporation	25,548,796	3,945,078	-	-	3,945,078	25,548,796	29,493,874
Sutton Place Holdings	(8,727,064)	11,140	-	-	-	(8,715,924)	(8,715,924)
IQ Healthcare Investments Limited	19,585,076	-	-	-	-	19,585,076	19,585,076
Anscor International, Inc.	1,226,881,753	98,931,040	-	-	98,931,040	1,226,881,753	1,325,812,793
	1,296,358,892	**1,692,719,440**	**1,593,330,898**	**-**	**132,370,731**	**1,263,376,703**	**1,395,747,434**
RECEIVABLES BETWEEN PARENT/SUBSIDIARIES							
A. SORIANO AIR CORP. (Conso)							
Pamalican Resort Inc. (ASAC direct receivables)	1,148,391	3,890,259	-	-	3,890,259	1,148,391	5,038,650
Pamalican Resort Inc. (IAI direct receivables)	44,362,724	18,860,751	-	-	18,860,751	44,362,724	63,223,475
A. Soriano Corporation (PIHI direct receivables)	594,693	-	1,000	-	-	593,693	593,693
	46,105,808	22,751,011	1,000	-	22,751,011	46,104,808	68,855,819
ANSCOR CONSOLIDATED CORPORATION							
A. Soriano Corporation	144,122	953,630,265	953,700,000	-	74,387	-	74,387
	144,122	953,630,265	953,700,000	-	74,387	-	74,387
SEVEN SEAS RESORTS & LEISURE INC. (Conso)							
Island Aviation Inc. (direct receivable of PRI)	1,431,252	-	777,796	-	-	653,456	653,456
Pamalican Island Holdings, Inc. (direct receivable of Seven Seas)	65,000	-	-	-	-	65,000	65,000
Island Aviation Inc. (direct receivable of Seven Seas)	-	75,000,000	-	-	75,000,000	-	75,000,000
	1,496,252	75,000,000	777,796	-	75,000,000	718,456	75,718,456
SUTTON PLACE HOLDINGS, INC.. (Conso)							
A. Soriano Corporation (direct receivable of Sutton)	8,727,064	-	11,140	-	-	8,715,924	8,715,924
	8,727,064	-	11,140	-	-	8,715,924	8,715,924

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name and Designation of Debtor	Beginning of Period	Additions	Amounts Collected	Amount Written Off	Current	Non Current	Balance at End of Period
ANSCOR INTERNATIONAL (Conso)							
IQ Healthcare Investments Limited)	52,739,925	30,229,052	-	-	30,229,052	52,739,925	82,968,977
	52,739,925	30,229,052	-	-	30,229,052	52,739,925	82,968,977
Anscor Holdings, Inc.							
Seven Seas Resorts & Leisure Inc.	2,051	-	-	-	-	2,051	2,051
	2,051	-	-	-	-	2,051	2,051
Summerside Corporation							
Anscor Holidngs, Inc.	2,019,776	-	10,813	-	-	2,008,963	2,008,963
	2,019,776	-	10,813	-	-	2,008,963	2,008,963
	111,234,998	**1,081,610,328**	**954,500,749**	**-**	**128,054,450**	**110,290,127**	**238,344,578**
PAYABLES BETWEEN PARENT/SUBSIDIARIES							
A. SORIANO AIR CORP. (Conso)							
A. Soriano Corporation	38,461	587,682	-	-	587,682	38,461	626,143
Pamalican Resort Inc. (direct payable of ASAC)	1,384,831	22,085	-	-	22,085	1,384,831	1,406,916
Seven Seas Resorts & Leisure Inc. (direct payable of PIHI)	65,000	-	-	-	-	65,000	65,000
Pamalican Utilities, Inc. (direct payable of ASAC)	35,014	3,502	-	-	3,502	35,014	38,516
Seven Seas Resorts & Leisure Inc. (direct payable of IAI)	-	75,000,000	-	-	75,000,000	-	75,000,000
Pamalican Resort Inc. (direct payable of IAI)	759,097	268,818	-	-	268,818	759,097	1,027,915
	2,282,403	75,882,087	-	-	75,882,087	2,282,403	78,164,490
SEVEN SEAS RESORTS & LEISURE INC. (Conso)							
A.Soriano Corporation (direct payable of PRI)	35,740	11,000,968	10,084,302	-	952,407	-	952,407
A.Soriano Corporation (direct payable of SSRLI)	7,594	74,799,258	74,760,000	-	39,258	7,594	46,852
Anscor Holdings, Inc. (direct payable of SSRLI)	2,051	-	2,051	-	-	-	-
A. Soriano Air Corp. (direct payable of PRI)	742,773	3,267,929			3,267,929	742,773	4,010,702
Island Aviation, Inc. (direct payable of PRI)	44,694,698	18,045,762	-	-	18,045,762	44,694,698	62,740,460
	45,482,856	107,113,917	84,846,353	-	22,305,356	45,445,065	67,750,421
PHELPS DODGE INTERNATIONAL PRODUCTS PHILIPPINES, INC. (PDIPI) - Conso							
A. Soriano Corporation (direct payable of PDP Energy)	32,618,561	112,952,201	117,872,181	-	27,698,581	-	27,698,581
A. Soriano Coporation (direct payyable of PDIPI)	-	436,500,000	436,500,000	-	-	-	-
	32,618,561	549,452,201	554,372,181	-	27,698,581	-	27,698,581

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name and Designation of Debtor	Beginning of Period	Additions	Amounts Collected	Amount Written Off	Current	Non Current	Balance at End of Period
ANSCOR HOLDINGS INC. (Conso)							
Summerside Corporation	2,019,776	-	10,813	-	-	2,008,963	2,008,963
A. Soriano Corporation	323,665	-	-	-	-	323,665	323,665
	2,343,441	-	10,813	-	-	2,332,628	2,332,628
SUMMERSIDE CORPORATION (Conso)							
A. Soriano Corporation	785,125	-	484,150	-	-	300,975	300,975
	785,125	-	484,150	-	-	300,975	300,975
AFC AGRIBUSINESS CORPORATION							
A. Soriano Corporation	25,548,796	3,945,078	-	-	3,945,078	25,548,796	29,493,874
	25,548,796	3,945,078	-	-	3,945,078	25,548,796	29,493,874
ANSCOR INTERNATIONAL							
A. Soriano Corporation	1,226,881,753	98,931,040	-	-	98,931,040	1,226,881,753	1,325,812,793
	1,226,881,753	98,931,040	-	-	98,931,040	1,226,881,753	1,325,812,793
IQ HEALTHCARE INVESTMENT LIMITED							
A. Soriano Corporation	20,201,485	-	-	-	-	20,201,485	20,201,485
Anscor International	52,739,925	30,229,052	-	-	30,229,052	52,739,925	82,968,977
	72,941,410	30,229,052	-	-	30,229,052	72,941,410	103,170,462
	1,408,884,345	**865,553,376**	**639,713,497**	**-**	**258,991,195**	**1,375,733,030**	**1,634,724,225**

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE D - LONG-TERM DEBT
AS OF DECEMBER 31, 2024
(Amounts in PHP)

Title of issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown under caption "Current portion of long-term debt" in related balance sheet	Amount Shown under caption "Long-term debt - net of current portion" in related balance sheet
Island Aviation, Inc.			
Banco de Oro	780,000,000	104,545,455	675,454,545
Total	780,000,000	104,545,455	675,454,545

a. On January 9, 2023, a Facility Agreement (IAI-BDO Loan) was executed between IAI and BDO, for a term loan in the aggregate principal amount of up to P1 billion. On the same date, the Continuing Suretyship (CS) in favor of BDO was jointly and severally irrevocably executed by SRRLI and PRI duly identified as the sureties to secure the due and full payment and performance of the Secured Obligations as defined in the CS.

b. On February 14, 2023, SSRLI, PRI and Pamalican Utilities Inc. (PUI) (the three companies as Trustors) and AB Capital and Investment Corporation (as Trustee) executed the Amended and Restated Mortgage Trust Indenture (MTI). PRI and PUI are now parties to the MTI which was originally entered into by SSRLI and the Trustee on November 29, 2005. The Trustors in the MTI are now parties to the Mortgage Obligations for the loan. The Trustee issued as of December 31, 2023 mortgage participating certificates representing 18.2% of the appraised value of the assets covered by the MTI.

c. On November 20, 2023, BDO and the Company agreed to adjust the interest rate to the higher of (a) the sum of the 3-month Benchmark Rate on interest setting date and on each repricing date plus 0.90% per annum, and (b) Target Reverse Repurchase Rate plus + 0.25% per annum; divided by the interest premium factor effective January 9, 2024.

   The loan shall be subject to the maintenance of financial ratios which include; (i) maximum of 2.5 times debt-to-equity ratio and (ii) minimum debt service coverage ratio of 1.2 times starting May 31, 2024 and annually each May 31 thereafter.

d. Total interest expense in 2024 and 2023 from this loan recognized in the consolidated profit or loss amounted to P59.2 million and P58.9 million, respectively.

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2024 AND 2023
(Amounts in PHP)

PARTICULARS	Balance at Beginning of Period	Balance at End of Period
Due From:		
Multi-media Telephony, Inc. (MTI) (Notes 1)	564,769,510	**564,769,510**
Others	1,828,850	**1,598,224**
	566,598,360	**566,367,734**
Less Allowance for Doubtful Accounts	564,761,343	**564,761,343**
RECEIVABLE - NET	1,837,017	**1,606,391**

Note 1 In June and September 2005, the Company entered into a loan agreement with MTI for the latter to issue convertible debts to the Company. The debts, totaling US$3.0 million are payable in 270 days and bear interest at 20% per annum. Prior to the payment date, the Company has the option to convert the said debt into Vicinetum Holdings, Inc.'s (VHI) (MTI's parent company) shares of stock.

In 2006, the Company provided additional advances to MTI amounting to US$6.5 million. The advances are payable in two years and bear interest at 20% per annum. The Company has the option to convert these advances to shares of stock of MTI.

In 2007, additional P25.0 million advances were extended to MTI to be converted to 278,822 shares of VHI.

As of December 31, 2009, these advances were converted into deposits for future stock subscription of VHI shares.

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2024
(Amounts in PHP)

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by the Company for which this Statement is Filed	Nature of Guarantee
N A	NA	NA	NA	NA

A. SORIANO CORPORATION AND SUBSIDIARIES
SCHEDULE G - CAPITAL STOCK
AS OF DECEMBER 31, 2024

Title of Issue	Number of Shares Authorized	Number of Shares issued & Outstanding	Number of shares Reserved for Options,Warrants Conversions & Other Rights	Number of shares Held by			
				Subsidiaries	Related Parties	Directors, Officers & employees	Others
Common Stock	3,459,310,958	2,500,000,000	NA				
Preferred Stock	500,000,000	500,000,000	NA	-	500,000,000	-	-
		3,000,000,000					
Treasury shares		-					
No. of shares issued and outstanding (legal)		**3,000,000,000**		1,272,429,761	63,692,335	671,313,481	492,564,423
No. of shares held by a subsidiary (Anscor Consolidated Corporation)		(1,272,429,761) *					
Outstanding shares - (common and preferred) net of shares held by a subsidiary		**1,727,570,239**					

* As at December 31, 2024 and 2023, Anscorcon holds 1,272,429,761 shares of the Company.

A. SORIANO CORPORATION

SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION

DECEMBER 31, 2024

SCHEDULE H

	2024	2023
Total Audit Fees	**₱4,530,000**	**₱4,417,000**
Non-audit services fees:		
Other assurance services	–	–
Tax services	–	–
All other services	300,000	–
Total Non-audit Fees	**300,000**	**–**
Total Audit and Non-audit Fees	**₱4,830,000**	**₱4,417,000**

Audit and Non-audit fees of other related entities

	2024	2023
Audit fees	–	–
Non-audit services fees:		
Other assurance services	–	–
Tax services	–	–
All other services	–	–
Total Audit and Non-audit Fees of other related entities	**₱–**	**₱–**

SGV
Shape the future with confidence

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
ey.com/ph

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULE OF COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
A. Soriano Corporation
7th Floor, Pacific Star Building
Makati Avenue corner Gil Puyat Avenue Extension
Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of A. Soriano Corporation and its subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated February 24, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule of Components of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as of December 31, 2024, and 2023 and for each of the three years in the period ended December 31, 2024, and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Partner
CPA Certificate No. 97133
Tax Identification No. 201-959-816
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-098-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465385, January 2, 2025, Makati City

February 24, 2025

A. SORIANO CORPORATION AND SUBSIDIARIES

COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2024 AND 2023

			2024		2023	
i.	Current Ratio	Total Current Assets	**23,823,216,771**	**8.75:1**	20,810,775,738	11.46:1
		Total Current Liabilities	**2,721,553,027**		1,815,372,738	
ii.	Acid Test Ratio	Total Current Assets less Inventories, Prepayments, and Other Current Assets	**21,239,727,843**	**7.80:1**	18,380,855,510	10.13:1
		Total Current Liabilities	**2,721,553,027**		1,815,372,738	
iii.	Solvency Ratio	Net Income Attributable to Equity Holders of the Parent + Depreciation and amortization	**5,126,622,367**	**117.30%**	2,889,010,671	78.68%
		Total Liabilities	**4,370,452,798**		3,704,634,675	
iv.	Debt-to-Equity Ratio	Total Liabilities	**4,370,452,798**	**0.16:1**	3,704,634,675	0.16:1
		Equity Attributable to Equity Holders of the Parent	**27,068,917,332**		23,172,977,333	
v.	Asset-to-Equity Ratio	Total Assets	**32,309,106,442**	**1.19**	27,692,602,665	1.20
		Equity Attributable to Equity Holders of the Parent	**27,068,917,332**		23,172,977,333	
vi.	Interest Rate Coverage Ratio	EBIT (earnings before interest and taxes)	**5,174,483,163**	**74.55**	3,079,675,717	49.29
		Interest expense	**69,405,706**		62,479,987	
vii.	Return on Equity	Net Income Attributable to Equity Holders of the Parent	**4,681,330,337**	**17.29%**	2,552,017,982	11.01%
		Equity Attributable to Equity Holders of the Parent	**27,068,917,332**		23,172,977,333	
viii.	Return on Assets	Net Income Attributable to Equity Holders of the Parent	**4,681,330,337**	**14.49%**	2,552,017,982	9.22%
		Total Assets	**32,309,106,442**		27,692,602,665	

A. SORIANO CORPORATION AND SUBSIDIARIES

COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2024 AND 2023

			2024		2023	
ix.	Profitability Ratio	Net Income Attributable to Equity Holders of the Parent	**4,681,330,337**	**27.84%**	2,552,017,982	18.49%
		Total Revenues	**16,817,732,782**		13,798,487,806	
x.	Book value per share	Equity Attributable to Equity Holders of the Parent	**27,068,917,332**	**22.05**	23,172,977,333	18.88
		Outstanding Number of Shares	**1,227,570,239**		1,227,570,239	

A. SORIANO CORPORATION
7th Floor, Pacific Star Building
Makati Avenue corner Gil Puyat Avenue Ext.
1209 Makati City, Philippines

C O V E R   S H E E T

for

SEC FORM 17-Q

SEC Registration Number

P	W	2							

C O M P A N Y   N A M E

A. SORIANO CORPORATION AND SUBSIDIARIES

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

7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q	CRMD	NA

C O M P A N Y   I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
info@anscor.ph	**8819-0251**	**N/A**

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
11,020	April 16	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Narcisa M. Villaflor	**nancie.villaflor@anscor.com.ph**	**8819-0251**	**N/A**

CONTACT PERSON's ADDRESS

7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FROM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended September 30, 2024

2. Commission identification number: PW-2   3. BIR Tax Identification No. 000-103-216-0000

A. SORIANO CORPORATION

4. Exact name of issuer as specified in its charter

Philippines

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

7/F Pacific Star Bldg., Gil J. Puyat Ave. corner Makati Avenue, Makati City

7. Address of issuer's principal office   Postal Code

88190251

8. Issuer's telephone number, including area code

N/A

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common Stock outstanding and amount Of debt outstanding
Common	2,500,000,000
Preferred	500,000,000

………
………

11. Are any or all of the securities listed on a Stock Exchange?

Yes [x] No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange   Common

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 there under or Sections 11 of the RSA and RSA Rule 11(a)-1 there under, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [x] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [ ] No. [x]

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Financial statements and, if applicable, Pro Forma Financial Statements meeting the requirements of SRC Rule 68, Form and content of Financial Statements, shall be furnished as specified therein.

Please see SEC FORM 17-Q - Table of Contents

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Furnish the information required by Part III, Paragraph (A)(2)(b) of "Annex "C".

Please see SEC FORM 17-Q - Table of Contents

PART II – OTHER INFORMATION

The issuer may, at its option, report under item any information not previously reported in a report on SEC Form 17-C. If disclosure of such information is made under this Part II, it need not be repeated in a report on Form 17-C which would otherwise be required to be filed with respect to such information or in a subsequent report on Form 17-Q.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer: A. SORIANO CORPORATION

Signature and Title: (Sgd.) JOSHUA CASTRO
VP- Asst. Corporate Secretary

Date: November 14, 2024

Principal Financial/Accounting Officer/Controller: (Sgd.) NARCISA M. VILLAFLOR
Signature and Title VP – Comptroller/Treasurer

Date: November 14, 2024

TABLE OF CONTENTS

PART I – FINANCIAL INFORMATION

A. SORIANO CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In Thousand Pesos)

	September 30 2024	December 31 2023
ASSETS		
Current Assets		
Cash and cash equivalents	**3,394,593**	3,027,407
Fair value through profit and loss (FVPL) investments	**16,091,350**	13,186,172
Receivables	**2,331,520**	2,167,277
Inventories	**2,132,771**	1,757,321
Prepayments	**439,193**	404,675
Other current assets	**294,755**	267,924
Total Current Assets	**24,684,182**	20,810,776
Noncurrent Assets		
FVOCI investments	**15,331**	57,637
Notes receivables	**388,102**	416,774
Investments and advances	**355,623**	337,544
Goodwill	**1,302,276**	1,302,276
Property and equipment	**3,906,894**	3,784,759
Investment properties	**456,830**	463,590
Retirement plan asset	**179,368**	179,368
Deferred tax assets	**116,892**	118,241
Right of use assets	**55,868**	52,523
Deposit to suppliers	**57,161**	40,631
Other noncurrent assets	**122,314**	128,484
Total Noncurrent Assets	**6,956,659**	6,881,827
TOTAL ASSETS	**31,640,841**	27,692,603
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	**1,275,598**	1,385,274
Dividends payable	**589,434**	570,376
Income tax payable	**100,479**	77,028
Current portion of long-term debt	**105,000**	-
Current portion of lease liability	**15,340**	18,763
Total Current Liabilities	**2,085,851**	2,051,441

(Forward)

	September 30	December 31
	2024	2023
Noncurrent Liabilities		
Long-term debt - net of current portion	**725,000**	1,000,000
Lease liability - net of current portion	**41,642**	35,296
Deferred income tax liabilities - net	**542,265**	493,566
Retirement benefits payable	**24,074**	22,610
Other noncurrent liabilities	**118,477**	101,722
Total Noncurrent Liabilities	**1,451,458**	1,653,194
Total Liabilities	**3,537,309**	3,704,635
Equity Attributable to Equity Holdings of the Parent		
Capital stock	**2,505,000**	2,505,000
Additional paid-in capital	**1,724,358**	1,724,358
Cumulative translation adjustment	**184,218**	167,266
Unrealized valuation gains on FVOCI investments	**574**	606
Remeasurement on retirement benefits	**84,332**	84,220
Retained Earnings		
Appropriated	**7,150,000**	7,150,000
Unappropriated	**18,293,673**	14,196,742
Cost of shares held by a subsidiary	**(2,655,215)**	(2,655,215)
	27,286,940	23,172,977
Noncontrolling interests	**816,592**	814,991
Total Equity	**28,103,532**	23,987,968
TOTAL LIABILITIES AND EQUITY	**31,640,841**	27,692,603

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In Thousand Pesos Except for Earnings per Share)

	Periods Ended September 30		**Quarters Ended September 30**	
	2024	2023	**2024**	2023
REVENUES				
Sale of goods - net	**8,072,994**	7,302,198	**2,540,384**	2,491,105
Services	**1,256,745**	1,235,380	**234,914**	250,921
Dividend income	**343,106**	350,109	**43,129**	40,636
Interest income	**74,777**	60,063	**31,528**	22,770
	9,747,622	8,947,750	**2,849,955**	2,805,432
INVESTMENT GAINS (LOSSES)				
Gain on increase in market values of FVPL investments	**3,745,626**	580,593	**1,224,273**	68,399
Gain (loss) on sale of FVOCI investments	**1,014**	(3,135)	**1,452**	(189)
	3,746,640	577,458	**1,225,725**	68,210
Equity in net earnings of associates	**17,900**	5,390	**5,147**	419
	13,512,162	9,530,598	**4,080,827**	2,874,061
Cost of goods sold	**(6,744,962)**	(6,066,293)	**(2,180,424)**	(2,056,860)
Services rendered	**(573,014)**	(566,676)	**(272,112)**	(188,583)
Operating expenses	**(1,107,289)**	(1,132,412)	**(194,733)**	(277,099)
Interest expense	**(47,535)**	(44,220)	**(15,404)**	(19,825)
Foreign exchange gain (loss)	**39,729**	49,817	**(140,604)**	77,085
Other income - net	**603**	34,151	**8,929**	17,747
	(8,432,468)	(7,725,633)	**(2,794,348)**	(2,447,535)
INCOME BEFORE INCOME TAX	**5,079,694**	1,804,965	**1,286,479**	426,526
PROVISION FOR INCOME TAX				
Current	**259,875**	248,889	**55,166**	72,685
Deferred	**48,739**	69,382	**(22,529)**	7,605
	308,614	318,271	**32,637**	**80,290**
NET INCOME	**4,771,080**	1,486,694	**1,253,842**	**346,236**

(Forward)

	Periods Ended September 30		Quarters Ended September 30	
	2024	2023	**2024**	2023
OTHER COMPREHENSIVE INCOME (LOSS)				
Unrealized valuation gain (loss) on FVOCI investments	**972**	(1,153)	**1,695**	(758)
Realized gain on sale of FVOCI investments	**(1,014)**	3,135	**(1,452)**	189
Income Tax Effect	**10**	(495)	**(61)**	142
Cumulative Translation Adjustment	**16,952**	44,139	**(110,246)**	55,659
Remeasurement gain (loss) on retirement benefits	**150**	(171)	**-**	-
Income Tax Effect	**(38)**	43	**-**	-
OTHER COMPREHENSIVE INCOME (LOSS)	**17,032**	45,498	**(110,064)**	55,232
TOTAL COMPREHENSIVE INCOME	**4,788,112**	1,532,192	**1,143,778**	401,468
Net Income (Loss) Attributable to:				
Equity holders of the parent	**4,710,716**	1,424,880	**1,277,313**	365,972
Minority interest	**60,364**	61,814	**(23,471)**	(19,736)
	4,771,080	1,486,694	**1,253,842**	346,236
Total Comprehensive Income (Loss) Attributable to:				
Equity holders of the parent	**4,727,749**	1,470,378	**1,167,249**	421,204
Minority interest	**60,364**	61,814	**(23,471)**	(19,736)
	4,788,113	1,532,192	**1,143,778**	401,468
Earnings Per Share				
Basic/Diluted, for net income attributable to equity holders of the Parent	**3.84**	**1.16**	**1.04**	0.30
Earnings Per Share				
Basic/Diluted, for total comprehensive income attributable to equity holders of the Parent	**3.85**	**1.20**	**0.95**	0.34

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

(In Thousand Pesos)

	Attributable to Equity Holders of the Parent										
	Capital Stock						Retained Earnings				
	Common	Preferred	Additional Paid-in Capital	Unrealized Valuation Gain (Loss) on FVOCI Investments	Remeasurement on Retirement Benefits	Cumulative Translation Adjustment	Appropriated	Unappropriated	Cost of Shares Held by a Subsidiary	Noncontrolling Interests	Total
Balance at 12/31/2022	2,500,000	5,000	1,859,383	(3,184)	54,423	179,017	7,150,000	12,872,295	(2,655,215)	652,011	22,613,730
Comprehensive income (loss)	-	-	-	1,487	(128)	44,139	-	1,424,880	-	61,814	1,532,192
Cash dividends - net	-	-	-	-	-	-	-	(613,785)	-	-	(613,785)
Movement in noncontrolling interest	-	-	-	-	-	-	-	-	-	(69,177)	(69,177)
Balance at 09/30/2023	2,500,000	5,000	1,859,383	(1,697)	54,295	223,156	7,150,000	13,683,390	(2,655,215)	644,648	23,462,960
Balance at 12/31/2023	2,500,000	5,000	1,724,358	606	84,220	167,266	7,150,000	14,196,742	(2,655,215)	814,991	23,987,968
Comprehensive income (loss)	-	-	-	(32)	112	16,952	-	4,710,716	-	60,364	4,788,112
Cash dividends - net	-	-	-	-	-	-	-	(613,785)	-	-	(613,785)
Movement in noncontrolling interest	-	-	-	-	-	-	-	-	-	(58,763)	(58,763)
Balance at 09/30/2024	**2,500,000**	**5,000**	**1,724,358**	**574**	**84,332**	**184,218**	**7,150,000**	**18,293,673**	**(2,655,215)**	**816,592**	**28,103,532**

A. SORIANO CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousand Pesos)

	Periods Ended September 30		Quarters Ended September 30	
	2024	2023	**2024**	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	**5,079,694**	1,804,965	**1,286,479**	426,526
Adjustment for:				
Depreciation and amortization	**299,845**	249,578	**93,094**	85,089
Interest expense	**47,535**	44,220	**15,404**	19,825
Net retirement benefits expense	**16,676**	13,845	**5,559**	4,610
Gain on increase in market values of FVPL investments	**(3,745,626)**	(580,593)	**(1,224,273)**	(68,399)
Dividend income	**(343,106)**	(350,109)	**(43,129)**	(40,636)
Interest income	**(74,777)**	(60,063)	**(31,528)**	(22,770)
Unrealized Foreign exchange gain	**(29,091)**	(52,752)	**137,103**	(67,882)
Equity in net losses of associates	**(17,900)**	(5,390)	**(5,147)**	(419)
Loss (gain) on sale of FVOCI investments	**(1,014)**	3,135	**(1,452)**	189
Gain on sale of property and equipment	**(263)**	(3,199)	**-**	(1,166)
Operating income before working capital changes	**1,231,973**	1,063,637	**232,110**	334,967
Decrease (increase) in:				
FVPL investments	**879,957**	204,610	**346,056**	439,375
Receivables	**(165,050)**	21,495	**(233,366)**	(207,700)
Inventories	**(375,449)**	159,812	**22,191**	49,250
Increase (decrease) in:				
Accounts payable and accrued expenses	**(109,676)**	(215,019)	**47,506**	99,386
Prepayments and other current assets	**(48,028)**	(141,859)	**54,260**	(123,953)
Net cash generated from operations	**1,413,727**	1,092,676	**468,757**	591,325
Dividend received	**343,106**	377,568	**43,129**	68,095
Interest received	**75,926**	60,063	**44,055**	22,770
Interest paid	**(180)**	(44,220)	**(38)**	(19,825)
Retirement benefit contribution	**(15,062)**	(46,098)	**(4,278)**	(18,740)
Income taxes paid	**(249,745)**	(267,360)	**(84,294)**	(74,833)
Net cash flows from operating activities	**1,567,772**	1,172,629	**467,331**	568,792

(Forward)

	Periods Ended September 30		Quarters Ended September 30	
	2024	2023	**2024**	2023
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the sale of :				
FVOCI investments	**45,008**	41,022	**29,883**	10,478
Property and equipment	**1,814**	5,311	**-**	286
Addition to:				
FVOCI investments	**-**	(54,227)	**-**	(256)
Investment properties	**(4,250)**	(5,867)	**-**	(508)
Property and equipment	**(412,521)**	(1,295,546)	**(191,342)**	(99,659)
Decrease (increase) in:				
Other noncurrent liabilities	**16,754**	7,120	**23,722**	1,789
Other noncurrent assets	**(10,360)**	247,538	**14,564**	73
Advances to affiliates	**(180)**	357	**77**	212
Net cash flows from (used in) investing activities	**(363,735)**	(1,054,292)	**(123,096)**	(87,585)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of:				
Long-term debt	**(170,000)**	1,000,000	**(80,000)**	-
Cash dividends	**(566,727)**	(560,257)	**(1,114)**	178
Interest on long term debt	**(47,355)**	**-**	**(15,366)**	-
Increase (decrease) in:				
Lease liabilities	**(422)**	790	**(164)**	(140)
Minority interest	**(58,763)**	(69,177)	**(3,000)**	-
Net cash flows from (used in) financing activities	**(843,267)**	371,356	**(99,644)**	38
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	**6,416**	(11,326)	**(27,843)**	(4,135)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**367,186**	478,367	**216,748**	477,110
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**3,027,407**	2,948,402	**3,177,845**	2,949,659
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**3,394,593**	3,426,769	**3,394,593**	3,426,769

A. SORIANO CORPORATION

PARENT COMPANY STATEMENTS OF FINANCIAL POSITION

(In Thousand Pesos)

	September 30 2024	December 31 2023
ASSETS		
Cash and Cash Equivalents	**1,839,804**	942,156
Fair Value through Profit and Loss (FVPL) Investments	**13,379,490**	10,644,254
Fair value through other comprehensive income (FVOCI) investments	**15,331**	57,637
Receivables - net	**427,987**	466,713
Investments and Advances- net	**7,389,404**	7,306,028
Investment Properties	**197,831**	208,841
Property and Equipment - net	**50,096**	15,489
Retirement Plan Asset	**179,368**	179,368
Other Assets	**182,900**	170,717
TOTAL ASSETS	**23,662,211**	19,991,203
LIABILITIES AND EQUITY		
Liabilities		
Accounts Payable and Accrued Expenses	**216,338**	269,237
Dividends Payable	**589,434**	570,376
Deferred Income Tax Liabilities - net	**240,846**	186,150
Total Liabilities	**1,046,618**	1,025,763
Equity		
Capital Stock - 1 Par Value	**2,505,000**	2,505,000
Additional Paid-in Capital	**1,589,800**	1,589,800
Unrealized valuation gains on FVOCI investments	**574**	606
Remeasurement on Retirement Benefits	**105,730**	105,730
Retained Earnings		
Appropriated	**7,150,000**	7,150,000
Unappropriated	**11,264,489**	7,614,304
Total Equity	**22,615,593**	18,965,440
TOTAL LIABILITIES AND EQUITY	**23,662,211**	19,991,203

A. SORIANO CORPORATION

PARENT COMPANY STATEMENTS OF INCOME

(In Thousand Pesos Except for Earnings Per Share)

	Periods Ended September 30		Quarters Ended September 30	
	2024	2023	**2024**	2023
REVENUES				
Dividend income	**1,483,643**	1,473,269	**41,858**	32,610
Interest income	**51,148**	40,618	**16,433**	13,616
Management fees	**76,119**	72,671	**19,302**	26,358
	1,610,910	1,586,558	**77,593**	72,584
INVESTMENT GAINS (LOSSES)				
Gain on increase in market values of FVPL investments	**3,507,460**	406,249	**1,199,742**	86,086
Gain (loss) on sale of FVOCI investments	**1,014**	(3,135)	**1,452**	(189)
	3,508,474	403,114	**1,201,194**	85,897
	5,119,384	1,989,672	**1,278,787**	158,481
Operating expenses	**(219,895)**	(223,696)	**(41,173)**	(42,420)
Foreign exchange gain (loss)	**38,937**	56,722	**(127,555)**	77,874
Interest expense	**-**	(1,918)	**-**	-
Others - net	**19,701**	17,433	**6,662**	6,438
	(161,257)	(151,459)	**(162,066)**	41,892
INCOME BEFORE INCOME TAX	**4,958,127**	1,838,213	**1,116,721**	200,373
PROVISION FOR INCOME TAX				
Current	**3,206**	532	**1,638**	532
Deferred	**54,736**	75,379	**(20,530)**	9,603
	57,942	75,911	**(18,892)**	10,135
NET INCOME	**4,900,185**	1,762,302	**1,135,613**	190,238
OTHER COMPREHENSIVE INCOME (LOSS)				
Unrealized valuation gain (loss) on FVOCI investments	**972**	(1,153)	**1,695**	(758)
Realized loss (gain) on sale of FVOCI investments	**(1,014)**	3,135	**(1,452)**	189
Income tax effect	**10**	(495)	**(61)**	142
OTHER COMPREHENSIVE INCOME (LOSS)	**(32)**	1,487	**182**	(427)
TOTAL COMPREHENSIVE INCOME	**4,900,153**	1,763,789	**1,135,795**	189,811
Earnings Per Share:				
Net income	**1.96**	**0.70**	**0.45**	0.08
Total comprehensive income	**1.96**	**0.71**	**0.45**	0.08

A. SORIANO CORPORATION

PARENT COMPANY STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

(In Thousand Pesos)

	Capital Stock		Additional Paid-in	Unrealized Valuation Gains (loss) on FVOCI	Remeasurement on Retirement Benefits	Retained Earnings		
	Common	**Preferred**	**Capital**	**Investments**	**Gain**	**Appropriated**	**Unappropriated**	**Total**
Balance at 12/31/2022	2,500,000	5,000	1,589,800	(3,184)	68,565	7,150,000	6,799,975	18,110,156
Comprehensive income	-	-	-	1,487	-	-	1,762,302	1,763,789
Cash dividends	-	-	-	-	-	-	(1,250,000)	(1,250,000)
Balance at 09/30/2023	2,500,000	5,000	1,589,800	(1,697)	68,565	7,150,000	7,312,277	18,623,945
Balance at 12/31/2023	2,500,000	5,000	1,589,800	606	105,730	7,150,000	7,614,304	18,965,440
Comprehensive income (loss)	-		-	(32)	-	-	4,900,185	4,900,153
Cash dividends	-		-	-	-	-	(1,250,000)	(1,250,000)
Balance at 09/30/2024	**2,500,000**	**5,000**	**1,589,800**	**574**	**105,730**	**7,150,000**	**11,264,489**	**22,615,593**

A. SORIANO CORPORATION

PARENT COMPANY STATEMENTS OF CASH FLOWS

(In Thousand Pesos)

	Periods Ended September 30		Quarters Ended September 30	
	2024	2023	**2024**	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax	**4,958,127**	1,838,213	**1,116,721**	200,373
Adjustment for:				
Depreciation and amortization	**14,509**	13,671	**4,640**	4,337
Net retirement benefits expense	**5,792**	5,792	**1,931**	1,931
Gain on increase in market values of FVPL investments	**(3,507,460)**	(406,249)	**(1,199,742)**	(86,086)
Dividend income	**(1,483,643)**	(1,473,269)	**(41,858)**	(32,610)
Interest income	**(51,148)**	(40,618)	**(16,433)**	(13,616)
Unrealized foreign exchange loss (gain)	**(28,299)**	(59,656)	**124,054**	(68,671)
Loss on sale of FVOCI investments	**(1,014)**	3,135	**(1,452)**	189
Interest expense	**-**	1,918	**-**	-
Operating income (loss) before working capital changes	**(93,136)**	(117,063)	**(12,139)**	5,847
Decrease (increase) in:				
Receivables	**9,246**	(215,975)	**(85,977)**	(216,872)
FVPL investments	**794,781**	447,726	**396,228**	538,355
Other assets	**1,137**	2,887	**1,648**	1,997
Decrease in accounts payable and accrued expenses	**(52,898)**	(60,841)	**15,492**	3,023
Net cash generated operations	**659,130**	56,734	**315,252**	332,350
Dividend received	**847,443**	837,069	**138,858**	32,610
Interest received	**52,297**	40,618	**28,960**	13,616
Interest paid	**-**	(1,918)	**-**	-
Retirement benefits contribution	**(5,792)**	(5,792)	**(1,931)**	(1,931)
Income tax paid	**(16,527)**	(15,189)	**(7,301)**	(3,933)
Net cash flows from operating activities	**1,536,551**	911,522	**473,838**	372,712
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the sale of :				
FVOCI investments	**45,008**	41,022	**29,883**	10,478
Property and equipment	**1,550**	-	**-**	-

(Forward)

	Periods Ended September 30		Quarters Ended September 30	
	2024	2023	**2024**	2023
Additions to:				
FVOCI investments	**-**	(54,227)	**-**	(256)
Long-term investments	**-**	-	**-**	-
Property and equipment	**(39,656)**	(4,852)	**(34,198)**	270
Increase in:				
Advances to affiliates	**(83,391)**	(195,309)	**34,049**	(12,921)
Net cash flows from (used in) investing activities	**(76,489)**	(213,366)	**29,734**	(2,429)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of cash dividends	**(566,727)**	(560,257)	**(1,114)**	178
Net cash flows used in financing activities	**(566,727)**	(560,257)	**(1,114)**	178
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	**4,313**	(4,414)	**(14,436)**	(2,776)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**897,648**	133,485	**488,022**	367,685
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**942,156**	1,046,347	**1,351,782**	812,147
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**1,839,804**	1,179,832	**1,839,804**	1,179,832

A. SORIANO CORPORATION AND SUBSIDIARIES

Additional Notes to Consolidated Financial Statements

1. Segment Information

Information with regard to the Company's significant business segments are shown below (in thousand pesos):

	Before Eliminations						
	Wire Manufacturing	Resort Operation	Other Operations (Note 1)	Holding Co (Parent)	Total	**Eliminations**	**After Eliminations Consolidated**
09/30/2024							
REVENUE	8,072,994	1,044,400	5,861,446	5,119,384	20,098,224	(6,586,062)	**13,512,162**
TOTAL COMPREHENSIVE INCOME	716,539	85,202	5,506,757	4,900,153	11,208,651	(6,420,539)	**4,788,112**
TOTAL ASSETS	6,843,259	1,911,133	24,196,827	23,662,211	56,613,430	(24,972,589)	**31,640,841**
INVESTMENTS PORTFOLIO *	41,862	195,784	22,834,847	20,982,056	44,054,549	(27,135,415)	**16,919,134**
PROPERTY & EQUIPMENT	1,150,652	784,863	993,168	50,096	2,978,779	928,115	**3,906,894**
TOTAL LIABILITIES	531,950	685,696	3,182,254	1,046,618	5,446,518	(1,909,209)	**3,537,309**
					-		
DEPRECIATION AND AMORTIZATION	93,341	89,121	82,886	14,509	279,857	19,988	**299,845**

	Before Eliminations						
	Wire Manufacturing	Resort Operation	Other Operations (Note 1)	Holding Co (Parent)	Total	**Eliminations**	**After Eliminations Consolidated**
09/30/2023							
REVENUE	7,302,198	1,042,638	3,663,739	1,989,672	13,998,247	(4,467,649)	**9,530,598**
TOTAL COMPREHENSIVE INCOME (LOSS)	696,895	127,456	3,273,084	1,763,789	5,861,224	(4,329,032)	**1,532,192**
					-		
TOTAL ASSETS	6,259,534	1,818,371	18,681,257	19,465,950	46,225,112	(19,388,461)	**26,836,651**
INVESTMENTS PORTFOLIO *	32,662	131,059	36,308,782	17,485,708	53,958,211	(40,572,191)	**13,386,020**
PROPERTY & EQUIPMENT	985,711	737,454	1,069,044	13,000	2,805,209	954,766	**3,759,975**
TOTAL LIABILITIES	474,923	632,953	3,198,858	842,005	5,148,739	(1,775,046)	**3,373,693**
DEPRECIATION AND AMORTIZATION	82,810	74,370	58,739	13,671	229,590	19,988	**249,578**

**** Inclusive of FVPL investments, FVOCI investments, advances & investments and investment properties.***

Note 1: Consolidated other operations also included the operations of A. Soriano Air Corporation, Anscor International, Inc. and Anscor Holdings, Inc.

- The Company and its subsidiaries' operating businesses are organized and managed separately according to the nature of the products or services offered.
- Holding company segment pertains to the operation of the parent company with earnings from income of its financial and operating investment assets.
- Other operations include real estate holding, aviation and management services.

2. Basis of Preparation and Changes in Accounting Policies and Disclosures

Basis of Preparation
The consolidated financial statements have been prepared on a historical cost basis, except for securities at FVPL) and FVOCI investments that have been measured at fair value. The consolidated financial statements are presented in Philippine pesos (Peso), which is the Company's functional and presentation currency. Amounts are presented to the nearest Thousand Peso unless otherwise stated.

Statement of Compliance
The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

<u>Changes in Accounting Policies</u>
The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new accounting standards effective in 2023. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Adoption of these new standards did not have an impact on the financial statements of the Company.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

  The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

  - Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
  - Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

  The amendments to the Practice Statement provide non-mandatory guidance.

  The Company also referred to the guidance provided under Q&A No. 2022-02: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) in applying the amendments to PAS 1 and PS 2. The adoption resulted to removal of accounting policy information that are not considered material and thus had no material impact on the financial statements.

- Amendments to PAS 8, *Definition of Accounting Estimates*

  The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

  The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

  The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

  The amendments introduce a mandatory exception in PAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

  The amendments also clarify that PAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes', respectively.

  The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon adoption of the amendments in June 2023.

  Meanwhile, the disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023.

Standards Issued but not yet Effective
Pronouncements issued but not yet effective are listed below. The Company does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Company intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1*, Classification of Liabilities as Current or Non-current*
  The amendments clarify:
  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are required to be applied retrospectively.

- Amendments to PFRS 16*, Lease Liability in a Sale and Leaseback*

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

  The amendments are required to be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed.

- Amendments to PAS 7 and PFRS 7*, Disclosures: Supplier Finance Arrangements*

  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier adoption is permitted and that fact must be disclosed.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts* – not expected to apply to the Company.
- Amendments to PAS 21*, Lack of exchangeability*

  The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. This is not correctly expected to apply to the Company.

3. Summary of Significant Accounting and Financial Reporting Policies

<u>Basis of Consolidation</u>

The consolidated financial statements of the Group comprise the financial statements of the Company and the following wholly-owned and majority-owned subsidiaries as at September 30, 2024 and December 31, 2023:

		Percentage of Ownership	
	Nature of Business	**2024**	2023
A. Soriano Air Corporation	Services/Rental	**100**	100
Pamalican Island Holdings, Inc.	Holding	**62**	62
Island Aviation, Inc.	Air Transport	**62**	62
Anscor Consolidated Corporation	Holding	**100**	100
Anscor Holdings (formerly Goldenhall Corp.)	Real Estate Holding	**100**	100
Akapulko Holdings, Inc.	Real Estate Holding	**100**	100
Lakeroad Corp.	Real Estate Holding	**100**	100
Mainroad Corp.	Real Estate Holding	**100**	100
Makatwiran Holdings, Inc.	Real Estate Holding	**100**	100
Makisig Holdings, Inc.	Real Estate Holding	**100**	100

	Nature of Business	Percentage of Ownership	
		2024	2023
Malikhain Holdings, Inc.	Real Estate Holding	**100**	100
Mountainridge Corp.	Real Estate Holding	**100**	100
Rollingview Corp.	Real Estate Holding	**100**	100
Timbercrest Corp.	Real Estate Holding	**100**	100
Sutton Place Holdings, Inc.	Holding	**100**	100
Summerside Corp.	Holding	**100**	40
Anscor International, Inc. (AI)	Holding	**100**	100
IQ Healthcare Investments Limited (IQHIL)	Holding	**100**	100
IQ Healthcare Professional Connection, LLC (IQHPC)	Inactive	**93**	93
Phelps Dodge International Philippines, Inc.	Holding	**97**	97
Minuet Realty Corporation	Landholding	**97**	97
Phelps Dodge Philippines Energy Products Corporation	Wire Manufacturing	**97**	97
PD Energy International Corporation	Wire Manufacturing	**97**	97
AFC Agribusiness Corporation	Real Estate Holding	**81**	81
Seven Seas Resorts and Leisure, Inc.	Villa Project Development	**62**	62
Pamalican Resort, Inc.	Resort Operations	**62**	62
Pamalican Utilities, Inc.	Utility Company	**62**	62

Except for AI and its subsidiaries, the above companies are all based in the Philippines. The principal business location of AI and IQHIL is in the British Virgin Islands (BVI), while IQHPC is based in the United States of America (USA).

Subsidiaries are all entities over which the Group has control.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins from the date of acquisition, being the date on which control is transferred to the Group and continue to be consolidated until the date that such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Noncontrolling interests represent a portion of profit or loss and net assets of subsidiaries not held by the Group, directly or indirectly, and are presented separately in the consolidated statement of comprehensive income and within the equity section in the consolidated balance sheet and consolidated statement of changes in equity, separately from Company's equity.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control of the subsidiary are accounted for as equity transactions.

When the proportion of the equity held by the NCI changes, the Group adjusts the carrying amount of the controlling and noncontrolling interests to reflect the changes in their relative interests in the subsidiary. The Group recognizes directly in equity (i.e., Additional Paid-in Capital) any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any noncontrolling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Investments in Associates

The Group holds interest in entities over which it has significant influence and are accounted for as investments in associates using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

After application of the equity method, the Group determines whether objective evidence that the investment in associate is impaired and recognizes an impairment loss if the recovarable amount exceeds the carrying value. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Any loss or reversal is recognized under "Equity in net earnings on investments in associates" in the consolidated statement of comprehensive income.

The reporting dates of the associates of the Group are identical and the associates' accounting policies conform to those used by the Group for like transactions and events in similar circumstances. Accordingly, no adjustments are made when measuring and recognizing the Group's share of the profit or loss of the investees after the date of acquisition.

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

The following are the Group's associates:

		Percentage of Ownership	
	Nature of Business	**2024**	2023
Associates			
Prople Limited	Business Process Outsourcing	**32**	32
Vicinetum Holdings, Inc. (VHI)	Holding	**32**	32
Fremont Holdings, Inc. (FHI)	Real Estate Holding	**25**	25
ATRAM Investment Management Partners Corp (AIMP)	Asset Management	**20**	20

The principal business location of AIMP, VHI and FHI is the Philippines. Prople Limited is based in Hong Kong.

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for noncontrolling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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

Foreign Currency Translation

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in Peso based on the exchange rate recorded at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing exchange rate at the end of reporting period. All differences are taken to the consolidated statement of income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the closing exchange rates at the date when the fair value was determined. Foreign exchange gains and losses relating to FVPL investments are recognized in the consolidated profit or loss.

Financial statements of consolidated foreign subsidiaries which are considered foreign entities are translated into the presentation currency of the Group (Peso) at the closing exchange rate at end of reporting period and their statements of income are translated using the monthly weighted average exchange rates for the year. The exchange differences arising from the translation are taken directly to a separate component of equity (under cumulative translation adjustment). On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the consolidated profit or loss.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

<u>Fair Value Measurement</u>
The Group measures financial assets, such as fair value through profit or loss (FVPL) investments and fair value through other comprehensive income (FVOCI) investments, at fair value at each balance sheet date. Also, fair values of investment properties are disclosed.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For certain unquoted investments, the Group also makes use of the report of the fund managers in developing assumptions and estimating the fair value.

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

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

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

The Group's management determines the policies and procedures for both recurring fair value measurement, such as unquoted FVPL financial assets, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such as investment properties. Involvement of external valuers is decided upon annually by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents with relevant external sources to determine whether the change is reasonable.

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

Financial Instruments

Initial recognition and measurement of financial instruments

At initial recognition, financial assets are classified as, and measured at amortized cost, FVOCI, and FVPL. Financial liabilities are classified at initial recognition as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Classification of financial instruments
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15, Revenue from Contracts with Customers.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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

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

As of September 30, 2024 and December 31, 2023, the Group has the following categories of financial assets and financial liabilities:

(a) Financial assets and financial liabilities at FVPL

This category includes financial assets and financial liabilities held for trading and financial assets and financial liabilities designated upon initial recognition as at FVPL. Financial assets and financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets or financial liabilities classified in this category may be designated by management on initial recognition when the following criteria are met:

- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognizing gains or losses on them on a different basis; or
- The assets and liabilities are part of a group of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The financial instrument contains an embedded derivative, unless the embedded derivative does not significantly modify the cash flows or it is clear, with little or no analysis, that it would not be separately recorded.

Derivatives recorded at FVPL
The Group has certain derivatives that are embedded in host financial contracts, such as structured notes and debt investments and conversion. These embedded derivatives include calls and puts in debt investments and interest rate and conversion options, among others.

A derivative embedded in a hybrid contract, with a financial liability or nonfinancial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at FVPL. Embedded derivatives are measured at fair value with changes in fair value recognized in the consolidated profit or loss. Reassessment occurs only if there is either a change in the terms of the contract that significantly modifies the cash flows that would be otherwise be required or a reclassification of a financial asset out of the FVPL category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at FVPL.

Financial assets and financial liabilities at FVPL are recorded in the consolidated balance sheet at fair value. Changes in fair value are recorded in “Gain (loss) on increase (decrease) in market values of FVPL investments”. Interest earned or incurred is recorded in interest income or expense, respectively, while dividend income is recorded as such according to the terms of the contract, or when the right of payment has been established.

As at September 30, 2024 and December 31, 2023, the Group has designated as FVPL all equity investments, money market papers, investments in bonds that have callable and other features, managed/hedged funds and derivatives. No financial liability at FVPL is outstanding as at September 30, 2024 and December 31, 2023.

(b) Financial assets at amortized cost (debt instruments)

The Group measures financial assets at amortized cost if both of the following conditions are met:

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

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included as interest income in the consolidated profit or loss. The losses arising from impairment of such financial assets are recognized as “Valuation allowances” account under “Other income (charges) - net” in the consolidated profit or loss.

Included under financial assets at amortized cost are cash in banks, short-term investments, trade receivables, interest receivable, advances to employees, receivables from villa owners, dividend receivable, notes receivable and other receivables.

(c) Financial assets at FVOCI (debt instruments)

The Group measures debt instruments at FVOCI if both of the following conditions are met:

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

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated profit or loss and computed in the same manner as financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI.
When the debt instrument is disposed of, the cumulative gain or loss previously recognized under OCI is transferred to profit or loss as "Gain (loss) on sale of FVOCI investments". Where the Group holds more than one investment in the same security, cost of the disposed investment is determined on a weighted average cost basis. Interest earned on holding FVOCI investments are reported as interest income using the effective interest rate.

As at September 30, 2024 and December 31, 2023, the Group's FVOCI investments include investments in bonds.

(d) Financial liabilities - loans and borrowings

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

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

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

As at September 30, 2024 and December 31, 2023, included in this category are the Group's notes payable, accounts payable and accrued expenses, long-term debt and dividends payable.

Impairment of Financial Assets

The Group recognizes an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

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

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group’s debt instruments at FVOCI comprise solely of top investment grade bonds that are graded by top credit rating agencies and, therefore, are considered to be low credit risk investments. It is the Group’s policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the top credit rating agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of Financial Assets and Financial Liabilities

Financial assets

A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when, and only when:

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

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification will result into the removal of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized in the consolidated profit or loss.

"Day 1" Difference

Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a "Day 1" difference) in the consolidated profit or loss unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is recognized in the consolidated profit or loss only when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the "Day 1" difference.

Inventories

Inventories are valued at the lower of cost and net realizable value (NRV).

Cost of aircraft spare parts and supplies is determined at purchase price using the first-in, first-out method, while NRV is the estimated current replacement cost of such spare parts and supplies.

Cost of food and beverage inventories and operating supplies is determined using the moving average method. NRV of food and beverage inventories is the estimated selling price in the ordinary course of business, less the estimated cost of preparation and the estimated cost necessary to make the sale.

For cable and wire manufacturing, finished goods and work in process is determined at standard cost adjusted to actual cost, which includes direct materials, direct labor and applicable allocation of fixed and variable costs, determined using weighted average method. Raw materials, other materials, reels inventory and spare parts and supplies are determined using weighted average method. NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Value Added Tax (VAT)

Input VAT is the 12% indirect tax paid by the Group in the course of the Group's trade or business on local purchase of goods or services, including lease or use of property, from a VAT-registered person. In case of capital goods, input VAT is spread evenly over the useful life or 60 months, whichever is shorter. Effective January 1, 2022, all input tax on purchases of capital goods shall already be allowed upon purchase/payment and will no longer need to be deferred.

Output VAT pertains to the 12% tax due on the lease or exchange of taxable goods or properties or services by the Group.

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

For its VAT-registered activities, when VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statements of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statements of financial position up to the extent of the recoverable amount.

For its non-VAT registered activities, the amount of VAT passed on from its purchases of goods or service is recognized as part of the cost of goods/asset acquired or as part of the expense item, as applicable.

Property and Equipment

Depreciable properties, including buildings and improvements, leasehold improvements, machinery and other equipment, flight and ground equipment, furniture, fixtures and office equipment, and transportation equipment are stated at cost less accumulated depreciation and amortization, and any impairment in value. Land is stated at cost less any impairment in value.

The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Property and equipment are written off either when disposed of or when these are permanently withdrawn from use and there is no more future economic benefit expected from its use or disposal.

Depreciation is computed on a straight-line method over the following estimated useful lives of the properties, except for aircraft engine which is computed based on flying hours.

Category	Number of Years
Buildings and improvements	10 - 30
Land improvements	30
Leasehold improvements	5 - 20*
Flight, ground, machinery and other equipment	2 - 25
Furniture, fixtures and office equipment	2 - 5
Transportation equipment	3 – 5

**or lease term, whichever is shorter*

The useful lives, depreciation and amortization method, and residual values are reviewed periodically to ensure that the periods and method of depreciation and amortization are consistent with the expected pattern of economic benefits from the use of property and equipment.

Depreciation commences when an asset is in its operational location or working condition capable of being operated in the manner intended by management. Depreciation ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, Non-current Assets Held for Sale and Discontinued Operations, and the date the asset is derecognized.

Construction in progress (CIP) is stated at cost net of accumulated impairment losses, if any. This includes cost of construction and other direct costs. CIP is not depreciated until such time the relevant assets are completed and put into operational use.

Property Development in Progress

Property development in progress includes villa development costs and related expenses incurred.

Property development in progress is carried at the lower of cost incurred and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Investment Properties

Investment properties comprise completed property and property under construction or re-development (land, buildings and condominiums) that are held to earn rentals or capital appreciation or both and that are not occupied by the Group. Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, the Group's investment properties are stated at cost, less accumulated depreciation and any accumulated impairment losses. Land is subsequently carried at cost less any impairment in value.

Expenditures incurred after the investment properties have been put into operation, such as repairs and maintenance costs, are normally charged to income in the period in which the costs are incurred.

Investment properties are written off when either these are disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of the investment property are recognized in the consolidated profit or loss in the year of retirement or disposal.

Impairment of Nonfinancial Assets

At each reporting date, the Group assesses whether there is any indication that its nonfinancial assets (namely, property and equipment, investment properties and investments in associates) may be impaired. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Group makes a formal estimate of recoverable amount. Recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash-generating unit to which it belongs. Where the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, the asset (or cash-generating unit) is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit).

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

Goodwill

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

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated profit or loss.

Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods. The Group performs its annual impairment test of goodwill as at the end of each financial reporting period.

Additional Paid-in Capital

Additional paid-in capital is the amount paid in excess of the par value of the shares issued, including equity adjustments relating to changes in equity interest of the Noncontrolling interests.

Retained Earnings

Retained earnings represent the cumulative balance of net income or loss, net of any dividend declared and the effects of any retrospective restatement recognized in accordance with PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

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

Appropriated retained earnings represent that portion which has been restricted and therefore, is not available for any dividend declaration.

Cost of Shares Held by a Subsidiary

The Company's shares which are acquired and held by a subsidiary (treasury shares) are deducted from equity and stated at acquisition cost. No gain or loss is recognized in the consolidated profit or loss on the purchase, sale, issue or cancellation of the Company's shares. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital.

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangement against specific criteria in order to determine if it is acting as principal or agent. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The following specific recognition criteria must be met before revenue is recognized:

Sale of goods

Revenue from the sale of goods is recognized at a point in time when the control over the goods are transferred to the buyer which is generally upon delivery of the goods.

Sale of services

Revenue from rooms is recognized over time based on the actual occupancy of the guests. Other ancillary services are recognized when the related services are rendered and/or facilities/amenities are used.

Revenue from air transport services is recognized at a point in time when the related services have been substantially performed.

Contract liabilities

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

Other Revenue/Income

Interest

Interest income from bank deposits and investments in bonds are recognized as interest accrues based on the effective interest rate method.

Dividends

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

Rental

Rental income is accounted for on a straight-line basis over the lease term.

Other Comprehensive Income

Other comprehensive income comprises of items of income and expense that are not recognized in the consolidated profit or loss for the year in accordance with PFRSs. Other comprehensive income of the Group pertains to gains and losses on remeasuring FVOCI investments, exchange differences on translating foreign operations and remeasurements comprising actuarial gains and losses on retirement plan assets and liabilities.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-ofuse assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Category	Number of Years
Building	5 years
Leasehold improvement	2 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, the Group calculates depreciation using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of office equipment and warehouse (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Pension Benefits
The Group has non-contributory defined benefit retirement plans.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.
Defined benefit costs comprise the following:
- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to the consolidated profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Provisions and Contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized but are disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

Income Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that have been enacted or substantively enacted as of the end of the reporting period.

Deferred income tax
Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for deductible temporary differences, carryforward benefits of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax, and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from excess MCIT and unused NOLCO can be utilized. Deferred income tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

Deferred income tax liabilities are not provided on taxable temporary differences associated with investments in domestic subsidiaries. With respect to investments in foreign subsidiaries, deferred income tax liabilities are recognized, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each end of the reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each end of the reporting period and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Current income tax and deferred income tax relating to items recognized directly in equity are also recognized in equity and not in the consolidated profit or loss.

Earnings Per Share
Basic earnings per share (EPS) is computed by dividing consolidated net income and the total comprehensive income attributable to the equity holders of the Parent for the year by the weighted average number of common shares outstanding during the year, after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Company does not have potentially dilutive common shares as of September 30, 2024 and December 31, 2023.

Segment Reporting
The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRSs requires the Group to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, other comprehensive income (loss) and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on amounts recognized in the consolidated financial statements.

Determination of functional currency
The Company's functional currency was determined to be the Peso. It is the currency of the primary economic environment in which the Company operates.

Classification of financial instruments
The Group classifies a financial instrument, or its component parts, on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definition of a financial asset, a financial liability or an equity instrument.

The substance of a financial instrument, rather than its legal form, governs its classification in the consolidated statements of financial position.

Classification and measurement of financial assets depend on the result of the SPPI and business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve particular business objectives. In classifying the investments not held for trading as at September 30, 2024 and December 31, 2023, the Group made an irrevocable election at initial recognition to designate the instruments as FVPL investments.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation and uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for expected credit losses of receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due.

The provision matrix is initially based on the Group's historically observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecasted economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historically observed default rates, forecasted economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For the advances to related parties, the Group uses judgment, based on the best available facts and circumstances, including but not limited to, assessment of the related parties' operating activities (active or dormant), business viability and overall capacity to pay, in providing reserve allowance against recorded receivable amounts. These reserves are re-evaluated and adjusted as additional information is received.

Valuation of unquoted FVPL equity investments

Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's-length market transactions;
- current fair value of another instrument that is substantially the same;
- the expected cash flows discounted at current rates applicable for terms with similar terms and risk characteristics; or
- other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation. In valuing the Group's unquoted equity instruments at fair value, management applied judgment in selecting the valuation technique and comparable companies and used assumptions in estimating future cash flows from its equity instruments considering the information available to the Group.

Impairment of FVOCI debt investments
For FVOCI debt investments, the Group assesses the counterparty's ability to comply with the contractual obligations to pay out principal and interest. Further, the Group assesses whether the credit risk on that financial instrument has increased significantly since initial recognition. No impairment loss was recognized in 2024 and 2023.

Estimation of allowance for inventory and impairment losses
The Group estimates the allowance for inventory obsolescence and impairment losses related to inventories based on specifically identified inventory items. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for inventory and impairment losses would increase recorded expenses and decrease current assets.

Estimation of useful lives of the Group's property and equipment
The Group estimates the useful lives of property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the assets.

In addition, the estimation of the useful lives of these assets is based on collective assessment of internal technical evaluation and experience with similar assets. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

Recoverability of investment in associates
The carrying value of investments carried under the equity method are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group's impairment test on investments carried at equity is based on value-in-use calculations that use a discounted cash flow model. The expected cash flows are estimated from the operations of the associates for the next five years, as well as the terminal value at the end of fifth year. The recoverable amount is most sensitive to the discount rates used for the discounted cash flow model, as well as the expected future cash inflows, revenue growth rates and long-term growth rates used for extrapolation purposes.

Impairment of non-financial assets

(a) Property and equipment and investment properties

The Group assesses impairment on assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Group considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

No impairment loss indicator has been identified and therefore no impairment loss was recognized on property and equipment.

(b) Goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. In assessing the recoverability of the Group's goodwill, management exercised significant judgments and used assumptions such as revenue growth rates, discount rates and long-term growth rates in estimating the value-in-use of these cash-generating units. Calculations indicated that there is no impairment on the Group's goodwill for each of the periods ended.

Recognition of deferred income tax assets
The Group reviews the carrying amounts of the deferred income tax assets at each end of the reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. However, there is no assurance that the Group will utilize all or part of the deferred income tax assets.

Determination of pension and other retirement benefits
The cost of defined benefit pension plans as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

Provisions and contingencies
Judgment is exercised by management to distinguish between provisions and contingencies.

5. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise cash and cash equivalents, receivables, investments in debt instruments, quoted and unquoted equity securities, investments in mutual and hedge funds, and short-term and long-term bank loans. The Group's other financial instruments include accounts payable and dividends payable and amounts due to affiliates, which arose directly from operations.

The Company's investment objectives consist mainly of:

a) maintaining a bond portfolio that earns adequate cash yields and,
b) maintaining a stable equity portfolio that generates capital gains through a combination of long term strategic investments and short-term to medium-term hold type investment.

The main risks arising from the use of these financial instruments are credit risk, liquidity risk, interest rate risk, equity price risk, foreign currency risk, and copper price risk. These risks are monitored by the Company's Investment Committee (the Committee).

The Committee evaluates the performance of all investments and reviews fund allocation to determine the future strategy of the fund. The Committee is formed by the Company's Chairman, Vice Chairman, Chief Finance Officer, Corporate Development Officer and an independent consultant. These meetings occur at least every quarter. The BOD reviews and approves the Company's risk management policies. The Company's policies for managing each of these risks are summarized below.

Credit risk
The Group is exposed to credit risk primarily because of its investing and operating activities. Credit risk losses may occur as a result of either an individual, counterparty or issuer being unable to or unwilling to honor its contractual obligations. The Group is exposed to credit risk arising from default of the counterparties (i.e., foreign and local currency denominated debt instruments and receivables) to its financial assets. The Group does not have a counterparty that accounts for more than 10% of the consolidated revenue.

Credit risk management
In managing credit risk on these investments, capital preservation is paramount. The Group transacts only with recognized and creditworthy counterparties. Investments in bonds are invested in highly recommended, creditworthy debt instruments that provides satisfactory interest yield.

Credit quality per class of financial assets
For the Group's financial assets, credit quality is monitored and managed using internal credit ratings. Internal risk ratings are derived in accordance with the Group's rating policy.

Trade receivables
An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Other financial assets
Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The Group invests only on quoted debt securities with very low credit risk. The Group's debt instruments at fair value through OCI comprised solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the Good Credit Rating Agency and, therefore, are considered to be low credit risk investments.

Liquidity risk
Liquidity risk is defined as the risk that the Group may not be able to settle or meet its obligations as they fall due. Aside from yielding good returns, the Group ensures investments have ample liquidity to finance operations and capital requirements. Short-term bank loans are secured to fill in temporary mismatch of funds for new investments.

Where applicable, long-term debt or equity are used for financing when the business requirement calls for it to ensure adequate liquidity in the subsidiaries and affiliates' operation.

The Group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when they are due. This is done by primarily investing in highly liquid investments.

Accounts payable and accrued expenses, dividends payable, lease liabilities, notes payable and current portion of long-term debt are expected to be settled using cash to be generated from operations and drawing from existing lines of credits or liquidity reserves.

Market risks
Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is the risk coming from adverse movements in factors that affect the market value of financial instruments of the

Group. The Group is exposed primarily to the financial risks of changes in interest rates, equity price risk, price risk of mutual funds, and foreign currency risk.

Investments exposed to market risk are foreign and local currency denominated quoted debt instruments, foreign and local currency denominated equity instruments and mutual fund/hedge fund investments.

There has been no change to the Group's manner in managing and measuring the risk.

a. Interest rate risks

   Cash flow interest rate risk
   Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

   Fair value interest rate risk
   Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group accounts for its quoted debt instruments at fair value. Changes in benchmark interest rate will cause changes in the fair value of quoted debt instruments.

b. Equity price risk

   Equity price risk is the risk that the fair values of equities decrease as a result of changes in the levels of the equity indices and the values of individual stock. The equity price risk exposure arises from the Group's investment in stock listed in the Philippine Stock Exchange (PSE).

   The sensitivity analysis assumes that the stock's standard deviation on its historical returns for the past one year provides the basis for the range of reasonably possible changes in prices of the stock investments. In establishing the relative range of the stock investment returns, the Group also assumes a 99% confidence level.

c. Price risk of mutual funds

   The Group is exposed to the risk of changes in the fund's net asset value (NAV) due to its market risk exposures.

d. Foreign currency risks

   Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. The Group's exposure arises primarily from investments in foreign currency denominated debt investments and equity securities.

The Company and a subsidiary's foreign exchange risk arises primarily from investments in foreign currency - denominated debt and equity securities. To minimize income volatility due to exchange rate movements, liquid investments are held in a basket of currencies, including Philippine peso and other major currencies such as U.S. dollar, Australian dollar and Japanese Yen. This also enables the Company and a subsidiary to access investment opportunities in those currencies.

On borrowings, it is the Company's group-wide policy for its subsidiaries to minimize any foreign exchange risks. Thus, all borrowings, whether short-term or long-term, in general, should be in Philippine peso. Any foreign currency borrowings may be engaged only if matched by the entities' corresponding currency revenue flows or by a foreign currency asset. As such, PRI and SSRLI can borrow in U.S. dollar as their revenues are dollar-based. It is also the policy of the Group to minimize any foreign exchange exposure in its management of payables. Any substantial exposure is covered by foreign exchange contracts, if necessary.

e. Copper price risk

The PDP Group uses copper rods in the manufacturing of its products. Copper rods component represents a significant portion of the cost of each unit produced.

Copper rods are priced based on the London Metal Exchange prices and are affected by the volatility in the price of metal in the world market.

The PDP Group's exposure to price risk on copper rod purchases is managed through back-to-back purchase of rods versus sales orders, average pricing on the firm orders like automobile wire products with long-term contracts, and obtaining orders from contractors with a fixed price or locked-in contracts with a specified period.

Capital Management

The primary objective of the Group's capital management is to ensure an adequate return to its shareholders and to maximize its value to its shareholders. In pursuance of this goal, the Group establishes an optimum risk return investment objective through a sound diversified investment portfolio and in ensuring a fair credit rating, the Group establishes prudent financial policies through appropriate capitalization ratios in its investments and maintain reasonable liquidity.

The Group monitors capital on the basis of the carrying amount of equity as presented on the face of the consolidated balance sheet.

No changes were made in the objectives, policies or process for the period ended September 30, 2024 and December 31, 2023.

6. Financial Instruments

Fair Values of Financial Assets and Liabilities
The carrying amounts of cash and cash equivalents, receivables, notes payable, dividends payable and accounts payable and accrued expenses approximate their fair values due to the short-term maturity of these financial instruments.

The carrying values of long-term debt, which have floating rates with quarterly repricing, approximate their fair values.

FVPL and FVOCI investments are carried at fair value. The following methods and assumptions were used to estimate the fair values:

- FVPL quoted equity shares, investments in bonds, funds and equities, proprietary shares and others are derived from quoted market prices in active markets.

- FVOCI investments in bonds are derived from quoted market prices in active markets.

- FVPL investments in KSA shares are based on the discounted cash flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, and growth rate. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

- FVPL investments in private equity funds are valued using the adjusted net asset method. The underlying investments under these private equity funds are carried at fair value. Other FVPL investments in unquoted equity shares are based on prices and other relevant information generated by market transactions involving identical and comparable assets, liabilities or a group of assets and liabilities, such as business. The valuation requires management to use market multiples derived from a set of comparables. Multiples might be in ranges with a difference multiple for each comparable. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors specific to the measurement.

The following tables provide the Group's fair value measurement hierarchy of its assets:

As at September 30, 2024:

		Fair value measurement using		
	Total	**Quoted prices in active Markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
FVPL investments:				
Quoted equity shares	**₱9,506,459**	**₱9,506,459**	**₱–**	**₱–**
Unquoted equity shares	**3,132,207**	**–**	**2,204,772**	**927,435**
Funds and equities	**2,612,164**	**–**	**2,612,164**	**–**
Proprietary shares	**818,977**	**–**	**818,977**	**–**
Bonds and convertible note	**14,765**	**14,765**	**–**	**–**
Others	**6,778**	**6,778**	**–**	**–**
	16,091,350	**9,528,002**	**5,635,913**	**927,435**
FVOCI investments:				
Bonds and convertible note	**15,331**	**15,331**	**–**	**–**
	₱16,106,681	**₱9,543,333**	**₱5,635,913**	**₱927,435**

As of December 31, 2023

		Fair Value Measurement Using		
	Total	**Quoted Prices in Active Markets (Level 1)**	**Significant Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
FVPL investments:				
Quoted equity shares	₱7,026,986	₱7,026,986	₱–	₱–
Unquoted equity shares	2,921,430	–	1,993,995	927,435
Funds and equities	2,459,415	–	2,459,415	–
Proprietary shares	625,177	–	625,177	–
Bonds	147,454	147,454	–	–
Others	5,710	5,710	–	-
	13,186,172	7,180,150	5,078,587	927,435
FVOCI investments	57,637	57,637	–	–
	₱13,243,809	₱7,237,787	₱5,078,587	₱927,435

Description of significant unobservable inputs to valuation of financial instruments classified under Level 3 (in millions):

2024 and 2023

Valuation Technique	**Significant Unobservable inputs**	**Range**	**Sensitivity of Input to Fair Value**
DCF Model	Dividend payout is ₱95.8 million with 4% annual increase	3% to 5%	3%: fair value of ₱833 5%: fair value of ₱1,047
	Liquidity discount of 20%	10% to 30%	10%: fair value of ₱1,043 30%: fair value of ₱812
	Cost of equity of 12.78%	11.78% to 13.78%	11.78%: fair value of ₱1,042 13.78%: fair value of ₱836

An increase (decrease) in the expected lease income of KSA would increase (decrease) the dividend payout, which would lead to an increase (decrease) in the fair value of the investment in KSA.

7. Financial Condition

There was no other significant change in the Company's Consolidated Balance Sheet as of September 30, 2024 versus December 31, 2023.

Cash and Cash Equivalents
The increase in cash and cash equivalents can be attributed to net cash generated from operating, partially offset by cash used in investing activities and financing activities.

(Please see attached consolidated cash flow statements for detailed analysis of cash movements on pages 6 and 7).

Fair Value Through Profit and Loss (FVPL) Investments
The increase in the account can be attributed to higher market value of local traded shares and foreign denominated investment in bonds, stocks and funds of P3.7 billion and foreign exchange gain of P22.6 million, offset by net disposal of P880.0 million.

Receivables
The increase in receivables was mainly due to improved revenues of the wire manufacturing subsidiary.

Inventories
The increase was due to higher level of finished goods and work in process inventories of the wire manufacturing subsidiary and higher spare parts and supplies of the aviation and utility subsidiaries.

Prepayments
Increase in this account pertains mainly to payments for inventories in transit of the wire manufacturing subsidiary, wherein the new terms and conditions in the contract with the supplier doesn’t meet the criteria for it to be classified and presented as inventories.

Other current assets
Movement in the account is mainly due to increase in the creditable withholding taxes of parent company, manufacturing and resort subsidiaries.

FVOCI Investments
Net decrease in this account amounted to P42.3 million due to sale of investments amounting to P44.0 million, partially offset by foreign exchange gain of P1.7 million.

Notes Receivables
The decrease was attributable to the collection of advances.

Investments and Advances
Minimal increase in investments and advances due to share in the equity earnings of the associates amounting to P17.9 million.

Property and Equipment - net
The increase can be traced to net acquisition of property and equipment of P412.5 million mainly attributable to capital expenditures of the manufacturing, aviation and resort subsidiaries, offset by depreciation amounting to P288.8 million.

Right-of-Use-Assets
With the adoption of PFRS 16, Leases, the manufacturing, and aviation subsidiaries as a lessee recognized asset representing the right to use the asset/property during the lease term.

Deposit to suppliers
Increase in the account balance can be attributed to deposit to contractor for capex requirement of the utility subsidiary.

Other Noncurrent Assets
Slight decrease due to use of sinking fund by the utility subsidiary.

Accounts Payable and Accrued Expenses
The decrease was mainly attributable to the payment of liabilities to the suppliers of the resort and wire manufacturing subsidiaries.

Dividends Payable
The Parent Company paid cash dividends of P0.50 per share to shareholders amounting to P585.8 million (net of share of Anscor Consolidated Corporation) last March 2024. Balance of P589.4 million as of September 30, 2024, represents accumulated cash dividend still unclaimed by stockholders with problematic addresses, which increased from P570.4 million to P589.4 million.

Income Tax Payable
Movement in the account was attributable to tax provision during the period by the Group partially offset by income tax paid by the resort, aviation and wire manufacturing subsidiaries.

Long-term Debt (current and noncurrent)
The decrease was mainly attributable to the prepayment of loan by the aviation subsidiary.

Lease Liability (current and noncurrent)
With the adoption of PFRS 16, Leases, the manufacturing and aviation subsidiary as a lessee recognized a liability for future lease payments.

Deferred Income Tax Liabilities
Increase in the account was mainly due to the deferred tax effect of unrealized increase in market value of FVPL investments and unrealized foreign exchange gain of the parent company.

Other Noncurrent Liabilities
Movement can be traced to the utility subsidiary.

Cumulative Translation Adjustment (CTA)
This account includes translation adjustments of Anscor International, Inc., and IQHPC. CTA balance increased by P17.0 million, due to depreciation of Philippine peso vis-à-vis US dollar.

Noncontrolling Interest (equity portion)
Increase was mainly due to share of minority shareholders in the net income of the resort and the wire manufacturing subsidiary for the year 2024, partially offset by the share in dividends declared and paid by the above mentioned subsidiaries.

Others
There were no commitments for major capital expenditures in 2024.

8. Results of Operation

Management is not aware of any known trends, events or uncertainties except for political and market uncertainties, nor any significant element of income or loss that may have material impact on the Company's recurring revenues and profits.

The following are the key performance indicators for the Parent Company (In thousand pesos except earnings per share and market price per share):

	Periods ended September 30	
	2024	2023
Revenues (excluding investment gains or losses)	**1,610,910**	1,586,558
Investment Gains	**3,508,474**	403,114
Total Comprehensive Income	**5,119,384**	1,989,672
Earnings Per Share		
Net Income	**1.96**	0.70
Total Comprehensive Income	**1.96**	0.71
Market Price Per Share (PSE)	**15.32**	11.08

The discussions below were based on the consolidated results of the Company and its subsidiaries.

Revenues

This year's consolidated gross revenues of P13.5 billion, improved from P9.5 billion, attributable to gain on increase in market value of FVPL investments by P3.7 billion, mainly local traded shares and higher interest income. Also, both the resort and manufacturing subsidiaries reported significant increases in revenues.

Cost of Goods Sold

Increase in cost of goods sold was due to the 7.1% increase in sales volume of the wire manufacturing subsidiary.

Cost of Services Rendered

Cost of services increase due to higher cost of services of the resort subsidiary.

Operating Expenses

The Group reported a decrease in consolidated operating expenses, contributed by lower overhead of the parent company and Anscor International, a foreign subsidiary.

Foreign Exchange Gain
Foreign exchange gain slightly lower due to the appreciation of peso vis-à-vis dollar in 2024 vs. 2023.

Interest Expense
The amount was higher in 2024 due to interest expense on the long-term loan of the aviation subsidiary.

Provision for income tax
The tax provision of the Group was higher than last year mainly due higher income of the wire manufacturing subsidiary. Also, the parent company reported a decrease in deferred tax related to unrealized gain on increase in market value of its FVPL investments and unrealized foreign exchange gain.

9. Cash Flows
Management has no knowledge of known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.

10. Financial information

- There is neither a change in composition of the registrant, no business combination nor any restructuring.
- There are no seasonality or cyclicality trends in the business that would have material effect on the Company's result of operations and financial condition.
- There are no significant elements of income or loss that did not arise from the issuer's continuing operations.

In the interim period:
- No issuance or repayment of equity securities.
- The parent company has not repurchased its equity securities except for its 100%-owned subsidiary, Anscorcon which todate owns 1,272,429,761 shares of Anscor. No additional shares were purchased during six months of 2024.
- No contingent assets or liabilities since the last annual balance sheet date.
- No material contingencies and any event or transactions that are material to the understanding of the operating results of the current interim period.
- No events that will trigger direct or contingent financial obligations that is material to the company, including any default or acceleration of an obligation.
- No material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the company with unconsolidated entities of other persons created during the reporting period.
- There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim.

11. Subsidiaries and Affiliates

Phelps Dodge Philippines (PDP)

The following are the key performance data for Phelps Dodge Philippines (In thousand pesos except volume):

	Periods Ended September 30	
	2024	2023
Volume sold (MT)	**11,183**	10,439
Revenue	**8,072,994**	7,302,198
Net Income	**716,539**	696,895

PDP Energy's sales were higher in 2024 as against 2023's revenues due to 7.1% increase in volume sold, mainly from its dealers nationwide and provincial projects.

PDP registered a net income of P716.5 million for 2024, from the P696.9 million profit recorded last year.

Seven Seas' Amanpulo Resort ended up with an occupancy rate of 45.4% in 2024, versus the average occupancy rate of 48.2% in 2023. Average room rate increased to P93,826 from last year's average of P82,263. Total gross revenues amounted to P994.8 million, a minimal increase from last year's revenues.

Seven Seas reported a consolidated net income of P85.2 million in 2024, lower by 33.2% from last year's profit of P127.5 million. This included a loss of P24.2 million in 2024 pertaining to higher tax provision of the Resort in 2023 picked up by Seven Seas in 2024.

12. Financial Indicators

Significant financial indicators of the Group are the following:

			09/30/2024			09/30/2023		
i	Current Ratio	Total Current Assets	**24,684,182**	11.83	: 1	20,047,238	11.45	: 1
		Total Current Liabilities	**2,085,851**			1,750,404		
ii	Acid Test Ratio	Total Current Assets less Inventories, Prepayments and Other Current Assets	**21,817,463**	10.46	: 1	17,945,886	10.25	: 1
		Total Current Liabilities	**2,085,851**			1,750,404		
iii	Solvency Ratio	Net Income Attributable to Equity Holders of the Parent + Depreciation and Amortization	**5,010,561**	141.65%		1,674,458	49.63%	
		Total Liabilities	**3,537,309**			3,373,693		
iv	Debt-to-Equity Ratio	Total Liabilities	**3,537,309**	0.13	:1	3,373,693	0.15	: 1
		Equity Attributable to Equity Holders of the Parent	**27,286,940**			22,818,310		
v	Asset-to-Equity Ratio	Total Assets	**31,640,841**	1.16		26,836,651	1.18	
		Equity Attributable to Equity Holders of the Parent	**27,286,940**			22,818,310		
vi	Interest Rate Coverage Ratio	EBIT (earnings before interest and taxes)	**5,127,229**	107.86		1,849,185	41.82	
		Interest Expense	**47,535**			44,220		
vii	Return on Equity Ratio	Net Income Attributable to Equity Holders of the Parent	**4,710,716**	17.26%		1,424,880	6.24%	
		Equity Attributable to Equity Holders of the Parent	**27,286,940**			22,818,310		

			09/30/2024		09/30/2023	
viii	Return on Assets	Net Income Attributable to Equity Holders of the Parent	**4,710,716**	14.89%	1,424,880	5.31%
		Total Assets	**31,640,841**		26,836,651	
ix	Profit Ratio	Net Income Attributable to Equity Holders of the Parent	**4,710,716**	34.86%	1,424,880	14.95%
		Total Revenues	**13,512,162**		9,530,598	
x	Book Value per Share	Equity Attributable to Equity Holders of the Parent	**27,286,940**	22.23	22,818,310	18.59
		Outstanding Number of Shares	**1,227,570**		1,227,570	

The key financial indicators of our major subsidiaries are the following:

PDP Energy and PDIPI

In Thousand Pesos except sales volume

	09/30/2024	09/30/2023
1. Volume	**11,183**	10,439
2. Revenue	**8,072,994**	7,302,198
3. Net income	**716,539**	696,895

Seven Seas Group

In Thousand Pesos

	09/30/2024	09/30/2023
1. Occupancy rate	**45.4%**	48.2%
2. Gross revenue	**1,044,400**	1,042,638
3. Gross operating profit (GOP)	**311,707**	352,004
4. GOP ratio	**29.8%**	33.8%
5. Net income	**85,202**	127,456

Occupancy rate is based on actual room nights sold over available room nights on a 9 - month period. Gross revenues include rooms, food and beverage and other ancillary services. GOP is total revenues less direct costs and GOP ratio is GOP over total hotel revenues.

C O V E R S H E E T
for
SEC FORM 17-Q

SEC Registration Number

P	W	2							

C O M P A N Y N A M E

A. SORIANO CORPORATION AND SUBSIDIARIES

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

7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q	CRMD	NA

C O M P A N Y I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
info@anscor.ph	**8819-0251**	**N/A**

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
11,020	April 16	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Narcisa M. Villaflor	**nancie.villaflor@anscor.com.ph**	**8819-0251**	**N/A**

CONTACT PERSON's ADDRESS

7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FROM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended June 30, 2024

2. Commission identification number: PW-2   3. BIR Tax Identification No. 000-103-216-0000

4. A. SORIANO CORPORATION
   Exact name of issuer as specified in its charter

5. Philippines
   Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

7. 7/F Pacific Star Bldg., Gil J. Puyat Ave. corner Makati Avenue, Makati City
   Address of issuer's principal office   Postal Code

8. 88190251
   Issuer's telephone number, including area code

9. N/A
   Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common Stock outstanding and amount Of debt outstanding
Common	2,500,000,000
Preferred	500,000,000

11. Are any or all of the securities listed on a Stock Exchange?

Yes [x]   No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange	Common

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 there under or Sections 11 of the RSA and RSA Rule 11(a)-1 there under, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [x] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [ ] No. [x]

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Financial statements and, if applicable, Pro Forma Financial Statements meeting the requirements of SRC Rule 68, Form and content of Financial Statements, shall be furnished as specified therein.

Please see SEC FORM 17-Q - Table of Contents

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Furnish the information required by Part III, Paragraph (A)(2)(b) of "Annex "C".

Please see SEC FORM 17-Q - Table of Contents

PART II – OTHER INFORMATION

The issuer may, at its option, report under item any information not previously reported in a report on SEC Form 17-C. If disclosure of such information is made under this Part II, it need not be repeated in a report on Form 17-C which would otherwise be required to be filed with respect to such information or in a subsequent report on Form 17-Q.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer: A. SORIANO CORPORATION

Signature and Title: (Sgd.) JOSHUA CASTRO
VP- Asst. Corporate Secretary

Date: August 08, 2024

Principal Financial/Accounting Officer/Controller: (Sgd.) NARCISA M. VILLAFLOR
Signature and Title VP – Comptroller/Treasurer

Date: August 08, 2024

SEC Form17-Q
August 08, 2024

TABLE OF CONTENTS
PART I – FINANCIAL INFORMATION

A. SORIANO CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In Thousand Pesos)

	June 30 2024	December 31 2023
ASSETS		
Current Assets		
Cash and cash equivalents	**3,177,845**	3,027,407
Fair value through profit and loss (FVPL) investments	**15,431,553**	13,186,172
Receivables	**2,111,011**	2,167,277
Inventories	**2,154,961**	1,757,321
Prepayments	**501,820**	404,675
Other current assets	**280,725**	267,924
Total Current Assets	**23,657,915**	20,810,776
Noncurrent Assets		
FVOCI investments	**44,662**	57,637
Notes receivables	**388,102**	416,774
Investments and advances	**350,554**	337,544
Goodwill	**1,302,276**	1,302,276
Property and equipment	**3,804,976**	3,784,759
Investment properties	**460,500**	463,590
Retirement plan asset	**179,368**	179,368
Deferred tax assets	**116,537**	118,241
Right of use assets	**58,888**	52,523
Deposit to suppliers	**69,368**	40,631
Other noncurrent assets	**124,671**	128,484
Total Noncurrent Assets	**6,899,902**	6,881,827
TOTAL ASSETS	**30,557,817**	27,692,603

LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	**1,228,091**	1,385,274
Dividends payable	**593,548**	570,376
Income tax payable	**123,944**	77,028
Current portion of long-term debt	**105,000**	0
Current portion of lease liability	**18,525**	18,763
Total Current Liabilities	**2,069,108**	2,051,441

(forward)

	June 30 2024	December 31 2023
Noncurrent Liabilities		
Long-term debt - net of current portion	**805,000**	1,000,000
Lease liability - net of current portion	**41,642**	35,296
Deferred income tax liabilities - net	**564,763**	493,566
Retirement benefits payable	**22,794**	22,610
Other noncurrent liabilities	**94,755**	101,722
Total Noncurrent Liabilities	**1,528,954**	1,653,194
Total Liabilities	**3,598,062**	3,704,635
Equity Attributable to Equity Holdings of the Parent		
Capital stock	**2,505,000**	2,505,000
Additional paid-in capital	**1,724,358**	1,724,358
Cumulative translation adjustment	**294,464**	167,266
Unrealized valuation gains on FVOCI investments	**393**	606
Remeasurement on retirement benefits	**84,332**	84,220
Retained Earnings		
Appropriated	**7,150,000**	7,150,000
Unappropriated	**17,016,360**	14,196,742
Cost of shares held by a subsidiary	**(2,655,215)**	(2,655,215)
	26,119,692	23,172,977
Noncontrolling interests	**840,063**	814,991
Total Equity	**26,959,755**	23,987,968
TOTAL LIABILITIES AND EQUITY	**30,557,817**	27,692,603

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In Thousand Pesos Except for Earnings per Share)

	Periods Ended June 30		Quarters Ended June 30	
	2024	2023	**2024**	2023
REVENUES				
Sale of goods - net	**5,532,610**	4,811,093	**2,849,662**	2,397,343
Services	**1,021,831**	984,459	**413,267**	485,982
Dividend income	**299,977**	309,474	**39,756**	46,742
Interest income	**43,248**	37,292	**18,154**	16,736
	6,897,666	6,142,318	**3,320,839**	2,946,803
INVESTMENT GAINS (LOSSES)				
Gain on increase in market values of FVPL investments	**2,521,353**	512,194	**747,311**	166,735
Loss on sale of FVOCI investments	**(439)**	(2,946)	**(439)**	-
	2,520,914	509,248	**746,872**	166,735
Equity in net earnings of associates	**12,753**	4,971	**6,414**	4,062
	9,431,333	6,656,537	**4,074,125**	3,117,600
Cost of goods sold	**(4,564,538)**	(4,009,433)	**(2,366,711)**	(2,006,353)
Cost of services rendered	**(300,902)**	(305,764)	**(140,266)**	(188,433)
Operating expenses	**(912,556)**	(927,642)	**(391,831)**	(391,881)
Foreign exchange gain (loss)	**180,333**	(27,267)	**133,347**	53,869
Interest expense	**(32,131)**	(24,395)	**(15,735)**	(23,815)
Other income (charges) - net	**(8,324)**	16,404	**10,715**	17,341
	(5,638,118)	(5,278,097)	**(2,770,481)**	(2,539,272)
INCOME BEFORE INCOME TAX	**3,793,215**	1,378,440	**1,303,644**	578,328
PROVISION FOR INCOME TAX				
Current	**204,709**	176,205	**96,991**	78,237
Deferred	**71,268**	61,777	**44,892**	54,563
	275,977	237,982	**141,883**	132,800
NET INCOME	**3,517,238**	1,140,458	**1,161,761**	445,528

(forward)

	Periods Ended June 30		Quarters Ended June 30	
	2024	2023	**2024**	2023
OTHER COMPREHENSIVE INCOME (LOSS)				
Unrealized valuation loss on FVOCI investments	**(723)**	(395)	**(489)**	(272)
Realized loss on sale of FVOCI investments	**439**	2,946	**439**	-
Income Tax Effect	**71**	(638)	**13**	68
Cumulative Translation Adjustment	**127,198**	(11,520)	**93,868**	32,756
Remeasurement gain (loss) on retirement benefits	**150**	(171)	**-**	-
Income Tax Effect	**(38)**	43	**-**	-
OTHER COMPREHENSIVE INCOME (LOSS)	**127,097**	(9,735)	**93,831**	32,552
TOTAL COMPREHENSIVE INCOME	**3,644,335**	1,130,723	**1,255,592**	478,080
Net Income Attributable to:				
Equity holders of the parent	**3,433,403**	1,058,908	**1,137,625**	420,880
Minority interest	**83,835**	81,550	**24,136**	24,648
	3,517,238	1,140,458	**1,161,761**	445,528
Total Comprehensive Income Attributable to:				
Equity holders of the parent	**3,560,500**	1,049,173	**1,231,456**	453,432
Minority interest	**83,835**	81,550	**24,136**	24,648
	3,644,335	1,130,723	**1,255,592**	478,080
Earnings Per Share				
Basic/Diluted, for net income attributable to equity holders of the Parent	**2.80**	0.86	**0.93**	0.34
Earnings Per Share				
Basic/Diluted, for total comprehensive income attributable to equity holders of the Parent	**2.90**	0.85	**1.00**	0.37

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

(In Thousand Pesos)

	Attributable to Equity Holders of the Parent										
	Capital Stock						Retained Earnings				
	Common	Preferred	Additional Paid-in Capital	Unrealized Valuation Gain (Loss) on FVOCI Investments	Remeasurement on Retirement Benefits	Cumulative Translation Adjustment	Appropriated	Unappropriated	Cost of Shares Held by a Subsidiary	Noncontrolling Interests	Total
Balance at 12/31/2022	2,500,000	5,000	1,859,383	(3,184)	54,423	179,017	7,150,000	12,872,295	(2,655,215)	652,011	22,613,730
Comprehensive income (loss)	-	-	-	1,914	(129)	(11,520)	-	1,058,908	-	81,550	1,130,723
Cash dividends - net	-	-	-	-	-	-	-	(613,785)	-	-	(613,785)
Movement in noncontrolling interest	-	-	-	-	-	-	-	-	-	(69,177)	(69,177)
Balance at 06/30/2023	2,500,000	5,000	1,859,383	(1,270)	54,294	167,497	7,150,000	13,317,418	(2,655,215)	664,384	23,061,491
Balance at 12/31/2023	2,500,000	5,000	1,724,358	606	84,220	167,266	7,150,000	14,196,742	(2,655,215)	814,991	23,987,968
Comprehensive income (loss)	-	-	-	(213)	112	127,198	-	3,433,403	-	83,835	3,644,335
Cash dividends - net	-	-	-	-	-	-	-	(613,785)	-	-	(613,785)
Movement in noncontrolling interest	-	-	-	-	-	-	-	-	-	(58,763)	(58,763)
Balance at 06/30/2024	**2,500,000**	**5,000**	**1,724,358**	**393**	**84,332**	**294,464**	**7,150,000**	**17,016,360**	**(2,655,215)**	**840,063**	**26,959,755**

A. SORIANO CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousand Pesos)

	Periods Ended June 30		Quarters Ended June 30	
	2024	2023	**2024**	2023
Income before income tax	**3,793,215**	1,378,440	**1,303,644**	578,328
Adjustment for:				
Depreciation and amortization	**206,751**	164,489	**105,108**	83,177
Interest expense	**32,131**	24,395	**15,735**	23,815
Net retirement benefits expense	**11,118**	9,236	**5,559**	4,583
Loss on sale of FVOCI investments	**439**	2,946	**439**	-
Gain on increase in market values of FVPL investments	**(2,521,353)**	(512,194)	**(747,311)**	(166,735)
Dividend income	**(299,977)**	(309,474)	**(39,756)**	(46,742)
Unrealized Foreign exchange gain	**(166,195)**	15,130	**(122,938)**	(64,043)
Interest income	**(43,248)**	(37,292)	**(18,154)**	(16,736)
Equity in net losses of associates	**(12,753)**	(4,971)	**(6,414)**	(4,062)
Gain on sale of property and equipment	**(263)**	(2,034)	**-**	(2,034)
Operating income before working capital changes	**999,865**	728,671	**495,912**	389,551
Decrease (increase) in:				
FVPL investments	**533,902**	(234,765)	**144,710**	131,177
Receivables	**68,316**	229,195	**274,492**	(156,082)
Inventories	**(397,640)**	110,563	**(330,146)**	298,906
Increase (decrease) in:				
Accounts payable and accrued expenses	**(157,183)**	(314,405)	**(172,592)**	(134,789)
Prepayments and other current assets	**(102,287)**	(17,906)	**(116,051)**	42,470
Net cash generated from operations	**944,973**	501,353	**296,325**	571,233
Dividend received	**299,977**	309,474	**39,756**	46,742
Interest received	**31,870**	37,292	**9,718**	16,736
Interest paid	**(142)**	(24,395)	**(60)**	(23,815)
Retirement benefit contribution	**(10,784)**	(27,358)	**(5,672)**	(13,535)
Income taxes paid	**(165,452)**	(192,527)	**(126,155)**	(132,849)
Net cash flows from operating activities	**1,100,442**	603,839	**213,912**	464,512
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the sale of :				
FVOCI investments	**15,394**	30,544	**15,394**	71
Property and equipment	**1,814**	5,026	**1,550**	4,146
Addition to:				
FVOCI investments	**(269)**	(53,972)	**(102)**	(238)
Investment properties	**(4,250)**	(5,359)	**-**	(2,183)

(forward)

	Periods Ended June 30		Quarters Ended June 30	
	2024	2023	**2024**	2023
Property and equipment	**(221,179)**	(1,195,887)	**(137,173)**	(1,069,551)
Decrease (increase) in:				
Other noncurrent liabilities	**(6,967)**	5,331	**(8,234)**	2,960
Other noncurrent assets	**(24,923)**	247,465	**(20,230)**	411,347
Advances to affiliates	**(257)**	145	**(718)**	568
Net cash flows used in investing activities	**(240,637)**	(966,707)	**(149,513)**	(652,880)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of:				
Long-term debt	**(90,000)**	1,000,000	**(30,000)**	486,500
Cash dividends	**(565,612)**	(560,435)	**(71,897)**	(552,208)
Interest on long term debt	**(31,989)**	-	**(15,675)**	-
Increase (decrease) in:				
Lease liabilities	**(258)**	930	**(285)**	41
Minority interest	**(55,763)**	(69,177)	**(45,292)**	(103,670)
Net cash flows from (used in) financing activities	**(743,622)**	371,318	**(163,149)**	(169,337)
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	**34,255**	(7,193)	**25,062**	19,790
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**150,438**	1,257	**(73,688)**	(337,915)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**3,027,407**	2,948,402	**3,251,533**	3,287,574
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**3,177,845**	2,949,659	**3,177,845**	2,949,659

A. SORIANO CORPORATION

PARENT COMPANY STATEMENTS OF FINANCIAL POSITION

(In Thousand Pesos)

	June 30	December 31
	2024	2023
ASSETS		
Cash and Cash Equivalents	**1,351,782**	942,156
Fair Value Through Profit and Loss		
(FVPL) Investments	**12,684,151**	10,644,254
Fair Value Through Other Comprehensive		
Income (FVOCI) investments	**44,662**	57,637
Receivables - net	**451,867**	466,713
Investments and Advances- net	**7,423,453**	7,306,028
Investment Properties	**201,501**	208,841
Property and Equipment - net	**16,868**	15,489
Retirement Plan Asset	**179,368**	179,368
Other Assets	**178,886**	170,717
TOTAL ASSETS	**22,532,538**	19,991,203

LIABILITIES AND EQUITY		
Liabilities		
Accounts Payable and Accrued Expenses	**200,847**	269,237
Dividends Payable	**590,548**	570,376
Deferred Income Tax Liabilities - net	**261,344**	186,150
Total Liabilities	**1,052,739**	1,025,763
Equity		
Capital Stock - 1 Par Value	**2,505,000**	2,505,000
Additional Paid-in Capital	**1,589,800**	1,589,800
Unrealized valuation Gains on FVOCI investments	**393**	606
Remeasurement on Retirement Benefits	**105,730**	105,730
Retained Earnings		
Appropriated	**7,150,000**	7,150,000
Unappropriated	**10,128,876**	7,614,304
Total Equity	**21,479,799**	18,965,440
TOTAL LIABILITIES AND EQUITY	**22,532,538**	19,991,203

A. SORIANO CORPORATION

PARENT COMPANY STATEMENTS OF INCOME

(In Thousand Pesos Except for Earnings Per Share)

	Periods Ended June 30		Quarters Ended June 30	
	2024	2023	**2024**	2023
REVENUES				
Dividend income	**1,441,785**	1,440,658	**114,099**	36,089
Management fees	**56,817**	46,313	**28,479**	22,471
Interest income	**34,715**	27,002	**16,438**	11,178
	1,533,317	1,513,973	**159,016**	69,738
INVESTMENT GAINS (LOSSES)				
Gain (loss) on increase (decrease) in market values of FVPL investments	**2,307,718**	320,163	**746,612**	(22,963)
Loss on sale of FVOCI investments	**(439)**	(2,946)	**(439)**	-
	2,307,279	317,217	**746,173**	(22,963)
	3,840,596	1,831,190	**905,189**	46,775
Operating expenses	**(178,722)**	(181,276)	**(49,173)**	(46,540)
Foreign exchange gain (loss)	**166,491**	(21,152)	**122,294**	49,553
Interest expense	**-**	(1,918)	**-**	(1,918)
Others - net	**13,039**	10,997	**6,592**	6,160
	809	(193,351)	**79,713**	7,255
INCOME BEFORE INCOME TAX	**3,841,405**	1,637,839	**984,902**	54,030
PROVISION FOR INCOME TAX				
Current	**1,568**	-	**1,568**	-
Deferred	**75,265**	65,775	**46,891**	56,562
	76,833	65,775	**48,459**	56,562
NET INCOME (LOSS)	**3,764,572**	1,572,064	**936,443**	(2,532)
OTHER COMPREHENSIVE INCOME (LOSS)				
Unrealized valuation loss on FVOCI investments	**(723)**	(395)	**(489)**	(272)
Realized loss on sale of FVOCI investments	**439**	2,946	**439**	-
Income Tax Effect	**71**	(638)	**13**	68
OTHER COMPREHENSIVE INCOME (LOSS)	**(213)**	1,914	**(37)**	(204)
TOTAL COMPREHENSIVE INCOME (LOSS)	**3,764,359**	1,573,978	**936,406**	(2,736)
Earnings Per Share:				
Net income (loss)	**1.51**	**0.63**	**0.38**	(0.001)
Total comprehensive income (loss)	**1.51**	**0.63**	**0.38**	(0.001)

A. SORIANO CORPORATION

PARENT COMPANY STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

(In Thousand Pesos)

	Capital Stock		Additional Paid-in Capital	Unrealized Valuation Gains (loss) on FVOCI Investments	Remeasurement on Retirement Benefits Gain	Retained Earnings		Total
	Common	Preferred				Appropriated	Unappropriated	
Balance at 12/31/2022	2,500,000	5,000	1,589,800	(3,184)	68,565	7,150,000	6,799,975	18,110,156
Comprehensive income	-	-	-	1,914	-	-	1,572,064	1,573,978
Cash dividends	-	-	-	-	-	-	(1,250,000)	(1,250,000)
Balance at 06/30/2023	2,500,000	5,000	1,589,800	(1,270)	68,565	7,150,000	7,122,039	18,434,133
Balance at 12/31/2023	2,500,000	5,000	1,589,800	606	105,730	7,150,000	7,614,304	18,965,440
Comprehensive income (loss)	-	-	-	(213)	-	-	3,764,572	3,764,359
Cash dividends	-	-	-	-	-	-	(1,250,000)	(1,250,000)
Balance at 06/30/2024	**2,500,000**	**5,000**	**1,589,800**	**393**	**105,730**	**7,150,000**	**10,128,876**	**21,479,799**

A. SORIANO CORPORATION

PARENT COMPANY STATEMENTS OF CASH FLOWS

(In Thousand Pesos)

	Periods Ended June 30		Quarters Ended June 30	
	2024	2023	**2024**	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax	**3,841,405**	1,637,839	**984,902**	54,030
Adjustment for:				
Depreciation and amortization	**9,869**	9,334	**4,990**	4,845
Net retirement benefits expense	**3,862**	3,862	**1,931**	1,931
Loss on sale of FVOCI investments	**439**	2,946	**439**	-
Loss (gain) on decrease (increase) in market values of FVPL investments	**(2,307,718)**	(320,163)	**(746,612)**	22,963
Dividend income	**(1,441,785)**	(1,440,658)	**(114,099)**	(36,089)
Unrealized foreign exchange loss (gain)	**(152,353)**	9,015	**(111,885)**	(59,727)
Interest expense	**-**	1,918	**-**	1,918
Interest income	**(34,715)**	(27,002)	**(16,438)**	(11,178)
Operating income (loss) before working capital changes	**(80,996)**	(122,909)	**3,228**	(21,307)
Decrease (increase) in:				
Receivables	**95,224**	897	**(1,282)**	5,518
FVPL investments	**398,554**	(90,629)	**156,629**	(151,515)
Other assets	**(511)**	891	**1,511**	(1,133)
Decrease in accounts payable and accrued expenses	**(68,390)**	(63,863)	**(98,293)**	(31,255)
Net cash generated (used in) operations	**343,881**	(275,613)	**61,793**	(199,692)
Dividend received	**708,585**	804,458	**114,099**	506,919
Interest received	**23,337**	27,002	**8,002**	11,178
Interest paid	**-**	(1,918)	**-**	(1,918)
Retirement benefits contribution	**(3,862)**	(3,862)	**(1,931)**	(1,931)
Income tax paid	**(9,226)**	(11,255)	**(4,691)**	(4,009)
Net cash flows from operating activities	**1,062,715**	538,812	**177,272**	310,547
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the sale of :				
FVOCI investments	**15,394**	30,544	**15,394**	71
Property and equipment	**1,550**	-	**1,550**	-

(forward)

	Periods Ended June 30		Quarters Ended June 30	
	2024	2023	**2024**	2023
Additions to:				
FVOCI investments	**(269)**	(53,972)	**(102)**	(238)
Property and equipment	**(5,458)**	(5,121)	**(705)**	(5,051)
Increase in Advances to affiliates	**(117,440)**	(182,388)	**(29,342)**	(83,271)
Net cash flows used in investing activities	**(106,223)**	(210,937)	**(13,205)**	(88,489)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of cash dividends	**(565,612)**	(560,435)	**(71,897)**	(552,208)
Net cash flows used in financing activities	**(565,612)**	(560,435)	**(71,897)**	(552,208)
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	**18,746**	(1,640)	**12,263**	15,747
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**409,626**	(234,200)	**104,433**	(314,403)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**942,156**	1,046,347	**1,247,349**	1,126,550
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**1,351,782**	812,147	**1,351,782**	812,147

1. Segment Information

Information with regard to the Company's significant business segments are shown below (in thousand pesos):

	Before Eliminations						
	Wire Manufacturing	Resort Operation	Other Operations (Note 1)	Holding Co (Parent)	Total	**Eliminations**	**After Eliminations Consolidated**
06/30/2024							
REVENUE	5,532,610	854,932	4,305,570	3,840,596	14,533,708	(5,102,375)	**9,431,333**
TOTAL COMPREHENSIVE INCOME	531,117	160,245	4,074,269	3,764,359	8,529,990	(4,885,655)	**3,644,335**
TOTAL ASSETS	6,820,258	1,867,181	22,864,571	22,532,538	54,084,548	(23,526,731)	**30,557,817**
INVESTMENTS PORTFOLIO *	41,862	124,158	21,469,500	20,353,767	41,989,287	(25,702,018)	**16,287,269**
PROPERTY & EQUIPMENT	1,100,635	754,458	998,237	16,868	2,870,198	934,778	**3,804,976**
TOTAL LIABILITIES	694,371	566,701	3,250,131	1,052,739	5,563,942	(1,965,880)	**3,598,062**
DEPRECIATION AND AMORTIZATION	59,486	67,630	56,440	9,869	193,425	13,326	**206,751**

	Before Eliminations						
	Wire Manufacturing	Resort Operation	Other Operations (Note 1)	Holding Co (Parent)	Total	**Eliminations**	**After Eliminations Consolidated**
06/30/2023							
REVENUE	4,811,093	836,447	3,338,671	1,831,190	10,817,401	(4,160,864)	**6,656,537**
TOTAL COMPREHENSIVE INCOME (LOSS)	440,921	183,524	3,058,262	1,573,978	5,256,685	(4,125,962)	**1,130,723**
TOTAL ASSETS	5,985,876	1,808,115	18,341,884	19,263,477	45,399,352	(19,058,038)	**26,341,314**
INVESTMENTS PORTFOLIO *	32,662	130,352	35,397,701	17,868,259	53,428,974	(39,757,690)	**13,671,284**
PROPERTY & EQUIPMENT	962,565	731,563	1,071,361	13,937	2,779,426	961,429	**3,740,855**
TOTAL LIABILITIES	457,239	566,629	3,124,097	829,343	4,977,308	(1,697,485)	**3,279,823**
DEPRECIATION AND AMORTIZATION	52,440	50,636	38,753	9,334	151,163	13,326	**164,489**

**** Inclusive of FVPL investments, FVOCI investments, advances & investments and investment properties.***

Note 1: Consolidated other operations also included the operations of A. Soriano Air Corporation, Anscor International, Inc. and Anscor Holdings, Inc.

- The Company and its subsidiaries' operating businesses are organized and managed separately according to the nature of the products or services offered.
- Holding company segment pertains to the operation of the parent company with earnings from income of its financial and operating investment assets.
- Other operations include real estate holding, aviation and management services.

2. Basis of Preparation and Changes in Accounting Policies and Disclosures

Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for securities at FVPL) and FVOCI investments that have been measured at fair value. The consolidated financial statements are presented in Philippine pesos (Peso), which is the Company's functional and presentation currency. Amounts are presented to the nearest Thousand Peso unless otherwise stated.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new accounting standards effective in 2023. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Adoption of these new standards did not have an impact on the financial statements of the Company.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

  The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

  - Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
  - Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

  The amendments to the Practice Statement provide non-mandatory guidance.

  The Company also referred to the guidance provided under Q&A No. 2022-02: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) in applying the amendments to PAS 1 and PS 2. The adoption resulted to removal of accounting policy information that are not considered material and thus had no material impact on the financial statements.

- Amendments to PAS 8, *Definition of Accounting Estimates*

  The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

  The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

  The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

  The amendments introduce a mandatory exception in PAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

  The amendments also clarify that PAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes', respectively.

  The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon adoption of the amendments in June 2023.

  Meanwhile, the disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023.

<u>Standards Issued but not yet Effective</u>
Pronouncements issued but not yet effective are listed below. The Company does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Company intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1*, Classification of Liabilities as Current or Non-current*
  The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are required to be applied retrospectively.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

  The amendments are required to be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier adoption is permitted and that fact must be disclosed.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts* – not expected to apply to the Company.
- Amendments to PAS 21, *Lack of exchangeability*

  The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. This is not correctly expected to apply to the Company.

3. Summary of Significant Accounting and Financial Reporting Policies

Basis of Consolidation

The consolidated financial statements of the Group comprise the financial statements of the Company and the following wholly-owned and majority-owned subsidiaries as at June 30, 2024 and December 31, 2023:

		Percentage of Ownership	
	Nature of Business	**2024**	2023
A. Soriano Air Corporation	Services/Rental	**100**	100
Pamalican Island Holdings, Inc.	Holding	**62**	62
Island Aviation, Inc.	Air Transport	**62**	62
Anscor Consolidated Corporation	Holding	**100**	100
Anscor Holdings (formerly Goldenhall Corp.)	Real Estate Holding	**100**	100
Akapulko Holdings, Inc.	Real Estate Holding	**100**	100
Lakeroad Corp.	Real Estate Holding	**100**	100
Mainroad Corp.	Real Estate Holding	**100**	100
Makatwiran Holdings, Inc.	Real Estate Holding	**100**	100
Makisig Holdings, Inc.	Real Estate Holding	**100**	100
Malikhain Holdings, Inc.	Real Estate Holding	**100**	100
Mountainridge Corp.	Real Estate Holding	**100**	100
Rollingview Corp.	Real Estate Holding	**100**	100
Timbercrest Corp.	Real Estate Holding	**100**	100
Sutton Place Holdings, Inc.	Holding	**100**	100
Summerside Corp.	Holding	**100**	40
Anscor International, Inc. (AI)	Holding	**100**	100
IQ Healthcare Investments Limited (IQHIL)	Holding	**100**	100
IQ Healthcare Professional Connection, LLC (IQHPC)	Inactive	**93**	93
Phelps Dodge International Philippines, Inc.	Holding	**97**	97
Minuet Realty Corporation	Landholding	**97**	97
Phelps Dodge Philippines Energy Products Corporation	Wire Manufacturing	**97**	97
PD Energy International Corporation	Wire Manufacturing	**97**	97
AFC Agribusiness Corporation	Real Estate Holding	**81**	81
Seven Seas Resorts and Leisure, Inc.	Villa Project Development	**62**	62
Pamalican Resort, Inc.	Resort Operations	**62**	62
Pamalican Utilities, Inc.	Utility Company	**62**	62

Except for AI and its subsidiaries, the above companies are all based in the Philippines. The principal business location of AI and IQHIL is in the British Virgin Islands (BVI), while IQHPC is based in the United States of America (USA).

Subsidiaries are all entities over which the Group has control.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins from the date of acquisition, being the date on which control is transferred to the Group and continue to be consolidated until the date that such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Noncontrolling interests represent a portion of profit or loss and net assets of subsidiaries not held by the Group, directly or indirectly, and are presented separately in the consolidated statement of comprehensive income and within the equity section in the consolidated balance sheet and consolidated statement of changes in equity, separately from Company's equity.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control of the subsidiary are accounted for as equity transactions.

When the proportion of the equity held by the NCI changes, the Group adjusts the carrying amount of the controlling and noncontrolling interests to reflect the changes in their relative interests in the subsidiary. The Group recognizes directly in equity (i.e., Additional Paid-in Capital) any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any noncontrolling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss

- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Investments in Associates

The Group holds interest in entities over which it has significant influence and are accounted for as investments in associates using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

After application of the equity method, the Group determines whether objective evidence that the investment in associate is impaired and recognizes an impairment loss if the recovarable amount exceeds the carrying value. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Any loss or reversal is recognized under "Equity in net earnings on investments in associates" in the consolidated statement of comprehensive income.

The reporting dates of the associates of the Group are identical and the associates' accounting policies conform to those used by the Group for like transactions and events in similar circumstances. Accordingly, no adjustments are made when measuring and recognizing the Group's share of the profit or loss of the investees after the date of acquisition.

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

The following are the Group's associates:

		Percentage of Ownership	
	Nature of Business	**2024**	2023
Associates			
Prople Limited	Business Process Outsourcing	**32**	32
Vicinetum Holdings, Inc. (VHI)	Holding	**32**	32
Fremont Holdings, Inc. (FHI)	Real Estate Holding	**25**	25
ATRAM Investment Management Partners Corp (AIMP)	Asset Management	**20**	20

The principal business location of AIMP, VHI and FHI is the Philippines. Prople Limited is based in Hong Kong.

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for noncontrolling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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

Foreign Currency Translation

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in Peso based on the exchange rate recorded at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing exchange rate at the end of reporting period. All differences are taken to the consolidated statement of income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the closing exchange rates at the date when the fair value was determined. Foreign exchange gains and losses relating to FVPL investments are recognized in the consolidated profit or loss.

Financial statements of consolidated foreign subsidiaries which are considered foreign entities are translated into the presentation currency of the Group (Peso) at the closing exchange rate at end of reporting period and their statements of income are translated using the monthly weighted average exchange rates for the year. The exchange differences arising from the translation are taken directly to a separate component of equity (under cumulative translation adjustment). On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the consolidated profit or loss.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Fair Value Measurement

The Group measures financial assets, such as fair value through profit or loss (FVPL) investments and fair value through other comprehensive income (FVOCI) investments, at fair value at each balance sheet date. Also, fair values of investment properties are disclosed.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For certain unquoted investments, the Group also makes use of the report of the fund managers in developing assumptions and estimating the fair value.

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

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

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

The Group's management determines the policies and procedures for both recurring fair value measurement, such as unquoted FVPL financial assets, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such as investment properties. Involvement of external valuers is decided upon annually by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents with relevant external sources to determine whether the change is reasonable.

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

Financial Instruments

Initial recognition and measurement of financial instruments

At initial recognition, financial assets are classified as, and measured at amortized cost, FVOCI, and FVPL. Financial liabilities are classified at initial recognition as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Classification of financial instruments

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15, Revenue from Contracts with Customers.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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

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

As of June 30, 2024 and December 31, 2023, the Group has the following categories of financial assets and financial liabilities:

(a) Financial assets and financial liabilities at FVPL

This category includes financial assets and financial liabilities held for trading and financial assets and financial liabilities designated upon initial recognition as at FVPL. Financial assets and financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets or financial liabilities classified in this category may be designated by management on initial recognition when the following criteria are met:

- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognizing gains or losses on them on a different basis; or
- The assets and liabilities are part of a group of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The financial instrument contains an embedded derivative, unless the embedded derivative does not significantly modify the cash flows or it is clear, with little or no analysis, that it would not be separately recorded.

Derivatives recorded at FVPL
The Group has certain derivatives that are embedded in host financial contracts, such as structured notes and debt investments and conversion. These embedded derivatives include calls and puts in debt investments and interest rate and conversion options, among others.

A derivative embedded in a hybrid contract, with a financial liability or nonfinancial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at FVPL. Embedded derivatives are measured at fair value with changes in fair value recognized in the consolidated profit or loss. Reassessment occurs only if there is either a change in the terms of the contract that significantly modifies the cash flows that would be otherwise be required or a reclassification of a financial asset out of the FVPL category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at FVPL.

Financial assets and financial liabilities at FVPL are recorded in the consolidated balance sheet at fair value. Changes in fair value are recorded in “Gain (loss) on increase (decrease) in market values of FVPL investments”. Interest earned or incurred is recorded in interest income or expense, respectively, while dividend income is recorded as such according to the terms of the contract, or when the right of payment has been established.

As at June 30, 2024 and December 31, 2023, the Group has designated as FVPL all equity investments, money market papers, investments in bonds that have callable and other features, managed/hedged funds and derivatives. No financial liability at FVPL is outstanding as at June 30, 2024 and December 31, 2023.

(b) Financial assets at amortized cost (debt instruments)

The Group measures financial assets at amortized cost if both of the following conditions are met:

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

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included as interest income in the consolidated profit or loss. The losses arising from impairment of such financial assets are recognized as "Valuation allowances" account under "Other income (charges) - net" in the consolidated profit or loss.

Included under financial assets at amortized cost are cash in banks, short-term investments, trade receivables, interest receivable, advances to employees, receivables from villa owners, dividend receivable, notes receivable and other receivables.

(c) Financial assets at FVOCI (debt instruments)

The Group measures debt instruments at FVOCI if both of the following conditions are met:

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

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated profit or loss and computed in the same manner as financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI.

When the debt instrument is disposed of, the cumulative gain or loss previously recognized under OCI is transferred to profit or loss as "Gain (loss) on sale of FVOCI investments". Where the Group holds more than one investment in the same security, cost of the disposed investment is determined on a weighted average cost basis. Interest earned on holding FVOCI investments are reported as interest income using the effective interest rate.

As at June 30, 2024 and December 31, 2023, the Group's FVOCI investments include investments in bonds.

(d) Financial liabilities - loans and borrowings

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

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

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

As at June 30, 2024 and December 31, 2023, included in this category are the Group's notes payable, accounts payable and accrued expenses, long-term debt and dividends payable.

Impairment of Financial Assets

The Group recognizes an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

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

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group's debt instruments at FVOCI comprise solely of top investment grade bonds that are graded by top credit rating agencies and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the top credit rating agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of Financial Assets and Financial Liabilities

Financial assets

A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when, and only when:

- the rights to receive cash flows from the asset expires;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement;
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither

transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the or asset.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification will result into the removal of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized in the consolidated profit or loss.

"Day 1" Difference

Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a "Day 1" difference) in the consolidated profit or loss unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is recognized in the consolidated profit or loss only when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the "Day 1" difference.

Inventories

Inventories are valued at the lower of cost and net realizable value (NRV).

Cost of aircraft spare parts and supplies is determined at purchase price using the first-in, first-out method, while NRV is the estimated current replacement cost of such spare parts and supplies.

Cost of food and beverage inventories and operating supplies is determined using the moving average method. NRV of food and beverage inventories is the estimated selling price in the ordinary course of business, less the estimated cost of preparation and the estimated cost necessary to make the sale.

For cable and wire manufacturing, finished goods and work in process is determined at standard cost adjusted to actual cost, which includes direct materials, direct labor and applicable allocation of fixed and variable costs, determined using weighted average method. Raw materials, other materials, reels inventory and spare parts and supplies are determined using weighted average method. NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Value Added Tax (VAT)
Input VAT is the 12% indirect tax paid by the Group in the course of the Group's trade or business on local purchase of goods or services, including lease or use of property, from a VAT-registered person. In case of capital goods, input VAT is spread evenly over the useful life or 60 months, whichever is shorter. Effective January 1, 2022, all input tax on purchases of capital goods shall already be allowed upon purchase/payment and will no longer need to be deferred.

Output VAT pertains to the 12% tax due on the lease or exchange of taxable goods or properties or services by the Group.

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

For its VAT-registered activities, when VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statements of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statements of financial position up to the extent of the recoverable amount.

For its non-VAT registered activities, the amount of VAT passed on from its purchases of goods or service is recognized as part of the cost of goods/asset acquired or as part of the expense item, as applicable.

Property and Equipment
Depreciable properties, including buildings and improvements, leasehold improvements, machinery and other equipment, flight and ground equipment, furniture, fixtures and office equipment, and transportation equipment are stated at cost less accumulated depreciation and amortization, and any impairment in value. Land is stated at cost less any impairment in value.

The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Property and equipment are written off either when disposed of or when these are permanently withdrawn from use and there is no more future economic benefit expected from its use or disposal.

Depreciation is computed on a straight-line method over the following estimated useful lives of the properties, except for aircraft engine which is computed based on flying hours.

Category	Number of Years
Buildings and improvements	10 - 30
Land improvements	30
Leasehold improvements	5 - 20*
Flight, ground, machinery and other equipment	2 - 25
Furniture, fixtures and office equipment	2 - 5
Transportation equipment	3 – 5

**or lease term, whichever is shorter*

The useful lives, depreciation and amortization method, and residual values are reviewed periodically to ensure that the periods and method of depreciation and amortization are consistent with the expected pattern of economic benefits from the use of property and equipment.

Depreciation commences when an asset is in its operational location or working condition capable of being operated in the manner intended by management. Depreciation ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, Non-current Assets Held for Sale and Discontinued Operations, and the date the asset is derecognized.

Construction in progress (CIP) is stated at cost net of accumulated impairment losses, if any. This includes cost of construction and other direct costs. CIP is not depreciated until such time the relevant assets are completed and put into operational use.

Property Development in Progress

Property development in progress includes villa development costs and related expenses incurred.

Property development in progress is carried at the lower of cost incurred and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Investment Properties

Investment properties comprise completed property and property under construction or re-development (land, buildings and condominiums) that are held to earn rentals or capital appreciation or both and that are not occupied by the Group. Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, the Group's investment properties are stated at cost, less accumulated depreciation and any accumulated impairment losses. Land is subsequently carried at cost less any impairment in value.

Expenditures incurred after the investment properties have been put into operation, such as repairs and maintenance costs, are normally charged to income in the period in which the costs are incurred.

Investment properties are written off when either these are disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of the investment property are recognized in the consolidated profit or loss in the year of retirement or disposal.

Impairment of Nonfinancial Assets

At each reporting date, the Group assesses whether there is any indication that its nonfinancial assets (namely, property and equipment, investment properties and investments in associates) may be impaired. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Group makes a formal estimate of recoverable amount. Recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash-generating unit to which it belongs. Where the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, the asset (or cash-generating unit) is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit).

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

Goodwill

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

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated profit or loss.

Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods. The Group performs its annual impairment test of goodwill as at the end of each financial reporting period.

Additional Paid-in Capital

Additional paid-in capital is the amount paid in excess of the par value of the shares issued, including equity adjustments relating to changes in equity interest of the Noncontrolling interests.

Retained Earnings

Retained earnings represent the cumulative balance of net income or loss, net of any dividend declared and the effects of any retrospective restatement recognized in accordance with PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

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

Appropriated retained earnings represent that portion which has been restricted and therefore, is not available for any dividend declaration.

Cost of Shares Held by a Subsidiary

The Company's shares which are acquired and held by a subsidiary (treasury shares) are deducted from equity and stated at acquisition cost. No gain or loss is recognized in the consolidated profit or loss on the purchase, sale, issue or cancellation of the Company's shares. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital.

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangement against specific criteria in order to determine if it is acting as principal or agent. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The following specific recognition criteria must be met before revenue is recognized:

Sale of goods

Revenue from the sale of goods is recognized at a point in time when the control over the goods are transferred to the buyer which is generally upon delivery of the goods.

Sale of services

Revenue from rooms is recognized over time based on the actual occupancy of the guests. Other ancillary services are recognized when the related services are rendered and/or facilities/amenities are used.

Revenue from air transport services is recognized at a point in time when the related services have been substantially performed.

Contract liabilities

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

Other Revenue/Income

Interest

Interest income from bank deposits and investments in bonds are recognized as interest accrues based on the effective interest rate method.

Dividends

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

Rental

Rental income is accounted for on a straight-line basis over the lease term.

Other Comprehensive Income

Other comprehensive income comprises of items of income and expense that are not recognized in the consolidated profit or loss for the year in accordance with PFRSs. Other comprehensive income of the Group pertains to gains and losses on remeasuring FVOCI investments, exchange differences on translating foreign operations and remeasurements comprising actuarial gains and losses on retirement plan assets and liabilities.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-ofuse assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Category	Number of Years
Building	5 years
Leasehold improvement	2 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, the Group calculates depreciation using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of office equipment and warehouse (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

<u>Pension Benefits</u>
The Group has non-contributory defined benefit retirement plans.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.
Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to the consolidated profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Provisions and Contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized but are disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

Income Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that have been enacted or substantively enacted as of the end of the reporting period.

Deferred income tax

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for deductible temporary differences, carryforward benefits of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax, and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from excess MCIT and unused NOLCO can be utilized. Deferred income tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

Deferred income tax liabilities are not provided on taxable temporary differences associated with investments in domestic subsidiaries. With respect to investments in foreign subsidiaries, deferred income tax liabilities are recognized, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each end of the reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each end of the reporting period and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Current income tax and deferred income tax relating to items recognized directly in equity are also recognized in equity and not in the consolidated profit or loss.

Earnings Per Share

Basic earnings per share (EPS) is computed by dividing consolidated net income and the total comprehensive income attributable to the equity holders of the Parent for the year by the weighted average number of common shares outstanding during the year, after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Company does not have potentially dilutive common shares as of June 30, 2024 and December 31, 2023.

Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRSs requires the Group to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, other comprehensive income (loss) and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on amounts recognized in the consolidated financial statements.

Determination of functional currency

The Company's functional currency was determined to be the Peso. It is the currency of the primary economic environment in which the Company operates.

Classification of financial instruments

The Group classifies a financial instrument, or its component parts, on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definition of a financial asset, a financial liability or an equity instrument.

The substance of a financial instrument, rather than its legal form, governs its classification in the consolidated statements of financial position.

Classification and measurement of financial assets depend on the result of the SPPI and business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve particular business objectives. In classifying the investments not held for trading as at June 30, 2024 and December 31, 2023, the Group made an irrevocable election at initial recognition to designate the instruments as FVPL investments.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation and uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for expected credit losses of receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due.

The provision matrix is initially based on the Group's historically observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecasted economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historically observed default rates, forecasted economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For the advances to related parties, the Group uses judgment, based on the best available facts and circumstances, including but not limited to, assessment of the related parties' operating activities (active or dormant), business viability and overall capacity to pay, in providing reserve allowance against recorded receivable amounts. These reserves are re-evaluated and adjusted as additional information is received.

Valuation of unquoted FVPL equity investments
Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's-length market transactions;
- current fair value of another instrument that is substantially the same;
- the expected cash flows discounted at current rates applicable for terms with similar terms and risk characteristics; or
- other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation. In valuing the Group's unquoted equity instruments at fair value, management applied judgment in selecting the valuation technique and comparable companies and used assumptions in estimating future cash flows from its equity instruments considering the information available to the Group.

Impairment of FVOCI debt investments
For FVOCI debt investments, the Group assesses the counterparty's ability to comply with the contractual obligations to pay out principal and interest. Further, the Group assesses whether the credit risk on that financial instrument has increased significantly since initial recognition. No impairment loss was recognized in 2024 and 2023.

Estimation of allowance for inventory and impairment losses
The Group estimates the allowance for inventory obsolescence and impairment losses related to inventories based on specifically identified inventory items. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for inventory and impairment losses would increase recorded expenses and decrease current assets.

Estimation of useful lives of the Group's property and equipment
The Group estimates the useful lives of property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the assets.

In addition, the estimation of the useful lives of these assets is based on collective assessment of internal technical evaluation and experience with similar assets. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

Recoverability of investment in associates
The carrying value of investments carried under the equity method are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be

recoverable. The Group's impairment test on investments carried at equity is based on value-in-use calculations that use a discounted cash flow model. The expected cash flows are estimated from the operations of the associates for the next five years, as well as the terminal value at the end of fifth year. The recoverable amount is most sensitive to the discount rates used for the discounted cash flow model, as well as the expected future cash inflows, revenue growth rates and long-term growth rates used for extrapolation purposes.

Impairment of non-financial assets

(a) Property and equipment and investment properties

The Group assesses impairment on assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Group considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

No impairment loss indicator has been identified and therefore no impairment loss was recognized on property and equipment.

(b) Goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. In assessing the recoverability of the Group's goodwill, management exercised significant judgments and used assumptions such as revenue growth rates, discount rates and long-term growth rates in estimating the value-in-use of these cash-generating units. Calculations indicated that there is no impairment on the Group's goodwill for each of the periods ended.

Recognition of deferred income tax assets

The Group reviews the carrying amounts of the deferred income tax assets at each end of the reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. However, there is no assurance that the Group will utilize all or part of the deferred income tax assets.

Determination of pension and other retirement benefits
The cost of defined benefit pension plans as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

Provisions and contingencies
Judgment is exercised by management to distinguish between provisions and contingencies.

5. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise cash and cash equivalents, receivables, investments in debt instruments, quoted and unquoted equity securities, investments in mutual and hedge funds, and short-term and long-term bank loans. The Group's other financial instruments include accounts payable and dividends payable and amounts due to affiliates, which arose directly from operations.

The Company's investment objectives consist mainly of:

a) maintaining a bond portfolio that earns adequate cash yields and,
b) maintaining a stable equity portfolio that generates capital gains through a combination of long term strategic investments and short-term to medium-term hold type investment.

The main risks arising from the use of these financial instruments are credit risk, liquidity risk, interest rate risk, equity price risk, foreign currency risk, and copper price risk. These risks are monitored by the Company's Investment Committee (the Committee).

The Committee evaluates the performance of all investments and reviews fund allocation to determine the future strategy of the fund. The Committee is formed by the Company's Chairman, Vice Chairman, Chief Finance Officer, Corporate Development Officer and an independent consultant. These meetings occur at least every quarter. The BOD reviews and approves the Company's risk management policies. The Company's policies for managing each of these risks are summarized below.

Credit risk
The Group is exposed to credit risk primarily because of its investing and operating activities. Credit risk losses may occur as a result of either an individual, counterparty or issuer being unable to or unwilling to honor its contractual obligations. The Group is exposed to credit risk arising from default of the counterparties (i.e., foreign and local currency denominated debt instruments and receivables) to its financial assets. The Group does not have a counterparty that accounts for more than 10% of the consolidated revenue.

Credit risk management
In managing credit risk on these investments, capital preservation is paramount. The Group transacts only with recognized and creditworthy counterparties. Investments in bonds are invested in highly recommended, creditworthy debt instruments that provides satisfactory interest yield.

Credit quality per class of financial assets
For the Group's financial assets, credit quality is monitored and managed using internal credit ratings. Internal risk ratings are derived in accordance with the Group's rating policy.

Trade receivables
An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Other financial assets
Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The Group invests only on quoted debt securities with very low credit risk. The Group's debt instruments at fair value through OCI comprised solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the Good Credit Rating Agency and, therefore, are considered to be low credit risk investments.

Liquidity risk
Liquidity risk is defined as the risk that the Group may not be able to settle or meet its obligations as they fall due. Aside from yielding good returns, the Group ensures investments have ample liquidity to finance operations and capital requirements. Short-term bank loans are secured to fill in temporary mismatch of funds for new investments.

Where applicable, long-term debt or equity are used for financing when the business requirement calls for it to ensure adequate liquidity in the subsidiaries and affiliates' operation.

The Group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when they are due. This is done by primarily investing in highly liquid investments.

Accounts payable and accrued expenses, dividends payable, lease liabilities, notes payable and current portion of long-term debt are expected to be settled using cash to be generated from operations and drawing from existing lines of credits or liquidity reserves.

Market risks
Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is the risk coming from adverse movements in factors that affect the market value of financial instruments of the Group. The Group is exposed primarily to the financial risks of changes in interest rates, equity price risk, price risk of mutual funds, and foreign currency risk.

Investments exposed to market risk are foreign and local currency denominated quoted debt instruments, foreign and local currency denominated equity instruments and mutual fund/hedge fund investments.

There has been no change to the Group's manner in managing and measuring the risk.

a. Interest rate risks

   Cash flow interest rate risk
   Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

   Fair value interest rate risk
   Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group accounts for its quoted debt instruments at fair value. Changes in benchmark interest rate will cause changes in the fair value of quoted debt instruments.

b. Equity price risk

Equity price risk is the risk that the fair values of equities decrease as a result of changes in the levels of the equity indices and the values of individual stock. The equity price risk exposure arises from the Group's investment in stock listed in the Philippine Stock Exchange (PSE).

The sensitivity analysis assumes that the stock's standard deviation on its historical returns for the past one year provides the basis for the range of reasonably possible changes in prices of the stock investments. In establishing the relative range of the stock investment returns, the Group also assumes a 99% confidence level.

c. Price risk of mutual funds

The Group is exposed to the risk of changes in the fund's net asset value (NAV) due to its market risk exposures.

d. Foreign currency risks

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. The Group's exposure arises primarily from investments in foreign currency denominated debt investments and equity securities.

The Company and a subsidiary's foreign exchange risk arises primarily from investments in foreign currency - denominated debt and equity securities. To minimize income volatility due to exchange rate movements, liquid investments are held in a basket of currencies, including Philippine peso and other major currencies such as U.S. dollar, Australian dollar and Japanese Yen. This also enables the Company and a subsidiary to access investment opportunities in those currencies.

On borrowings, it is the Company's group-wide policy for its subsidiaries to minimize any foreign exchange risks. Thus, all borrowings, whether short-term or long-term, in general, should be in Philippine peso. Any foreign currency borrowings may be engaged only if matched by the entities' corresponding currency revenue flows or by a foreign currency asset. As such, PRI and SSRLI can borrow in U.S. dollar as their revenues are dollar-based. It is also the policy of the Group to minimize any foreign exchange exposure in its management of payables. Any substantial exposure is covered by foreign exchange contracts, if necessary.

e. Copper price risk

The PDP Group uses copper rods in the manufacturing of its products. Copper rods component represents a significant portion of the cost of each unit produced.

Copper rods are priced based on the London Metal Exchange prices and are affected by the volatility in the price of metal in the world market.

The PDP Group's exposure to price risk on copper rod purchases is managed through back-to-back purchase of rods versus sales orders, average pricing on the firm orders like automobile wire products with long-term contracts, and obtaining orders from contractors with a fixed price or locked-in contracts with a specified period.

Capital Management

The primary objective of the Group's capital management is to ensure an adequate return to its shareholders and to maximize its value to its shareholders. In pursuance of this goal, the Group establishes an optimum risk return investment objective through a sound diversified investment portfolio and in ensuring a fair credit rating, the Group establishes prudent financial policies through appropriate capitalization ratios in its investments and maintain reasonable liquidity.

The Group monitors capital on the basis of the carrying amount of equity as presented on the face of the consolidated balance sheet.

No changes were made in the objectives, policies or process for the period ended June 30, 2024 and December 31, 2023.

6. Financial Instruments

Fair Values of Financial Assets and Liabilities

The carrying amounts of cash and cash equivalents, receivables, notes payable, dividends payable and accounts payable and accrued expenses approximate their fair values due to the short-term maturity of these financial instruments.

The carrying values of long-term debt, which have floating rates with quarterly repricing, approximate their fair values.

FVPL and FVOCI investments are carried at fair value. The following methods and assumptions were used to estimate the fair values:

- FVPL quoted equity shares, investments in bonds, funds and equities, proprietary shares and others are derived from quoted market prices in active markets.

- FVOCI investments in bonds are derived from quoted market prices in active markets.

- FVPL investments in KSA shares are based on the discounted cash flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, and growth rate. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

- FVPL investments in private equity funds are valued using the adjusted net asset method. The underlying investments under these private equity funds are carried at fair value. Other FVPL investments in unquoted equity shares are based on prices and other relevant information generated by market transactions involving identical and comparable assets, liabilities or a group of assets and liabilities, such as business. The valuation requires management to use market multiples derived from a set of comparables. Multiples might be in ranges with a difference multiple for each comparable. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors specific to the measurement.

The following tables provide the Group's fair value measurement hierarchy of its assets:

As at June 30, 2024:

		Fair value measurement using		
	Total	**Quoted prices in active Markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
FVPL investments:				
Quoted equity shares	**₱8,655,647**	**₱8,655,647**	**₱–**	**₱–**
Unquoted equity shares	**3,171,347**	**–**	**2,243,912**	**927,435**
Funds and equities	**2,746,847**	**–**	**2,746,847**	**–**
Proprietary shares	**818,977**	**–**	**818,977**	**–**
Bonds and convertible note	**32,062**	**32,062**	**–**	**–**
Others	**6,673**	**6,673**	**–**	**–**
	15,431,553	**8,694,382**	**5,809,736**	**927,435**
FVOCI investments:				
Bonds and convertible note	**44,662**	**58,505**	**–**	**–**
	₱15,476,215	**₱8,739,044**	**₱5,809,736**	**₱927,435**

As of December 31, 2023

		Fair Value Measurement Using		
	Total	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FVPL investments:				
Quoted equity shares	₱7,026,986	₱7,026,986	₱–	₱–
Unquoted equity shares	2,921,430	–	1,993,995	927,435
Funds and equities	2,459,415	–	2,459,415	–
Proprietary shares	625,177	–	625,177	–
Bonds	147,454	147,454	–	–
Others	5,710	5,710	–	-
	13,186,172	7,180,150	5,078,587	927,435
FVOCI investments	57,637	57,637	–	–
	₱13,243,809	₱7,237,787	₱5,078,587	₱927,435

Description of significant unobservable inputs to valuation of financial instruments classified under Level 3 (in millions):

2024 and 2023

Valuation Technique	Significant Unobservable inputs	Range	Sensitivity of Input to Fair Value
DCF Model	Dividend payout is ₱95.8 million with 4% annual increase	3% to 5%	3%: fair value of ₱833 5%: fair value of ₱1,047
	Liquidity discount of 20%	10% to 30%	10%: fair value of ₱1,043 30%: fair value of ₱812
	Cost of equity of 12.78%	11.78% to 13.78%	11.78%: fair value of ₱1,042 13.78%: fair value of ₱836

An increase (decrease) in the expected lease income of KSA would increase (decrease) the dividend payout, which would lead to an increase (decrease) in the fair value of the investment in KSA.

7. Financial Condition

There was no other significant change in the Company's Consolidated Balance Sheet as of June 30, 2024 versus December 31, 2023.

Cash and Cash Equivalents

The increase in cash and cash equivalents can be attributed to net cash generated from operating, partially offset by cash used in investing activities and financing activities.

(Please see attached consolidated cash flow statements for detailed analysis of cash movements on pages 6 and 7).

Fair Value Through Profit and Loss (FVPL) Investments
The increase in the account can be attributed to higher market value of local traded shares and foreign denominated investment in bonds, stocks and funds of P2.5 billion and foreign exchange gain of P130.7 million, offset by net disposal of P533.9 million.

Receivables
The slight decrease in receivables was mainly due to collection of trade receivables by the wire manufacturing subsidiary.

Inventories
The increase was due to higher level of finished goods and work in process inventories of the wire manufacturing subsidiary and higher spare parts and supplies of the aviation and utility subsidiaries.

Prepayments
Increase in this account pertains mainly to payments for inventories in transit of the wire manufacturing subsidiary, wherein the new terms and conditions in the contract with the supplier doesn’t meet the criteria for it to be classified and presented as inventories.

Other current assets
Movement in the account is mainly due to increase in the creditable withholding taxes of parent company, manufacturing and resort subsidiaries.

FVOCI Investments
Net decrease in this account amounted to P13.0 million due to sale of investments amounting to P15.6 million, partially offset by foreign exchange gain of P2.9 million.

Notes Receivables
The decrease was attributable to the collection of advances.

Investments and Advances
Minimal increase in investments and advances was due to share in the equity earnings of the associates amounting to P12.8 million.

Property and Equipment - net
The increase can be traced to net acquisition of property and equipment of P221.2 million mainly attributable to capital expenditures of the manufacturing, aviation and resort subsidiaries, offset by depreciation amounting to P199.4 million.

Right-of-Use-Assets

With the adoption of PFRS 16, Leases, the manufacturing, and aviation subsidiaries as a lessee recognized asset representing the right to use the asset/property during the lease term.

Deposit to suppliers

Increase in the account balance can be attributed to deposit to contractor for capex requirement of the utility subsidiary.

Other Noncurrent Assets

Slight decrease due to use of sinking fund by the utility subsidiary of the Resort.

Accounts Payable and Accrued Expenses

The decrease was mainly attributable to the payment of liabilities to the suppliers of the resort and wire manufacturing subsidiaries.

Dividends Payable

The Parent Company paid cash dividends of P0.50 per share to shareholders amounting to P585.8 million (net of share of Anscor Consolidated Corporation) last March 2024. Balance of P593.5 million as of June 30, 2024, represents accumulated cash dividend still unclaimed by stockholders with problematic addresses, which increased from P570.4 million to P593.5 million.

Income Tax Payable

Movement in the account was attributable to tax provision during the period by the Group partially offset by income tax paid by the resort, aviation and wire manufacturing subsidiaries.

Long-term Debt (current and noncurrent)

The decrease was mainly attributable to the payment of loan by the aviation subsidiary.

Lease Liability (current and noncurrent)

With the adoption of PFRS 16, Leases, the manufacturing and aviation subsidiary as a lessee recognized a liability for future lease payments.

Deferred Income Tax Liabilities

Movement in the account was mainly due to the deferred tax effect of unrealized increase in market value of FVPL investments and unrealized foreign exchange gain of the parent company.

Other Noncurrent Liabilities

Movement in the account can be traced to the use of fund for capex requirements of the back of house facilities of the resort subsidiary.

Cumulative Translation Adjustment (CTA)
This account includes translation adjustments of Anscor International, Inc., and IQHPC. CTA balance increased by P127.2 million, due to depreciation of Philippine peso vis-à-vis US dollar.

Unrealized valuation gain (loss) on FVOCI investments (equity portion)
Movement in the account is attributable to realized loss from the decline in market values of FVOCI investments, mainly bonds, from January 1 to June 30, 2024.

Noncontrolling Interest (equity portion)
Increase was mainly due to share of minority shareholders in the net income of the resort and the wire manufacturing subsidiary for the year 2024, partially offset by the share in dividends declared and paid by the above mentioned subsidiaries.

Others
There were no commitments for major capital expenditures in 2024.

8. Results of Operation

Management is not aware of any known trends, events or uncertainties except for political and market uncertainties, nor any significant element of income or loss that may have material impact on the Company's recurring revenues and profits.

The following are the key performance indicators for the Parent Company (In thousand pesos except earnings per share and market price per share):

	Periods ended June 30	
	2024	2023
Revenues (excluding investment gains or losses)	**1,533,317**	1,513,973
Investment Gains	**2,307,279**	317,217
Total Comprehensive Income	**3,764,359**	1,573,978
Earnings Per Share		
Net Income	**1.51**	0.63
Total Comprehensive Income	**1.51**	0.63
Market Price Per Share (PSE)	**14.2**	10.88

The discussions below were based on the consolidated results of the Company and its subsidiaries.

Revenues

This year's consolidated gross revenues of P9.4 billion, improved from P6.7 billion, attributable to gain on increase in market value of FVPL investments by P2.5 billion and higher interest income. Also, both the resort and manufacturing subsidiaries reported significant increases in revenues.

Cost of Goods Sold

Increase in cost of goods sold was due to the 15% increase in sales volume of the wire manufacturing subsidiary.

Cost of Services Rendered

Decrease in cost of services rendered was mainly due to lower cost of the resort subsidiary as occupancy rate slightly decreased.

Operating Expenses

The Group reported decrease in consolidated operating expenses, contributed by lower overhead of the parent company and Anscor International, a foreign subsidiary.

Foreign Exchange Gain

Due to the depreciation of peso vis-à-vis dollar, the parent company reported foreign exchange gain on its foreign currency denominated investments in financial assets.

Interest Expense

The amount was higher in 2024 due to interest expense on the long-term loan of the aviation subsidiary.

Provision for income tax

The tax provision of the Group was higher than last year mainly due higher income of the wire manufacturing subsidiary. Also, the parent company reported an increase in deferred tax related to unrealized gain on increase in market value of its FVPL investments and unrealized foreign exchange gain.

9. Cash Flows

Management has no knowledge of known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.

10. Financial information

- There is neither a change in composition of the registrant, no business combination nor any restructuring.
- There are no seasonality or cyclicality trends in the business that would have material effect on the Company's result of operations and financial condition.
- There are no significant elements of income or loss that did not arise from the issuer's continuing operations.

In the interim period:

- No issuance or repayment of equity securities.
- The parent company has not repurchased its equity securities except for its 100%-owned subsidiary, Anscorcon which todate owns 1,272,429,761 shares of Anscor. No additional shares were purchased during six months of 2024.
- No contingent assets or liabilities since the last annual balance sheet date.
- No material contingencies and any event or transactions that are material to the understanding of the operating results of the current interim period.
- No events that will trigger direct or contingent financial obligations that is material to the company, including any default or acceleration of an obligation.
- No material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the company with unconsolidated entities of other persons created during the reporting period.
- There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim.

11. Subsidiaries and Affiliates

Phelps Dodge Philippines (PDP)

The following are the key performance data for Phelps Dodge Philippines (In thousand pesos except volume):

	Periods Ended June 30	
	2024	2023
Volume sold (MT)	**7,839**	6,829
Revenue	**5,532,610**	4,811,093
Net Income	**531,117**	440,921

PDP Energy's sales were higher in 2024 as against 2023's revenues due to 15% increase in volume sold, mainly from its dealers nationwide and provincial projects.

PDP registered a net income of P531.1 million for 2024, from the P440.9 million profit recorded last year.

Seven Seas' Amanpulo Resort ended up with an occupancy rate of 55.2% in 2024, versus the average occupancy rate of 58.2% in 2023. Average room rate increased to P97,982 from last year's average of P85,566. Total gross revenues amounted to P854.9 million, a minimal increase from last year's revenues.

Seven Seas reported a consolidated net income of P160.2 million in 2024, lower by 12.7% from last year's profit of P183.5 million. This included a catch up loss of P24 million in 2024 pertaining to year 2023.

12. Financial Indicators

Significant financial indicators of the Group are the following:

			06/30/2024		**06/30/2023**	
i	Current Ratio	Total Current Assets	**23,657,915**	11.43 : 1	19,752,230	11.96 : 1
		Total Current Liabilities	**2,069,108**		1,652,214	
ii	Acid Test Ratio	Total Current Assets less Inventories, Prepayments and Other Current Assets	**20,720,409**	10.01 : 1	17,729,516	10.73 : 1
		Total Current Liabilities	**2,069,108**		1,652,214	
iii	Solvency Ratio	Net Income Attributable to Equity Holders of the Parent + Depreciation and Amortization	**3,640,154**	101.17%	1,223,397	37.30%
		Total Liabilities	**3,598,062**		3,279,823	
iv	Debt-to-Equity Ratio	Total Liabilities	**3,598,062**	0.14 :1	3,279,823	0.15 : 1
		Equity Attributable to Equity Holders of the Parent	**26,119,692**		22,397,107	
v	Asset-to-Equity Ratio	Total Assets	**30,557,817**	1.17	26,341,314	1.18
		Equity Attributable to Equity Holders of the Parent	**26,119,692**		22,397,107	
vi	Interest Rate Coverage Ratio	EBIT (earnings before interest and taxes)	**3,825,346**	119.05	1,402,835	57.51
		Interest Expense	**32,131**		24,395	
vii	Return on Equity Ratio	Net Income Attributable to Equity Holders of the Parent	**3,433,403**	13.14%	1,058,908	4.73%
		Equity Attributable to Equity Holders of the Parent	**26,119,692**		22,397,107	

			06/30/2024		06/30/2023	
viii	Return on Assets	Net Income Attributable to Equity Holders of the Parent	**3,433,403**	11.24%	1,058,908	4.02%
		Total Assets	**30,557,817**		26,341,314	
ix	Profit Ratio	Net Income Attributable to Equity Holders of the Parent	**3,433,403**	36.40%	1,058,908	15.91%
		Total Revenues	**9,431,333**		6,656,537	
x	Book Value per Share	Equity Attributable to Equity Holders of the Parent	**26,119,692**	21.28	22,397,107	18.25
		Outstanding Number of Shares	**1,227,570**		1,227,570	

The key financial indicators of our major subsidiaries are the following:

PDP Energy and PDIPI

In Thousand Pesos except sales volume

	06/30/2024	06/30/2023
1. Volume	**7,839**	6,829
2. Revenue	**5,532,610**	4,811,093
3. Net income	**531,117**	440,921

Seven Seas Group

In Thousand Pesos

	06/30/2024	06/30/2023
1. Occupancy rate	**55.22%**	58.15%
2. Gross revenue	**854,932**	836,447
3. Gross operating profit (GOP)	**351,197**	371,763
4. GOP ratio	**41.1%**	44.4%
5. Net income	**160,245**	183,525

Occupancy rate is based on actual room nights sold over available room nights on a 6 - month period. Gross revenues include rooms, food and beverage and other ancillary services. GOP is total revenues less direct costs and GOP ratio is GOP over total hotel revenues.

C O V E R   S H E E T

for

SEC FORM 17-Q

SEC Registration Number

P	W	2								

C O M P A N Y   N A M E

A. SORIANO CORPORATION AND SUBSIDIARIES

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

7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q	CRMD	NA

C O M P A N Y   I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
info@anscor.ph	8819-0251	N/A

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
11,020	April 16	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Narcisa M. Villaflor	nancie.villaflor@anscor.com.ph	8819-0251	N/A

CONTACT PERSON's ADDRESS

7th Floor, Pacific Star Building, Makati Avenue corner Gil Puyat Avenue Extension, Makati City

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FROM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended March 31, 2024

2. Commission identification number: PW-2   3. BIR Tax Identification No. 000-103-216-0000

   A. SORIANO CORPORATION
4. Exact name of issuer as specified in its charter

   hilippines
5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

   7/F Pacific Star Bldg., Gil J. Puyat Ave.   corner Makati Avenue, Makati City
7. Address of issuer's principal office   Postal Code

   88190251
8. Issuer's telephone number, including area code

   N/A
9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common Stock outstanding and amount Of debt outstanding
Common	2,500,000,000
Preferred	500,000,000

11. Are any or all of the securities listed on a Stock Exchange?

Yes [x]   No   [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange   Common

SEC Form 17Q
May 14, 2024

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 there under or Sections 11 of the RSA and RSA Rule 11(a)-1 there under, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [x] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [ ] No. [x]

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Financial statements and, if applicable, Pro Forma Financial Statements meeting the requirements of SRC Rule 68, Form and content of Financial Statements, shall be furnished as specified therein.

Please see SEC FORM 17-Q - Table of Contents

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Furnish the information required by Part III, Paragraph (A)(2)(b) of "Annex "C".

Please see SEC FORM 17-Q - Table of Contents

PART II – OTHER INFORMATION

The issuer may, at its option, report under item any information not previously reported in a report on SEC Form 17-C. If disclosure of such information is made under this Part II, it need not be repeated in a report on Form 17-C which would otherwise be required to be filed with respect to such information or in a subsequent report on Form 17-Q.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer: A. SORIANO CORPORATION

Signature and Title: (Sgd.) JOSHUA CASTRO
VP- Asst. Corporate Secretary

Date: May 14, 2024

Principal Financial/Accounting Officer/Controller: (Sgd.) NARCISA M. VILLAFLOR
Signature and Title VP – Comptroller/Treasurer

Date: May 14, 2024

SEC Form17-Q
May 14, 2024

TABLE OF CONTENTS

PART I – FINANCIAL INFORMATION

A. SORIANO CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In Thousand Pesos)

	March 31 2024	December 31 2023
ASSETS		
Current Assets		
Cash and cash equivalents	**3,251,533**	3,027,407
Fair value through profit and loss (FVPL) investments	**14,637,400**	13,186,172
Receivables	**2,365,754**	2,167,277
Inventories	**1,824,815**	1,757,321
Prepayments	**403,077**	404,675
Other current assets	**260,294**	267,924
Total Current Assets	**22,742,873**	20,810,776
Noncurrent Assets		
FVOCI investments	**58,505**	57,637
Notes receivables	**399,416**	416,774
Investments and advances	**343,423**	337,544
Goodwill	**1,302,276**	1,302,276
Property and equipment	**3,770,791**	3,784,759
Investment properties	**464,170**	463,590
Retirement plan asset	**179,368**	179,368
Deferred tax assets	**118,281**	118,241
Right of use assets	**61,909**	52,523
Deposit to suppliers	**47,624**	40,631
Other noncurrent assets	**126,185**	128,484
Total Noncurrent Assets	**6,871,948**	6,881,827
TOTAL ASSETS	**29,614,821**	27,692,603
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	**1,400,683**	1,385,274
Dividends payable	**665,446**	570,376
Income tax payable	**149,985**	77,028
Current portion of long-term debt	**105,000**	-
Current portion of lease liability	**21,831**	18,763
Total Current Liabilities	**2,342,945**	2,051,441

(forward)

	March 31 2024	December 31 2023
Noncurrent Liabilities		
Long-term debt - net of current portion	**835,000**	1,000,000
Lease liability - net of current portion	**41,642**	35,296
Deferred income tax liabilities - net	**519,883**	493,566
Retirement benefits payable	**22,906**	22,610
Other noncurrent liabilities	**102,989**	101,722
Total Noncurrent Liabilities	**1,522,420**	1,653,194
Total Liabilities	**3,865,365**	3,704,635
Equity Attributable to Equity Holders of the Parent		
Capital stock	**2,505,000**	2,505,000
Additional paid-in capital	**1,724,358**	1,724,358
Cumulative translation adjustment	**200,596**	167,266
Net unrealized valuation gains on FVOCI investments	**430**	606
Remeasurement gain on retirement benefits	**84,333**	84,220
Retained Earnings		
Appropriated	**7,150,000**	7,150,000
Unappropriated	**15,878,735**	14,196,742
Cost of shares held by a subsidiary	**(2,655,215)**	(2,655,215)
	24,888,237	23,172,977
Noncontrolling interests	**861,219**	814,991
Total Equity	**25,749,456**	23,987,968
TOTAL LIABILITIES AND EQUITY	**29,614,821**	27,692,603

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In Thousand Pesos Except for Earnings per Share)

	Periods Ended March 31	
	2024	2023
REVENUES		
Sale of goods - net	**2,682,948**	2,413,750
Services	**608,564**	498,477
Dividend income	**260,221**	262,732
Interest income	**25,094**	20,557
	3,576,827	3,195,516
INVESTMENT GAINS (LOSSES)		
Gain on increase in market values of FVPL investments	**1,774,042**	345,459
Loss on sale of FVOCI investments	**-**	(2,946)
	1,774,042	342,513
Equity in net earnings of associates	**6,339**	909
	5,357,208	3,538,938
Cost of goods sold	**(2,197,827)**	(2,003,080)
Services rendered	**(160,635)**	(117,331)
Operating expenses	**(520,725)**	(535,761)
Foreign exchange gain (loss)	**46,986**	(81,136)
Interest expense	**(16,397)**	(580)
Other charges - net	**(19,039)**	(938)
	(2,867,637)	(2,738,826)
INCOME BEFORE INCOME TAX	**2,489,571**	800,112
PROVISION FOR INCOME TAX		
Current	**107,718**	97,967
Deferred	**26,376**	7,215
	134,094	105,182
NET INCOME	**2,355,477**	694,930

(forward)

	Periods Ended March 31	
	2024	2023
OTHER COMPREHENSIVE INCOME (LOSS)		
Unrealized valuation loss on FVOCI investments	**(234)**	(123)
Realized loss on sale of FVOCI investments	**-**	2,946
Income Tax Effect	**58**	(706)
Cumulative Translation Adjustment	**33,330**	(44,276)
Remeasurement gain (loss) on retirement benefits	**150**	(171)
Income Tax Effect	**(37)**	43
OTHER COMPREHENSIVE INCOME (LOSS)	**33,267**	(42,287)
TOTAL COMPREHENSIVE INCOME	**2,388,744**	652,643
Net Income (Loss) Attributable to:		
Equity holders of the parent	**2,295,778**	638,028
Minority interest	**59,699**	56,902
	2,355,477	694,930
Total Comprehensive Income (Loss) Attributable to:		
Equity holders of the parent	**2,329,045**	595,741
Minority interest	**59,699**	56,902
	2,388,744	652,643
Earnings Per Share		
Basic/Diluted, for net income attributable to equity holders of the Parent	**1.87**	**0.52**
Earnings Per Share		
Basic/Diluted, for total comprehensive income attributable to equity holders of the Parent	**1.90**	**0.49**

A. SORIANO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

(In Thousand Pesos)

	Attributable to Equity Holders of the Parent										
	Capital Stock						Retained Earnings				
	Common	Preferred	Additional Paid-in Capital	Unrealized Valuation Gain (Loss) on FVOCI Investments	Remeasurement on Retirement Benefits	Cumulative Translation Adjustment	Appropriated	Unappropriated	Cost of Shares Held by a Subsidiary	Noncontrolling Interests	Total
Balance at 12/31/2022	2,500,000	5,000	1,859,383	(3,184)	54,423	179,017	7,150,000	12,872,295	(2,655,215)	652,011	22,613,730
Comprehensive income (loss)	-	-	-	2,117	(128)	(44,276)	-	638,028	-	56,902	652,643
Cash dividends - net	-	-	-	-	-	-	-	(613,785)	-	-	(613,785)
Movement in noncontrolling interest	-	-	-	-	-	-	-	-	-	34,493	34,493
Balance at 03/31/2023	2,500,000	5,000	1,859,383	(1,067)	54,295	134,741	7,150,000	12,896,538	(2,655,215)	743,406	22,687,081
Balance at 12/31/2023	2,500,000	5,000	1,724,358	606	84,220	167,266	7,150,000	14,196,742	(2,655,215)	814,991	23,987,968
Comprehensive income (loss)	-	-	-	(176)	113	33,330	-	2,295,778	-	59,699	2,388,744
Cash dividends - net	-	-	-	-	-	-	-	(613,785)	-	-	(613,785)
Movement in noncontrolling interest	-	-	-	-	-	-	-	-	-	(13,471)	(13,471)
Balance at 03/31/2024	**2,500,000**	**5,000**	**1,724,358**	**430**	**84,333**	**200,596**	**7,150,000**	**15,878,735**	**(2,655,215)**	**861,219**	**25,749,456**

A. SORIANO CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousand Pesos)

	Periods Ended March 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**2,489,571**	800,112
Adjustment for:		
Depreciation and amortization	**101,643**	81,312
Interest expense	**16,397**	580
Net retirement benefits expense	**5,559**	4,652
Gain on increase in market values of FVPL investments	**(1,774,042)**	(345,459)
Dividend income	**(260,221)**	(262,732)
Unrealized foreign exchange loss (gain)	**(43,256)**	79,173
Interest income	**(25,094)**	(20,557)
Equity in net earnings of associates	**(6,339)**	(909)
Gain on sale of property and equipment	**(263)**	-
Loss on sale of FVOCI investments	**-**	2,946
Operating income before working capital changes	**503,955**	339,118
Decrease (increase) in:		
FVPL investments	**389,191**	(365,943)
Receivables	**(206,176)**	385,276
Inventories	**(67,494)**	(188,343)
Increase (decrease) in:		
Accounts payable and accrued expenses	**15,409**	(179,616)
Prepayments and other current assets	**13,763**	(60,376)
Net cash generated from (used in) operations	**648,648**	(69,884)
Dividend received	**260,221**	262,732
Interest received	**22,152**	20,557
Interest paid	**(83)**	(580)
Retirement benefit contribution	**(5,112)**	(13,823)
Income taxes paid	**(39,297)**	(59,678)
Net cash flows from operating activities	**886,529**	139,324
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of :		
FVOCI investments	**-**	30,472
Property and equipment	**263**	880
Addition to:		
FVOCI investments	**(166)**	(53,734)
Investment properties	**(4,250)**	(3,176)
Property and equipment	**(84,005)**	(126,337)

(forward)

	Periods Ended March 31	
	2024	2023
Decrease (increase) in:		
Other noncurrent liabilities	**1,267**	2,371
Other noncurrent assets	**(4,693)**	(163,882)
Advances to affiliates	**460**	(423)
Net cash flows used in investing activities	**(91,124)**	(313,829)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of:		
Long-term debt	**(60,000)**	513,500
Cash dividends	**(493,715)**	(8,227)
Interest on long term debt	**(16,314)**	-
Increase (decrease) in:		
Lease liabilities	**27**	889
Minority interest	**(10,471)**	34,493
Net cash flows from (used in) financing activities	**(580,473)**	540,655
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	**9,194**	(26,978)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**224,126**	339,172
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**3,027,407**	2,948,402
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**3,251,533**	3,287,574

A. SORIANO CORPORATION

PARENT COMPANY STATEMENTS OF FINANCIAL POSITION

(In Thousand Pesos)

	March 31 2024	December 31 2023
ASSETS		
Cash and Cash Equivalents	**1,247,349**	942,156
Fair Value through Profit and Loss (FVPL) Investments	**11,996,483**	10,644,254
Fair value through other comprehensive income (FVOCI) investments	**58,505**	57,637
Receivables - net	**442,150**	466,713
Investments and Advances- net	**7,394,111**	7,306,028
Investment Properties	**205,171**	208,841
Property and Equipment - net	**19,033**	15,489
Retirement Plan Asset	**179,368**	179,368
Other Assets	**177,275**	170,717
TOTAL ASSETS	**21,719,445**	19,991,203

	March 31 2024	December 31 2023
LIABILITIES AND EQUITY		
Liabilities		
Accounts Payable and Accrued Expenses	**299,140**	269,237
Dividends Payable	**662,446**	570,376
Deferred Income Tax Liabilities - net	**214,466**	186,150
Total Liabilities	**1,176,052**	1,025,763
Equity		
Capital Stock - 1 Par Value	**2,505,000**	2,505,000
Additional Paid-in Capital	**1,589,800**	1,589,800
Unrealized Valuation Gains on FVOCI Investments	**430**	606
Remeasurement Gain on Retirement Benefits	**105,730**	105,730
Retained Earnings		
Appropriated	**7,150,000**	7,150,000
Unappropriated	**9,192,433**	7,614,304
Total Equity	**20,543,393**	18,965,440
TOTAL LIABILITIES AND EQUITY	**21,719,445**	19,991,203

A. SORIANO CORPORATION

PARENT COMPANY STATEMENTS OF INCOME

(In Thousand Pesos Except for Earnings Per Share)

	Periods Ended March 31	
	2024	2023
REVENUES		
Dividend income	**1,327,686**	1,404,569
Interest income	**18,277**	15,824
Management fees	**28,338**	23,841
	1,374,301	1,444,234
INVESTMENT GAINS (LOSSES)		
Gain on increase in market values of FVPL investments	**1,561,106**	343,126
Loss on sale of FVOCI investments	**-**	(2,946)
	1,561,106	340,180
	2,935,407	1,784,414
Operating expenses	**(129,549)**	(134,735)
Foreign exchange gain (loss)	**44,198**	(70,705)
Others - net	**6,447**	4,835
	(78,904)	(200,605)
INCOME BEFORE INCOME TAX	**2,856,503**	1,583,809
PROVISION FOR INCOME TAX - NET	**28,374**	9,213
NET INCOME	**2,828,129**	1,574,596
OTHER COMPREHENSIVE INCOME (LOSS)		
Unrealized valuation loss on FVOCI investments	**(234)**	(123)
Realized loss on sale of FVOCI investments	**0**	2,946
Income tax effect	**58**	(706)
OTHER COMPREHENSIVE INCOME (LOSS)	**(176)**	2,117
TOTAL COMPREHENSIVE INCOME	**2,827,953**	1,576,713
Earnings Per Share:		
Net income	**1.13**	**0.63**
Total comprehensive income	**1.13**	**0.63**

A. SORIANO CORPORATION

PARENT COMPANY STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

(In Thousand Pesos)

	Capital Stock		Additional	Unrealized Valuation Gains (loss) on FVOCI	Remeasurement on Retirement Benefits	Retained Earnings		
	Common	Preferred	Paid-in Capital	Investments	Gain	Appropriated	Unappropriated	Total
Balance at 12/31/2022	2,500,000	5,000	1,589,800	(3,184)	68,565	7,150,000	6,799,975	18,110,156
Comprehensive income	-	-	-	2,117	-	-	1,574,596	1,576,713
Cash dividends	-	-	-	-	-	-	(1,250,000)	(1,250,000)
Balance at 03/31/2023	2,500,000	5,000	1,589,800	(1,067)	68,565	7,150,000	7,124,571	18,436,869

Balance at 12/31/2023	2,500,000	5,000	1,589,800	606	105,730	7,150,000	7,614,304	18,965,440
Comprehensive income (loss)	-	-	-	(176)	-	-	2,828,129	2,827,953
Cash dividends	-	-	-	-	-	-	(1,250,000)	(1,250,000)
Balance at 03/31/2024	**2,500,000**	**5,000**	**1,589,800**	**430**	**105,730**	**7,150,000**	**9,192,433**	**20,543,393**

A. SORIANO CORPORATION

PARENT COMPANY STATEMENTS OF CASH FLOWS

(In Thousand Pesos)

	Periods Ended March 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	**2,856,503**	1,583,809
Adjustment for:		
Depreciation and amortization	**4,878**	4,489
Net retirement benefits expense	**1,931**	1,931
Gain on increase in market values of FVPL investments	**(1,561,106)**	(343,126)
Dividend income	**(1,327,686)**	(1,404,569)
Unrealized foreign exchange loss (gain)	**(40,468)**	68,743
Interest income	**(18,277)**	(15,824)
Loss on sale of FVOCI investments	**-**	2,946
Operating loss before working capital changes	**(84,225)**	(101,601)
Decrease (increase) in:		
Receivables	**96,505**	(4,621)
FVPL investments	**241,925**	60,886
Other assets	**(2,022)**	2,023
Decrease (increase) in accounts payable and accrued expenses	**29,903**	(32,608)
Net cash generated (used in) operations	**282,086**	(75,921)
Dividend received	**594,486**	297,539
Interest received	**15,335**	15,824
Retirement benefits contribution	**(1,931)**	(1,931)
Income tax paid	**(4,536)**	(7,246)
Net cash flows from operating activities	**885,440**	228,265
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceed from sale of FVOCI investments	**-**	30,472
Additions to:		
FVOCI investments	**(166)**	(53,734)
Property and equipment	**(4,752)**	(71)
Increase in advances to affiliates	**(88,098)**	(99,117)
Net cash flows used in investing activities	**(93,016)**	(122,450)

(forward)

	Periods Ended March 31	
	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of cash dividends	**(493,715)**	(8,227)
Net cash flows used in financing activities	**(493,715)**	(8,227)
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	**6,484**	(17,385)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**305,193**	80,203
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**942,156**	1,046,347
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**1,247,349**	1,126,550

1. Segment Information

Information with regard to the Company's significant business segments are shown below (in thousand pesos):

	Before Eliminations						
	Wire Manufacturing	Resort Operation	Other Operations (Note 1)	Holding Co (Parent)	Total	**Eliminations**	**After Eliminations Consolidated**
03/31/2024							
REVENUE	2,682,948	509,068	1,154,081	2,935,407	7,281,504	(1,924,296)	**5,357,208**
TOTAL COMPREHENSIVE INCOME	265,273	124,192	1,022,315	2,827,953	4,239,733	(1,850,989)	**2,388,744**
TOTAL ASSETS	6,619,144	2,024,312	19,689,044	21,719,445	50,051,945	(20,437,124)	**29,614,821**
INVESTMENTS PORTFOLIO *	41,862	118,784	18,281,116	19,654,270	38,096,032	(22,592,534)	**15,503,498**
PROPERTY & EQUIPMENT	1,025,166	758,977	1,026,175	19,033	2,829,351	941,440	**3,770,791**
TOTAL LIABILITIES	757,356	639,885	3,155,335	1,176,052	5,728,628	(1,863,263)	**3,865,365**
DEPRECIATION AND AMORTIZATION	28,060	30,708	31,334	4,878	94,980	6,663	**101,643**

	Before Eliminations						
	Wire Manufacturing	Resort Operation	Other Operations (Note 1)	Holding Co (Parent)	Total	**Eliminations**	**After Eliminations Consolidated**
03/31/2023							
REVENUE	2,413,750	458,922	2,243,946	1,784,414	6,901,032	(3,362,094)	**3,538,938**
TOTAL COMPREHENSIVE INCOME (LOSS)	227,009	135,109	2,068,072	1,576,713	4,006,903	(3,354,260)	**652,643**
TOTAL ASSETS	6,173,010	2,064,213	16,731,055	19,793,182	44,761,460	(18,588,478)	**26,172,982**
INVESTMENTS PORTFOLIO *	32,662	433,228	33,592,683	18,087,061	52,145,634	(38,588,546)	**13,557,088**
PROPERTY & EQUIPMENT	871,164	717,587	186,020	10,061	1,784,832	968,091	**2,752,923**
TOTAL LIABILITIES	858,285	871,142	2,513,668	1,356,313	5,599,408	(2,113,507)	**3,485,901**
DEPRECIATION AND AMORTIZATION	22,775	28,527	18,858	4,489	74,649	6,663	**81,312**

**** Inclusive of FVPL investments, FVOCI investments, advances & investments and investment properties.***

Note 1: Consolidated other operations also included the operations of A. Soriano Air Corporation, Anscor International, Inc. and Anscor Holdings, Inc.

- The Company and its subsidiaries' operating businesses are organized and managed separately according to the nature of the products or services offered.
- Holding company segment pertains to the operation of the parent company with earnings from income of its financial and operating investment assets.
- Other operations include real estate holding, aviation and management services.

2. Basis of Preparation and Changes in Accounting Policies and Disclosures

Basis of Preparation
The consolidated financial statements have been prepared on a historical cost basis, except for securities at FVPL) and FVOCI investments that have been measured at fair value. The consolidated financial statements are presented in Philippine pesos (Peso), which is the Company's functional and presentation currency. Amounts are presented to the nearest Thousand Peso unless otherwise stated.

Statement of Compliance
The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

Changes in Accounting Policies
The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new accounting standards effective in 2023. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Adoption of these new standards did not have an impact on the financial statements of the Company.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

  The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

  - Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
  - Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

  The amendments to the Practice Statement provide non-mandatory guidance.

  The Company also referred to the guidance provided under Q&A No. 2022-02: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) in applying the amendments to PAS 1 and PS 2. The adoption resulted to removal of accounting policy information that are not considered material and thus had no material impact on the financial statements.

- Amendments to PAS 8, *Definition of Accounting Estimates*

  The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

  The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

  The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

  The amendments introduce a mandatory exception in PAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

  The amendments also clarify that PAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes', respectively.

  The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception, apply immediately and retrospectively upon adoption of the amendments in June 2023.

  Meanwhile, the disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023.

<u>Standards Issued but not yet Effective</u>
Pronouncements issued but not yet effective are listed below. The Company does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Company intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1*, Classification of Liabilities as Current or Non-current*
  The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are required to be applied retrospectively.

- Amendments to PFRS 16*, Lease Liability in a Sale and Leaseback*

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

  The amendments are required to be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed.

- Amendments to PAS 7 and PFRS 7*, Disclosures: Supplier Finance Arrangements*

  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier adoption is permitted and that fact must be disclosed.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts* – not expected to apply to the Company.
- Amendments to PAS 21*, Lack of exchangeability*

  The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. This is not correctly expected to apply to the Company.

3. Summary of Significant Accounting and Financial Reporting Policies

Basis of Consolidation

The consolidated financial statements of the Group comprise the financial statements of the Company and the following wholly-owned and majority-owned subsidiaries as at March 31, 2024 and December 31, 2023:

		Percentage of Ownership	
	Nature of Business	**2024**	2023
A. Soriano Air Corporation	Services/Rental	**100**	100
Pamalican Island Holdings, Inc.	Holding	**62**	62
Island Aviation, Inc.	Air Transport	**62**	62
Anscor Consolidated Corporation	Holding	**100**	100
Anscor Holdings (formerly Goldenhall Corp.)	Real Estate Holding	**100**	100
Akapulko Holdings, Inc.	Real Estate Holding	**100**	100
Lakeroad Corp.	Real Estate Holding	**100**	100
Mainroad Corp.	Real Estate Holding	**100**	100
Makatwiran Holdings, Inc.	Real Estate Holding	**100**	100
Makisig Holdings, Inc.	Real Estate Holding	**100**	100
Malikhain Holdings, Inc.	Real Estate Holding	**100**	100
Mountainridge Corp.	Real Estate Holding	**100**	100
Rollingview Corp.	Real Estate Holding	**100**	100
Timbercrest Corp.	Real Estate Holding	**100**	100
Sutton Place Holdings, Inc.	Holding	**100**	100
Summerside Corp.	Holding	**100**	40
Anscor International, Inc. (AI)	Holding	**100**	100
IQ Healthcare Investments Limited (IQHIL)	Holding	**100**	100
IQ Healthcare Professional Connection, LLC (IQHPC)	Inactive	**93**	93
Phelps Dodge International Philippines, Inc.	Holding	**97**	97
Minuet Realty Corporation	Landholding	**97**	97
Phelps Dodge Philippines Energy Products Corporation	Wire Manufacturing	**97**	97
PD Energy International Corporation	Wire Manufacturing	**97**	97
AFC Agribusiness Corporation	Real Estate Holding	**81**	81
Seven Seas Resorts and Leisure, Inc.	Villa Project Development	**62**	62
Pamalican Resort, Inc.	Resort Operations	**62**	62
Pamalican Utilities, Inc.	Utility Company	**62**	62

Except for AI and its subsidiaries, the above companies are all based in the Philippines. The principal business location of AI and IQHIL is in the British Virgin Islands (BVI), while IQHPC is based in the United States of America (USA).

Subsidiaries are all entities over which the Group has control.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins from the date of acquisition, being the date on which control is transferred to the Group and continue to be consolidated until the date that such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Noncontrolling interests represent a portion of profit or loss and net assets of subsidiaries not held by the Group, directly or indirectly, and are presented separately in the consolidated statement of comprehensive income and within the equity section in the consolidated balance sheet and consolidated statement of changes in equity, separately from Company's equity.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control of the subsidiary are accounted for as equity transactions.

When the proportion of the equity held by the NCI changes, the Group adjusts the carrying amount of the controlling and noncontrolling interests to reflect the changes in their relative interests in the subsidiary. The Group recognizes directly in equity (i.e., Additional Paid-in Capital) any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any noncontrolling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss

- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Investments in Associates

The Group holds interest in entities over which it has significant influence and are accounted for as investments in associates using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

After application of the equity method, the Group determines whether objective evidence that the investment in associate is impaired and recognizes an impairment loss if the recovarable amount exceeds the carrying value. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Any loss or reversal is recognized under "Equity in net earnings on investments in associates" in the consolidated statement of comprehensive income.

The reporting dates of the associates of the Group are identical and the associates' accounting policies conform to those used by the Group for like transactions and events in similar circumstances. Accordingly, no adjustments are made when measuring and recognizing the Group's share of the profit or loss of the investees after the date of acquisition.

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

The following are the Group's associates:

		Percentage of Ownership	
	Nature of Business	**2024**	2023
Associates			
Prople Limited	Business Process Outsourcing	**32**	32
Vicinetum Holdings, Inc. (VHI)	Holding	**32**	32
Fremont Holdings, Inc. (FHI)	Real Estate Holding	**25**	25
ATRAM Investment Management Partners Corp (AIMP)	Asset Management	**20**	20

The principal business location of AIMP, VHI and FHI is the Philippines. Prople Limited is based in Hong Kong.

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for noncontrolling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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

Foreign Currency Translation

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in Peso based on the exchange rate recorded at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing exchange rate at the end of reporting period. All differences are taken to the consolidated statement of income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the closing exchange rates at the date when the fair value was determined. Foreign exchange gains and losses relating to FVPL investments are recognized in the consolidated profit or loss.

Financial statements of consolidated foreign subsidiaries which are considered foreign entities are translated into the presentation currency of the Group (Peso) at the closing exchange rate at end of reporting period and their statements of income are translated using the monthly weighted average exchange rates for the year. The exchange differences arising from the translation are taken directly to a separate component of equity (under cumulative translation adjustment). On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the consolidated profit or loss.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Fair Value Measurement

The Group measures financial assets, such as fair value through profit or loss (FVPL) investments and fair value through other comprehensive income (FVOCI) investments, at fair value at each balance sheet date. Also, fair values of investment properties are disclosed.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For certain unquoted investments, the Group also makes use of the report of the fund managers in developing assumptions and estimating the fair value.

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

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

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

The Group's management determines the policies and procedures for both recurring fair value measurement, such as unquoted FVPL financial assets, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such as investment properties. Involvement of external valuers is decided upon annually by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents with relevant external sources to determine whether the change is reasonable.

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

Financial Instruments

Initial recognition and measurement of financial instruments

At initial recognition, financial assets are classified as, and measured at amortized cost, FVOCI, and FVPL. Financial liabilities are classified at initial recognition as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Classification of financial instruments

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15, Revenue from Contracts with Customers.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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

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

As of March 31, 2024 and December 31, 2023, the Group has the following categories of financial assets and financial liabilities:

(a) Financial assets and financial liabilities at FVPL

This category includes financial assets and financial liabilities held for trading and financial assets and financial liabilities designated upon initial recognition as at FVPL. Financial assets and financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets or financial liabilities classified in this category may be designated by management on initial recognition when the following criteria are met:

- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognizing gains or losses on them on a different basis; or
- The assets and liabilities are part of a group of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The financial instrument contains an embedded derivative, unless the embedded derivative does not significantly modify the cash flows or it is clear, with little or no analysis, that it would not be separately recorded.

Derivatives recorded at FVPL
The Group has certain derivatives that are embedded in host financial contracts, such as structured notes and debt investments and conversion. These embedded derivatives include calls and puts in debt investments and interest rate and conversion options, among others.

A derivative embedded in a hybrid contract, with a financial liability or nonfinancial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at FVPL. Embedded derivatives are measured at fair value with changes in fair value recognized in the consolidated profit or loss. Reassessment occurs only if there is either a change in the terms of the contract that significantly modifies the cash flows that would be otherwise be required or a reclassification of a financial asset out of the FVPL category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at FVPL.

Financial assets and financial liabilities at FVPL are recorded in the consolidated balance sheet at fair value. Changes in fair value are recorded in “Gain (loss) on increase (decrease) in market values of FVPL investments”. Interest earned or incurred is recorded in interest income or expense, respectively, while dividend income is recorded as such according to the terms of the contract, or when the right of payment has been established.

As at March 31, 2024 and December 31, 2023, the Group has designated as FVPL all equity investments, money market papers, investments in bonds that have callable and other features, managed/hedged funds and derivatives. No financial liability at FVPL is outstanding as at March 31, 2024 and December 31, 2023.

(b) Financial assets at amortized cost (debt instruments)

The Group measures financial assets at amortized cost if both of the following conditions are met:

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

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included as interest income in the consolidated profit or loss. The losses arising from impairment of such financial assets are recognized as "Valuation allowances" account under "Other income (charges) - net" in the consolidated profit or loss.

Included under financial assets at amortized cost are cash in banks, short-term investments, trade receivables, interest receivable, advances to employees, receivables from villa owners, dividend receivable, notes receivable and other receivables.

(c) Financial assets at FVOCI (debt instruments)

The Group measures debt instruments at FVOCI if both of the following conditions are met:

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

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated profit or loss and computed in the same manner as financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI.

When the debt instrument is disposed of, the cumulative gain or loss previously recognized under OCI is transferred to profit or loss as "Gain (loss) on sale of FVOCI investments". Where the Group holds more than one investment in the same security, cost of the disposed investment is determined on a weighted average cost basis. Interest earned on holding FVOCI investments are reported as interest income using the effective interest rate.

As at March 31, 2024 and December 31, 2023, the Group's FVOCI investments include investments in bonds.

(d) Financial liabilities - loans and borrowings

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

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

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

As at March 31, 2024 and December 31, 2023, included in this category are the Group's notes payable, accounts payable and accrued expenses, long-term debt and dividends payable.

Impairment of Financial Assets

The Group recognizes an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

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

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group's debt instruments at FVOCI comprise solely of top investment grade bonds that are graded by top credit rating agencies and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the top credit rating agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

<u>Derecognition of Financial Assets and Financial Liabilities</u>

Financial assets

A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when, and only when:

- the rights to receive cash flows from the asset expires;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement;
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither

transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the or asset.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification will result into the removal of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized in the consolidated profit or loss.

<u>“Day 1” Difference</u>

Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a “Day 1” difference) in the consolidated profit or loss unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is recognized in the consolidated profit or loss only when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the “Day 1” difference.

<u>Inventories</u>

Inventories are valued at the lower of cost and net realizable value (NRV).

Cost of aircraft spare parts and supplies is determined at purchase price using the first-in, first-out method, while NRV is the estimated current replacement cost of such spare parts and supplies.

Cost of food and beverage inventories and operating supplies is determined using the moving average method. NRV of food and beverage inventories is the estimated selling price in the ordinary course of business, less the estimated cost of preparation and the estimated cost necessary to make the sale.

For cable and wire manufacturing, finished goods and work in process is determined at standard cost adjusted to actual cost, which includes direct materials, direct labor and applicable allocation of fixed and variable costs, determined using weighted average method. Raw materials, other materials, reels inventory and spare parts and supplies are determined using weighted average method. NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Value Added Tax (VAT)
Input VAT is the 12% indirect tax paid by the Group in the course of the Group's trade or business on local purchase of goods or services, including lease or use of property, from a VAT-registered person. In case of capital goods, input VAT is spread evenly over the useful life or 60 months, whichever is shorter. Effective January 1, 2022, all input tax on purchases of capital goods shall already be allowed upon purchase/payment and will no longer need to be deferred.

Output VAT pertains to the 12% tax due on the lease or exchange of taxable goods or properties or services by the Group.

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

For its VAT-registered activities, when VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statements of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statements of financial position up to the extent of the recoverable amount.

For its non-VAT registered activities, the amount of VAT passed on from its purchases of goods or service is recognized as part of the cost of goods/asset acquired or as part of the expense item, as applicable.

Property and Equipment
Depreciable properties, including buildings and improvements, leasehold improvements, machinery and other equipment, flight and ground equipment, furniture, fixtures and office equipment, and transportation equipment are stated at cost less accumulated depreciation and amortization, and any impairment in value. Land is stated at cost less any impairment in value.

The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Property and equipment are written off either when disposed of or when these are permanently withdrawn from use and there is no more future economic benefit expected from its use or disposal.

Depreciation is computed on a straight-line method over the following estimated useful lives of the properties, except for aircraft engine which is computed based on flying hours.

Category	Number of Years
Buildings and improvements	10 - 30
Land improvements	30
Leasehold improvements	5 - 20*
Flight, ground, machinery and other equipment	2 - 25
Furniture, fixtures and office equipment	2 - 5
Transportation equipment	3 – 5

**or lease term, whichever is shorter*

The useful lives, depreciation and amortization method, and residual values are reviewed periodically to ensure that the periods and method of depreciation and amortization are consistent with the expected pattern of economic benefits from the use of property and equipment.

Depreciation commences when an asset is in its operational location or working condition capable of being operated in the manner intended by management. Depreciation ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, Non-current Assets Held for Sale and Discontinued Operations, and the date the asset is derecognized.

Construction in progress (CIP) is stated at cost net of accumulated impairment losses, if any. This includes cost of construction and other direct costs. CIP is not depreciated until such time the relevant assets are completed and put into operational use.

Property Development in Progress

Property development in progress includes villa development costs and related expenses incurred.

Property development in progress is carried at the lower of cost incurred and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Investment Properties

Investment properties comprise completed property and property under construction or re-development (land, buildings and condominiums) that are held to earn rentals or capital appreciation or both and that are not occupied by the Group. Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, the Group's investment properties are stated at cost, less accumulated depreciation and any accumulated impairment losses. Land is subsequently carried at cost less any impairment in value.

Expenditures incurred after the investment properties have been put into operation, such as repairs and maintenance costs, are normally charged to income in the period in which the costs are incurred.

Investment properties are written off when either these are disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of the investment property are recognized in the consolidated profit or loss in the year of retirement or disposal.

Impairment of Nonfinancial Assets

At each reporting date, the Group assesses whether there is any indication that its nonfinancial assets (namely, property and equipment, investment properties and investments in associates) may be impaired. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Group makes a formal estimate of recoverable amount. Recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash-generating unit to which it belongs. Where the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, the asset (or cash-generating unit) is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit).

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

Goodwill

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

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated profit or loss.

Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods. The Group performs its annual impairment test of goodwill as at the end of each financial reporting period.

Additional Paid-in Capital

Additional paid-in capital is the amount paid in excess of the par value of the shares issued, including equity adjustments relating to changes in equity interest of the Noncontrolling interests.

Retained Earnings

Retained earnings represent the cumulative balance of net income or loss, net of any dividend declared and the effects of any retrospective restatement recognized in accordance with PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

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

Appropriated retained earnings represent that portion which has been restricted and therefore, is not available for any dividend declaration.

Cost of Shares Held by a Subsidiary

The Company's shares which are acquired and held by a subsidiary (treasury shares) are deducted from equity and stated at acquisition cost. No gain or loss is recognized in the consolidated profit or loss on the purchase, sale, issue or cancellation of the Company's shares. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital.

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangement against specific criteria in order to determine if it is acting as principal or agent. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The following specific recognition criteria must be met before revenue is recognized:

Sale of goods

Revenue from the sale of goods is recognized at a point in time when the control over the goods are transferred to the buyer which is generally upon delivery of the goods.

Sale of services

Revenue from rooms is recognized over time based on the actual occupancy of the guests. Other ancillary services are recognized when the related services are rendered and/or facilities/amenities are used.

Revenue from air transport services is recognized at a point in time when the related services have been substantially performed.

Contract liabilities

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

Other Revenue/Income

Interest

Interest income from bank deposits and investments in bonds are recognized as interest accrues based on the effective interest rate method.

Dividends

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

Rental

Rental income is accounted for on a straight-line basis over the lease term.

Other Comprehensive Income

Other comprehensive income comprises of items of income and expense that are not recognized in the consolidated profit or loss for the year in accordance with PFRSs. Other comprehensive income of the Group pertains to gains and losses on remeasuring FVOCI investments, exchange differences on translating foreign operations and remeasurements comprising actuarial gains and losses on retirement plan assets and liabilities.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-ofuse assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Category	Number of Years
Building	5 years
Leasehold improvement	2 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, the Group calculates depreciation using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of office equipment and warehouse (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Pension Benefits
The Group has non-contributory defined benefit retirement plans.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.
Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to the consolidated profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Provisions and Contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized but are disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

Income Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that have been enacted or substantively enacted as of the end of the reporting period.

Deferred income tax

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for deductible temporary differences, carryforward benefits of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax, and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from excess MCIT and unused NOLCO can be utilized. Deferred income tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

Deferred income tax liabilities are not provided on taxable temporary differences associated with investments in domestic subsidiaries. With respect to investments in foreign subsidiaries, deferred income tax liabilities are recognized, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each end of the reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each end of the reporting period and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Current income tax and deferred income tax relating to items recognized directly in equity are also recognized in equity and not in the consolidated profit or loss.

Earnings Per Share

Basic earnings per share (EPS) is computed by dividing consolidated net income and the total comprehensive income attributable to the equity holders of the Parent for the year by the weighted average number of common shares outstanding during the year, after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Company does not have potentially dilutive common shares as of March 31, 2024 and December 31, 2023.

Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRSs requires the Group to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, other comprehensive income (loss) and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on amounts recognized in the consolidated financial statements.

Determination of functional currency

The Company's functional currency was determined to be the Peso. It is the currency of the primary economic environment in which the Company operates.

Classification of financial instruments

The Group classifies a financial instrument, or its component parts, on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definition of a financial asset, a financial liability or an equity instrument.

The substance of a financial instrument, rather than its legal form, governs its classification in the consolidated statements of financial position.

Classification and measurement of financial assets depend on the result of the SPPI and business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve particular business objectives. In classifying the investments not held for trading as at March 31, 2024 and December 31, 2023, the Group made an irrevocable election at initial recognition to designate the instruments as FVPL investments.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation and uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for expected credit losses of receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due.

The provision matrix is initially based on the Group's historically observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecasted economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historically observed default rates, forecasted economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For the advances to related parties, the Group uses judgment, based on the best available facts and circumstances, including but not limited to, assessment of the related parties' operating activities (active or dormant), business viability and overall capacity to pay, in providing reserve allowance against recorded receivable amounts. These reserves are re-evaluated and adjusted as additional information is received.

Valuation of unquoted FVPL equity investments
Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's-length market transactions;
- current fair value of another instrument that is substantially the same;
- the expected cash flows discounted at current rates applicable for terms with similar terms and risk characteristics; or
- other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation. In valuing the Group's unquoted equity instruments at fair value, management applied judgment in selecting the valuation technique and comparable companies and used assumptions in estimating future cash flows from its equity instruments considering the information available to the Group.

Impairment of FVOCI debt investments
For FVOCI debt investments, the Group assesses the counterparty's ability to comply with the contractual obligations to pay out principal and interest. Further, the Group assesses whether the credit risk on that financial instrument has increased significantly since initial recognition. No impairment loss was recognized in 2024 and 2023.

Estimation of allowance for inventory and impairment losses
The Group estimates the allowance for inventory obsolescence and impairment losses related to inventories based on specifically identified inventory items. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for inventory and impairment losses would increase recorded expenses and decrease current assets.

Estimation of useful lives of the Group's property and equipment
The Group estimates the useful lives of property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the assets.

In addition, the estimation of the useful lives of these assets is based on collective assessment of internal technical evaluation and experience with similar assets. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

Recoverability of investment in associates
The carrying value of investments carried under the equity method are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be

recoverable. The Group's impairment test on investments carried at equity is based on value-in-use calculations that use a discounted cash flow model. The expected cash flows are estimated from the operations of the associates for the next five years, as well as the terminal value at the end of fifth year. The recoverable amount is most sensitive to the discount rates used for the discounted cash flow model, as well as the expected future cash inflows, revenue growth rates and long-term growth rates used for extrapolation purposes.

Impairment of non-financial assets

(a) Property and equipment and investment properties

The Group assesses impairment on assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Group considers important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

No impairment loss indicator has been identified and therefore no impairment loss was recognized on property and equipment.

(b) Goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. In assessing the recoverability of the Group's goodwill, management exercised significant judgments and used assumptions such as revenue growth rates, discount rates and long-term growth rates in estimating the value-in-use of these cash-generating units. Calculations indicated that there is no impairment on the Group's goodwill for each of the periods ended.

Recognition of deferred income tax assets

The Group reviews the carrying amounts of the deferred income tax assets at each end of the reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. However, there is no assurance that the Group will utilize all or part of the deferred income tax assets.

Determination of pension and other retirement benefits
The cost of defined benefit pension plans as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

Provisions and contingencies
Judgment is exercised by management to distinguish between provisions and contingencies.

5. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise cash and cash equivalents, receivables, investments in debt instruments, quoted and unquoted equity securities, investments in mutual and hedge funds, and short-term and long-term bank loans. The Group's other financial instruments include accounts payable and dividends payable and amounts due to affiliates, which arose directly from operations.

The Company's investment objectives consist mainly of:

a) maintaining a bond portfolio that earns adequate cash yields and,
b) maintaining a stable equity portfolio that generates capital gains through a combination of long term strategic investments and short-term to medium-term hold type investment.

The main risks arising from the use of these financial instruments are credit risk, liquidity risk, interest rate risk, equity price risk, foreign currency risk, and copper price risk. These risks are monitored by the Company's Investment Committee (the Committee).

The Committee evaluates the performance of all investments and reviews fund allocation to determine the future strategy of the fund. The Committee is formed by the Company's Chairman, Vice Chairman, Chief Finance Officer, Corporate Development Officer and an independent consultant. These meetings occur at least every quarter. The BOD reviews and approves the Company's risk management policies. The Company's policies for managing each of these risks are summarized below.

Credit risk
The Group is exposed to credit risk primarily because of its investing and operating activities. Credit risk losses may occur as a result of either an individual, counterparty or issuer being unable to or unwilling to honor its contractual obligations. The Group is exposed to credit risk arising from default of the counterparties (i.e., foreign and local currency denominated debt instruments and receivables) to its financial assets. The Group does not have a counterparty that accounts for more than 10% of the consolidated revenue.

Credit risk management
In managing credit risk on these investments, capital preservation is paramount. The Group transacts only with recognized and creditworthy counterparties. Investments in bonds are invested in highly recommended, creditworthy debt instruments that provides satisfactory interest yield.

Credit quality per class of financial assets
For the Group's financial assets, credit quality is monitored and managed using internal credit ratings. Internal risk ratings are derived in accordance with the Group's rating policy.

Trade receivables
An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Other financial assets
Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The Group invests only on quoted debt securities with very low credit risk. The Group's debt instruments at fair value through OCI comprised solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the Good Credit Rating Agency and, therefore, are considered to be low credit risk investments.

Liquidity risk
Liquidity risk is defined as the risk that the Group may not be able to settle or meet its obligations as they fall due. Aside from yielding good returns, the Group ensures investments have ample liquidity to finance operations and capital requirements. Short-term bank loans are secured to fill in temporary mismatch of funds for new investments.

Where applicable, long-term debt or equity are used for financing when the business requirement calls for it to ensure adequate liquidity in the subsidiaries and affiliates' operation.

The Group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when they are due. This is done by primarily investing in highly liquid investments.

Accounts payable and accrued expenses, dividends payable, lease liabilities, notes payable and current portion of long-term debt are expected to be settled using cash to be generated from operations and drawing from existing lines of credits or liquidity reserves.

Market risks
Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is the risk coming from adverse movements in factors that affect the market value of financial instruments of the Group. The Group is exposed primarily to the financial risks of changes in interest rates, equity price risk, price risk of mutual funds, and foreign currency risk.

Investments exposed to market risk are foreign and local currency denominated quoted debt instruments, foreign and local currency denominated equity instruments and mutual fund/hedge fund investments.

There has been no change to the Group's manner in managing and measuring the risk.

a. Interest rate risks

   Cash flow interest rate risk
   Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

   Fair value interest rate risk
   Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group accounts for its quoted debt instruments at fair value. Changes in benchmark interest rate will cause changes in the fair value of quoted debt instruments.

b. Equity price risk

Equity price risk is the risk that the fair values of equities decrease as a result of changes in the levels of the equity indices and the values of individual stock. The equity price risk exposure arises from the Group's investment in stock listed in the Philippine Stock Exchange (PSE).

The sensitivity analysis assumes that the stock's standard deviation on its historical returns for the past one year provides the basis for the range of reasonably possible changes in prices of the stock investments. In establishing the relative range of the stock investment returns, the Group also assumes a 99% confidence level.

c. Price risk of mutual funds

The Group is exposed to the risk of changes in the fund's net asset value (NAV) due to its market risk exposures.

d. Foreign currency risks

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. The Group's exposure arises primarily from investments in foreign currency denominated debt investments and equity securities.

The Company and a subsidiary's foreign exchange risk arises primarily from investments in foreign currency - denominated debt and equity securities. To minimize income volatility due to exchange rate movements, liquid investments are held in a basket of currencies, including Philippine peso and other major currencies such as U.S. dollar, Australian dollar and Japanese Yen. This also enables the Company and a subsidiary to access investment opportunities in those currencies.

On borrowings, it is the Company's group-wide policy for its subsidiaries to minimize any foreign exchange risks. Thus, all borrowings, whether short-term or long-term, in general, should be in Philippine peso. Any foreign currency borrowings may be engaged only if matched by the entities' corresponding currency revenue flows or by a foreign currency asset. As such, PRI and SSRLI can borrow in U.S. dollar as their revenues are dollar-based. It is also the policy of the Group to minimize any foreign exchange exposure in its management of payables. Any substantial exposure is covered by foreign exchange contracts, if necessary.

e. Copper price risk

The PDP Group uses copper rods in the manufacturing of its products. Copper rods component represents a significant portion of the cost of each unit produced.

Copper rods are priced based on the London Metal Exchange prices and are affected by the volatility in the price of metal in the world market.

The PDP Group's exposure to price risk on copper rod purchases is managed through back-to-back purchase of rods versus sales orders, average pricing on the firm orders like automobile wire products with long-term contracts, and obtaining orders from contractors with a fixed price or locked-in contracts with a specified period.

Capital Management

The primary objective of the Group's capital management is to ensure an adequate return to its shareholders and to maximize its value to its shareholders. In pursuance of this goal, the Group establishes an optimum risk return investment objective through a sound diversified investment portfolio and in ensuring a fair credit rating, the Group establishes prudent financial policies through appropriate capitalization ratios in its investments and maintain reasonable liquidity.

The Group monitors capital on the basis of the carrying amount of equity as presented on the face of the consolidated balance sheet.

No changes were made in the objectives, policies or process for the period ended March 31, 2024 and December 31, 2023.

6. Financial Instruments

Fair Values of Financial Assets and Liabilities

The carrying amounts of cash and cash equivalents, receivables, notes payable, dividends payable and accounts payable and accrued expenses approximate their fair values due to the short-term maturity of these financial instruments.

The carrying values of long-term debt, which have floating rates with quarterly repricing, approximate their fair values.

FVPL and FVOCI investments are carried at fair value. The following methods and assumptions were used to estimate the fair values:

- FVPL quoted equity shares, investments in bonds, funds and equities, proprietary shares and others are derived from quoted market prices in active markets.

- FVOCI investments in bonds are derived from quoted market prices in active markets.

- FVPL investments in KSA shares are based on the discounted cash flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, and growth rate. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

- FVPL investments in private equity funds are valued using the adjusted net asset method. The underlying investments under these private equity funds are carried at fair value. Other FVPL investments in unquoted equity shares are based on prices and other relevant information generated by market transactions involving identical and comparable assets, liabilities or a group of assets and liabilities, such as business. The valuation requires management to use market multiples derived from a set of comparables. Multiples might be in ranges with a difference multiple for each comparable. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors specific to the measurement.

The following tables provide the Group's fair value measurement hierarchy of its assets:

As at March 31, 2024:

		Fair value measurement using		
	Total	**Quoted prices in active Markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
FVPL investments:				
Quoted equity shares	**₱8,294,057**	**₱8,294,057**	**₱–**	**₱–**
Unquoted equity shares	**3,001,806**	**–**	**2,074,371**	**927,435**
Funds and equities	**2,679,924**	**–**	**2,679,924**	**–**
Proprietary shares	**625,177**	**–**	**625,177**	**–**
Bonds and convertible note	**30,693**	**30,693**	**–**	**–**
Others	**5,743**	**5,743**	**–**	**–**
	14,637,400	**8,330,493**	**5,379,472**	**927,435**
FVOCI investments:				
Bonds and convertible note	**58,505**	**58,505**	**–**	**–**
	₱14,695,905	**₱8,388,998**	**₱5,379,472**	**₱927,435**

As of December 31, 2023

		Fair Value Measurement Using		
	Total	**Quoted Prices in Active Markets (Level 1)**	**Significant Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
FVPL investments:				
Quoted equity shares	₱7,026,986	₱7,026,986	₱–	₱–
Unquoted equity shares	2,921,430	–	1,993,995	927,435
Funds and equities	2,459,415	–	2,459,415	–
Proprietary shares	625,177	–	625,177	–
Bonds	147,454	147,454	–	–
Others	5,710	5,710	–	-
	13,186,172	7,180,150	5,078,587	927,435
FVOCI investments	57,637	57,637	–	–
	₱13,243,809	₱7,237,787	₱5,078,587	₱927,435

Description of significant unobservable inputs to valuation of financial instruments classified under Level 3 (in millions):

2024 and 2023

Valuation Technique	Significant Unobservable inputs	Range	Sensitivity of Input to Fair Value
DCF Model	Dividend payout is ₱95.8 million with 4% annual increase	3% to 5%	3%: fair value of ₱833 5%: fair value of ₱1,047
	Liquidity discount of 20%	10% to 30%	10%: fair value of ₱1,043 30%: fair value of ₱812
	Cost of equity of 12.78%	11.78% to 13.78%	11.78%: fair value of ₱1,042 13.78%: fair value of ₱836

An increase in the expected lease income of KSA would increase the dividend payout, which would lead to an increase in the fair value of the investment in KSA.

7. Financial Condition

There was no other significant change in the Company's Consolidated Balance Sheet as of March 31, 2024 versus December 31, 2023.

Cash and Cash Equivalents

The increase in cash and cash equivalents can be attributed to net cash generated from operating, partially offset by cash used in investing activities and financing activities.

(Please see attached consolidated cash flow statements for detailed analysis of cash movements on pages 6 and 7).

Fair Value Through Profit and Loss (FVPL) Investments

The increase in the account can be attributed to higher market value of local traded shares and foreign denominated investment in bonds, stocks and funds of P1.8 billion and foreign exchange gain of P33.0 million, offset by net disposal of P389.2 million.

Receivables

The increase in receivables was mainly due to improved revenues of the wire manufacturing and the resort subsidiaries.

Inventories

The increase was due to higher level of finished goods inventory of the wire manufacturing subsidiary.

Prepayments

Slight decrease in this account can be attributed mainly to use up of the prepaid expenses related to manufacturing operations.

Other current assets

Movement in the account is mainly due to use of creditable withholding taxes for income tax payment by the resort.

Notes Receivables

The decrease was attributable to the collection of advances, partially offset by accrued interest on advances by the Parent company to Anscor Retirement Trust Fund.

Investments and Advances

Minimal increase in investments and advances was mainly due to share in the equity earnings of the associates amounting to P6.3 million, partially reduced by collection of advances.

Property and Equipment - net

The increase can be traced to net acquisition of property and equipment of P84.0 million mainly attributable to capital expenditures of the manufacturing, aviation and resort subsidiaries, offset by depreciation amounting to P98.0 million.

Right-of-Use-Assets

With the adoption of PFRS 16, Leases, the manufacturing, and aviation subsidiaries as a lessee recognized asset representing the right to use the asset/property during the lease term.

Deposit to suppliers

Increase in the account balance can be attributed to deposit made for maintenance and capex requirements of the resort subsidiary.

Accounts Payable and Accrued Expenses

The increase was mainly attributable to the recorded liabilities to the suppliers of the resort and wire manufacturing subsidiaries.

Dividends Payable

During the period, the Parent Company paid cash dividends of P0.50 per share to shareholders amounting to P585.8 million (net of share of Anscor Consolidated Corporation). Balance of P665.4 million as of March 31, 2024, represents accumulated cash dividend still unclaimed and of stockholders with problematic addresses, which increased from P570.4 million to P665.4 million.

Income Tax Payable

Movement in the account was attributable to tax provision during the period by the Group partially offset by income tax paid by the resort, aviation and wire manufacturing subsidiaries.

Long-term Debt (current and noncurrent)

The decrease was mainly attributable to the payment of loan by the aviation subsidiary.

Lease Liability (current and noncurrent)

With the adoption of PFRS 16, Leases, the manufacturing and aviation subsidiary as a lessee recognized a liability for future lease payments.

Deferred Income Tax Liabilities

Movement in the account was mainly due to the deferred tax effect of unrealized increase in market value of FVPL investments and unrealized foreign exchange gain.

Cumulative Translation Adjustment (CTA)

This account includes translation adjustments of Anscor International, Inc., and IQHPC. CTA balance increased by P33.3 million, due to depreciation of Philippine peso vis-à-vis US dollar.

Others
There were no commitments for major capital expenditures in 2024.

8. Results of Operation

Management is not aware of any known trends, events or uncertainties except for political and market uncertainties, nor any significant element of income or loss that may have material impact on the Company's recurring revenues and profits.

The following are the key performance indicators for the Parent Company (In thousand pesos except earnings per share and market price per share):

	Periods ended March 31	
	2024	2023
Revenues (excluding investment gains or losses)	**1,374,301**	1,444,234
Investment Gains (Loss)	**1,561,106**	340,179
Total Comprehensive Income	**2,827,953**	1,576,713
Earnings Per Share		
Net Income	**1.13**	0.63
Total Comprehensive Income	**1.13**	0.63
Market Price Per Share (PSE)	**11.8**	10.24

The discussions below were based on the consolidated results of the Company and its subsidiaries.

Revenues
This year’s consolidated gross revenues of P5.4 billion, an improvement from last year’s revenue of P3.5 billion. Higher gain on increase in market value of FVPL investments by P1.4 billion and increased interest income were registered in the first quarter of 2024. Also, the resort and manufacturing subsidiaries reported significant increase in revenues

Cost of Goods Sold
Increase in cost of goods sold was due to the higher sales volume of the wire manufacturing subsidiary.

Cost of Services Rendered
Increase in cost of services rendered was mainly due to higher cost of the resort subsidiary.

Operating Expenses
The Group reported decrease in consolidated operating expenses for three months of 2024 due to lower overhead of the parent company and Anscor International, a foreign subsidiary.

Foreign Exchange Gain
Due to the depreciation of peso vis-à-vis dollar, the parent company reported foreign exchange gain on its foreign currency denominated investments in financial assets.

Interest Expense
The amount was higher in 2024 due to interest expense on the long-term loan of the aviation subsidiary.

Provision for income tax
The tax provision of the Group was higher than last year mainly due to deferred income tax of the parent company related to unrealized gain on increase in market value of its FVPL investments and unrealized foreign exchange gain.

9. Cash Flows
Management has no knowledge of known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.

10. Financial information

- There is neither a change in composition of the registrant, no business combination nor any restructuring.
- There are no seasonality or cyclicality trends in the business that would have material effect on the Company's result of operations and financial condition.
- There are no significant elements of income or loss that did not arise from the issuer's continuing operations.

In the interim period:
- No issuance or repayment of equity securities.
- The parent company has not repurchased its equity securities except for its 100%-owned subsidiary, Anscorcon which todate owns 1,272,429,761 shares of Anscor. No additional shares were purchased during three months of 2024.
- No contingent assets or liabilities since the last annual balance sheet date.
- No material contingencies and any event or transactions that are material to the understanding of the operating results of the current interim period.

- No events that will trigger direct or contingent financial obligations that is material to the company, including any default or acceleration of an obligation.
- No material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the company with unconsolidated entities of other persons created during the reporting period.
- There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim.

11. Subsidiaries and Affiliates

Phelps Dodge Philippines (PDP)

The following are the key performance data for Phelps Dodge Philippines (In thousand pesos except volume):

	Periods Ended March 31	
	2024	2023
Volume sold (MT)	**3,857**	3,444
Revenue	**2,682,948**	2,413,750
Net Income	**265,273**	227,009

PDP Energy's sales were higher in 2024 as against 2023's revenues due to increase in volume sold, mainly from its dealers nationwide and provincial projects.

PDP posted a net income of P265.3 million for 2024, slightly higher than the P227.0 million profit recorded last year.

Seven Seas' Amanpulo Resort ended up with an occupancy rate of 63.5% for the three months of 2024, versus the average occupancy rate of 65.2% in 2023. Average room rate increased to P103,022 from last year's average of P88,519. Total hotel revenues amounted to P509.1 million, an increase from last year's revenues by 10.9%.

Seven Seas reported a consolidated net income of P124.2 million in 2024, lower by 8.8% from last year's profit of P135.1 million. This included the catch up on lower audited net income of the resort in 2023.

12. Financial Indicators

Significant financial indicators of the Group are the following:

			03/31/2024		03/31/2023	
i	Current Ratio	Total Current Assets	**22,742,873**	9.71 : 1	20,163,075	8.43 : 1
		Total Current Liabilities	**2,342,945**		2,392,793	
ii	Acid Test Ratio	Total Current Assets less Inventories, Prepayments and Other Current Assets	**20,254,687**	8.64 : 1	17,802,995	7.44 : 1
		Total Current Liabilities	**2,342,945**		2,392,793	
iii	Solvency Ratio	Net Income Attributable to Equity Holders of the Parent + Depreciation and Amortization	**2,397,421**	62.02%	719,340	20.64%
		Total Liabilities	**3,865,365**		3,485,901	
iv	Debt-to-Equity Ratio	Total Liabilities	**3,865,365**	0.16 :1	3,485,901	0.16 : 1
		Equity Attributable to Equity Holders of the Parent	**24,888,237**		21,943,675	
v	Asset-to-Equity Ratio	Total Assets	**29,614,821**	1.19	26,172,982	1.19
		Equity Attributable to Equity Holders of the Parent	**24,888,237**		21,943,675	
vi	Interest Rate Coverage	EBIT (earnings before interest and taxes)	**2,505,968**	152.84	800,692	1,380.36
	Ratio	Interest Expense	**16,397**		580	
vii	Return on Equity Ratio	Net Income Attributable to Equity Holders of the Parent	**2,295,778**	9.22%	638,028	2.91%
		Equity Attributable to Equity Holders of the Parent	**24,888,237**		21,943,675	

viii	Return on Assets	Net Income Attributable to Equity Holders of the Parent	**2,295,778**	7.75%	638,028	2.44%
		Total Assets	**29,614,821**		26,172,982	
ix	Profit Ratio	Net Income Attributable to Equity Holders of the Parent	**2,295,778**	42.85%	638,028	18.03%
		Total Revenues	**5,357,208**		3,538,938	
x	Book Value per Share	Equity Attributable to Equity Holders of the Parent	**24,888,237**	20.27	21,943,675	17.88
		Outstanding Number of Shares	**1,227,570**		1,227,570	

The key financial indicators of our major subsidiaries are the following:

PDP Energy and PDIPI

In Thousand Pesos except sales volume

	03/31/2024	03/31/2023
1. Volume	**3,857**	3,444
2. Revenue	**2,682,948**	2,413,750
3. Net income	**265,273**	227,009

Seven Seas Group

In Thousand Pesos

	03/31/2024	03/31/2023
1. Occupancy rate	**63.5%**	65.2%
2. Hotel revenue	**509,068**	458,922
3. Gross operating profit (GOP)	**249,948**	255,930
4. GOP ratio	**49.1%**	55.8%
5. Net income	**124,192**	135,109

Occupancy rate is based on actual room nights sold over available room nights on a 3 - month period. Hotel revenues include rooms, food and beverage and other ancillary services. GOP is total revenues less direct costs and GOP ratio is GOP over total hotel revenues.

A. Soriano Corporation has the following direct/indirect subsidiaries/ associates as of December 31, 2024:

Company	Ownership	Business	Jurisdiction
A. Soriano Air Corporation	100%	Service/Rental	Philippines
Pamalican Island Holdings, Inc.	62%	Holding Company	Philippines
Island Aviation, Inc.	62%	Air Transport	Philippines
Anscor Consolidated Corporation	100%	Holding Company	Philippines
Anscor International, Inc.	100%	Holding Company	British Virgin Island
IQ Healthcare Investments Ltd.	100%	Holding Company	British Virgin Island
IQ Healthcare Professional Connection, LLC	93%	Inactive	USA
Prople Limited	32%	Business Processing & Outsourcing	Hongkong
Prople, Inc.	32%	Business Processing & Outsourcing	Philippines
Anscor Holdings, Inc.	100%	Real Estate Holding	Philippines
Akapulko Holdings, Inc.	100%	Real Estate Holding	Philippines
Lakeroad Corporation	100%	Real Estate Holding	Philippines
Mainroad Corporation	100%	Real Estate Holding	Philippines
Makatwiran Holdings, Inc.	100%	Real Estate Holding	Philippines
Makisig Holdings, Inc.	100%	Real Estate Holding	Philippines
Malikhain Holdings, Inc.	100%	Real Estate Holding	Philippines
Mountainridge Corporation	100%	Real Estate Holding	Philippines
Rollingview Corporation	100%	Real Estate Holding	Philippines
Timbercast Corporation	100%	Real Estate Holding	Philippines
Sutton Place Holdings, Inc.	100%	Holding Company	Philippines
Summerside Corporation	100%	Holding Company	Philippines
Phelps Dodge International Philippines, Inc.	97%	Holding Company	Philippines
Minuet Realty Corporation	97%	Landholding	Philippines
Phelps Dodge Philippines Energy Products Corporation	97%	Wire Manufacturing	Philippines
PD Energy International Corporation	97%	Wire Manufacturing	Philippines
AFC Agribusiness Corporation	81%	Agricultural Land Holding	Philippines
Seven Seas Resorts and Leisure, Inc.	62%	Villa Project Development	Philippines
Pamalican Resort, Inc.	62%	Resort Operations	Philippines
Pamalican Utilities, Inc.	62%	Utility Company	Philippines
Vicinetum Holdings, Inc.	32%	Holding Company	Philippines
Fremont Holdings, Inc.	26%	Real Estate Holding	Philippines
TBG Food Holdings, Inc.	22%	Food Businesses	Philippines
ATRAM Investment Management Partners Corp.	20%	Asset Management	Philippines
KSA Realty Corporation	14%	Realty	Philippines

Anscor International, Inc.

Financial Statements

For the Years Ended December 31, 2024 and 2023

Prepared By:	Approved By:
SALOME BUHION	**NARCISA VILLAFOR**

ANSCOR INTERNATIONAL INC.
(A Wholly Owned Subsidiary of A. Soriano Corporation)

BALANCE SHEETS

	December 31	
	2024	2023
ASSETS		
Cash and Cash Equivalents	**$ 1,195,929**	$ 245,678
Fair Value Through Profit or Loss (FVPL) Investments (Note 5)	**41,532,803**	39,325,067
Investment and advances (Note 6)	**-**	-
Receivables	**1,434,333**	1,004,175
Other Assets	**108**	-
TOTAL ASSETS	**$ 44,163,173**	$ 40,574,920
LIABILITIES AND CAPITAL DEFICIENCY		
Liabilities		
Accounts Payable and Accrued Expenses	**$ 2,826,056**	$ 2,564,970
Due to Stockholder (Note 8)	**34,856,796**	33,161,281
Total Liabilities	**37,682,852**	35,726,251
Equity		
Capital Stock	**1**	1
Retained Earnings	**6,480,320**	4,848,668
Total Equity	**6,480,321**	4,848,669
TOTAL LIABILITIES AND EQUITY	**$ 44,163,173**	$ 40,574,920

See accompanying Notes to Financial Statements.

ANSCOR INTERNATIONAL INC.
(A Wholly Owned Subsidiary of A. Soriano Corporation)

STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2024	2023
REVENUES		
Dividend income	**$ 279,301**	$ 164,470
Gain on increase in market value of FVPL investments (Note 5)	**2,231,196**	1,861,715
Interest income	**15,397**	306
	2,525,894	2,026,491
Operating expenses (Note 7)	**(894,242)**	(2,012,019)
NET INCOME	**1,631,652**	14,472
OTHER COMPREHENSIVE INCOME	**-**	-
TOTAL COMPREHENSIVE INCOME	**$ 1,631,652**	$ 14,472

See accompanying Notes to Financial Statements.

ANSCOR INTERNATIONAL INC.
(A Wholly Owned Subsidiary of A. Soriano Corporation)

STATEMENTS OF CHANGES IN EQUITY

	Capital Stock	Deficit	Total
BALANCE AT JANUARY 1, 2022	$ 1	$ 4,834,196	$ 4,834,197
Total comprehensive loss for the year	-	14,472	14,472
BALANCE AT DECEMBER 31, 2023	1	4,848,668	4,848,669
Total comprehensive income for the year	-	1,631,652	1,631,652
BALANCE AT DECEMBER 31, 2024	**$ 1**	**$ 6,480,320**	**$ 6,480,321**

See accompanying Notes to Financial Statements.

ANSCOR INTERNATIONAL INC.
(A Wholly Owned Subsidiary of A. Soriano Corporation)

STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive income	**$ 1,631,652**	$ 14,472
Adjustments for:		
Gain on increase in market value of FVPL investments	**(2,231,196)**	(1,861,715)
Dividend income	**(279,301)**	(164,470)
Interest income	**(15,397)**	(306)
Operating loss before working capital changes	**(894,242)**	(2,012,019)
Decrease (increase) in:		
FVPL investments	**23,460**	(2,509,770)
Receivables	**(430,158)**	(161,839)
Other assets	**(108)**	-
Increase (decrease) in accounts payable and accrued expenses	**261,086**	(84,925)
Net cash used in operations	**(1,039,962)**	(4,768,553)
Dividend received	**279,301**	164,470
Interest received	**15,397**	306
Net cash flows used in operating activities	**(745,264)**	(4,603,777)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in due to stockholder	**1,695,515**	4,364,591
Net cash flows from financing activities	**1,695,515**	4,364,591
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**950,251**	(239,186)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**245,678**	484,864
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 1,195,929**	$ 245,678

See accompanying Notes to Financial Statements.

ANSCOR INTERNATIONAL, INC.
(A Subsidiary of A. Soriano Corporation)

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Anscor International was incorporated on April 2, 2004 in the British Virgin Islands (BVI) under the International Business Company Act. Cap. 291, primarily to buy, sell, underwrite, invest in, exchange or otherwise acquire, and to hold, manage, develop, deal with turn to account any bonds, debentures, shares, stocks, options, commodities, futures, forward contracts, notes or securities of governments, states, municipalities, public authorities or public or private limited or unlimited companies in any part of the world and to lend money either unsecured or against the security of any of the aforementioned property.

The registered office of the Company is at IFS Chambers, Road Town, Tortola, British Virgin Islands.

The Company is not required to file audited financial statements in BVI.

2. Basis of Preparation

Basis of Preparation

The Company financial statements have been prepared on a historical cost basis except for debt and equity securities that have been measured at fair value. The accompanying financial statements are presented in US dollar ($), which is the Company's functional and presentation currency, and rounded to the nearest dollar, except otherwise stated.

3. Summary of Material Accounting and Financial Reporting Policies

Investments in Subsidiaries and Associates

Investments in Subsidiaries

Subsidiaries are all entities over which the Company has control. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has:

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

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

- The contractual arrangement with the other vote holders of the investee

- Rights arising from other contractual arrangements
- The Company's voting rights and potential voting rights

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

Investments in Associates
Associates are entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Investments in subsidiaries and associates are carried at cost, less impairment in value, in the financial statements. Dividends received are reflected as income in the statements of income.

The Company's subsidiaries and associates with the respective percentages of ownership as at December 31:

			% Equity Interest	
Name of Subsidiary/Associates	**Principal Activities**	**Country of Incorporation**	**2024**	2023
IQ Healthcare Investments Limited (IQHIL))	Healthcare Services	USA	**100**	100
IQ Healthcare Professional Connection, LLC (IQHPC)	Healthcare Services	USA	**93**	93
Prople Limited (Prople)	Business Processing Outsourcing	Hongkong	**32**	32

<u>Fair Value Measurement</u>
The Company measures financial assets (such as FVPL and FVOCI investments) at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortized cost and of investment properties are disclosed.

Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted FVPL financial assets, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such as investment properties. Involvement of external valuers is decided upon annually by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or reassessed as per the Company's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents with relevant external sources to determine whether the change is reasonable.

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

Financial Instruments

Initial recognition and measurement of financial instruments

At initial recognition, financial assets are classified as, and measured at amortized cost, FVOCI, and FVPL. Financial liabilities are classified at initial recognition as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Classification of financial instruments
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of receivables that do not contain a significant financing component, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are SPPI on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets at FVPL

As at December 31, 2024 and 2023, the Company has the following categories of financial assets and financial liabilities:

(a) Financial assets and financial liabilities at FVPL
This category includes financial assets and financial liabilities held for trading, financial assets and financial liabilities designated upon initial recognition at fair value through

profit or loss, or financial assets and liabilities mandatorily required to be measured at fair value. Financial assets and financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets or financial liabilities classified in this category may be designated by management on initial recognition when the following criteria are met:

- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognizing gains or losses on them on a different basis; or
- The assets and liabilities are part of a Company of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The financial instrument contains an embedded derivative, unless the embedded derivative does not significantly modify the cash flows or it is clear, with little or no analysis, that it would not be separately recorded.

Financial assets and financial liabilities at FVPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in “Gain (loss) on increase (decrease) in market values of FVPL investments”. Interest earned or incurred is recorded in interest income or expense, respectively, while dividend income is recorded as such according to the terms of the contract, or when the right of payment has been established.

As at December 31, 2024 and 2023, the Company has designated as FVPL all equity investments, amounting to $41.5 million and $39.3 million, respectively. No financial liability at FVPL is outstanding as at December 31, 2024 and 2023.

(b) Financial assets at amortized cost (debt instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

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

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included as interest income in the profit or loss. The losses arising from impairment of such financial assets are recognized as “Valuation allowances” account under “Other income (charges) - net” in the profit or loss.

Included under financial assets at amortized cost are cash in banks, short-term investments and other receivables.

(c) Financial assets at FVOCI (debt instruments)
The Company measures debt instruments at FVOCI if both of the following conditions are met:

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

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the profit or loss and computed in the same manner as financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI.

When the debt instrument is disposed of, the cumulative gain or loss previously recognized under OCI is transferred to profit or loss as “Gain (loss) on sale of FVOCI investments”. Where the Company holds more than one investment in the same security, cost of the disposed investment is determined on a weighted average cost basis. Interest earned on holding FVOCI investments are reported as interest income using the effective interest rate.

The Company classifies bonds held as FVOCI investments as current assets when the investments are expected to mature within 12 months after the reporting period.
As at December 31, 2024 and 2023, the Company has no FVOCI investments.

(d) Financial liabilities - loans and borrowings
All loans and borrowings are initially recognized at the fair value of the consideration received, less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the amortization process.

Borrowings are classified as current liabilities unless these are expected to be settled within 12 months after the reporting date or the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

As at December 31, 2024 and 2023, included in this category are the Company’s accounts payable and accrued expenses.

<u>Impairment of Financial Assets</u>
The Company recognizes an allowance for expected credit loss (ECL) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For debt instruments at FVOCI, the Company applies low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassessed the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company's debt instruments at FVOCI comprise solely of top investment grade bonds that are graded by top credit rating agencies and, therefore, are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the top credit rating agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Company considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

<u>Derecognition of Financial Assets and Financial Liabilities</u>
Financial assets
A financial asset (or where applicable a part of a financial asset or part of a Company of similar financial assets) is derecognized or removed from the balance sheet where:

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

Financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification will result into the removal of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized in the profit or loss.

The following specific recognition criteria must be met before revenue is recognized:

Other Income
Interest
Interest income from bank deposits and investments in bonds are recognized as interest accrues based on the effective interest rate method.

Dividends
Dividend income is recognized when the shareholders' right to receive the payment is established.

Other Comprehensive Income
Other comprehensive income comprises of items of income and expense that are not recognized in the profit or loss for the year in accordance with PFRSs. Other comprehensive income of the Company pertains to gains and losses on remeasuring FVOCI investments, exchange differences on translating foreign operations and remeasurements comprising actuarial gains and losses on retirement plan assets and liabilities.

Provisions and Contingencies
Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company financial statements in accordance with PFRS requires the Company to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, other comprehensive income (loss) and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the Company financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on amounts recognized in the company financial statements.

Determination of functional currency

The Company's functional currency was determined to be US Dollar ($). It is the currency of the primary economic environment in which the Company operates.

Classification of financial instruments

The Company classifies a financial instrument, or its component parts, on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definition of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the balance sheets.

Classification and measurement of financial assets depend on the result of the SPPI and business model test. The Company determines the business model at a level that reflects how Company's of financial assets are managed together to achieve particular business objectives. In classifying the investments not held for trading as at December 31, 2024 and 2023, the Company made an irrevocable election at initial recognition to designate the instruments as FVPL investments.

Estimates and Assumptions

The key assumptions concerning the future and key sources of estimation and uncertainty at the balance sheet date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for expected credit losses of receivables

For the advances to related parties, the Company uses judgment, based on the best available facts and circumstances, including but not limited to, assessment of the related parties' operating activities (active or dormant), business viability and overall capacity to pay, in providing reserve allowance against recorded receivable amounts. For the receivables, the Company evaluates specific accounts where the Company has information that certain customers or third parties are unable to meet their financial obligations. Facts, such as the Company's length of relationship with the customers or other parties and their current credit status, are considered to ascertain the amount of reserves that will be recognized. These reserves are re-evaluated and adjusted as additional information is received. There is no allowance for doubtful accounts as of December 31, 2024 and 2023.

Valuation of unquoted FVPL equity investments

Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's-length market transactions;
- current fair value of another instrument that is substantially the same;
- the expected cash flows discounted at current rates applicable for terms with similar terms and risk characteristics; or
- other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation. In valuing the Company's unquoted FVPL equity instruments at fair value in compliance with PFRS, management applied judgment in selecting the valuation technique and comparable companies and used assumptions in estimating future cash flows from its equity instruments considering the information available to the Company.

Unquoted FVPL equity investments amounted to $39.6 million and $36.0 million as December 31, 2024 and 2023, respectively.

5. Fair Value Through Profit & Loss Investments (FVPL)

	2024	2023
Quoted equity shares		
Y-mAbs Therapeutics, Inc.	**$ 1,940,806**	$ 3,054,460
Unquoted equity shares		
Sierra Madre Philippines I L.P.	**10,132,501**	9,752,650
Navegar II L.P.	**10,111,381**	8,213,383
Asia Partners I	**6,087,517**	6,208,266
Blue Voyant	**3,299,999**	3,299,999
Asia Partners II	**3,196,325**	1,709,128
AP I Tycho Co-Invested Ltd	**2,059,748**	2,059,748
Third Prime (Kafene B)	**1,513,067**	1,514,213
Third Prime Alpha III-A	**1,578,286**	1,102,756
Third Prime (Kafene B-1)	**807,178**	807,488
Navegar I L.P.	**805,995**	1,344,550
Madaket	**-**	-
	39,591,997	36,012,181
Fund and Equities	**-**	258,426
	$ 41,532,803	$ 39,325,067

The FVPL quoted and unquoted equity shares include the following:

a. In December 2015, IQHPC invested $1.0 million in Y-mAbs Therapeutics, Inc. (Y-mAbs), a clinical stage biotechnology company specializing in developing novel antibody therapeutics to treat cancer.

On November 10, 2016, IQHPC made additional investments to Y-mAbs amounting to $0.75 million. In November 2016, IQHPC transferred all its investment of 399,544 shares of common stock in Y-mAbs to the Company.

On January 6, 2017 and September 25, 2017, the Company made additional investment to Y-mAbs amounting to $0.3 million and $1.0 million, respectively.

On September 22, 2018, Y-mAbs was listed in NASDAQ. Prior to the listing, the Company acquired additional investments to Y-mAbs amounting to $2.3 million.

In 2024 and 2023, the Company recognized a gain on fair value adjustment in its investment in Y-mAbs amounting to $1.4 million and $1.2 million, respectively.

b. In 2017, the Company entered into an equity investment agreement with Sierra Madre Philippines I LP (Sierra Madre), a newly formed private equity fund staffed by experienced local operators and private equity professionals. The fund will focus on providing growth capital to small and mid-sized Philippine companies. AI committed to invest $9.0 million in Sierra Madre.

   In 2024 and 2023, the Company made additional investments to Sierra Madre amounting to $0.2 million and $0.2 million, respectively.

   In 2024 and 2023, the Company recognized gain on fair value adjustment of $0.2 million and $0.6 million, respectively.

   As of December 31, 2024 and 2023, the Company’s remaining capital commitment to be called for Sierra Madre amounted to $0.3 million and $0.5 million, respectively.

c. Asia Partners I LP, Asia Partners II LP and Asia Partners SCI (collectively Asia Partners)

   In 2021, AI committed to invest $6.0 million in Asia Partners I LP, a Singapore-based private equity fund focused on high growth technology and technology enabled companies across Southeast Asia. In addition, AI committed to invest $1.0 million in Asia Partners SCI and $10.0 million in Asia Partners II, LP.

   In 2024 and 2023, AI made investment to Asia Partners amounting to $1.4 million and $0.1 million, respectively.

   In 2024 and 2023, AI recognized gain (loss) on fair market value adjustment in its investment in Asia Partners amounting to $0.01 million and ($0.6) million, respectively.

   As of December 31, 2024 and 2023, the Company’s remaining capital commitment to be called for Asia Partners amounted to $7.5 million and $9.0 million, respectively.

d. In 2019, AI committed to invest $10.0 million in Navegar II LP. AI invested $0.8 million and $1.8 million in 2024 and 2023, respectively.

In 2024 and 2023, AI recognized gains (loss) on fair market value adjustment in its investment in Navegar II amounting to $1.0 million and $1.3 million, respectively.

As of December 31, 2024 and 2023, the Company's remaining capital commitment to be called for Navegar II amounted to $2.9 million and $3.8 million, respectively.

e. In 2013, AI committed to invest $1.0 million in Navegar I LP.

   AI, recognized a gain (loss) on fair market value adjustment in its investment in Navegar I amounting to ($0.4) million and $0.4 million in 2024 and 2023, respectively.

   As of December 31, 2024 and 2023, the Company's remaining capital commitment to be called for Navegar I amounted to $0.01 million and $0.03 million, respectively.

f. As at December 31, 2024 and 2023, total investment in Blue Voyant amounted to $3.3 million.

   Blue Voyant is a cybersecurity company that enables cybersecurity defense and protection through technology and tailored services.

   No recognized gains or losses on fair value adjustment in 2024 and 2023.

g. Third Prime Alpha III-A, Third Prime (Kafene B) and Third Prime (Kafene B-1) (collectively Third Prime Series)

   In 2024 and 2023, AI invested $0.5 million and $0.5 million in Third Prime Alpha III-A, respectively, a venture firm focused primarily on the FinTech, PropTech and Crypto sectors. In 2022, AI also invested US$1.5 million in Third Prime (Kafene B). In 2023, AI invested $0.8 million in Third Prime (Kafene B-1), nil in 2024.

   In 2024 and 2023, the Company recognized fair market value gain (loss) adjustment in its investment in Third Prime series amounting to $24.1 thousand and $12.2 thousand, respectively.

   As at December 31, 2024 and 2023, the AI remaining capital commitment to be called for Third Prime Alpha III-A amounted to $0.5 million and $0.9 million, respectively.

h. In May 2017, the Company invested $1.0 million in equity shares at Madaket Inc., the owner of Madaket Healthcare. Madaket developed Electronic Data Interchange Enrollment, a service platform that automates healthcare provider data management processes in the United States.

   As of December 31, 2024 and 2023, AI's total investment in Madaket amounted to nil.

6. Investments and Advances

Prople Limited (Prople)
In November 2013, the Company invested in $4.0 million convertible notes to Prople Limited. In August 2015, the Company purchased Tranche C notes of Prople amounting to $0.5 million. These notes are convertible at the option of the holder into common shares of Prople. The interest is 5% for the first 3 years and if not converted on the 3rd anniversary of closing date (i.e., November 18, 2016, the conversion date), the interest will be the prevailing five year US Dollar Republic of the Philippines (ROP) plus 400 basis points or 7%, whichever is higher for the next two years.

In February 2016, the Company converted the notes to equity, giving the Company a 32% equity stake and significant influence over Prople.

The total cost of the investment in Prople amounted to $5.1 million. The carrying value of the investment amounted to nil as at December 31, 2024 and 2023.

7. Operating Expenses

Operating expenses consist of:

	2024	2023
Professional fees	**$ 100,753**	$ 1,290,595
Pension costs	**258,842**	240,806
Transportation and travel	**223,766**	179,750
Insurance	**141,756**	131,132
Employee benefits	**135,173**	115,584
Entertainment, amusement and recreation	**28,670**	47,274
Communications	**3,880**	5,796
Others	**1,402**	1,082
	$ 2,012,019	$ 2,012,019

8. Related Party Transactions

Related party relationship exists when the party has the ability to control, directly or indirectly, through one or more intermediaries, or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity and its key management personnel, directors or stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

In the ordinary course of business, the Company obtains cash advances from its shareholder, Anscor, to finance its working capital requirements and investments in various companies.

	Amount/Volume		Outstanding Balance			
	2024	2023	**2024**	2023	Terms	Condition
A. Soriano Corporation	**$1,695,515**	$4,364,591	**$34,856,796**	$33,161,281	Non-interest bearing	Unsecured

9. Financial Instruments and Risk Management Objectives and Policies

The Company's principal financial instruments comprise cash, receivables, investments in unquoted equity securities, investments in mutual and hedge funds. The Company's other financial instruments include accounts payable, which arose directly from operations.

The Company's investment objectives consist mainly of:

a) maintaining a bond portfolio that earns adequate cash yields and
b) maintaining a stable equity portfolio that generates capital gains through a combination of long term strategic investments and short-term to medium-term hold type investment.

The main risks arising from the use of these financial instruments are credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. These risks are monitored by the Company.
The Company evaluates the performance of all investments and reviews fund allocation to determine the future strategy of the fund.

The BOD reviews and approves the Company's risk management policies. The Company's policies for managing each of these risks are summarized below.

Credit risk
The Company is exposed to credit risk primarily because of its investing and operating activities. Credit risk losses may occur as a result of an individual, counterparty or issuer being able to or unwilling to honor its contractual obligations. The Company is exposed to credit risk arising from the counterparties (i.e., foreign and local currency denominated debt instruments and receivables) to its financial assets. The Company does not have a counterparty that accounts for more than 10% of the company revenues.

Credit risk management
In managing credit risk on these investments, capital preservation is paramount. The Company transacts only with recognized and creditworthy counterparties. Investments in bonds are invested in highly recommended, creditworthy debt instruments that provides satisfactory interest yield.

Liquidity risk
Liquidity risk is defined as the risk that the Company may not be able to settle or meet its obligations as they fall due. Aside from yielding good returns, the Company ensures investments have ample liquidity to finance operations and capital requirements.

The Company's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when they are due.

Market risk
Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is the risk coming from adverse movements in factors that affect the market value of financial instruments of the Company. The Company is exposed primarily to the financial risks of changes in interest rates, foreign currency risk, and equity price risks.

Investments exposed to market risk are equity instruments, and mutual fund/hedge fund investments.

There has been no change to the Company's manner of managing and measuring the risk.

Capital management
The primary objective of the Company's capital management is to ensure an adequate return to its shareholder and to maximize its value to its shareholders. In pursuance of this goal, the Company establishes an optimum risk return investment objectives through a sound diversified investment portfolio and in ensuring a fair credit rating, the Company establishes prudent financial policies through appropriate capitalization ratios in its investments and maintain reasonable liquidity.

The Company monitors capital on the basis of the carrying amount of equity as presented on the face of the balance sheet.

No changes were made in the objectives, policies or process for the years ended December 31, 2024 and 2023.

ANSCOR

2024 SUSTAINABILITY REPORT

Amanpulo's Solar Farm Project was successfully installed on Pamalican Island and became operational on October 1, 2024. This project aims to provide at least 50% of Amanpulo's power requirements. For the full story, see the inside cover page.

Celebrating Amanpulo's 30th anniversary in 2023, the occasion marked the start of a pivotal sustainability initiative – harnessing renewable energy.

SUSTAINABLE TRAVEL & THE FUTURE OF TOURISM

Amanpulo's Commitment to the Environment

Amanpulo places sustainability at the forefront of its operations, focusing on protecting Pamalican Island and its neighboring communities. By leveraging new technologies and best practices, Amanpulo continually raises the bar in reducing its carbon footprint.

Celebrating Amanpulo's 30th anniversary in 2023, the occasion marked the start of a pivotal sustainability initiative – harnessing renewable energy. Various methods of energy generation were considered, with solar proving to be most ideal. On an isolated, off-the-grid island in the tropics, sunshine is abundant and the most dependable source of renewable energy.

This large-scale undertaking respects the island's natural flora and fauna, as well as the peace and comfort of guests. Spanning an area of 3.5 hectares, the solar farm was installed by Aboitiz Upgrade Solar, Inc. and is designed to generate up to 3,980 kWh of clean, renewable energy at peak efficiency, supported by a 5.5 MW battery energy storage system.

Since commencing operations, the solar plant has become a cornerstone of the resort's energy strategy, now supplying 50% of its total energy consumption. This significant contribution not only enhances cost efficiency but also drastically reduces reliance on diesel fuel, a traditionally high-emission energy source. By reducing the need for diesel, the Resort has made meaningful progress in lowering greenhouse gas emissions and its overall carbon footprint.

The solar farm is poised to replace around 1.25 million liters of diesel each year, saving an estimated 3,375 tons of CO_2 annually. In the first three months of operation during the last quarter of 2024, the total billed energy production was 1,145.87 MWh with an impressive T-CO_2 reduction of 794.66 metric tons equivalent to 36,452.26 trees planted. The solar farm integration also provides energy security for the island's operations, with the battery storage system ensuring a consistent and reliable energy supply. Overall, this project reduces environmental impact, lowers carbon footprint, and positively impacts the company's bottom line.

Amanpulo's solar plant highlights its dedication to sustainable energy practices, aligning with global efforts to combat climate change. These practices go beyond operational benefits, reflecting Amanpulo's commitment to preserving the island's pristine natural surroundings for generations to come.

Contents

ABOUT THIS REPORT

2-1, 2-2, 2-3

This 2024 Sustainability Report (SR) presents the financial and non-financial performance of A. Soriano Corporation (Anscor or the Company). It encompasses two subsidiaries, Phelps Dodge Philippines Energy Products Corporation (PDP) and Seven Seas Resorts and Leisure, Inc. (SSRLI or Amanpulo or the Resort), along with the corporate social responsibility (CSR) initiatives of The Andres Soriano Foundation (ASF), collectively referred to as the Anscor Group.

Anscor has prepared this SR with reference to the Global Reporting Initiative (GRI) Standards. The reporting period covers January 1, 2024, to December 31, 2024, and follows the Company's annual reporting cycle.

Chairman's Message

Together, we are building a better, more resilient community for our people and families.

The year 2024 has been transformative for the Anscor Group, marking a significant milestone in our commitment to sustainability. Two of our subsidiaries have embarked on solar power projects, reflecting the global shift toward renewable energy and reinforcing our dedication to environmentally responsible practices.

Amanpulo has successfully launched a 3.5-hectare solar power farm. This project will not only reduce the Resort's reliance on fossil fuels but also provide 50% of its electricity needs, significantly enhancing its sustainability efforts.

Meanwhile, PDP has installed 2,728 solar panels across the roofs of its manufacturing plants, generating an average of 163,252 kWp per month. This initiative is expected to deliver annual savings of P7.0M in electricity costs while reducing PDP's greenhouse emissions by 1,458 metric tons annually.

ANDRES SORIANO III
Chairman & CEO

These projects represent more than just energy efficiency; they reflect the Anscor Group's ongoing commitment to the United Nations Sustainable Development Goals (SDGs). Sustainability is at the heart of our business model, and we are continually integrating these SDGs into our initiatives.

In the area of corporate social responsibility, we remain committed on creating a positive and lasting impact on geographically isolated and disadvantaged island communities where we operate. ASF's core programs align with our sustainability objectives by promoting the protection of terrestrial and coastal resources, supporting land-based livelihood initiatives such as agriculture and handicrafts, enhancing educational opportunities for children, and prioritizing maternal and child health.

Our sustainability framework remains the cornerstone of our efforts, guiding us as we continue to integrate the four pillars of sustainability: transparency and accountability in governance, balanced and inclusive growth, responsive social relationships, and environmental stewardship.

Together, we are building a better, more resilient community for our people and families. The values that unite us—delivering innovative solutions, exceptional service, embracing digitalization, focusing on customer needs, and implementing sustainable practices - are the foundation of our success. Let us continue this remarkable journey, making a lasting impact for generations to come.

REMEMBERING EDUARDO J. SORIANO

A Champion of the Environment

Mr. Eduardo J. Soriano was a founder, former President, and former Member of the Board of Directors of SSRLI, the parent company of Amanpulo. His leadership and vision helped shape the future of the company, and his unwavering commitment to environmental protection and sustainability left an indelible mark on both the organization and the island of Pamalican.

A passionate advocate for the environment, Ed -fondly known by all- was dedicated to preserving the natural beauty of Pamalican Island and ensuring the Resort's long-term sustainability. He strongly opposed the use of deep wells on the island, recognizing the importance of protecting its delicate ecosystem. Alongside his two brothers, Ed led reforestation efforts on Manamoc Island, contributing to the restoration of the island's environment.

Ed's commitment to safety was equally profound. He ensured that company aircraft met all specifications and requirements for safe landings on the island. His leadership also proved invaluable in protecting the Resort's assets during two significant fires on the island, showcasing his vigilance and dedication to its well-being.

The Board of Directors of SSRLI led by its Chairman, Mr. Andres Soriano III, extends its deepest gratitude and heartfelt appreciation to the late Mr. Eduardo J. Soriano for his invaluable contributions, exceptional leadership, and dedicated service. His efforts have significantly shaped the growth and success of the company, and his environmental legacy will forever be remembered.

2024 COMPANY HIGHLIGHTS

ANSCOR

- Record Profit: The Anscor Group achieved a record net income of P 4.7 billion in 2024, marking an 83% increase from the previous year's net income of P2.6 billion.

- Revenue Growth: The Company's direct economic value generated (revenues) rose from P13.8 billion in 2023 to P16.8 billion in 2024.

- Dividend Payout: Anscor distributed a total dividend of P0.75 per share to its shareholders, rewarding them for their continued trust and investment in the Company.

AMANPULO

- Resort Operations: SSRLI' resort operations generated P1.4 billion, maintaining consistent performance compared to the previous year.

- Employer of Choice: Amanpulo remains the employer of choice for local fresh graduates based on positive feedback from former interns and its commitment to prioritizing residents.

PDP

- Revenue and Profit: PDP generated revenues of P11.2 billion, with domestic sales volume increasing by 8.5%. PDP also posted a net profit of P 957.3 million.

- External Assurance and Certifications: PDP passed external assurance from International Organization for Standardization (ISO) for several key certifications, including ISO 9001:2015 (Quality Management Systems), ISO 45001:2018 (Occupational Safety & Health Management Systems), and ISO 14001:2015 (Environmental Management systems).

- New Accreditation: In November 2024, PDP acquired the Philippine National Standard (PNS) version of the ISO/IEC 17025:2017 accreditation, which is valid until November 2029.

- Sustainability Initiatives: PDP installed 2,728 solar panels on its manufacturing plant roofs, expected to generate savings of P7 million annually and reduce greenhouse emissions by 1,458 metric tons per year.

PDP exemplifies a quality-driven organization, consistently meeting stringent market and regulatory requirements. This commitment enhances its market acceptance and competitiveness, particularly in industries that demand rigorous product testing and compliance.

ASF

- Partnership with the Department of Trade and Industry (DTI): ASF formed a strategic partnership with DTI - Region 4-B under its Shared Services Facility Project. This collaboration included the provision of six handicraft machines valued at over P3 million, aimed at enhancing the livelihood opportunities of local communities.

- Recognitions and Awards: ASF received recognition from the Department of Education Central Office for its educational programs in partnership with local public schools in Palawan. ASF was also honored with the “Best Stakeholder” award during a centennial celebration at a public school in Roxas, Palawan.

- Continued Engagement in National Networks: ASF continues to actively participate in various national networks led by the Department of Social Welfare and Development (DSWD) and several non-governmental organizations (NGOs), furthering the development of social welfare initiatives.

GENERAL DISCLOSURES 2021

GRI 2

1 The Organization and its Reporting Practices

Organizational details about the Company and entities included in this report

2-1, 2-2

A. SORIANO CORPORATION

About the Company

2-1

Anscor is a publicly listed domestic corporation incorporated on February 13, 1930. As a diversified holding company, its core operating investments include cable and wire manufacturing through PDP and hospitality services via SSRLI, which owns Amanpulo Resort. The Company also has a broad portfolio of investments across various sectors in the Philippines, such as aviation, real estate, education, asset and wealth management, and restaurant/casual dining. Furthermore, Anscor holds investments in equities traded in the Philippine Stock Exchange, private equity funds, foreign currency-denominated bonds, and offshore hedge funds.

The companies included in the SR are Anscor, PDP, SSRLI, and ASF. All these companies are controlled and majority-owned by Anscor. ASF, the CSR arm of the Anscor Group, is overseen by its Board of Trustees, chaired by Andres Soriano III, who is also the Chairman and CEO of Anscor. The list of companies included in the audited consolidated financial statements (FS) of Anscor but excluded in the SR is found on page 30 of the 2024 Annual Report of the Company accessible via this link: https://www.anscor.com.ph/financials/.

AMANPULO

SSRLI owns the world-renowned Amanpulo Resort, in which Anscor holds a 62% ownership stake. Managed by Aman Resorts, Amanpulo is located on the 92-hectare Pamalican Island in Palawan. The Resort has consistently earned international recognition as a premier beach destination. Amanpulo's main address is in Pamalican Island, Municipality of Cuyo, Palawan, Philippines. For more information about Amanpulo, please visit https://www.aman.com/resorts/amanpulo.

phelps dodge Philippines energy products corporation

PDP, a wholly owned subsidiary of Anscor, has been a leading domestic manufacturer of high-quality electrical wires and cables for more than 68 years. Its product range primarily includes copper-based wires and cables, aluminum wires, cables, and accessories. PDP's principal office is at 2/F BCS Prime Bldg., 297 P. Tamo Ext., Makati City while its manufacturing plant is located at Luisita Industrial Park, San Miguel, Tarlac City. For more information about PDP, please visit https://phelpsdodge.com.ph.

asf the andres soriano foundation

ASF is the Company's CSR arm, dedicated to providing the necessary foundation and infrastructure to support the sustainable development of local communities. Registered with the Securities and Exchange Commission (SEC) as a non-stock, non-profit, NGO, its main office is at A. Soriano Aviation Hangar, Andrews Avenue, 1300 Pasay City, Metro Manila, Philippines. It also operates three field offices located at Barangay Manamoc and Barangay Cabigsing in Cuyo, and Barangay Bancal, Agutaya, all in Palawan. For more information on ASF's programs and services, please visit https://www.asorianofoundation.org.

Reporting period, frequency, and contact point

2-3

The Company is required to prepare and submit an annual SR. The 2024 SR covers the period from January 1, 2024, to December 31, 2024. Both the audited FS and SR of the Company cover the same period and are filed together every April 15 as part of the Company's Annual Report (SEC Form 17-A).

Restatements of Information

2-4

a. Under GRI 306 – Waste 2020 section, Page 60: In the PDP Table #3 titled "Waste directed to disposal operation of hazardous waste", a re-assignment of data has been made for the year 2022 where 120 MT of hazardous waste was erroneously placed under "Landfill Onsite" rather than Landfill Offsite". The reassignment of information has been corrected in this 2024 SR.

External assurance

2-5

The Company does not have a policy of requiring external assurance for its SR. The SR is reviewed and approved by the President and COO, and the Chairman and CEO of the company prior to its submission to the SEC.

2 Activities and Workers

Activities, value chain, and other business relationships

2-6

ANSCOR

Anscor is a holding company and has investments in various companies and investible funds. It does not produce nor manufacture any products.

PDP

PDP is actively engaged in manufacturing wire and cable products, serving multiple sectors including industrial, commercial, infrastructure, power and telecommunications, and residential. PDP's diverse product range and manufacturing expertise enable it to meet the needs of wide array of sectors, from large-scale industrial applications to residential wiring solutions. It operates a singular, integrated manufacturing facility located at its Tarlac plant.

PDP is also proud to affirm that its product offerings do not include any items that are banned in certain markets or those that have raised concerns or public debate among stakeholders.

PDP's value chain process (outlined in the 2023 SR) covers the entire spectrum of activities, from the initial conception of products to their delivery to end users.

Products and services performance:

During reporting period, PDP achieved a significant production milestone surpassing its highest performance in 2022.

Markets Served

PDP's customer base is diverse, broadly categorized into two segments: direct sales customers and distribution customers. *For a detailed description of these two segments, please refer to the 2023 SR.*

In 2024, PDP' retail network expanded to approximately 12,200 outlets nationwide, reflecting an 8% increase from the previous year's 11,300. This growth highlights PDP's substantial market reach across the Philippines. Additionally, PDP began penetrating the U.S. market in 2023. While this accounts for a small portion of its overall market, PDP has maintained its relationship with its U.S. customers in 2024.

Year 2024		Year 2023		Year 2022	
Volume Sold in Metric Tons (MT)	Value	Volume Sold in Metric Tons (MT)	Value	Volume Sold in Metric Tons (MT)	Value
14,727 MT	P10.7 B	14,069 MT	P9.8 B	14,700 MT	P10.4 B

Market Demographic

Market by Distribution Segment	2024 In %	2023 In %	2022 In %
Retail	**52**	52	54
Projects	**37**	38	31
Utilities	**11**	10	15

PDP's market demographic underscores its strategic focus on addressing a broad spectrum of market needs, ranging from large-scale infrastructure projects to individual consumer requirements.

Supply Chain

For a detailed description of PDP's supply chain, please refer to the 2023 SR.

Number of Suppliers

	Number of Suppliers		
	2024 In %	2023 In %	2022 In %
In-Country (Local) Suppliers	**579**	542	523
Foreign Suppliers	**77**	81	98
Total Number of Suppliers	**656**	623	621

Monetary Value of Payments to Suppliers (in billions):

	2024	2023	2022
Local	**P10.2**	P8.9	P8.9
Foreign	**P1.2**	P1.3	P1.5
Total	**P11.4**	P10.2	P10.4

There were no significant changes in PDP's operations, value chains and other business relationships.

SSRLI

Amanpulo is a premier entity in the hospitality industry, specializing in the luxury hotel, restaurant, and resort segment. The Resort offers high-end accommodations, exquisite dining experiences, and a variety of exclusive recreational activities, catering to discerning guests seeking a serene and luxurious island retreat. Its operations fall within the private sector.

SSRLI meticulously curates its value chain process to guarantee an exceptional and seamless guest experience, which is the cornerstone of its operations from pre-arrival to post-departure.

<table>
<tr><th></th><th>Key Activities</th><th>Supply Sourcing</th><th>Core Operation</th></tr>
<tr><td rowspan="4">Upstream</td><td>The meticulous sourcing of premium ingredients is fundamental to the success of its diverse dining options. By ensuring that all ingredients are fresh and locally sourced, we guarantee the highest quality, making every dining experience exceptional.</td><td>As part of its business plan, the Resort will prioritize establishing relationships with local farmers, fisherfolk, and other suppliers of fresh, sustainable produce, seafood, and meats. This commitment to local sourcing not only ensures the highest quality ingredients but also supports the local economy.</td><td>Its primary focus is on delivering unparalleled guest experiences:

World-Class Dining
• Operating multiple restaurants and bars, each offering unique culinary concepts and experiences crafted by renowned chefs. It focuses on showcasing the freshest local ingredients and international flavors.</td></tr>
<tr><td>Sourcing of suppliers for luxury amenities, fine linens, and high-end toiletries.</td><td>The Resort's suppliers include manufacturers, textile companies, and providers of luxury, specialized goods. These partnerships ensure it delivers the highest quality amenities and services to its guests.</td><td>Luxury Accommodation
• Managing a collection of exclusive villas and suites, and maintaining impeccable standards of cleanliness, comfort, and personalized service.</td></tr>
<tr><td>Ensuring consistent and reliable electricity and fuel supplies for facilities and equipment is crucial. This guarantees uninterrupted operations and enhances the overall guest experience.</td><td>The Resort engages energy providers and companies specializing in maintenance and repair services ensuring its smooth operation.</td><td>Curated Guest Activities
• Organizing a range of bespoke recreational activities, including private beach access, water sports, diving and snorkeling excursions, indulgent spa treatments, island hopping adventures, and personalized private dining experiences.</td></tr>
<tr><td></td><td></td><td>Exceptional Customer Service
• Providing anticipatory and personalized service, attending to every detail of its guests' needs, and creating memorable moments</td></tr>
</table>

Downstream Activities: SSRLI focuses on guest loyalty and long-term relationships. The Resort strives to maintain consistent communication with guests, gathering feedback throughout their stay and beyond. This constant feedback allows it to continuously improve its offerings, creating new and enhanced experiences for returning guests. The Resort also collaborates with select travel agencies and online booking platforms to reach a global audience of discerning travelers. Through these efforts, it hopes to foster brand advocacy and positive word-of-mouth referrals, ensuring the continued success of Amanpulo.

Furthermore, SSRLI values its relationships with the local community and takes pride in fostering community spirit. The Resort prioritizes employing local residents whenever possible, thereby contributing to the local economy. Moreover, it supports local initiatives that promote sustainable development, cultural preservation, and environmental conservation. This includes partnering with local artisans and craftspeople to showcase their talents and provide authentic souvenirs for our guests.

SSRLI also works closely with relevant government agencies to ensure full compliance with all applicable regulations and permits related to environmental protection, tourism, labor practices, and other legal requirements.

During the reporting period, there were no changes in the core nature of SSRLI's business, including its value chain and business relationships. In fact, the Resort has undertaken several significant development initiatives aimed at enhancing environmental sustainability and strengthening its community partnerships, thereby enriching over-all guest experience:

1. Enhanced Sustainability Activities: SSRLI significantly expanded its commitment to environmental responsibility by implementing a comprehensive island-wide sustainability program. This included two key components:

   - **Renewable Energy Transition:** Aimed at reducing reliance on fossil fuels and minimizing the carbon footprint, the Resort installed solar panels, significantly decreasing fuel consumption for utilities. This transition to renewable energy reflects SSRLI's commitment to sustainable operations and reducing negative environmental impact.
   - **Comprehensive Waste Management System:** The Resort implemented a more stringent and comprehensive waste management system across the entire island. This involved stricter controls on food consumption to minimize waste at the source, coupled with a robust waste segregation program. All non-food and food waste are now meticulously segregated and processed, ensuring responsible disposal and minimizing negative impact on the island's ecosystem. This initiative demonstrates the Resort's commitment to preserving the pristine environment of Pamalican Island.

2. Enriched Guest Experience: SSRLI enhanced the guest experience through several key initiatives:

   - **Curated Culinary Journeys:** The Resort introduced a new series of curated culinary experiences, partnering with renowned guest chefs offering exclusive tasting menus and interactive cooking demonstrations. These collaborations elevate the Resort's dining offerings, providing guests with unique and memorable culinary journeys that showcase both local ingredients and global culinary trends.
   - **Cultural Immersion:** To celebrate local culture and provide guests with authentic experiences, the Resort partnered with talented cultural musicians to provide entertainment during festive seasons. This initiative not only enhances the ambiance of the Resort but also supports local artists and promotes cultural preservation.
   - **Enhanced Security Measures:** Recognizing the importance of guest safety and peace of mind, SSRLI invested in enhanced security measures, including the installation of security cameras in strategic locations and the construction of security towers. These enhancements demonstrate its commitment to providing a safe and secure environment for all guests and staff.

3. Strengthened Community Engagement: SSRLI deepened its commitment to the local community by expanding its existing gift-giving program, increasing the number of children participating in the program and providing them with gifts and support. This demonstrates the Resort's ongoing commitment to investing in the future of the local community and fostering positive relationships.

Amanpulo Products and Services

	2024			2023			2022		
Products and Services	No. of Room Nights Sold (Occupancy Rate)	No. of Guests Served	Value of Products Sold (in Million Pesos)	No. of Room Nights Sold (Occupancy Rate)	No. of Guests Served	Value of Products Sold (in Million Pesos)	No. of Room Nights Sold (Occupancy Rate)	No. of Guests Served	Value of Products Sold (in Million Pesos)
Rooms (Luxury accommodation in private villas and suites)	7259 room nights (49.58% occupancy rate)	16,020 guests	P649	7,241 room nights (49.60% occupancy rate)	17,369 guests	P611	6,880 room nights (47.12% occupancy rate)	17,451 guests	P477
Food & Beverage (Fine dining experiences at multiple restaurants and bars)	Average F&B Spending per customer: P4,568		P322	Average F&B spending per customer: P4,639		P380 : P3,419	Average F&B spending per customer		P295
Spa, Water Sports, guest laundry, and retail (Curated recreational activities, including water sports, spa treatments, and island excursions and Personalized guest services and bespoke experiences)			P168						P394

Amanpulo Market Demographic:

	Distribution in %	
Country	2024	2023
Philippines	**21%**	25%
US	**21%**	18%
Hong Kong	**4%**	6%
Japan	**6%**	5%
South Korea	**4%**	5%
Various countries in smaller number	**45%**	41%
Total	**100%**	**100%**

Supply Chain

The Resort's suppliers were categorized as follows:

Network of Suppliers	No. of Suppliers			
	2024	%	2023	%
In-country Suppliers				
Customized	46	5%	54	14%
Distributors	130	33%	154	39%
Manufacturers	64	13%	70	18%
Project Based	29	12%	39	10%
Retailers	14	20%	18	4%
Sellers-Dealers	51	15%	49	12%
Importers (Foreign Suppliers	10	2%	10	3%
TOTAL	**344**	**100%**	**394**	**100%**

During the reporting period, the estimated monetary value of payments made to suppliers was as follows:

Types	2024 (PhP)	2024 (%)	2023 (PhP)	2023 (%)	2022 (PhP)	2022 (%)
Customized	**20,425,143.12**	**5%**	16,446,508.96	4%	16,929,826.04	3%
Distributor	**127,159,189.65**	**5%**	124,899,442.51	29%	152,532,796.80	28%
Importers	**6,817,268.10**	**2%**	10,381,464.45	2%	217,785,251.70	39%
Manufacturer	**49,145,651.79**	**13%**	79,152,991.85	19%	217,785,251.70	39%
Project Based	**47,475,897.17**	**12%**	69,934,531.29	16%	37,738,609.77	7%
Retailers	**75,140,795.82**	**20%**	77,085,839.80	18%	50,289,858.62	9%
Seller-Dealers	**56,108,246.00**	**15%**	47,109,382.85	11%	68,008,848.45	12%
TOTAL	**382,272,191.64**	**100%**	**425,010,161.70**	**100%**	**554,240,022.89**	**100%**

Geographic location of suppliers:

	2024		2023	
	Number	**%**	Number	%
Manila and other Provinces (Philippines)	**329**	**96%**	365	93%
Foreign Suppliers (Through Importers)	**11**	**3%**	21	5%
Local Community (where the Resort Operates)	**4**	**1%**	8	2%
TOTAL	**344**	**100%**	394	100%

ASF

For a detailed description of ASF's value and supply chains, please refer to the 2023 SR.

Employees

2-7

Reporting period: January 2024 to December 2024

a. Total number of employees (head count / Full Time Equivalent [FTE]), and a breakdown of this total by gender and by region:

Company	BY GENDER				TOTAL			BY REGION					TOTAL		
	Female	Male	Others*	Not Disclosed	2024	2023	2022	NCR	Luzon	Vis	Min	Expat	2024	2023	2022
Anscor	17	9			26	30	29	26					26	30	29
Amanpulo	102	276	-	-	378	294	286	48	296	25	5	4	378	294	286
PDP	56	248	-	-	304	359	350	57	236	5	6		304	359	350
ASF	13	6	-	-	19	22	19	5	14				19	22	19

** Gender as specified by the employees themselves.*

b. Total number of employees by employment type, gender and region:

Company	By Employment Type	BY GENDER				TOTAL			BY REGION				TOTAL		
		Female	Male	Other*	Not Disclosed	2024	2023	2022	NCR	Luzon	Visayas	Mindanao	2024	2023	2022
Anscor	b.1 Number of employees (head count / FTE)	17	9			26	30	29	26				26		
	i. Permanent employees, (head count / FTE)	17	9			26	30	29	26				26		
	ii. Temporary employees, (head count / FTE)														
	iii. Non-guaranteed hours employees, (head count / FTE)														
	iv. Full-time employees, (head count / FTE)	17	9			26	30	29	26				26		
	v. Part-time employees, (head count / FTE)														

Company	By Employment Type	BY GENDER				TOTAL			BY REGION				TOTAL		
		Female	Male	Others*	Not Disclosed	2024	2023	2022	NCR	Luzon	Visayas	Mindanao	2024	2023	2022
PDP	b.1 Number of employees (head count / FTE)	56	248	0	0	304	294	286	57	236	5	6	304	294	286
	i. Permanent employees, (head count / FTE)	56	248	0	0	304	294	286	57	236	5	6	304	294	286
	ii. Temporary employees, (head count / FTE)														
	iii. Non-guaranteed hours employees, (head count / FTE)														
	iv. Full-time employees, (head count / FTE)	56	248	0	0	304	294	286	57	236	5	6	304	294	286
	v. Part-time employees, (head count / FTE)														

Company	By Employment Type	BY GENDER				TOTAL			BY REGION					TOTAL		
		Female	Male	Others*	Not Disclosed	2024	2023	2022	NCR	Luzon	Visayas	Mindanao	Expat	2024	2023	2022
SSRLI/ Amanpulo	b.1 Number of employees (head count / FTE)	102	276			378	359	350	48	296	25	5	4	378	359	350
	i. Permanent employees, (head count / FTE)	102	276			378	359	350	48	296	25	5	4	378	359	350
	ii. Temporary employees, (head count / FTE)**	45	93			138	98	120	13	114	5	6	-	138	98	120
	iii. Non-guaranteed hours employees, (head count / FTE)															
	iv. Full-time employees, (head count / FTE)	102	276			378	359	350	48	296	25	5	4	378	359	350
	v. Part-time employees, (head count / FTE)															

*** Temporary employees whose works are not controlled by the companies and where employer-employee relationships do not exist are not reported in the total head count of employees.*

Company	By Employment Type	BY GENDER				TOTAL			BY REGION				TOTAL		
		Female	Male	Others*	Not Disclosed	2024	2023	2022	NCR	Luzon	Visayas	Mindanao	2024	2023	2022
ASF	b.1 Number of employees (head count / FTE)	13	6			19	22	19	5	14			19	22	19
	i. Permanent employees, (head count / FTE)	11	5			16	18	19	5	11			16	18	19
	ii. Temporary employees, (head count / FTE)														
	iii. Non-guaranteed hours employees, (head count / FTE)														
	iv. Full-time employees, (head count / FTE)	11	5			16	18	16	5	11			16	18	16
	v. Part-time employees, (head count / FTE)	2	1			3	4	3	0	3			3	4	3

Employee numbers are reported based on headcount and full-time equivalents (FTE), where employees work at least 8 hours a day, 5 days a week, and are directly employed by each company. However, SSRLI extends its working days to six per week due to the nature of its business.

Anscor, as a holding company, does not require the hiring of temporary or part-time employees. Similarly, PDP does not typically employ temporary or part-time workers due to the sensitive and high-risk nature of its business operations. On the other hand, ASF, being a smaller organization, employs part-time project workers who report for work at least twice a week.

Amanpulo manages employee data through a Human Resource Information System (currently Sunfish, transitioning to Workday), capturing details like work schedules, statuses and types of employment. The Human Resource (HR) Department ensures accuracy through a monthly Master List and daily headcount reporting. The information provided for the four entities is consolidated at the end of the year, coinciding with the reporting period of this SR.

Gender differences in employment are unintentional and reflect the nature of available positions, which may appeal more to one gender than the other. Regional differences in employment are primarily attributed to the geographic locations of operations. Amanpulo focuses on local hiring, primarily from the MIMAROPA and CALABARZON regions, supporting economic growth and ensuring reliable attendance.

Amanpulo's employee numbers fluctuate based on seasonal demand and strategic hiring choices. Permanent staff levels remained stable, while temporary staffing varied according to guest demand and operational needs. Overall, no significant fluctuations in employee numbers were observed during the reporting period or between reporting periods across the four entities.

Workers who are not employees

2-8

The Anscor Group does not have workers who are not employees and whose work are controlled by the companies in this SR. Except for ASF, all the companies engage third-party agencies to provide services such as janitorial, security, gardening, and other miscellaneous tasks not directly related to the primary businesses of the Anscor Group. While these workers report to the company premises, their work is controlled by the contracted agencies, not by the companies themselves.

For a detailed description of workers under the control of third-party agencies, please refer to the 2023 SR. Overall, aside from minor variations in the number of workers from third-party agencies, there were no significant changes regarding workers whose work is controlled by these agencies.

3 Governance

Governance structure and composition

2-9

The highest governing body of Anscor is the Board of Directors (the Board). The Board is primarily responsible for the governance of the Corporation to foster its long-term success, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and stakeholders.

The Board is composed of seven (7) directors who are elected annually during the Annual Stockholders Meeting in accordance with the Revised Corporation Code and the Company's By-laws.

The following are the Members of the Board of Directors:

1 **ANDRES SORIANO III**
Chairman of the Board &
Chief Executive Officer
Age 72 Director since 1982

2 **EDUARDO J. SORIANO †**
Vice-Chairman,
Non-executive Director
Age 69 Director since 1980

3 **WILLIAM H. OTTIGER**
President and Chief Operating Officer
Age 56 Director since 2022

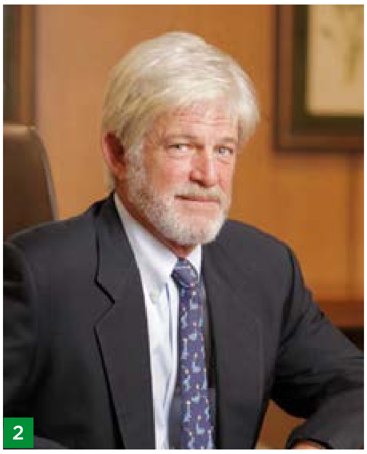
4 **OSCAR J. HILADO**
Independent Director
Age 86 Independent Director since 1998

5 **ERNEST K. CUYEGKENG**
Non-executive Director
Age 77 Director since 2009

6 **JOHNSON ROBERT G. GO, JR.**
Independent Director
Age 59 Independent Director since 2022

7 **CAMILA MARIA H. SORIANO**
Non-executive Director
Age 34 Director since 2024


1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7

The following are the members of the Executive, Audit, Compensation and Nomination Committees:

Executive Committee

Andres Soriano III	Chairman
Eduardo J. Soriano+	Vice-Chairman
William H. Ottiger	Member
Ernest K. Cuyegkeng	Member
Oscar J. Hilado	Member

Audit Committee

Oscar J. Hilado	Chairman
Eduardo J. Soriano+	Vice Chairman
Ernest K. Cuyegkeng	Member
Johnson Robert G. Go, Jr.	Member
Camila Maria H. Soriano	Member

Compensation Committee

Oscar J. Hilado	Chairman
Andres Soriano III	Member
Ernest K. Cuyegkeng	Member

Nomination Committee

Eduardo J. Soriano+	Chairman
Oscar J. Hilado	Member
Ernest K. Cuyegkeng	Member

+Passed away last February 17, 2025.

Nomination and selection, and Chair of the highest governance body

2-10, 2-11

There are no changes in the procedure for the nomination and selection of the Board of Directors, the highest governance body of Anscor. There are also no changes in the roles and functions of the Chair of the highest governance body.

For a detailed description of the nomination and selection, and Chair of the highest governance body of Anscor, please refer to the 2022 SR.

Role of the highest governance body in overseeing the management of impacts; Delegation of responsibility for managing impacts; Role of the highest governance body in sustainability reporting; and Conflicts of Interest

2-12, 2-13, 2-14, 2-15

For a detailed description of the subject, please refer to the 2023 SR.

Communication of critical concerns

2-16

During the covered period, no critical concerns were communicated to the Board of Directors. Furthermore, Management did not receive any critical concerns raised through grievance mechanisms and other channels.

The collective knowledge of the highest governance body

2-17

The Company engages third-party service providers to conduct annual corporate governance seminars for its Board of Directors and senior management executives, covering a range of topics. In previous years, topics have included sustainable development. For the reporting period, the selected topics were Cyber Security and AI Governance.

Evaluation of the performance of the highest governance body

2-18

The Company engages an independent third-party service provider to conduct an evaluation or an assessment of the Board of Directors' performance.

For a detailed description of the subject, please refer to the 2023 SR.

Please refer to the GRI content index for reasons of omission on the below disclosures:

Remuneration policies
2-19

Process to determine remunerations
2-20

Annual total compensation ratio
2-21

4 Strategy, Policies and Practices

Statement on Sustainable Development Strategy

2-22

The Sustainability Framework outlines the Anscor Group's commitment to sustainability, emphasizing the Group's focus on sustainable practices. Its strategies align with the United Nations Sustainable Development Goals 2030.

For the Anscor Group's statement on sustainable development strategy, please refer to the 2022 SR.

PDP

PDP's commitment to sustainability is central to its business operations. It strives to integrate sustainability into every aspect of its activities, from minimizing environmental footprint to engaging with the community. By implementing lean manufacturing processes and reducing waste, PDP enhances operational efficiency and lowers its environmental impact. At the same time, PDP fosters innovation in sustainable product development.

PDP's core mission is to deliver high-quality wire and cable products in a manner that supports sustainable economic growth, respects the environment, and strengthens the communities in which it operates. Its business model strives to integrate sustainability at every level, from the procurement of raw materials to manufacturing and distribution. PDP is committed to preventing negative impacts while contributing positively to the economy, environment, and communities.

SSRLI/Amanpulo

SSRLI's commitment to environmental stewardship, social responsibility, and long-term economic resilience aligns with the core operations at

Amanpulo. As an ultra-luxury resort, SSRLI recognizes its responsibility to preserve the natural beauty of Pamalican Island while fostering a positive impact on guests, employees and the local community.

SSRLI aims to achieve this by adopting environmentally friendly procurement practices, promoting sustainable tourism, and minimizing its overall environmental impact. These principles are integral to Amanpulo's business strategy, ensuring that all operations align with sustainability goals.

Policy commitments; Embedding policy commitments; Processes to remediate negative impacts; and Mechanisms for seeking advice and raising concerns

2-23, 2-24, 2-25, 2-26

For a detailed description of the Anscor Group's policy commitments, how these policies are embedded into the Group's practices, processes to remediate negative impacts, and mechanisms for seeking advice and raising concerns, please refer to the 2023 SR.

Compliance with laws and regulations

2-27

During the reporting period, all entities included in this report maintained full compliance with applicable laws and regulations. There were no instances of non-compliance, and no fines or penalties were incurred.

Membership associations

2-28

Anscor

- A co-founding member of the Philippine Business for Social Progress (PBSP), the largest business-led NGO and dedicated to advancing corporate citizenship, sustainable development, and poverty reduction.
- A member of the Tax Management Association of the Philippines (TMAP), a non-stock corporation dedicated to professionalizing the tax practice in the Philippines and providing a platform for private sector involvement in the development of tax laws, rules and regulations.

PDP

- Electric Vehicle Association of the Philippines (EVAP)
- Semiconductor and Electronics Industries in the Phils. Foundation, Inc. (SEIPI)
- Australian-New Zealand Chamber of Commerce of the Phils., Inc. (ANZCHAM)
- People Management Association of the Philippines (PMAP)
- Data Center Association of the Philippines (DCAP)
- Employers Confederation of the Philippines (ECOP)
- Philippine Business for Social Progress (PBSP)
- Philippine Chamber of Commerce & Industry (PCCI)
- Chamber of Philippine Electric Wires and Cables Manufacturers, Inc. (PEWMA) – PDP leads the organization

SSRLI/Amanpulo

- Philippine Tourism Board – Engaged in sustainable tourism initiatives and best practice sharing within the hospitality industry.
- Hotel and Restaurant Association of the Philippines (HRAP) – Contributes to hospitality industry standards and responsible tourism practices.
- Global Sustainable Tourism Council (GSTC) – Aligns its sustainability framework with international best practices.
- Philippine Business for Social Progress (PBSP) – Collaborates on CSR projects and community engagement programs.
- In 2024, Amanpulo garnered the following awards and recognitions
  - "Best 100" selected by Tatler Asia
  - "Wellness Island of the Year" by Compare Retreats Luxury Wellness Travel Awards 2024
  - "Best Resort Spa" from World Spa Awards
  - "Best Private Island in the Philippines" and "Asia's Leading Private Island" from World Travel Awards
  - Top Finalist for "Resort of the Year" by Travel + Leisure Asia
  - Top 3 Finalist for the Virtuoso Sustainability Awards, which highlighted the Resort's partnership with ASF for the Hospitality Vocational Program for Remote Island Youth in Manamoc Island.
  - Nominated for "Private Island of the Year" Destination Deluxe Awards
  - Nominated for DestinAsian's Reader's Choice Awards for Best Hotel in the Philippines

ASF

- Association of Foundations Philippines, Inc.
- League of Corporate Foundations, Inc.
- Philippine Council for NGO Certification, Inc.

ASF is a registered and licensed Social Welfare and Development Agency (SWDA) with programs accredited by the Department of Social Welfare and Development (DSWD). ASF serves as the Chair of the Committee on Policy Review - Palawan Cluster and Chair of the Committee on Membership in the MIMAROPA Region. It is an active member of the ABSNet, a DSWD-led Area-based Standards Network of licensed SWDAs.

In 2024, ASF received two notable recognitions:

- A Plaque of Appreciation from the Department of Education Central Office for ASF's educational programs and projects in partnership with local public schools in Palawan.
- "Best Stakeholder Award" from a local public school in Roxas, Palawan on the occasion of "*Gawad Sentenaryong Parangal*, the school's centennial celebrations.

5 Stakeholder engagement

Approach to Stakeholder Engagement

2-29

For a detailed description of the Anscor Group's approaches to stakeholder engagement, please refer to the 2023 SR.

Collective bargaining agreements

2-30

For Anscor, 48% of its total employees are covered by a collective bargaining agreement (CBA). For employees not covered by a CBA, the Company uses the CBA as a baseline, as it applies to all rank-and-file employees. On the other hand, PDP, SSRLI and ASF do not have CBAs. However, these companies regularly benchmark employees' compensation against industry standards to ensure competitive salaries and benefits.

MATERIAL TOPICS 2021

GRI 3

The process of determining material topics

3-1

For a detailed description on how the Anscor Group determines material topics, please refer to the 2023 SR.

Material topics

3-2

For this SR, no new material topics were identified or included. All material topics remain the same as those from the previous reporting period.

1. Economy
    - GRI 201 – Economic Performance
    - GRI 204 – Procurement Practices 2016
2. Environment
    - GRI 303 – Water and Effluents 2018
    - GRI 306 – Waste 2020
3. Social
    - GRI 401 – Employment 2016
    - GRI 403 – Occupational Health and Safety 2018
    - GRI 304 – Training and Education 2016
    - GRI 413 – Local Communities 2016
    - GRI 418 – Customer Privacy 2016

ECONOMIC
Balanced & Inclusive Growth

Photo courtesy of GMA News Online

ECONOMIC PERFORMANCE

201

Management of Material Topic

3-3

For a detailed description on how the Anscor Group manages the material topic of Economic Performance, please refer to the 2022 SR.

The Company has not identified any negative impacts resulting from its operations or business relationships. The Chairman and CEO reports the Company's operating results, along with those of its major subsidiaries and associates, to shareholders during its Annual Stockholders' Meeting.

Direct economic value generated and distributed

201-1

In 2024, the Philippines' Gross Domestic Product grew by 5.6%, despite heightened geopolitical tensions. This growth rate was among the fastest in the Association of Southeast Asian Nations, driven by strong domestic demand. Easing inflation allowed for a less restrictive monetary policy.

The Company's direct economic value generated (revenues) increased from P13.8 billion in 2023 to P16.8 billion in 2024. Major contributors are financial holdings gain, PDP and SSRLI.

Anscor's financial holdings generated a P3.7 billion gain, compared to P1.9 billion in 2023. The significant contributor was the investment in International Container Terminal Services, Inc. which saw a 56% price increase, outperforming the Philippine Stock Exchange's 1.2% increase. Gains from other securities reached P417.6 million, while dividend income rose 5.7% to P389.3 million.

PDP generated revenues amounting to P11.2 billion, sales volume higher by 8.5% and it posted a net profit of P957.3 million, compared to 2023's profit of P962 million. In 2024, the total revenues of SSRLI resort operation reached P1.4 billion, almost the same as last year, despite the decrease in occupancy rate from 49.6% to 46.2%, offset by the 11% increase in average room rate. On a consolidated basis, net income of SSRLI in 2024 amounted to P198.6 million.

Because of the higher volume sold by PDP in 2024 and higher operating cost of the resort, the total operating costs of the Group increased from P 10.0 billion to P11.1 billion in 2024.

The Anscor Group reported a record profit of P4.7 billion in 2024, an 83% increase from the previous year's net income of P2.6 billion. With the improved revenues and profitability of the Anscor Group, taxes given to Government increased from P477.6 million in 2023 to P488.9 million in 2024. Donations to ASF totaling P12.4 million were slightly higher in 2024.

PDP is still committed to sustaining growth and expanding its market leadership. The company plans to attract new customers through innovative products, value-engineered solutions, exceptional services, uncompromising health and safety standards and a best-in-class value proposition.

Despite an industry-wide decline in occupancy rates and an unprecedented number of typhoons during the traditionally strong fourth quarter, Amanpulo generated a P1.4 billion revenue, matching 2023 levels. Amanpulo mitigated the decline in travel from key feeder markets by participating in various sales missions.

Direct Economic Value Generated and Distributed*
(In Million Pesos)

	2024	2023	2022
Direct Economic Value Generated	16,817.7	13,798.5	13,624.7
Direct Economic Value Distributed	13,273.1	12,400.6	12,301.2
Operating Costs	11,110.7	9,912.2	10,138.6
Employee Wages & Benefits	670.7	708.7	590.3
Dividends given to Stockholders and Interest Payments given to Loan Providers	990.1	1,290.1	1,232.2
Tax given to Government	488.9	477.6	325.3
Investment to Community	12.8	12.2	14.7
Direct Economic Value Retained	3,544.6	1,397.8	1,323.5

**The data presented are derived from the Audited Consolidated FS of A. Soriano Corporation and its Subsidiaries for the year ended December 31, 2024, in accordance with relevant Philippine Financial Reporting Standards, and include -Anscor, AFC Agribusiness Corporation, Anscor Consolidated Corporation, Anscor Holdings, Inc., Anscor International, Inc., IAI, Minuet Realty Corporation, Pamalican Resort, Inc., PD Energy International Corporation, Phelps Dodge International Philippines, Inc., Phelps Dodge Philippines Energy Products Corporation and SSRLI.*

Financial implications and other risks and opportunities due to climate change

201-2

For a detailed description of the financial implications and other risks and opportunities due to climate change for the Anscor Group, please refer to the 2022 SR.

Specifically, for Amanpulo, some of the activities undertaken to managing risks due to climate change included engaging a third party, AMH, to do a formal study of the western coastal section of Pamalican Island. The study aims to design and implement mitigating measures against sand erosion. In addition, as part of the Resort's ongoing commitment to sustainability, SSRLI commissioned a new solar operation in the third quarter of 2024.

Defined benefit plan obligations and other retirement plans

201-3

For a detailed description of the Anscor Group's defined benefit or retirement plan obligations, please refer to the 2022 SR.

As of the end of December 2024, the fair value of the Anscor Group's Retirement Fund assets amounted to P1.3 billion, against the defined benefit obligation of P553.9 million.

Financial assistance received From Government

201-4

ASF's partnership with the DTI - Region 4-B, through its Shared Services Facility Project, led to the provision of six handicraft machines valued at over P3.0 million. These machines include 1 lathe machine, 1 band saw, 1 engraving machine, 2 sewing machines, and 1 hat blocking machine for kids, all provided under a usufruct agreement. These machines support ASF's livelihood opportunities program, helping local communities in producing handcrafted products. On September 30, 2024, the Usufruct Agreement and Memorandum of Agreement were signed between DTI and ASF, with the formal turnover of the machines taking place on Manamoc Island.

Apart from the assistance described above, the Anscor Group did not receive any government aid, either in cash or in kind, in 2024.

PROCUREMENT PRACTICES 2016

204

Management of Material Topic

3-3

For a detailed description on how the Anscor Group manages the material topic Procurement Practices, please refer to the 2023 SR.

Proportion of spending on local suppliers

204-1

PDP

The proportion of spending on local suppliers was largely consistent with the previous year. However, the number suppliers decreased for both local and foreign suppliers. For more details on PDP's "Monetary Value of Payments to Suppliers", please refer to Page 8 of this SR.

	2024	2023	2022
Percentage of Procurement Budget spent on products and services purchased locally	88%	87%	85%
Monetary Value Paid	P10.2B	P8.9B	P8.9B

AMANPULO

Amanpulo's spending on local suppliers has steadily increased compared to previous years. However, the number of local suppliers has decreased, while the number of foreign suppliers has remained largely unchanged. For more details on the Resort's supplier categories, please refer to page 12 of this SR.

	2024	2023	2022
Percentage of Procurement Budget spent on products and services purchased locally	16.24%	8.4%	6.4%
Monetary Value Paid	P62.08M	P63.36M	P35.89M

ENVIRONMENT
Environmental Stewardship

WATER AND EFFLUENTS 2018

303

Management of Material Topic

3-3,

SSRLI/AMANPULO

Amanpulo is located on a 92-hectare isolated island in the Sulu Sulawesi Sea, northeast of Palawan. As a luxury resort, it operates in a water-intensive industry, with high water demand. With no fresh water sources available on the island, the Resort sources all of its water from the sea, using the desalination process through reverse osmosis to convert seawater into fresh water for its operations. This process may raise operational costs and increase the carbon footprint due to the machinery required to generate a large potable water supply.

One of the biggest challenges facing the hospitality industry is the need for water to sustain business operations. It is important to acknowledge potential negative impacts, such as water scarcity, seawater pollution, and carbon emission during desalination, and manage these impacts effectively. Desalinating water can be costly and generates brine concentrate, which is discharged back into the sea, potentially polluting the ocean. However, due to the discharge area being a part of a larger water body, the risk of pollution may be mitigated. Further research will be undertaken to find effective mitigation strategies.

Despite these challenges, the Resort has positively impacted local environment sectors. The desalination plant has created job opportunities, replenished groundwater supplies, and supported the sustainability of the island's ecosystem through improved waste management practices and efficient water conservation. The installation of a solar farm has also helped reduce the Resort's carbon footprint. In addition, the Resort provides guests and workers with access to clean drinking water, promoting good health. Amanpulo's business partners have not caused any negative impacts on the operational environment.

SSRLI is committed to providing safe drinking water and reducing its carbon footprint by 50 percent. These commitments support SSRLI's policies on sustainable sourcing and conservation of water supplies, wastewater treatment and management, and environmental protection, including compliance with authoritative requirements.

The Resort operates under a "No Groundwater Extraction Policy", using only desalinated water to safeguard the environment and ensure the availability of freshwater resources to maintain the water table. The Resort's water management procedures are periodically evaluated and monitored through ecosystem impact assessments to ensure they do not harm marine or terrestrial biodiversity.

To further reduce its environmental impact, SSRLI has implemented the use of renewable energy with a 3.5 – hectare solar farm, featuring Battery Energy Storage Systems of 5.5 MW with PV – 3980 kWp – Solar Panels. The energy derived from the farm is used to operate desalination facilities, contributing to a lower carbon footprint. Additionally, initiatives such as Energy-efficient Desalination Technologies, reverse osmosis (RO) systems, energy recovery devices, and the guest and staff awareness programs help reduce the demand for desalination by minimizing unnecessary water use. The Resort has also optimized irrigation and diversified treated effluent applications.

Tracking the Effectiveness of the Actions taken:

Processes Used to Track the Effectiveness of the Actions Taken	Goals, Targets, and Indicators Used to Evaluate Progress	The Effectiveness of the Actions, Including Progress Toward the Goals and Targets	Lessons Learned and how these have been incorporated into the Organization's Operational Policies and Procedures
Real-Time Monitoring: ➢ Smart water meters are installed across the Resort to track water consumption in guest rooms, restaurants, and landscaping areas.	Reduce water consumption per guest	To be tracked in 2025 onwards	Effluent Diversification is Necessary ➢ Relying only on irrigation for treated effluent may not be sustainable long-term. Future strategies include using treated water for cooling systems, cleaning, and toilet flushing.
Monthly Water Audits: ➢ Regular assessments of desalination output, water leaks, and consumption trends to identify inefficiencies.	Optimize desalination efficiency ➢ 20% reduction in fossil energy use by 2027 ➢ Reduce use of fossil fuel per cubic meter of desalinated water		Water Conservation Needs Stronger Guest/Employee Engagement ➢ While technology helps reduce consumption, guest behavior plays a key role. The Resort is introducing incentive programs (e.g., discounts for eco-conscious stays) to encourage responsible water use.
Daily monitoring ➢ Solar production and ratio between Solar and Diesel usage in power production.	Increase renewable energy use in desalination ➢ 50% of desalination powered by renewables by 2026 ➢ Increase use of energy that is sourced from the solar farm during seawater desalination		Renewable Energy Investment Can Be Accelerated ➢ While solar energy has proven effective, high demand during peak seasons requires battery storage or alternative renewable sources to ensure round-the-clock desalination sustainability

Engagement with Stakeholders Informing Them on the Actions Taken and its Effectiveness:

Stakeholder Group	Engagement Method	Key Concerns Raised	Actions Taken
Local Communities	Public forums, surveys, partnerships	Concern over potential depletion of freshwater resources and water competition	Resort committed to using only desalinated water, avoiding any extraction from local groundwater sources
Environmental Groups	Collaborative research, audits, impact assessments	Marine biodiversity impact of brine disposal	Brine discharge now diluted and released in deep-sea currents to minimize ecological effects
Government & Regulators	Compliance meetings, inspections	Compliance with water quality and effluent reuse regulations	Strengthened effluent testing and irrigation monitoring to meet national environmental standards
Resort Guests	Feedback forms, eco-awareness campaigns	Desire for more visible sustainability efforts	Launched "Eco-Stay" initiatives, including incentives for conserving water during their stay
Employees & Resort Management	Internal training, suggestion programs	Need for better operational efficiency in water use	Installed smart water meters in kitchens, laundry, and guest areas to track and optimize usage

Interactions with water as a shared resource
303-1

Amanpulo's entire water requirement is supplied solely through desalination, using seawater, with no dependence on groundwater. Brine discharge is returned to the ocean. By utilizing reverse osmosis seawater desalination, the island, including its casitas, villas, and restaurants as well as its swimming pools, and offices meets its water consumption needs. Monthly tracking of water consumption per customer is performed for leak detection and misuse control. In addition, due to its "zero direct discharge policy", all treated wastewater is reused within Pamalican Island.

The Resort has identified several impacts from its activities on the surrounding marine environment, including:

- Marine salinity increases from brine disposal
- Energy-intensive desalination
- Soil degradation from irrigation with treated effluent
- Local freshwater depletion
- Water-intensive guest behavior
- Potential supplier water inefficiencies (e.g., food & linen suppliers).

The Resort manages water concerns by:

- Reducing freshwater depletion prohibiting groundwater usage
- Mixing brine with seawater before discharge to reducing the risk of marine salinity increase
- Increasing water-use efficiency by employing optimized irrigation schedules
- Collaborating with suppliers to reduce their water footprint.

To mitigate these consequences, the Resort considers several measures, including:

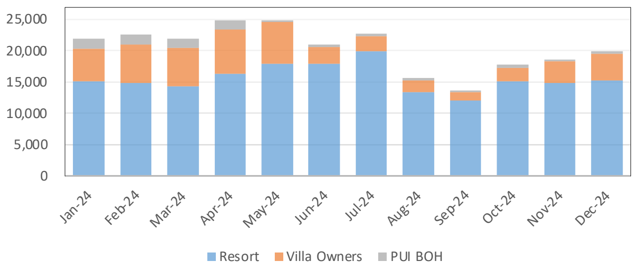
- Deep-sea dilution and brine reuse research
- Solar energy integration and energy recovery systems
- Soil testing and optimized irrigation schedules
- A "no groundwater extraction policy"
- Guest education and water conservation incentives
- Sustainability audits for suppliers.

The Resort's process for establishing water-related objectives involves annual evaluation and planning sessions. The team handling this project meets monthly to discuss progress and fine-tune the target plan as necessary, based on tracking results.

These objectives and goals include:

- Diluting brine by mixing it with seawater before discharge.
- Achieving a 50% mix of solar and fossil fuel energy.
- Conducting soil testing to gauge the salinity levels.
- Prohibiting groundwater usage.
- Raising guest awareness and providing incentives for water conservation.

Overview of Water Use Across Amanpulo's Value Chain:



Specific catchments where the Resort may cause significant water-related impacts, include:

- Water tanks 1 to 6
- Sewage Treatment Plants (STP) 1, 2, and 3
- Maturation pond
- Clarifier pond

Management of water discharge-related impacts

303-2

Amanpulo sources all its water from the sea. Prior to use, the seawater undergoes a purification process, which includes sand filtration, cartridge filtration, and a desalination. The purified water is then treated with UV light before being used at the Resort.

The Resort operates an existing STP with a multi-level treatment process, which includes comminution, aeration, settling, chlorination, and aerobic digestion. This allows the Resort to have zero discharge of gray water into the sea or ground. All treated wastewater is reused for fire hydrants, landscaping, and road watering. Pollution Control Officers (PCOs) regularly monitor and record the quality of effluent discharge.

Wastewater samples are sent to certified laboratories to analyze the physical, chemical, and biological characteristics of wastewater, ensuring that the water discharge does not harm the ocean or groundwater. The project team adheres to the standards outlined in DAO 2021 – 19 and DAO 2016-08, which form the basis for all STP outputs.

In 2024, the total discharge was 560.638 megaliters (ML). Of this total, 490.1 ML was brine concentrate mixed seawater, which was discharged back into the ocean. The remaining 70.538 ML consisted of graywater treated at the STPs, ensuring that no receiving water body was impacted.

Water withdrawal

303-3

Water withdrawal in All Areas

303-3-a

Sources of Water	Total water withdrawal from all areas (In Megaliters) 2024		Total water withdrawal from all areas (In Megaliters) 2023		Total water withdrawal from all areas (In Megaliters) 2022	
	Freshwater (≤1,000 mg/L Total Dissolved Solids);	Other water (>1,000 mg/L Total Dissolved Solids).	Freshwater (≤1,000 mg/L Total Dissolved Solids);	Other water (>1,000 mg/L Total Dissolved Solids).	Freshwater (≤1,000 mg/L Total Dissolved Solids);	Other water (>1,000 mg/L Total Dissolved Solids).
i. Surface water						
ii. Groundwater						
iii. Seawater		735.1		580		520
iv. Produced water						
v. Third-party water & breakdown:						
> Surface water						
> Groundwater						
> Seawater						
> Produced water						
Total water withdrawal in ALL AREAS (Surface water (total) + groundwater (total) + seawater (total) + produced water (total) + third-party water (total)		735.1		580		520

During the reporting period, the total desalinated freshwater production was 245.1 ML, derived from 735.1 ML of seawater withdrawal. This means that approximately 1 ML of fresh water is produced for every 3 ML of seawater.

Total water withdrawal from all areas experiencing water stress is zero as the Resort exclusively sources its water from the sea.

The data and information provided above were supplied by Pamalican Utilities, Inc. (PUI), a wholly owned subsidiary of SSRLI, in collaboration with Amanpulo's Engineering Department. PUI compiles daily and monthly data from water meters.

Water discharge

303-4

Water Discharge	In All Areas (In Megaliters)		
Water Discharge by Destination	**2024**	**2023**	**2022**
i. Surface water;	**0**	**0**	**0**
ii. Groundwater;	**0**	**0**	**0**
iii. Seawater;	**490.1**	**336**	**312**
iv. Third-party water, (total volume)	**0**	**0**	**0**
Third-party water sent for use to other organizations, if applicable	**N/A**	**N/A**	**N/A**
Total water discharge by Destination (Surface water + groundwater + seawater + third-party Water[total])	**490.1**	**336**	**312**
Water discharge by freshwater and other water	**0**	**0**	**0**
Freshwater (≤1,000 mg/L Total Dissolved Solids)			
Other water (>1,000 mg/L Total Dissolved Solids)			
Water discharge by level of treatment			
No treatment			
Sewage Treatment Plant – MBBR	**70.538**	**59**	**0**
Treatment level [Provide the title for treatment level]			
Treatment level [Provide the title for treatment level]			

No water discharge (zero) occurred in areas with water stress, whether freshwater or other categories of water.

Gray water from the kitchen and bath is treated through the STP. The treatment process includes comminution, aeration, settling, chlorination and aerobic digestion for excess sludge. This allows 100% of the Resort's wastewater to be reused in the gardens and fire hydrants. The Resort does not discharge any gray water into the sea; instead, treated wastewater is stored in an 1,800 cubic meter holding pond that employs continuous aeration process to keep the water fresh until needed.

The Resort operates three of STP units with the following capacities:

- Conventional Type STP No. 1: 100 cubic meters/day
- Conventional Type STP No. 2: 100 cubic meters/day
- Sequence Batch Reactor Type STP No. 3: 300 cubic meters/day.

Water consumption
303-5

Water Consumption*	All Areas in Megaliters			All Areas with Water Stress In Megaliters		
	2024	2023	2022	2024	2023	2022
Tota Water Withdrawal	735.1	580	520	0	0	0
Less: Total Water Discharge	490.1	336	312	0	0	0
Total Water Consumption	245	244	208	0	0	0

** Total water consumption is defined as the sum of all water withdrawn and not returned to source or Water Consumption = Water Withdrawal – Water Discharge.*

During the reporting period, there was no change in water storage. The Resort has no facilities located in areas with water stress, whether for water withdrawal or consumption.

Supply chain information (organization's water suppliers)
303-3, 303-5

The Resort has no external water supplier as it produces its own desalinated water (through PUI) and processes it into potable/drinking water.

An Update on the Amanpulo Water Bottling Facility

In its efforts to preserve the environment, Amanpulo has implemented a sustainability and eco-friendly plan across the island resort. A key initiative is the installation of a glass-bottled water program, which aims to phase out the use of single-use plastic or polyethylene terephthalate (PET) bottles.

Custom-made glass bottles are provided in all guest rooms, used at events and activities, and offered to the staff and spa facilities. Launched in 2020, this program has successfully scaled to meet the needs of the entire Resort. To ensure safety, the Resort conducts monthly microbiological tests to guarantee the quality of water for guests, staff, and the resort at large.

During the reporting period, the resort used and reused a total of 140,202 glass bottles (1000ml: 55,598 units; 500ml: 68,303 units; and 350ml: 16,301 units). The cost savings from this initiative amounted to P1,677,278.08, along with a reduction of 2,062 kg in single-use plastic bottle consumption.

WASTE 2020

306

Management of Material Topic

3-3

PDP

Improper waste management can significantly increase waste management costs, especially if these costs are not factored into manufacturing or product pricing. This can result to a competitive disadvantage due to inflated prices. Poor waste disposal practices can lead to water and soil contamination, damaging ecosystems and reducing biodiversity while the mishandling of toxic chemicals poses serious health risks to workers and nearby communities.

In addition, the negative impacts of poor waste management can result in noncompliance with waste regulations, potentially resulting in fines. Improper waste storage and transportation emissions may lead to dangerous spills or leaks, further harming local ecosystems. Community complaints and conflicts may arise from health issues, and workers may be exposed to hazards associated with waste handling.

On the positive side, proper waste management generates income for waste management contractors and recyclers through the proper disposal and recycling of waste. Recycling promotes a circular economy by reusing and recycling materials, reducing landfill usage and conserving natural resources. Proper hazardous waste disposal minimizes environmental contamination, provides safer working conditions for waste handlers by ensuring compliance with waste management laws and occupational safety and health (OSH) standards, and protects community rights to clean air, water, and soil.

Potential positive impacts may also arise from opportunities to develop innovative recycling industries in partnership with local businesses and government. The adoption of advanced waste treatment technologies can further reduce environmental impact and improve sustainability credentials.

PDP's manufacturing processes and operational activities, including industrial by-products and packaging materials, may generate waste. Improper handling, disposal, or treatment of these wastes can contribute to environmental pollution, soil contamination, and depletion of natural resources. For example, waste disposal practices such as landfilling or incineration without adequate controls can lead to air and water pollution, which negatively impacts nearby communities and ecosystems.

PDP recognizes that its business relationships may also contribute to negative impacts, and it acknowledges its responsibility for waste that may be generated within its supply chain and through its business relationships. Suppliers providing raw materials, equipment, and packaging materials may engage in practices that generate waste or contribute to environmental pollution. For instance, suppliers may use non-recyclable packaging materials or have manufacturing processes that result in high waste outputs. Moreover, downstream partners involved in the distribution and disposal of products may not adhere to sustainable waste management practices, leading to further environmental and social impacts.

PDP is committed to addressing these negative impacts through waste reduction strategies, promoting recycling, and collaborating with suppliers and partners to improve waste management practices. By identifying the specific activities and business relationships associated with waste generation and disposal, PDP aims to mitigate its environmental footprint and contribute sustainable development.

Waste management should be integrated into all business operations. This includes implementing waste minimization strategies, such as process optimization, material substitution, and efficient resource utilization, to reduce waste generation at the source. The adoption of environmentally friendly practices, including recycling, reuse, and recovery of materials, minimizes waste sent to landfills or incineration facilities. In addition, regular monitoring and assessment of waste management practices will help identify areas for improvement and enable proactive corrective measures. By incorporating waste management considerations into product design, procurement decisions, and operational planning, PDP can reduce its environmental footprint across the entire value chain.

Remediation measures may also be implemented to address the environmental and social impacts of past waste disposal practices, including site remediation and cleanup where necessary. PDP may also collaborate with local communities, regulatory authorities, and relevant stakeholders to address any adverse effects of waste disposal on human health, ecosystems, and livelihoods. This includes providing support through community development programs, healthcare initiatives, and educational campaigns to raise awareness about waste management and environmental conservation.

PDP's commitment to waste management extends beyond regulatory compliance. It aligns its waste management policies with intergovernmental instruments and international standards to ensure transparency, accountability, and continuous improvement in its waste management efforts.

PDP is dedicated to environmental stewardship, social responsibility, and sustainable business practices. PDP hopes to achieve these goals by:

- **Investment in innovative technologies and green infrastructure** to improve waste management efficiency, promote resource recovery, and create value from waste streams.
- **Engagement with suppliers, partners, and customers** to promote sustainable practices throughout the product lifecycle, focusing on waste reduction, recycling, and circular economy principles.
- **Participation in industry-wide initiatives**, research collaborations, and knowledge-sharing platforms to exchange best practices, drive innovation, and accelerate progress towards a more sustainable and circular economy.

Actions taken to manage waste and its related impacts:

Actions to prevent or mitigate potential negative impacts;	Actions to address actual negative impacts, including actions to provide for or cooperate in their remediation;	Actions to manage actual and potential positive impacts;
• Implementation of key performance indicators (KPIs) and metrics to measure progress in waste reduction, recycling rates, and diversion from landfill. • Regular monitoring and evaluation of waste management practices to assess their efficiency and effectiveness in preventing or mitigating potential negative impacts. • Utilization of internal audits, inspections, and environmental assessments to identify areas for improvement and ensure compliance with waste management policies and regulations.	• Setting specific goals and targets for waste reduction, recycling rates, and landfill diversion to track progress and measure the effectiveness of remediation efforts. • Establishing indicators such as waste generation per unit of production, recycling rates, and waste disposal volumes to evaluate the success of waste management initiatives. • Implementing remediation measures and corrective actions to address actual negative impacts identified through internal assessments, stakeholder engagement, or regulatory compliance obligations. • Utilizing grievance mechanisms and remediation processes to facilitate dialogue, address community concerns, and provide appropriate remedies for actual negative impacts identified.	• Continuously evaluating the effectiveness of waste management actions based on performance metrics, KPIs, and stakeholder feedback to ensure progress toward goals and targets. • Assessing the extent to which waste reduction measures, recycling programs, and remediation efforts have contributed to minimizing negative impacts on the environment, economy, and society. • Reporting on progress toward waste management goals and targets, including achievements, challenges, and areas for improvement, to promote transparency and accountability.

For a detailed description on how PDP tracks the effectiveness of its actions in managing waste and addressing associated impacts, please refer to the 2023 SR.

SSRLI/AMANPULO

The absence of an effective waste management system may have a significant negative impact, both potentially and actually, on the economy and the environment. This may lead to increased waste disposal costs, inefficient use of raw materials resulting in financial loss, and noncompliance with the provisions of Republic Act (RA) No. 9003 or The Solid Waste Management Act, which can lead to regulatory fines or penalties. Additionally, stricter waste disposal requirements imposed by the Department of Environment and Natural Resources (DENR) can increase costs. Landfill waste contributes to pollution, contaminating soil and water bodies, while also raising the carbon footprint. Furthermore, improper handling of hazardous waste may impact workers and harm local flora and fauna, particularly if waste disposal sites are improperly managed.

Implementing a responsible waste management framework is crucial for maintaining a healthy and sustainable economy. By adhering to responsible waste management practices, economic benefits are generated not only for the operators but also for the communities they serve, creating jobs, supporting local economies, and reducing environmental harm.

The key benefits of a viable waste management system include:

- Generating cost savings from waste reduction.
- Creating new revenue streams from circular economy initiatives and sustainability programs related to waste.
- Reducing landfill waste, which contributes to long-term ecosystem preservation.
- Supporting human rights by creating jobs in sustainable waste management and recycling.
- Improving workplace health and safety through responsible waste disposal.

SSRLI is aware that, despite its efforts, its activities and business relationships may cause negative impacts. The nature of the Resort's operations may result to high waste generation, inefficient waste segregation, and the use of non-recyclable packaging materials in various aspects of its business.

There may still be room for improvement in the Resort's interactions with its supply chain. While the current procurement policies already focus on environmental sustainability and encourage the use of recyclable and biodegradable materials, these policies need to be strengthened. For example, local suppliers may not always comply with the use of sustainable packaging, and some vendor partnerships may lack waste reduction policies.

With this in mind, SSRLI is committed to reducing waste generation, improving waste segregation, recycling materials, and adopting sustainable practices. This includes utilizing advanced technologies such as clean technology shredders, pyrolysis machines, and waste digesters to further reduce waste.

The Resort has implemented a source-based waste segregation system with clearly designated bins. Materials are then processed in a Material Recovery Facility (MRF), which sorts recycled materials and non-recycled materials. While the Resort has made progress, there may be room to further enhance its waste disposal system by collaborating with waste disposal companies and exploring upcycling and repurposing practices.

The Resort tracks of the effectiveness of its waste management operations by monitoring the volume of waste produced and the cost of hauling waste off the island. In 2024, a third-party provider, Treater, was responsible for disposing of all waste generated from operations. Looking ahead, the Resort aims to reduce waste transportation costs by 50% by the end of 2025. This will be achieved by purchasing clean technology pyrolysis machines, improving the understanding and adherence to waste reduction practices within the management team, and providing internal training on waste reduction practices to enhance supplier relationships and support the Resort's waste reduction policy.

SSRLI has engaged with stakeholders by providing regular feedback and consultations, particularly from employees, to identify areas for improvement in waste reduction and handling. The Resort has also initiated collaborations with waste reduction experts to explore additional opportunities for waste minimization.

Waste generation and significant waste-related Impacts

306-1

PDP

The wire manufacturing process involves several stages, including wire drawing, cutting, shaping, and surface treatment. As a wire manufacturer, PDP's operations rely on various inputs, activities, and outputs that collectively may contribute to both actual and potential waste-related impacts. These include raw materials, process materials, and packaging materials, all of which are transformed into finished products through wire drawing, cutting, shaping, and surface treatment. During wire drawing, wire rods or coils are pulled through a series of dies to reduce their diameter and achieve the desired gauge or thickness. Once the wire is drawn, it is cut and shaped according to customer specifications. The wires are then coated, plated, or annealed to enhance properties such as corrosion resistance, conductivity, and appearance.

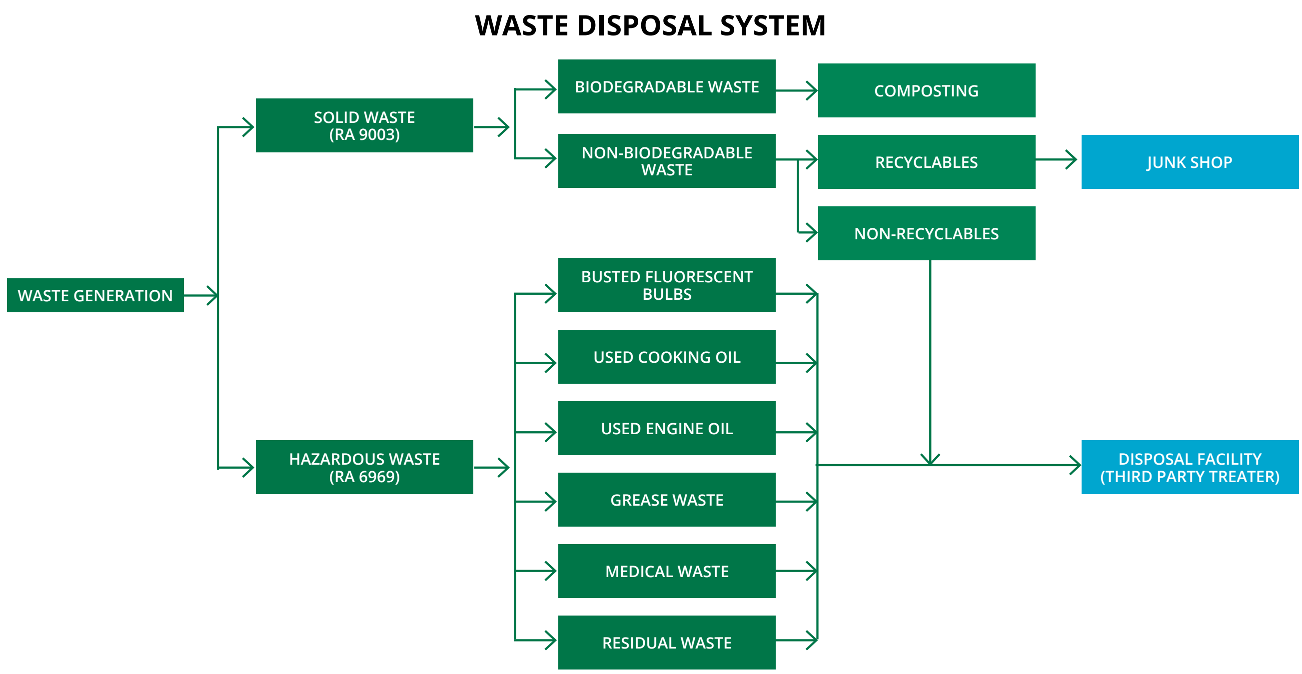
Scrap wire, resulting from excess material or imperfections in the manufacturing process, may contribute to waste generation within PDP's facilities.

In addition, waste lubricants, chemicals, and residues from surface treatment processes pose environmental challenges if not properly managed. Packaging waste, including used cardboard boxes, plastic wrap, and pallets from both incoming raw materials and outgoing shipments, further adds to the overall waste stream.

These waste-related impacts primarily stem from activities within PDP's operations. However, waste may also be generated upstream in the value chain, such as packaging waste from suppliers delivering raw materials or chemicals. By recognizing and addressing these waste generation sources, PDP is committed to implementing strategies that minimize waste, improve resource efficiency, and promote sustainability across its operations and the broader value chain.

SSRLI

Amanpulo Waste Management Process Flow



Management of significant waste-related Impacts

306-2

PDP

PDP has implemented a comprehensive set of actions and circularity measures to address waste generation and manage its impacts throughout its operations and value chain. Firstly, PDP prioritizes materials selection and product design that emphasize longevity, durability, and recyclability, aiming to extend product lifecycles and minimize waste generation. Additionally, PDP has invested in waste management facilities and actively engage in product recovery initiatives, including preparation for reuse and recycling.

When waste management is outsourced to third parties, PDP ensures that these practices align with both contractual and regulatory obligations. Furthermore, PDP has established robust data collection and monitoring processes that extend beyond its own activities to track waste generation upstream and downstream. This enables PDP to gain comprehensive insights into its waste management performance, facilitating targeted efforts for continuous improvement.

SSRLI/AMANPULO

To effectively minimize waste generation and manage its impacts, SSRLI has implemented several key measures within its operations and across its value chain, including:

Internal Waste Reduction Measures:

- Waste Segregation at Source
- Paperless Operations
- Employee Training & Engagement

Upstream and downstream Waste Management Measures (Suppliers & Procurement):

- Sustainable Sourcing
- Supplier Audits & Compliance Coordination

Amanpulo partners with third-party service providers for waste management and ensures that these providers comply with all applicable laws and meet the Resort's contractual requirements for waste disposal.

Furthermore, the Resort has established the following processes to track and analyze waste-related data:

- Automated Waste Tracking System
- Random Waste Audits and Callouts
- Key Performance Indicators (KPIs): Inclusion of waste reduction goals into the KPI of all leadership roles within Amanpulo
- Stakeholder & Employee Feedback

Waste generated

306-3

PDP

Table 1. Waste by composition, in metric tons (t)

Waste Composition	WASTE GENERATED			WASTE DIVERTED FROM DISPOSAL			WASTE DIRECTED TO DISPOSAL		
	2024	2023	2022	**2024**	2023	2022	**2024**	2023	2022
Hazardous	**153.17**	63.418	120				**153.17**	63.418	120
Non-hazardous waste	**2,435.51**	1,081.39	943						
Recycled/Reused				**2,414**	1,065.03	912			
Compost									
Residual							**21.51**	16.362	31
Total waste	**2,588.68**	1,144.80	1,063	**2,414**	1,065.03	912	**174.68**	79.78	151

Waste diverted from disposal

306-4

Table 2. Waste diverted from disposal by recovery operation, in metric tons (t)

Waste Composition	ONSITE			OFFSITE			TOTAL		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Hazardous waste									
Preparation for reuse									
Recycling									
Other recovery operations									
Total t (306-4-b)									
Non-hazardous waste									
Preparation for reuse									
Recycling				2,414	1,065.03	912	2,414	1,065.03	912
Other recovery operations									
Total				2,414	1,065.03	912	2,414	1,065.03	912
Waste prevented									
Waste prevented				2,414	1,065.03	912	2,414	1,065.03	912

Waste directed to disposal

306-5

Table 3. Waste directed by disposal operation, in metric tons (t)

TYPE OF DISPOSAL OPERATION	ONSITE			OFFSITE			TOTAL		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Hazardous waste									
Incineration (with energy recovery)									
Incineration (without energy recovery)									
Landfilling				153.17	63.418	120	153.17	63.418	**120**
Other disposal operations									
Total				153.17	63.418	120	153.17	63.418	**120**
Non-hazardous waste									
Incineration (with energy recovery)									
Incineration (without energy recovery)									
Landfilling				21.51	16.362	31	21.51	16.362	**31**
Other disposal operations									
Total				21.51	16.362	31	21.51	16.362	**31**

SSRLI/AMANPULO

Table 1. Waste by composition, in metric tons (t)

Waste Composition	WASTE GENERATED			WASTE DIVERTED FROM DISPOSAL			WASTE DIRECTED TO DISPOSAL		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Hazardous	12.92	63	8.2				12.92	63	8.2
Non-hazardous waste									
Recycled/Reused	280.60	89	70.8	280.60	89	70.8			
Compost			57.6			57.6			
Residual	506.6	717					506.6	717	35.8
Total waste	**800.1**	869	172.4	280.60	89	128.4	519.52	780	44

Waste diverted from disposal

306-4

Table 2. Waste diverted from disposal by recovery operation, in metric tons (t)

Waste Composition	ONSITE			OFFSITE			TOTAL		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Hazardous waste									
Preparation for reuse									
Recycling									
Other recovery operations									
Total t (306-4-b)									
Non-hazardous waste									
Preparation for reuse									
Recycling				280.60	89	70.8	280.60	89	70.8
Other recovery operations						57.6			57.6
Total				280.60	89	128.4	280.60	89	128.4
Waste prevented									
Waste prevented				280.60	89	128.4	280.60	89	128.4

Waste directed to disposal

306-5

Table 3. Waste directed by disposal operation, in metric tons (t)

TYPE OF DISPOSAL OPERATION	ONSITE			OFFSITE			TOTAL		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Hazardous waste									
Incineration (with energy recovery)									
Incineration (without energy recovery)									
Landfilling					63			63	
Other disposal operations				12.92		8.2	12.92		8.2
Total				**12.92**	**63**	**8.2**	**12.92**	**63**	**8.2**
Non-hazardous waste									
Incineration (with energy recovery)									
Incineration (without energy recovery)				21.6			21.6		
Landfilling				485	717	35.8	485	717	35.8
Other disposal operations									
Total				**506.6**	**717**	**35.8**	**506.6**	**717**	**35.8**

SOCIAL
Responsive Stakeholder Relationships

EMPLOYMENT 2016

401

Management of Material Topic

3-3

PDP

PDP has identified potential negative environmental impacts associated with increased employment, such as higher energy consumption, greater water usage, and increased waste generation. However, the positive impacts of PDP's employment focus significantly outweighs these potential negative effects, particularly in the areas of the economy, environment, and people rights. These positive impacts include:

- Provision of stable and well-paying jobs that offer competitive benefits and incentives.
- Increase in employees' purchasing power, which directly and indirectly contributes to local, regional, and national economic growth, and helps reduce unemployment.
- Regular training in environmental sustainability, fostering long-term environmental stewardship.
- Access to health insurance, wellness programs, and other benefits that enhance employees' quality of life, including career development and skills training, which improve long-term employability and career growth.

PDP's operations comply with environmental and labor regulations, ensuring no evidence of human rights violations or child labor in its business relationships or operations. It is committed to responsible business practices, continuously monitoring its supply chain and operations to uphold sustainability and corporate responsibility. It prioritizes internal candidate development, and hires externally in a responsible manner. Its current assessments indicate that its activities have not negatively impacted local communities, the environment, or the economy.

PDP actively implements rigorous compliance checks and regular employee training to mitigate potential negative impacts on local communities and the environment. It collaborates closely with local communities and government agencies to ensure compliance with all regulations throughout a project lifecycle. Comprehensive training covering environmental and health regulations ensures that everyone at PDP understands its legal responsibilities and can work effectively to protect local communities and the natural environment.

Although no negative impacts have been reported, PDP's policies include responsive measures to address any that may arise, ensuring immediate remediation in cooperation with relevant stakeholders. The measures to mitigate potential environmental and health impacts involve close collaboration with affected communities and government agencies. This ensures that everyone understands PDP's legal obligations to help provide timely and effective solutions for any potential negative effects on the community and the environment.

PDP fosters positive impacts through community engagement initiatives, investment in local economies, and environmental stewardship programs. These programs are designed to support local communities and economies while protecting and improving the environment.

PDP relies on both internal and external audits to monitor compliance with employment standards. The audits, along with management reviews, track the effectiveness of the organization's employment practices. Regular audit feedback and internal reviews help integrate lessons learned into the continuous improvement of employment policies and practices, aligning with both legal requirements and best practices in human resources management. In addition, regular audits by the labor department serve as verification and impact assessments.

SSRLI/AMANPULO

The Resort has identified both actual and potential impacts - negative and positive - on the economy, environment, and people, including impacts on their human rights:

	Actual and Potential Negative Impacts	Actual and Potential Positive Impacts
Economy	SSRLI recognizes that its reliance on seasonal tourism can lead to economic instability, affecting both the company and its seasonal employees. Local communities whose micro and small enterprises depend on the resort's operations, are also negatively impacted by this seasonality. Also, the increase demand for local goods such as poultry, meat, fresh vegetables, and other products raises the cost of living in these communities and neighboring islands.	On the other hand, tourism can have a positive impact as a primary driver of the local economy. The Resort generate much-needed income and jobs for residents of the nearby islands. This provides employment opportunities closer to their homes and families. Resorts can partner with local schools to develop training programs, preparing students to become the primary workforce for the Resort. Purchasing raw materials from the local community supports the local economy. Promoting and selling locally made products in resort boutique shops can boost business, and showcase the unique offerings of the islands. By partnering with or purchasing from local organizations that help locals produce goods, the Resort can continue to provide jobs, strengthen the community, and preserve local culture. Partnerships with local schools and various other local sectors can further strengthen the relationship between the Resort and the community, supporting local development.

	Actual and Potential Negative Impacts	Actual and Potential Positive Impacts
Environment	An increase in the number of employees and resort guests can lead to excessive water usage and waste generation. For a resort on a small island, the limited carrying capacity for infrastructure can damage ecosystems, resulting in the loss of biodiversity and the destruction of critical areas such as coral reefs and mangroves. Pollution from unrestrained tourism activities, such as boating, diving, and beach tourism, can lead to water pollution, harming marine life and the environment. Additionally, climate change and rising sea levels pose a long-term risk to island ecosystems and tourism infrastructure. In general, over-tourism could cause irreversible damage to fragile environments, such as reefs and beaches.	To better promote the local culture, the Resort could offer guest activities such as island hopping, trips to sandbars, or visits to nearby islands. These activities would showcase local communities and their unique attractions to a global audience, boosting tourism, supporting local businesses, and promoting cultural exchange. Partnering with locals to create programs that protect the island's wildlife and ecosystems helps ensure environmental safety. Investing in renewable energy and advanced technologies for potable water production and management reduces the Resort's environmental impact. Supporting local conservation efforts and eco-friendly tourism activities, including marine protection initiatives, helps preserve the island's coastal and marine resources and attracts environmentally conscious guests and visitors.
People, including impacts on their human rights	The limited job opportunities in the tourism industry may lead to worker exploitation in areas with few employment options. In addition, tourism-related work often comes with low wages and poor working conditions, which can result in workers exploitation. The influx of tourists can erode or displace local culture, as the presence of visitors from different cultures can threaten traditions and lead to cultural changes or even the displacement of locals. Tourism also has the potential to exacerbate inequality in a society. As tourism grows, living costs for locals can rise, including the costs of raw materials and supplies for food and basic necessities. These items may be prioritized for tourist consumption, leading to shortages and price hikes for locals, thereby increasing social inequality. Finally, weak labor laws or lack of enforcement of human rights protections can result in worker **exploitation.**	In the interest of fairness, the Resort practices equal opportunities for all employees. It provides a safe and welcoming space for open communication, ensuring all staff members the same chance to be heard and hired, regardless of their background or origin. In the pursuit of inclusivity, the Resort encourages and hires staff from diverse backgrounds and genders to benefit from a wide range of perspectives. The health and safety of employees are a top priority. The Resort routinely conducts thorough risk assessments and implements necessary precautions to ensure their safety. In addition, the Resort invites external trainers from the Department of Labor and Employment or suppliers to educate its employees about their rights and benefits. To ensure the Resort provides competitive wages, it conducts a yearly salary survey to stay updated on prevailing market wages. It promotes a meritocratic atmosphere by basing salary decisions on performance, irrespective of an employee's background. The Resort is dedicated to making its community a more vibrant place. In addition to creating jobs and employment opportunities for local and neighboring communities, the Resort's tourism taxes help fund essential services, such as healthcare and education, so all residents can enjoy an improved standard of living.

Amanpulo adheres to the policies and practices outlined in the Labor Code of the Philippines, ensuring that all contract terms comply with legal standards for fair and transparent working conditions. The following key policies are in place:

- Recruitment Policy
- Timekeeping Policy
- Sick Leave Policy
- Weekly Days Off and Compensation Policy
- Fire Emergency Response Policy
- Driving Safety Policy
- Medical Emergency Response Policy
- Computer Users and Data Security Policy
- Retirement Policy

The Resort is committed to maintaining an ethical and legally compliant operation for all its employees. To ensure compliance with applicable laws and standards, it regularly reviews its procedures and practices with its legal team, covering areas such as compensation, statutory benefits, working conditions, pay, working hours, rest periods, and holidays.

SSRLI prioritizes employee welfare and well-being. The Resort provides comfortable accommodations, access to safe drinking water, nutritious meals, and on-site medical services, including care from its doctor and nurses. The Resort also ensures that due process is followed in matters of employee discipline and termination, further fostering a fair and supportive work environment.

During the high season, SSRLI hires seasonal employees to assist permanent staff in managing the influx of guests, ensuring that the Resort provides the highest level of service. The Resort is committed to ensure that temporary workers enjoy the same employment rights and benefits as permanent staff. To maintain consistency in employment practices, SSRLI conducts regular audits to ensure that third-party contractors pay their employees statutory benefits, as well as wages and salaries in a timely manner and in compliance with the law.

SSRLI has established safe and confidential channels for employees and workers to report cases of uncontracted work or exploitation within the supply chain. To ensure compliance, penalty clauses or contract termination provisions are imposed for suppliers who fail to meet legal contract requirements. This ensures that all workers, including home-based employees, are treated fairly and in accordance with the law.

The Resort also makes certain that any work performed by home-based employees is properly regulated and covered by their contracts. To further promote awareness, the HR Department provides training for both suppliers and home-based workers on their rights, including legal employment standards, to help prevent exploitation.

Additionally, regular audits of suppliers and subcontractors are conducted to ensure that all work is performed under legally recognized contracts. This approach safeguards workers' rights and ensures compliance with labor laws and standards.

Amanpulo holds townhall meetings to engage with local communities.

New employee hires and employee turnover

401-1

a. Total number of new employee hires during the reporting period

		ANSCOR			PDP			AMANPULO			ASF		
		2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
By Age	Under 30 years old	1			23	19	22	26	30	30	1		1
	30 – 50 years old	2	1	1	12	10	5	43	44	43	1	2	
	Over 50 years old				1			10	6	4		1	
TOTAL		3	1	1	36	29	27	79	80	77	2	3	1
By Gender	Female	3	1		13	5	18	23	25	26	2	2	1
	Male			1	23	24	9	56	55	51		1	
	Other												
TOTAL		3	1	1	36	29	27	79	80	77	2	3	1
By Region	NCR	3	1	1	14	11	12	23	18	20		1	
	Luzon				19	16	11	50	53	47	2	2	1
	Visayas				2	1	1	5	8	7			
	Mindanao				1	1	3	1	1	3			
TOTAL		3	1	1	36	29	27	79	80	77	2	3	1

a.1 Rate of new employee hires during the reporting period

ANSCOR			PHELPS DODGE			AMANPULO			ASF		
2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
11.54%	**0.033%**	0.034%	11.84%	9.18%	9.79%	20.8%	**4.48%**	4.86%	.09%	.13%	.05%

b. Total number of employee turnover during the reporting period

		ANSCOR			PDP			AMANPULO			ASF		
		2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
By Age	Under 30 years old	1			13	14	15	14	20	22			1
	30 – 50 years old			1	8	9	5	40	48	36	2	2	
	Over 50 years old	4			1	1	1	6	4	7	1	1	
TOTAL		5	-	1	22	24	21	60	72	65	3	3	1
By Gender	Female	3			8	11	5	17	26	50	1	2	1
	Male	2		1	14	13	16	43	46	15	2	1	
TOTAL		5	-		22	24	21	60	72	65	3	3	1
By Region	NCR	5		1	10	15	11	21	19	17	1	1	
	Luzon				10	7	7	32	45	36	2	2	1
	Visayas					1	2	4	6	5			
	Mindanao				2	1	1	3	2	7			
TOTAL		5	-	1	22	24	21	60	72	65	3	3	1

b.1 Rate of employee turnover during the reporting period

ANSCOR			PHELPS DODGE			AMANPULO			ASF		
2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
16.67%	-	0.034%	7.24%	8.16%	7.3%	15.8%	4.97 %	4.86%	15.7 %	7.3%	9.5%

Benefits provided to full-time employees that are not provided to temporary or part-time employees

401-2

For detailed description of the benefits granted to employees across the Anscor Group, please refer to the 2022 SR.

Parental leave

401-3

	ANSCOR			PDP			AMANPULO			ASF		
	2024			2024			2024			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
a. Total number of employees that were entitled to parental leave, by gender.	0	0	0	17	25	42	3	7	10	0	0	0
b. Total number of employees that took parental leave, by gender.	0	0	0	4	0	4	2	7	9	0	0	0
c. Total number of employees that returned to work in the reporting period after parental-leave ended, by gender.	N/A	N/A	N/A	4	0	4	2	7	9	N/A	N/A	N/A
d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender.	N/A	N/A	N/A	4	0	4	2	7	9	N/A	N/A	N/A

Return to work and retention rates of employees that took parental leave, by gender:

a. Anscor and Amanpulo

	ANSCOR						AMANPULO					
	Return to Work Rate 2024			Retention Rate 2024			Return to Work Rate 2024			Retention Rate 2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Return to work and retention rates of employees that took parental leave, by gender	N/A	N/A	N/A	N/A	N/A	N/A	100%	100%	100%	100%	100%	100%

b. PDP and ASF

	PDP						ASF					
	Return to Work Rate 2024			Retention Rate 2024			Return to Work Rate 2024			Retention Rate 2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Return to work and retention rates of employees that took parental leave, by gender	100%	0	100%	100%	0	100%	N/A	N/A	N/A	N/A	N/A	N/A

OCCUPATIONAL HEALTH & SAFETY 2018

403

Management of Material Topic

3-3

PDP

PDP acknowledges that while the initial investment in safety equipment, training, and infrastructure may present short-term financial challenges, it is essential for the long-term sustainability of the company. Inadequate safety practices can lead to serious environmental incidents, such as chemical spills, leaks, or emissions. Similarly, poor occupational safety and health (OSH) practices can result in accidents, injuries, or fatalities, which negatively impact employee well-being and morale. Furthermore, non-compliance with OSH standards may expose PDP to legal liabilities, damaging both its financial performance and its reputation.

Implementing an OSH system not only safeguards employees but also enhances PDP's reputation, particularly with customers. Customers are increasingly inclined to support companies that prioritize their workers' safety and environmental protection.

PDP is fully committed to minimizing the negative impacts of its operations and business relationships. It assesses its manufacturing processes to prevent any potential environmental or social consequences. Through ISO 45001-certified health and safety management system, it continually works to mitigate OSH risks. PDP also ensures that its supply chain and business partnerships adhere to the highest standards of ethical conduct and environmental responsibility. Although PDP has not been directly involved in any significant negative impacts from its operations or partnerships, it remains vigilant and dedicated to addressing any potential indirect impacts linked to its activities.

PDP's policies focus on:

Preventing or Mitigating Negative Impacts	Addressing Actual Negative Impacts	Managing Positive Impacts
Through rigorous safety protocols, regular employee training, and adherence to ISO 45001 standards, PDP aims to prevent workplace incidents and environmental harm.	In the event of an incident, PDP has established procedures for immediate response, investigation, and remediation, including cooperation with local authorities and stakeholders to address any impacts effectively.	PDP is dedicated to improving employee well-being, community health, and environmental protection through its operations. This includes community engagement programs and sustainability initiatives, all of which are outlined in its comprehensive OSH Program and reinforced by its ISO 45001 certification.

PDP prioritizes the well-being of its employees, communities, and the environment. Its sustainability efforts are centered on continuous improvement, and to ensure their effectiveness, it implements a comprehensive range of processes. PDP closely monitors its impact across all areas of the business, assigning clear responsibility to specific functions, with senior management overseeing these areas to ensure they align with PDP's safety and environmental commitments. Through internal audits, routine evaluations, and employee feedback, PDP assesses the success of its sustainability programs. The insights gained from these assessments inform its decision-making, enabling it to direct its efforts where they will have the most significant impact. This includes evaluating the outcomes of safety training, the implementation of safety measures, and environmental sustainability practices. PDP's approach is proactive, focusing on continuous improvement and adherence to international standards to mitigate potential and actual negative impacts while enhancing positive outcomes.

Tracking the effectiveness of the actions taken:

Processes used to track the effectiveness of the actions:	Goals, targets, and indicators used to evaluate progress	The effectiveness of the actions, including progress toward the goals and targets	Lessons learned and how these have been incorporated into the organization's operational policies and procedures
PDP employs a comprehensive approach to assess the effectiveness of its efforts, using a combination of internal and external audits, stakeholder feedback, and comparisons to industry standards. This multi-faceted strategy ensures that it is not only compliant with its guidelines and commitments, but also continually improve its outcomes on OSH, environmental sustainability, and community well-being. The feedback gathered through these processes form a critical loop that informs PDP's strategies, enabling the company to adapt to new challenges and seize opportunities to create a positive impact.	PDP's goals are focused on achieving zero recordable incidents, underscoring its commitment to the highest standards of safety and well-being for both its employees and stakeholders. This target serves as both an aspirational and operational benchmark, guiding its actions and policies to maintain a safe, healthy workplace while minimizing risks across its operations and business relationships.	To assess the effectiveness of PDP's efforts in achieving zero recordable incidents, it monitors outcomes through a combination of internal and external audits, data from its safety management systems, and stakeholder feedback. This approach enables PDP to establish a clear link between its actions and their impact to safety performance. It evaluates progress against established goals, with a focus on continuous improvement. When goals are not met, it conducts a thorough analysis to identify the underlying causes and adjust its strategies accordingly, ensuring that its commitment to safety is consistently managed and enhanced.	Continuous improvement efforts have highlighted the importance of proactive risk management and the value of engaging employees in safety initiatives at PDP. As a result, PDP has strengthened its training programs, conducted more thorough audits of its safety practices, and implemented advanced reporting systems to capture near-misses, which help prevent incidents before they occur. PDP has also recognized the need for closer collaboration with its suppliers to ensure they align with safety standards. These lessons are now embedded in PDP's operational policies and procedures, cultivating a culture of safety and responsibility at every level of the organization.

PDP's engagement with stakeholders is vital to its success, ensuring that its OSH efforts align with their needs and enabling PDP to make informed decisions. Through their feedback, stakeholders contribute to a meaningful dialogue that helps PDP evaluate the effectiveness of its policies and practices. These open discussions allow PDP to identify areas for improvements, ensuring that its operational impacts are effectively managed.

SSRLI / AMANPULO

For a detailed description on how SSRLI/Amanpulo manages the material topic Occupational Health and Safety, please refer to the 2023 SR.

SSRLI's Policies focus on:

Actions to prevent or mitigate potential negative impacts	Actions to address actual negative impacts, including actions to provide for or cooperate in their remediation	Actions to manage actual and potential positive impacts
• Regular Risk Assessments: Conducts routine workplace hazard evaluations to identify and mitigate risks.	• Incident Reporting and Investigation	• Continuous Safety Culture Development
• Mandatory Safety Training: Requires all employees and contractors to complete OHS training, including emergency response and proper equipment use.	• Medical Support and Rehabilitation	• Recognition and Incentives: Acknowledges employees and departments that consistently uphold OHS best practices.
• Strict Compliance Monitoring: Implements audits and inspections to ensure adherence to RA No. 11058 and other safety regulations.	• Policy Revisions Based on Incidents	• Sustainability Integration
• Emergency Preparedness Plans: Maintains well-documented emergency response procedures, including fire drills, medical response, and evacuation plans.	• Employee Support Programs	• Community Engagement
• Supplier and Contractor Safety Compliance: Enforces safety guidelines for third-party contractors and suppliers, ensuring alignment with Amanpulo safety standards.		

Tracking the effectiveness of the actions taken:

Processes used to track the effectiveness of the actions:	Goals, targets, and indicators used to evaluate progress	The effectiveness of the actions, including progress toward the goals and targets
• **Monthly inspections and annual audits to ensure safety measures are effective.** • **Log and investigate all accidents and near-misses to prevent recurrence.** • **Staff share safety concerns through meetings and surveys.** • **Staying aligned with RA No. 11058 through regular reviews.** • **Third-party workers should follow the company's safety standards.**	• **No/zero serious injuries or fatalities.** • **Yearly reductions in minor accidents and near-misses.**	• **Safety training and awareness have reduced workplace accidents.** • **Employees report more hazards and follow safety protocols.** • **Government inspections confirmed that the Resort is compliant with all safety standards.** • **Drills consistently meet target times.** • **Tighter oversight ensures third-party workers follow rules.**

Occupational health and safety management system

403-1


Certificate of Registration

This is to certify that

Phelps Dodge Philippines Energy Products Corporation and PD Energy International Corporation

Luisita Industrial Park, San Miguel, Tarlac City, Philippines

operate a management system which has been assessed as conforming to

ISO 9001:2015

for the scope of activities

Manufacture of electrical wires and cables.


Certificate of Registration

This is to certify that

Phelps Dodge Philippines Energy Products Corporation and PD Energy International Corporation

Luisita Industrial Park, San Miguel, Tarlac City, Philippines

operate a management system which has been assessed as conforming to

ISO 45001:2018

for the scope of activities

Manufacture of electrical wires and cables.


Certificate of Registration

This is to certify that

Phelps Dodge Philippines Energy Products Corporation and PD Energy International Corporation

Luisita Industrial Park, San Miguel, Tarlac City, Philippines

operate a management system which has been assessed as conforming to

ISO 14001:2015

for the scope of activities

Manufacture of electrical wires and cables.

PDP's ISO Certificates, serve as proof that the company is globally recognized by an international certification organization for having a robust quality management system. These certifications demonstrate PDP's compliance with international standards for OSH management systems, as well as internationally recognized standards for environmental management systems.

PDP

PDP has implemented a comprehensive OSH management system that complies with current national regulations, including the government's OSH law. It also adheres to ISO 45001 standards and follow a safety training program that meets the requirements set forth by the International Labour Organization (ILO) guidelines for OSH.

PDP's OSH management system is designed to cover all employees and contractors on its premises. A team of qualified professionals, including safety officers, a licensed safety practitioner, a nurse, and a doctor-consultant are employed to ensure the effectiveness and continuous improvement of the system. This structure is in place to maintain a safe working environment for all employees.

SSRLI

For a detailed description of SSRLI's OSH management system, please refer to the 2023 SR.

Hazard identification, risk assessment, and incident investigation

403-2

PDP

PDP is committed to ensuring the quality of its OSH processes. For instance, both employees and contractors receive Behavioral-Based Safety (BBS) Training Material for Observer and Potential Risk Detection. This training equips workers with the skills to identify work-related hazards and effectively assess risks. Workers are encouraged to report hazards without fear of retaliation, supported by policies that protect their rights. PDP also ensures that employees have the right to remove themselves from unsafe situations, reinforcing their right to a safe work environment.

PDP's incident investigation process involves identifying hazards, assessing risks, and implementing corrective actions, all aimed at continual improvement of the safety management system. These measures highlight PDP's commitment to maintaining a safe workplace and adhering to both legal requirements and ISO 45001 standards.

Protecting workers against reprisals is a critical aspect of safety culture. PDP has established policies and processes that protect workers from intimidation, threats, or any actions that could negatively affect their employment or work engagement. This includes protection against termination, demotion, loss of compensation, disciplinary actions, or any other form of unfavorable treatment. Workers are safeguarded from reprisals for removing themselves from work situations they believe could cause injury or ill health, or for reporting hazards to their representatives, employer, or to regulatory authorities. Workers have the right to remove themselves from situations that they believe could harm themselves or others, without fear of reprisal.

SSRLI/AMANPULO

The Resort employs several processes to identify work-related hazards and assess risks on both a routine and non-routine basis, applying the hierarchy of controls to eliminate hazards and minimize risks. These processes include:

- Safety inspections, audits, and job hazard analyses to identify potential risks.
- Use of protective equipment and safety protocols to eliminate hazards whenever possible.
- Assigning competent staff to oversee safety operations.
- Regular OSH training for all workers.
- Review of safety data by the ESS Manager to ensure process improvement, maintaining the quality of safety measures and the competency of those responsible for implementing them.

The results of these processes are evaluated to ensure continuous improvement of the OSH management system.

SSLRLI has worked diligently to establish a safe and healthy working environment for all employees. It has developed a culture that encourages open communication and has implemented a reporting system to ensure that the employee feel comfortable and empowered to bring safety concerns to management's attention.

Team members can report concerns through a variety of channels, including supervisor, the safety team, or a formal reporting mechanism. Anonymous reporting is also available. These channels are protected from reprisals, ensuring that no one is penalized raising safety issues or expressing concerns.

Working in safe conditions is a fundamental right of every worker. Employees are encouraged to stop work and remove themselves from situations they believe to be unsafe. Whenever a worker refuses to perform a dangerous task, no penalties are imposed, and all safety concerns are immediately investigated. Management also investigates all incidents, including near misses, and updates policies accordingly, taking corrective actions to prevent recurrence.

Occupational health services; Worker participation, consultation, and communication on occupational health and safety; and Worker training on occupational health and safety

403-3, 403-4, 403-5

PDP

For a detailed description of the subject, please refer to the 2023 SR.

Promotion of worker health

403-6

Fire Safety Protection Training held last April 5 and 12, 2024 with 33 PDP Employees

PDP

For a detailed description of the subject, please refer to the 2023 SR.

SSRLI/AMANPULO

Amanpulo provides an on-site clinic that is accessible to all individuals on the island, including regular employees, contractors, visiting consultants, and guests. The clinic is staffed by a physician and two nurses, available for walk- in consultation or any cases requiring emergency care.

All employees are required to attend an onboarding session at the clinic, where they are oriented on clinic services and policies. Additionally, new employees must undergo an onboarding assessment at the clinic before their first shift, or as scheduled by the HR Department.

The clinic is equipped to handle a wide range of medical cases. For cases requiring tertiary hospital care, referrals to a hospital in Manila are made. Regular employees are also covered by an HMO, which provide access to hospitalization and specialist care for chronic conditions. In case of emergency, the clinic coordinates medical evacuations and arranges hospital transfers.

In terms of wellness, the Resort organizes sports festivals twice a year, encouraging all interested employees with the physical capabilities to participate. Activities such as basketball, volleyball, tennis, badminton, darts, and table tennis are offered to promote health and physical activity. The Resort also regularly conduct lay forums on health education, with varying topics depending on current health trends, or awareness campaigns from health organizations. These forums are scheduled during off-hours or break times to encourage maximum attendance.

To further promote health awareness, the clinic maintains a bulletin board located in the employee cafeteria, which is regularly updated with important health information. For example, during the summer months, infographics on first-aid for heat related illnesses are displayed, offering guidelines on proper treatment.

Health related information, including pre-employment exam results, consultation records, and annual physical exam results, is securely stored on a separate computer, accessible only by the company physician. All health information is kept strictly confidential and shared only on a need-to-know basis. Employee diagnoses and health details are not disclosed to other employees, and coordination with the HMO is handled exclusively through the HR Department.

Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

403-7

For a detailed description of PDP's and SSRLI/Amanpulo's prevention and mitigation of OSH impacts directly linked by business relationships, please refer to the 2023 SR.

Workers covered by an occupational health and safety management system

403-8

PDP

PDP has an OSH system in place. Based on the data:

a. The total number of employees: 304

   All 304 employees (100%) are covered by the occupational health and safety management system that has been internally audited and/or certified by an external party.

b. No workers under the control of PDP have been excluded from this system. However, 293 contractor workers are not covered as they are not under the control of PDP.

The data compilation is based on the headcount and employment status reported for the year 2024.

SSRLI/AMANPULO

For a detailed description on the subject, please refer to the 2022 SR.

Work-related injuries

403-9

PDP

	The number and rate of fatalities as a result of work-related injury;		The number and rate of high-consequence work-related injuries (excluding fatalities);		The number and rate of recordable work-related injuries;		The main types of work-related injury	The number of hours worked.
	Number	Rate	Number	Rate	Number	Rate		
a. For all employees:	0	0	0	0	0	0	N/A	691,458.62
b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:	-	-	-	-	-	-	-	-

The following work-related hazards pose a risk of high consequence injury:

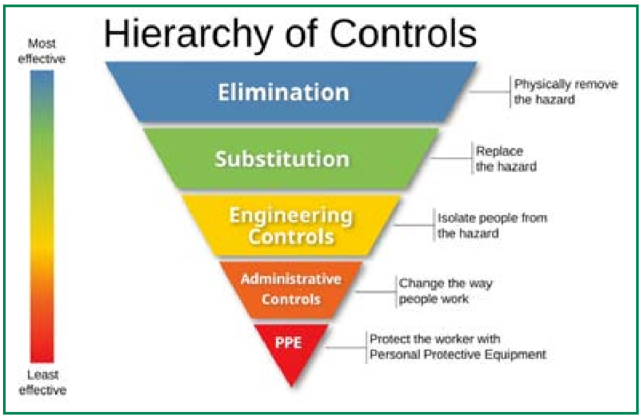
Unsafe Behavior:	Unsafe Condition:
▪ Unsafe Lifting Practices ▪ Taking Shortcuts ▪ Operating Machinery Improp-erly ▪ Not Reporting Hazards ▪ Fatigue ▪ Frustration ▪ Rushing ▪ Complacency	▪ Poor Lighting ▪ Slippery or Wet Floors ▪ Unprotected Machinery ▪ Lack of Personal Protective Equip-ment (PPE) ▪ Exposed Electrical Wires ▪ Fire Hazards ▪ Chemical Exposure ▪ Ergonomic Hazards

The implementation Behavior-Based Safety (BBS) has led to the identification of the hazards outlined in the report. The safety procedures employed include task observation, reinforcement of safe behaviors, identification and correction of unsafe behaviors, all supported by positive feedback.

In Potential Risk Detection, employees are trained to identify hazards and assess risks in order to eliminate or reduce them within specific tasks or activities. Hazards contributing to high-consequence injuries are primarily due to failure to follow established safety procedures and not wearing appropriate protective gear. These behaviors were categorized as unsafe behaviors. Hazards that were not identified or promptly corrected were classified as unsafe conditions.

The hierarchy of controls was applied to determine the most effective measures for eliminating or minimizing risks associated with these behaviors. The actions taken to address these risks included Task Observation. In addition, to reduce unsafe behaviors, employees are encouraged to provide positive feedback to help correct unsafe actions.

These actions taken -or currently underway- under the Potential Risk Detection program aim to eliminate work-related hazards and reduce risk, all while utilizing the hierarchy of controls to ensure the most effective approve is applied.



SSRLI/AMANPULO

	i. The number and rate of fatalities as a result of work-related injury;		ii. The number and rate of high-consequence work-related injuries (excluding fatalities);		iii. The number and rate of recordable work-related injuries;		iv. The main types of work-related injury;	v. The number of hours worked.
	RESPONSE							
	Number	Rate	Number	Rate	Number	Rate		
a. For all employees:	0	0	0	0	5	0.81	Contusions Burn Cut Puncture Wound	1,237,824.00
b. For all workers who are not employees but whose work and/ or workplace is controlled by the organization:	0	0	0	0	0	0	N/A	N/A

Work related ill-health

403-10

PDP

At PDP, work-related hazards that pose a risk of ill health, include body pain, chemical hazards and noise from various machineries. These hazards were identified through the annual physical and medical examinations conducted on workers. During this reporting period, none of the identified hazards have caused or contributed to any cases of ill-health.

	i. The number of fatalities as a result of work-related ill health;	ii. The number of cases of recordable work-related ill health;	iii. The main types of work-related ill health.
a. For all employees:	0	0	N/A
b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:	0	0	N/A

PDP has taken steps to correct and/or eliminate these hazards and minimize associated risks, applying the hierarchy of controls. For body pain, it has implemented proper ergonomics. To address chemical hazards, it enforces the strict use of masks. For noise hazards, noise insulation had been installed and the wearing of ear protection is required.

SSRLI/AMANPULO

	i. The number of fatalities as a result of work-related ill health;	ii. The number of cases of recordable work-related ill health;	iii. The main types of work-related ill health.
		RESPONSE	
a. For all employees	0	498	Rhinitis Musculoskeletal Pain Headache
b. For all workers who are not employees but whose work and/ or workplace is controlled by the organization	0	0	N/A

TRAINING AND EDUCATION 2016

404

Management of Material Topic

3-3

PDP

For a detailed description on how PDP manages the material topic Training and Education, please refer to the 2023 SR.

Process of engagement with stakeholders on the actions taken	Outcome
Feedback from Employees	The use of post-training feedback forms is a direct method of engaging with employees. Their responses provide valuable insights into the relevance, effectiveness, and areas for improvement of the training programs.
Performance Evaluations	Regular performance evaluations involve direct engagement with employees, allowing the organization to understand how the training has impacted their skills and productivity. This helps in preparing future training programs that are tailor made to better meet employee needs and organizational goals.
Training Needs Assessment	Engaging employees in the Training Needs Assessment process ensures that the training programs are aligned with their skills development needs and career aspirations. This stakeholder engagement is pivotal in designing training programs that are both relevant and effective.

Manner of informing whether the actions have been effective	Outcome
Feedback Analysis	The analysis of feedback gathered from employees post-training is used to assess the effectiveness of the training programs. This feedback provides a direct link between the training provided and the perceived value and impact from the employees' perspective.
Performance Metrics	Evaluating the performance metrics post-training involves understanding the direct impact of training on employees' work. This is a key indicator of the effective-ness of the training programs in enhancing skills and productivity.
Continuous Improvement Based on Feedback	The continuous evolution of training programs is driven by ongoing engagement with stakeholders. Feedback and performance evaluations highlight areas of success and those needing improvement, guiding the development of future training initiatives.

PDP holds monthly and quarterly assembly meetings with employees on a regularly basis. These meetings serve as a venue for both Management and employees to communicate and discuss issues that concerns both parties.

SSRLI/AMANPULO

When training programs are not inclusive or accessible, they can have both actual and potential negative impacts. For instance, they can lead to economic disparities within the workforce, excluding certain groups from opportunities. A lack of inclusion in training can perpetuate economic inequities, limiting the broader economic benefits for employees. To prevent resentment and tension within the workforce and the community, Amanpulo prioritizes hiring local talent. In line with this commitment, the Resort offers rigorous training programs to new hires, ensuring equal opportunities for all.

Resorts that fail to prioritize sustainability training for their employees may unintentionally contributing to environmental degradation. Without proper sustainability education, employees may lack awareness of environmental protections, potentially leading to unsustainable practices. These practices can include excessive resource consumption and increased waste generation, which negatively impact the environment.

On the other hand, hospitality companies with comprehensive training programs help improve their employees' skills sets, such as customer service and operational efficiency, resulting in enhanced guest satisfaction. This, in turn, can attract more guests and drive positive economic growth. For example, Amanpulo provides communication and language training to its staff, which enhances the experience for international guests and fosters positive economic impacts. As the local workforce becomes more skilled, it creates opportunities for job growth and provides a boost to the local economy.

In the realm of sustainable hospitality, Amanpulo stands out as a pioneer. The resort not only provides comprehensive sustainability training for its staff, but has also integrated environmental sustainability into its curriculum. By educating employees on topics such as water conservation, waste reduction and management, and energy-saving measures, the Resort has successfully reduced water consumption, minimized waste output, and significantly improve its dining offerings. These efforts have attracted more guests and provided crucial support to local food suppliers. The Resort's success serves as an inspiration for other resorts to follow suit, potentially creating a ripple effect that enhances sustainability and reduces the environmental footprint of the entire area.

Amanpulo also offers valuable job training programs to local residents, enabling them to become regular employees based on their performance. These training programs ensure a pool of qualified trainees who can serve as backup staff during peak seasons or when the Resort reaches full capacity. The employees gain valuable experience, while the Resort benefits from trained workforce that ensures smooth operations. In addition, the Resort's partnership with local schools to create internship programs help foster positive community relationships and build goodwill. This approach demonstrated by Amanpulo's collaboration with a nearby local school to provide hands-on training to students, proves to be a successful model for community engagement and workforce development.

The Resort's association with negative consequences related to this material topic has been minimal. In addressing the environmental impact of its activities, it is important to note that the Resort's overall environmental footprint is relatively small. However, this does not mean that the Resort is without any negative impact. For example, the use of industrial-grade equipment, such as appliances, audio-visual systems, and lighting during training sessions, does contribute to energy consumption. While necessary for operations, the use of energy-intensive equipment increase energy usage and adds to the carbon footprint, which, over time, could contribute to environmental degradation.

Amanpulo actions to mitigate environmental issues are outlined below. These measures are designed to reduce our carbon footprint and ensure that Amanpulo remains a haven for environmentally conscious guests and partners:

- Invest in energy-efficient equipment, appliances, and audio-visual systems.
- Implement smart building systems to optimize energy use.
- Integrate renewable energy sources into the power grid.
- Incorporate training modules on sustainable practices.
- Implement waste reduction initiatives.
- Pursue environmental certifications.

The Resort had established a robust training and education program, making it a priority for all employees to receive a comprehensive education. The goal is not only to equip employees with the necessary skills for their roles but also provide them with the knowledge and resources to continuously develop and improve those skills. The training program is an ongoing process. The time, effort, and investment dedicated to this program have resulted in a more efficient, knowledgeable, and empowered workforce, marking an important milestone for the Resort.

SSRLI/AMANPULO

Amanpulo's policies focus on:

Actions to prevent or mitigate potential negative impacts	Actions to address actual negative impacts, including actions to provide for or cooperate in their remediation	Actions to manage actual and potential positive impacts
Ensure smooth employee onboarding training by : Complete Orientation Programs ➢ Amanpulo ensures that all new employees go through a comprehensive orientation program, introducing them to the company's culture, values, and expectations. This helps in preventing misunderstandings and sets a positive tone at the start. Regular Training Assessments ➢ Amanpulo conducts regular assessments to identify any gaps in training or potential issues. This proactive approach helps in addressing issues before they escalate and ensures that all staff members are equipped with the necessary skills. Access to Amanpulo intra-communication apps ➢ This is to ensure that everyone stays informed and up to date with the latest information. This platform helps maintain clear and efficient communication across the organization.	Open Feedback Channels ➢ Amanpulo establishes open channels for employees to provide feedback. If there are concerns or issues related to training, employees are encouraged to share them without fear of reprisal. This allows the management to promptly address any actual negative impacts. Responsive Management ➢ In case of any identified negative impacts, Amanpulo takes swift action to rectify the situation. This could involve additional training sessions, personalized coaching, or even revising certain training programs to better suit the needs of the employees.	Recognition and Rewards ➢ Amanpulo has a robust system for recognizing and rewarding employees who demonstrate outstanding achievement in the area of training and development. This demonstrates the company's commitment to creating a positive corporate culture that encourages continuous improvement and recognizes the hard work of its valued staff members. These efforts not only provide motivation for employees, but they also benefit Amanpulo by attracting and retaining talented and skilled staff for future leadership roles. In two specific instances, this system was especially effective. ➢ Situation 1: When a staff member identified a gap in training during a regular assessment, Amanpulo responded immediately with a targeted workshop, or one-on-one training, to address the problem. ➢ Situation 2: In response to employee feedback, Amanpulo revised its customer service training program to incorporate more real-life situations and practical advice. This resulted in a significant improvement in guest satisfaction scores, thus demonstrating the importance of taking employee feedback seriously and providing consistent, quality training. Career Development Plans ➢ Amanpulo provides personalized career development plans for its employees, helping them see a clear path for growth within the organization. This not only benefits the employees but also ensures a pool of skilled and motivated individuals for future leadership positions.

Amanpulo's policies focus on:

Processes used to track the effectiveness of the actions	Goals, targets, and indicators used to evaluate progress	The effectiveness of the actions, including progress toward the goals and targets	Lessons learned and how these have been incorporated into the organization's operational policies and procedures
Customer Service Skills Enhancement	Improve customer satisfaction scores by 15% • Average customer satisfaction score in surveys. • Number of positive customer feedback instances. • Actions Taken and Remediation.	Initiatives: Implemented customer service workshops, role-playing scenarios, and personalized coaching sessions.	The introduction of practical training and personalized coaching positively impacted staff's customer service skills. Remediation processes included additional one-on-one coaching for specific staff members identified through customer feedback.
Employee Well-being and Engagement	Achieve a 10% increase in employee engagement • Employee engagement survey scores. • Employee turnover rates. • Actions Taken and Remediation.	The focus on holistic well-being and proactive measures to address concerns contributed to the positive change. Remediation processes included additional well-being workshops and personalized support for employees expressing dissatisfaction.	This moves effectively Introduced wellness programs, mental health support initiatives, and stay interviews.
Leadership Development	Ensure 20% of mid-level managers complete leadership development programs • Percentage of mid-level managers completing programs. • Leadership effectiveness assessments.	• IT effectively Integrated leadership training as a continuous element in career development plans ensuring sustained growth. • Remediation processes included ongoing mentorship for mid-level managers to apply their leadership skills in real-world scenarios.	• The Incorporation of leadership development programs into career development plans proved to be pivotal for an organization's success. • Maintained an open and accessible grievance mechanism for employees and guests. • Conducted regular feedback sessions to identify concerns related to training and development initiatives.

Engagement with stakeholders:

Process of engagement with stakeholders on the actions taken	Outcome and lessons learned
Community forums	• People can openly share their opinions and experiences. Stakeholder concerns and preferences should be identified through systematic analyses of feedback.
Pre-stay communication with guests	• Stakeholders are invited to share their concerns and suggestions in pre-stay communications with guests. • Feedback is carefully analyzed, and if any issues persist or new concerns arise, Amanpulo makes adjustments to the remediation plan accordingly. • This iterative process ensures ongoing responsiveness to stakeholder needs.
Collaborative Decision-Making with Employees	• The Resort's internal communication channels are actively used. Meetings and forums are organized to find mutually agreeable solutions.
Consultation with Experts	• As needed, formulate a tailored remediation plan to address any issues.
Feedback Collection	• The Resort implemented procedures to enhance communication with both employees and customers, to better identify their specific needs, to create an even better guest experience, and to make the working environment for associates more fulfilling. It was an exercise in continuous improvement. • To gather feedback, a variety of methods were utilized. Surveys and several community meetings were hosted to solicit input from guests and employees. Suggestion boxes were set up around the Resort where anyone could submit their ideas or concerns. • The efforts to collect feedback generated responses that revealed the strengths of the Resort and areas that could be improved. The valuable suggestions received from stakeholders were incorporated into operational policies. The Resort was not only able to immediately address any immediate concerns but it also strengthened its relationships with its stakeholders and fostered a culture of continuous improvement.

Chemical Safety Training conducted by PDP.

Average hours of training per year per employee

404-1

PDP

a. Number of training hours per employee category

	No. of Employees		Number of Training Hours	
	2024		2024	
	Male	Female	Male	Female
Employee Category				
Senior Management / Department Directors	3	1	96	8
Middle Management / Managerial	5	1	135	44
Administrative	16	8	352	68
Technical	29	17	624	392
Production	203	0	64	**0**
Others, specify				
Total no. of employees	256	27	1271	512

b. Total No. of Training Per Gender and Category

Period Category	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
By Employee Category						
Senior Mgmt./Dept. Directors	9	2	2	3	7	2
Middle Mgmt./Managerial	13	6	8	0	3	0
Administrative	27	9	8	10	30	14
Technical	42	26	21	14	11	6
Production	19	0	13	0	15	0
Others, specify						

c. Average training hours by gender and by employee category

Period Covered	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
By Employee Category						
Senior Mgmt./Dept. Directors	10.67	4	292.00	8.00	7.29	7.50
Middle Mgmt./Managerial	10.38	7.33	21.00	0.00	11.67	0.00
Administrative	13.06	7.56	84.50	45.15	14.18	10.50
Technical	14.86	15.08	47.56	20.00	15.33	12.79
Production	3.36		1.07	0.00	1.07	0.00
Others, specify						
Average Total	10.47	8.50	446.13	73.15	49.53	30.79

The formula used to calculate the Average Training Hours is: ***Total No. of training hours / No. of Training.***

AMANPULO

a. Number of training hours per gender per employee category

Employee Category	Number of Employees 2024		Number of Training Hours 2024	
	Male	Female	Male	Female
Senior Management/Dept. Directors	23.04	14.74	1,290	350
Middle Management/ Managerial	27.58	33.7	1,550	800
Administrative	22.29	20.15	1,250	500
Technical	30.71	22.37	1,810	650
Production	52.5	71.1	2,879.50	948
Others, specify:				
Total no. of employees per gender	**276**	**102**	8,779.50	3,248
Total Employees	**378**			
	Total No. of Training Hours		**12,027,50**	
	Average Training Hour Per Employee **(formula guidance of computation above)**		31.81 hours per employee	

b. Average training hours by gender and by employee category

Employee Category	AVERAGE HOURS of training undertaken			
	2024		2023	
	Male	Female	Male	Female
Senior Management/ Department Directors	23.04	14.74	19.44	8
Middle Management/ Managerial	27.58	33.7	22.43	25.71
Administrative	22.29	20.15	16.22	16
Technical	30.71	22.37	17.48	14.97
Production	52.5	71.1	25.75	22.91
Total no. of employees per gender	**276**	**102**	**237**	**82**
Total no. of employees	378		319	
Total Training Hours	**12,027,50**		**8,086.73**	
Average Training Hour Per Employee **(formula guidance of computation above)**	**31.81 hours per employee**		**18.891 hours per employee**	

Programs for upgrading employee skills and transition assistance programs

404-2

PDP

For a detailed description on PDP's programs for upgrading employee skills and transition assistance programs, please refer to the 2023 SR.

SSRLI / AMANPULO

Amanpulo provides comprehensive training programs for employees. Some of these programs are delivered internally, while others are offered externally. In addition, financial assistance is provided for employees pursuing external training or education that enhances their roles within the organization. Sabbatical periods are also available, allowing employees to engage in self-directed learning or professional development while retaining their position with the company. These initiatives are designed to foster continuous learning and personal growth.

Recognizing that employees are the greatest assets, Amanpulo is committed to ensuring that individuals receive the necessary support for a successful and fulfilling career path, whatever that may be. As part of a commitment to employee well-being, robust transition assistance programs are offered for significant career transitions, including retirement or termination of employment. These programs may include pre-retirement planning services, offering employees the resources and guidance necessary for a smooth transition into retirement. For those who wish to continue working, retraining opportunities are provided to help acquire new skills and stay aligned with the evolving demands of the industry.

Termination, while an inevitable part of professional life, is handled with care and respect. In the event of termination, a fair and comprehensive severance pay structure is offered, taking into account factors such as age and years of service. Job placement services are extended to assist with re-entry into the workforce, and where applicable, transition assistance, including training and counseling, is available to ensure a holistic approach to career transitions.

In 2024, Amanpulo, in partnership with nearby educational institutions—particularly DepEd Manamoc and Palawan State University-Cuyo—successfully facilitated on-the-job immersion programs for both high school students from Manamoc and college students from Palawan State University.

Through these programs, Amanpulo not only facilitates opportunities for upskilling and reskilling but also fosters a supportive and inclusive environment that recognizes and addresses the various stages of employees' professional journeys. The effectiveness of these initiatives is regularly assessed, with a commitment to continuously improving employee development and transition assistance efforts.

Percentage of employees receiving regular performance and career development reviews

404-3

PDP

a. Percentage of total employees by gender and by employee category who received a regular performance review

Employee Category	Percentage of total employees by gender and by employee category who received a regular performance review											
	2024				2023				2022			
	Male		Female		Male		Female		Male		Female	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Senior Management / Department Directors	4	1.32	1	0.33	4	1.36	1	0.34	4	1.39	1	0.35
Middle Management /Managerial	10	3.29	2	0.66	9	3.06	0	0	8	2.79	1	0.35
Administrative	66	21.71	34	11.18	67	13.94	29	6.80	62	14.29	33	6.62
Technical	40	13.16	19	6.25	41	22.79	20	9.86	41	21.60	19	11.5
Production	128	42.11	0	0	123	41.84	0	0	118	41.11	0	0
Others												
Total no. of employees	**248**	**81.58**	**56**	**18.42**	**244**	**83**	**50**	**17**	**233**	**81.18**	**54**	**18.82**

b. Percentage of total employees by gender and by employee category who received a career development review

Employee Category	Percentage of total employees by gender and by employee category who received a career development review											
	2024				2023				2022			
	Male		Female		Male		Female		Male		Female	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Senior Management / Department Directors	4	1.70	1	2.0	4	1.78	1	2.13	4	1.78	1	2.17
Middle Management /Managerial	9	3.83	2	4.1	9	4.00		0.00	8	3.56	1	2.17
Administrative	66	28.09	28	57.1	62	27.56	27	57.45	61	27.11	27	58.70
Technical	38	16.17	18	36.7	33	14.67	19	40.43	35	15.56	17	36.96
Production	118	50.21	0	0	117	52.00	0	0.00	117	52.00	0	0.00
Others	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
Total no. of employees	**235**	**100**	**49**	**100**	**225**	**100**	**47**	**100**	**225**	**100**	**46**	**100.00**

SSRLI/AMANPULO

a. Percentage of total employees by gender and by employee category who received a regular performance review

Employee Category	Percentage of total employees by gender and by employee category who received a regular performance review											
	2024				2023				2022			
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
	No.	No.	%	%	No.	No.	%	%	No.	No.	%	%
Senior Mgmt./Dept. Directors	6	4	2.17%	3.92%	3	1	1%	1%	5	1.47%	3	0.88%
Middle Mgmt./Mana-gerial	22	20	7.97%	19.61%	19	14	8%	17%	39	11.44%	28	8.21%
Administrative	35	17	12.68%	16.67%	53	2	22%	3%	58	17.01%	1	0.29 %
Technical	44	2	15.94%	1.96%	16	9	7%	11%	22	6.45%	8	2.35%
Production	169	59	61.23%	57.84%	146	56	62%	68%	124	36.36%	53	15.54%
Total no. of employees	**276**	**102**	**100%**	**100%**	**237**	**82**	**100%**	**100%**	**248**	**73.73%**	**93**	**27.27%**

b. Percentage of total employees by gender and by employee category who received a career development review

Employee Category	Percentage of total employees by gender and by employee category who received a career development review											
	2024				2023				2022			
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
	No.	No.	%	%	No.	No.	%	%	No.	No.	%	%
Senior Mgmt./Dept. Directors	1	-	12%	-	-	-	-	-	2	29%	-	-
Middle Mgmt./ Managerial	-	1	-	12%	2	2	25%	28.6%	2	4%	1	3%
Administrative	-	-	-	-	1	-	12.5%	-	4	50%	2	25%
Technical	-	-	-	-	1	-	12.5%	-	2	4%	1	100%
Production	8	3	88%	88%	4	5	50%	71.40%	3	2%	1	1%
Total no. of employees	**9**	**4**	**100%**	**100%**	**8**	**7**	**100%**	**100%**	**13**		**5**	

The formula used to determine the percentage is: the number of employees based on gender and job level promoted for the year 2022 divided by the total number of employees based on gender and job level x 100.

During the reporting period, thirteen males and 5 female employees who underwent career development reviews were promoted to managerial and supervisory positions.

LOCAL COMMUNITIES 2016

413

Management of material topics

3-3

SSRLI/AMANPULO

The operation of a business in any locale inevitably impacts the surrounding community, whether positively or negatively. Several potential and actual positive impacts have been identified, including job creation, which provides a sustainable labor pool, and supporting local small businesses by sourcing supplies and materials from them.

By working closely with local communities, schools, and governing bodies, it is possible to cultivate a partnership that extends beyond tourism. Collaborating with the community can foster innovation and sustainability. For instance, community-led initiatives, such as involving local artists to design resort grounds, can strengthen the community and enhance its economy. Partnering with local artisans and businesses allows resorts and hospitality enterprises to contribute to building more resilient communities.

The local community may also benefit from the company's training and educational programs. For example, offering instruction in sustainable agriculture, renewable energy, and waste management can help empower local sectors. Furthermore, the company's commitment to preserving natural resources can extend to assisting local communities with environmental challenges. This might involve educating the community on environmental issues and encouraging actions to mitigate environmental degradation and combat climate change. In support of these efforts, the business can advocate for policies that promote environmental sustainability.

To further strengthen community relations, the company can collaborate with local groups to provide essential services, such as medical care, transportation, and social services.

As part of its commitment to the community, SSRLI maintains a strong partnership with both Manamoc Senior High School and ASF through the Senior High School program. This partnership ensures that local residents are informed of job opportunities, with the coordination of local barangay officials facilitating connections between community members and potential employment.

SSRLI upholds, as far as practicable, a policy of at least 40% to 50% of its workforce should be sourced from local communities. While this policy fosters a sustainable local workforce, it also presents some challenges. A homogeneous workforce, composed of individuals with similar backgrounds and characteristics, can promote cohesion and stability, but limit diversity and innovation. Furthermore, relying heavily on local talent may pose difficulties in meeting global standards of the hospitality industry, especially if local employees lack experience, exposure, or specialized skills. Given that the hospitality industry is constantly evolving, so too must its workforce.

Amanpulo's Christmas gift giving event.

SSRLI's policies focus on:

Actions to prevent or mitigate potential negative impacts	Actions to address actual negative impacts, including actions to provide for or cooperate in their remediation	Actions to manage actual and potential positive impacts
• Training and development programs in local elementary and high schools equip students with essential skills, preparing them for future careers and fostering community growth and economic development. • Recruitment standards should strike a balance between sustainability and diversity, ensuring that hiring practices promote environmental responsibility while fostering a workforce enriched with diverse perspectives, experiences, and skills.	No actual negative impact has occurred to date.	• Continuous innovation, investment in training, and the ability to stay competitive. • Immersion and on-the-job training programs offer hands-on experience, enabling young individuals to apply their skills in real-world settings while gaining practical knowledge and fostering professional growth.

Tracking the effectiveness of the actions taken:

Processes used to track the effectiveness of the actions	Goals, targets, and indicators used to evaluate progress	The effectiveness of the actions, including progress toward the goals and targets	Lessons learned and how these have been incorporated into the organization's operational policies and procedures;
• End of Program Evaluation ➢ Yearly senior high school immersion program ➢ Internship program for graduating college students	• Supervisors conduct assessments at the end of the 10-day immersion and internship program to evaluate participant performance, growth, and areas for improvement.	• Students who perform well are given the opportunity to work at the Resort, with some having already been offered regular employment.	• The Resort is committed to monitoring the progress of students under the K-12 program and continuously supporting the local community by providing training that enhances the education of students, who serve as the primary talent pool.
• A monthly employee learning and development calendar is implemented, featuring online training platforms and effective monitoring to ensure active participation and progress.	• An attendance sheet and role play are conducted in collaboration with HR, which assigns training to employees based on their specific needs.	• Enhanced performance outcomes based on established performance indicators.	• The Resort is committed to recruiting, nurturing, and developing local talent, ensuring a sustainable workforce.
• Manpower ratio monitoring tracks the proportion of locally hired employees compared those hired from outside the locality, ensuring a balance between supporting the local workforce and meeting organizational needs.	• The proportion of locally hired employees to the total workforce should always exceed 50%.	• Promoted employees undergo professional development to support their growth and advancement.	• A strict mandate ensures that over 50% of the workforce is locally hired. Additionally, the minimum target percentage for local businesses as suppliers is set to strengthen support for the local economy. • A mandatory minimum number of annual local community education and skill development projects is set to foster continuous growth and empowerment within the community.

Stakeholders' Engagements:

Process of engagement with stakeholders on the actions taken	Outcome
Community Feedback	• Feedback from local educators, community leaders, and local business has highlighted the need to develop training and development programs that align with local demand and student career goals. • Input from local leaders and community members has emphasized the importance of prioritizing local employment to support the community's economic growth. • Community feedback suggests that hiring locally has strengthened the relationship between the Resort and the local community. This strategy has also ensured that the workforce is well-acquainted with local needs and culture.
Employees Feedback	• Local employees and community members have also contributed by highlighting the need for the organization to balance hiring locally with meeting specific skill requirements.
Performance Evaluations	• The Resort has successfully integrated interns into the workforce, with many transitioning to regular employment. • Providing feedback on the students' performance and their integration into the workforce ensures the program meets both educational goals and the Resort's staffing needs. Regular evaluations have shown that offering students real-world experience has led to positive outcomes for both the students and the organization.
Training Needs Assessment	• Professional development plans are crucial for career growth. To assess their effectiveness, gathering feedback from employees at all levels of the organization is essential. • The feedback ensures that the plans are align with career growth needs, addresses skill gaps, and contribute to overall performance improvements. By regularly collecting information and soliciting feedback, the Resort can stay informed about the effectiveness of its programs. Open communication guarantees that the development plans meet both individual and organizational goals, fostering more efficient career advancement. • Regular assessments ensure that the talent acquisition strategy continues to meet the Resort's operational requirements, while also supporting local employment goals.

Operations with local community engagement, impact assessments, and development programs

413-1

SSRLI/AMANPULO

	RESPONSE:
Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of:	An estimated 80% of operations involve the local community, including: • Culinary ingredients • Boutique items • Food for staff cafeteria • Room amenities • Recreation experiences • Local manpower • Local suppliers
i. Social impact assessments, including gender impact assessments, based on participatory processes.	• Organize community meetings with a diverse range of local stakeholders, including women's groups, community leaders, and representatives from marginalized groups. • Provide gender-sensitive training and development opportunities. • Address changes in access to healthcare, education, or social services for women and girls.
ii. Environmental impact assessments and ongoing monitoring.	• Engage local community members, environmental organizations, and experts in the area to discuss potential environmental concerns • Wildlife and biodiversity monitoring • Waste management audits • Regular community meetings
iii. Public disclosure of results of environmental and social impact assessments.	• Community consultations • Stakeholders, including community leaders, members, and environmental organizations, are encouraged to ask questions and provide input. Their feedback is documented and taken into account in the final decision-making process.
iv. Local community development programs based on local communities' needs.	• Offering college scholarship to graduating high school students • Providing training opportunities to residents such as massage therapy training • Hosting speaking engagements by subject matter experts for the local community
v. Stakeholder engagement plans based on stakeholder mapping.	• Prioritize sourcing goods and services from local suppliers to support the local economy. • Organize regular meetings to ensure suppliers meet the projects' needs and timelines. • Hold meetings with local government officials to coordinate proposed projects involving the local community.

Amanpulo Clinic, located on Pamalican Island in Palawan, operates 24/7 to provide timely medical care to resort guests, employees, and residents from nearby island barangays, ensuring immediate treatment and support.

AMANPULO CLINIC:
Uplifting Community Health Services

Established in 1993, the Amanpulo Clinic on Pamalican Island was originally designed to provide first aid for guests and employees of the Resort, given its remote location and the lack of nearby medical facilities. However, as the neighboring islands of Manamoc, Concepcion, Algeciras, and the Quiniluban Group faced limited access to healthcare, the Clinic quickly evolved into a vital resource for local residents.

The Quiniluban Group of Islands, for example, is approximately three hours away from Cuyo Island's secondary hospital and six hours from the tertiary hospital in Culion - both only accessible by speedboat in calm weather. Due to these significant challenges, many local residents have turned to the Amanpulo Clinic for medical care. Although initially intended for Resort guests and employees only, and offering limited services, the Clinic has become an essential healthcare provider for the surrounding communities, supported by the Resort's strong partnership with Barangay Health Workers. These collaborations have also helped drive health awareness campaigns in local communities, and the Clinic's medical team occasionally travels to nearby islands to provide on-site care.

"the Clinic has become an essential healthcare provider for the surrounding communities, supported by the Resort's strong partnership with Barangay Health Workers"

The Amanpulo Clinic is a prime example of how a strong partnership between an organization and the local community can evolve and thrive. What started as a first aid service for guests has grown into a vital healthcare resource offering essential medical care and, at times, emergency services to the neighboring islands.

Operations with significant actual and potential negative impacts on local communities

413-2

SSRLI/AMANPULO

Located on a geographically isolated island in northern Palawan, the Resorts is bordered by Manamoc Island on the southwest and the Quiniluban Group of Islands to the east. While the company has not identified any current or actual negative impacts on local communities, it has recognized a potential risk. This could arise if the local community becomes overly dependent on tourism generated by the Resort, making it vulnerable to external factors such as natural disasters, economic downturns, or pandemics. Additionally, while some locals benefit from employment opportunities, others may feel excluded from the economic advantages, potentially leading to social divisions and resentment and social tensions between the Resort and the community.

However, the vulnerability and risk to local communities from these potential negative impacts are minimal. This is due to factors such as the distance from the Resort's operations, the physical and economic isolation of the local community, and the state of socioeconomic infrastructure, including health and education systems.

On the other hand, no significant vulnerability or risk to local communities has been identified in relation to the Resort's operations, thanks to factors like the community's level of socioeconomic development, gender equality, social organization, and the strength and quality of local and national governance institutions.

As a major employer, the Resort has a positive impact on the local economy. It is important to note that the Resort's use of community resources is at or below average. In fact, the community benefits from the Resort's business by providing a local market for a variety of resources produced within the community.

The Resort does not have a significant negative impact on the environment, nor does it pose any potential risk. This is due to the Resort's location on an exclusive island, far from populated areas, which minimizes the intensity, severity, and scale of any environmental impact.

CUSTOMER PRIVACY 2016

418

Management of Material Topic

3-3

For a detailed description on how the Anscor Group manages the material topic Customer Privacy, please refer to the 2023 SR.

Substantiated complaints concerning breaches of customer privacy and losses of customer data

418-1

The Company and the entities included in this report have not received any non-compliance complaints on data breach or data theft in accordance with the Data Privacy Act of 2012 (RA No. 10173).

CORPORATE SOCIAL RESPONSIBILITY

THE ANDRES SORIANO FOUNDATION, INC.

The 2024 Annual Health Caravan in Manamoc Island, one of the three islands where the annual medical mission was held.

In its 57th year as a social development institution, ASF continues to reflect the Anscor Group's enduring commitment to CSR, particularly in uplifting impoverished communities of the countryside across Luzon, the Visayas, and Mindanao. ASF's achievements stand as a testament to the organization's dedication to improving lives and fostering sustainable development in the Philippines.

Throughout its journey, ASF has remained steadfast in its mission to advance social equity, inclusiveness, environmental stewardship and economic growth. The Foundation has consistently worked toward building a more sustainable future for the communities it serves, ensuring that its programs continue to impact the lives of hundreds of families. The unwavering commitment to sustainability has guided ASF's initiatives, emphasizing the importance of aligning efforts with the national well-being.

This report highlights the key accomplishments for 2024, made possible through the vital support of the Anscor Group, continued collaborations with various institutions, the generous contributions of donors and sponsors, the cooperation of local communities, and the unwavering dedication of the ASF team.

Small Islands Sustainable Development Program

The Core Programs continued to be implemented in the 4th and 5th-class geographically isolated and disadvantaged island municipalities in Northeast Palawan.

A. HEALTH PROGRAM

The **15th Annual Health Caravan** was the flagship initiative of the Foundation during the period. The mission aimed to provide essential medical services to the islands' underserved population. Held in May 2024 across three island barangays, the Caravan saw the participation of 26 volunteer medical doctors from Manila, Puerto Princesa and Cuyo. A total of 3,641 medical and laboratory services were provided to 2,083 patients, with every patient receiving free over-the-counter and prescription medicines, as well as vitamins.

The organization's **Maternal and Child Health Program** further strengthened its **Supplemental Feeding Program** for children aged 1 to 6 years and the **First 1000 Days of a Baby** initiative by integrating small-scale backyard vegetable farming to promote sustainable nutrition practices.

Ten (10) of the 48 graduating SHS learners from Manamoc National High School who completed a 10-day, 80-hour immersion program at Amanpulo, gaining hands-on experience in various fields such as housekeeping, cookery, bread and pastry, carpentry, and food and beverage. This valuable opportunity helped enhance their skills and prepare them for future careers in the hospitality industry.

The feeding program benefited a total of 181 undernourished children, with 82% reaching a normal weight by year's end. Continued support is being provided to children still in the underweight category. The addition of fresh vegetables from their backyard gardens addresses immediate needs while also promoting long-term health and self-sufficiency.

A highlight of this year was the continuing implementation of the **"First 1000 Days of a Baby"** project. This initiative underscores the critical importance of good nutrition for healthy growth and development during the first two years of life. Targeting pregnant mothers, the program offers regular education on nutrition and self-care. In collaboration with barangay health centers, ASF also supplies milk, vitamins, and iodized salt to expectant mothers. The impact has been significant, with 20 mothers receiving support throughout their pregnancies, 14 of whom have successfully delivered normal, healthy babies.

To better support midwives and improve outcomes for newborns, ASF equipped 13 midwives from isolated island barangays with new mobile phones pre-installed with the **Safe Delivery App**, which functions without internet access. This app ensures midwives can provide safe and effective care during childbirth, even in remote areas.

Furthermore, ASF has provided access to potable water for nearly a thousand community members across two island communities. Through continuous technical guidance, ASF helps these communities manage their water systems, contributing to a reduction in waterborne diseases and improving overall public health.

B. EDUCATION

Through its **Adopt-a-School** project, ASF remains committed to ensuring that children in the island communities have access to quality education. The Foundation continues to support various initiatives, including:

- In line with the school's efforts to maintain a high standard of excellence, ASF **funded the annual repair** and maintenance of the senior high school (SHS) tech-voc facilities at Manamoc National High School, along with landscaping improvements around the facility. In addition, 48 senior high school learners at Manamoc National High School were given the opportunity to complete 80 hours of immersion at Amanpulo. This internship, relevant to the school's tech-voc track in hospitality services, not only satisfied a Department of Education graduation requirement but also provided the learners with valuable hands-on experience, helping them take an important step toward their future careers.

- **Supported 11 Tech-Voc scholars** enrolled at DualTech in Canlubang, Laguna, pursuing the Electro Mechanics Technology course. Five students graduated this year, including one who earned a bronze medal. The remaining students are either undergoing on-the-job training or on leave due to health reasons. These graduates are now part of the hiring pool for industrial firms.

- Continuing **support for 2 Academic Scholars**: One has graduated with honors in Culinary Arts from Atlas Culinary Institute, receiving awards for excellence and a gold medal in pastry arts. He is now a seasonal employee at Amanpulo. The

L-R: Ms. Lemia L. Simbulan, Executive Director, ASF; Regional Director Rodolfo Mariposque, DTI-MIMAROPA; Assistant Secretary Grace Baluyan, DTI; Mr. Andrés Soriano IV, Trustee, ASF during the Usufruct Agreement and Memorandum of Agreement signing at ASF Office in Pasay City.

other scholar is in his second year of studying Bachelor of Science in Education at Palawan State University.

- A partnership was recently established with TORM Philippines Education Foundation (TPEF), Inc., the CSR arm of TORM Shipping, a Denmark-based company with a Philippine Office. This collaboration commits to **supporting seven (7) college scholars** from the island communities starting in the school year 2025 – 2026.

- With the generous support of individual donors, the Foundation continued its tradition of helping small island communities. **Donations** included 732 reading books, 740 pairs of protective footwear from Crocs for health workers and preschoolers, a complete set of tables and chairs for the Concepcion Day Care Center, and various sets of school supplies for 576 daycare and kindergarten learners.

C. LIVELIHOOD

The program successfully equipped women weavers and local marketing cooperatives with **advanced technical training**, which lead to increased productivity in agriculture and handicrafts, meeting market demand. Over 100 weavers benefited from the training conducted across eight islands, significantly improving the quality of the handicrafts produced. By the end of the year, the program generated total revenue of over P1 million, surpassing the initial target of P700,000.

On September 30, 2024, the Usufruct Agreement and Memorandum of Agreement were signed between DTI and ASF. This partnership, under DTI's **Shared Service Facility Project**, will provide six (6) handicraft machines, valued at over P3.0M million. These machines include: 1 lathe machine, 1 band saw, 1 engraving machine, 2 sewing machines, and 1 hat blocking machine for kids.

ASF's commitment to ensuring communities' food security led to the invitation of East-West Seed Company to conduct a **3-day agricultural technology training** for 35 vegetable farmers from Manamoc. The initiative aimed to enhance farming practices, resulting in over P230,000 worth of vegetables being harvested and sold. Over 3,000 kilograms of 21 crop varieties were harvested thanks to the training.

D. ENVIRONMENT

In 2024, the War on Plastics initiative, under its **Solid Waste Management Program**, shredded over 1,800 kg of single-use plastic waste, transforming it into valuable items such as bricks, tiles, hollow blocks, and planters.

2024 results of annual coral reef monitoring and fish count survey in Manamoc Island.

ASF adopted a severely-hit barangay in Agoncillo, Batangas, affected by landslides and flooding caused by incessant rain, providing 200 families with donated basic household commodities. Pictured are two ASF personnel with a representative from the LGU of Agoncillo.

ASF's efforts in coastal resource management has yielded impressive results, with a 31% increase in fish count across 13 Marine Protected Areas (MPAs). This increase has been supported by the installation of rubble and mangrove rehabilitation, which resulted in the planting of 12,455 propagules, with a 42% survival rate.

In addition, **coastal clean-ups** mobilized 2,344 residents, who collected 4,373kg of non-biodegradable waste across 8 island barangays. Local Ocean Watch Groups (Bantay Dagat) also conducted s**ea patrols and surveillance activities** totaling 15,861 hours, leading to 21 apprehensions related to illegal fishing activities.

E. CANCER CARE

In partnership with the UP-PGH Section of Medical Oncology and the Cancer Institute, ASF supports the **Medical Oncology Fellowship Training Program**, which provides training for six medical oncologists. This partnership is further strengthened through ongoing support from four pharmaceutical companies.

In addition, ASF continues to provide **chemotherapy maintenance medicines** to 203 indigent breast cancer patients, made possible through the generosity of individuals and corporate partners such as PDP.

F. DISASTER RELIEF RESPONSE

In November 2024, following the devastation caused by Typhoon Christine, ASF **adopted a community of 200 households** in Agoncillo, Batangas which had been severely impacted by the storm. Additionally, through a private entity recommended by the Angat Buhay Foundation, ASF contributed P100,000 pesos for a **relief operation** in Bicol.

GRI CONTENT INDEX

102-55

STATEMENT OF USE

The A. Soriano Corporation (Anscor) and the entities included in this report have reported the information cited in this GRI content index for the period 01 January 2022 to 31 December 2022 with reference to the GRI Standards.

GRI 1 USED

GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational Details	Page 1 & 6
	2-2 Entities included in the organization's sustainability reporting	Page 1 & 6
	2-3 Reporting period, frequency and contact point	Page 1 & 7; Inside back cover
	2-4 Restatements of Information	Page 7
	2-5 External Assurance	Page 7
	2-6 Activities, value chain and other business relationships	Page 7
	2-7 Employees	Page 13
	2-8 Workers who are not employees	Page 15
	2-9 Governance structure and composition	Page 15
	2-10 Nomination and selection of the highest governance body	Page 17; For a detailed description of the nomination and selection, and Chair of the highest governance body of Anscor, please refer to the 2022 SR.
	2-11 Chair of the highest governance body	Page 17; For a detailed description of the nomination and selection, and Chair of the highest governance body of Anscor, please refer to the 2022 SR.
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 17; For a detailed description of the subject, please refer to the 2023 SR.
	2-13 Delegation of responsibility for managing impacts	Page 17; For a detailed description of the subject, please refer to the 2023 SR.
	2-14 Role of the highest governance body in sustainability reporting	Page 17; For a detailed description of the subject, please refer to the 2023 SR.
	2-15 Conflicts of interest	Page 17; For a detailed description of the subject, please refer to the 2023 SR.
	2-16 Communication of critical concerns	Page 17
	2-17 Collective knowledge of the highest governance body	Page 17
	2-18 Evaluation of the performance of the highest governance body	Page17; For a detailed description of the subject, please refer to the 2023 SR.
	2-19 Remuneration Policies	Page 17
	2-20 Process to determine remuneration	Page 17

GRI STANDARD	DISCLOSURE	LOCATION
	2-21 Annual total compensation ration	Page 17
	2-22 Statement on sustainable development strategy	Page 17
	2-23 Policy commitments	Page 18; For a detailed description of the Anscor Group's policy commitments, how these policies are embedded into the Group's practices, processes to remediate negative impacts, and mechanisms for seeking advice and raising concerns, please refer to the 2023 SR.
	2-24 Embedding policy commitments	Page 18; For a detailed description of the Anscor Group's policy commitments, how these policies are embedded into the Group's practices, processes to remediate negative impacts, and mechanisms for seeking advice and raising concerns, please refer to the 2023 SR.
	2-25 Processes to remediate negative impacts	Page 18; For a detailed description of the Anscor Group's policy commitments, how these policies are embedded into the Group's practices, processes to remediate negative impacts, and mechanisms for seeking advice and raising concerns, please refer to the 2023 SR.
	2-26 Mechanisms for seeking advice and raising concerns	Page 18; For a detailed description of the Anscor Group's policy commitments, how these policies are embedded into the Group's practices, processes to remediate negative impacts, and mechanisms for seeking advice and raising concerns, please refer to the 2023 SR.
	2-27 Compliance with laws and regulations	Page 18
	2-28 Membership associations	Page 18
	2-29 Approach to stakeholder engagement	Page 20; For a detailed description of the Anscor Group's approaches to stakeholder engagement, please refer to the 2023 SR.
	2-30 Collective bargaining agreements	Page 20

GRI STANDARD	DISCLOSURE	LOCATION
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 20; For a detailed description on how the Anscor Group determines material topics, please refer to the 2023 SR.
	3-2 List of material topics	Page 20
GRI 201: Economic Performance 2016		
GRI 3: Material Topics 2021	GRI 3-3 Management of Material Topics	Page 22; For a detailed description on how the Anscor Group manages the material topic of Economic Performance, please refer to the 2022 SR.
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 22
	201-2 Financial implications and other risks and opportunities due to climate change	Page 23; For a detailed description of the financial implications and other risks and opportunities due to climate change for the Anscor Group, please refer to the 2022 SR.
	201-3 Defined benefit plan obligations and other retirement plans	Page 23; For a detailed description of the Anscor Group's defined benefit or retirement plan obligations, please refer to the 2022 SR.
	201-4 Financial assistance received from the government	Page 23
GRI 204: Procurement Practices 2016		
GRI 3: Material Topics 2021	GRI 3-3 Management of Material Topics	Page 24; For a detailed description on how the Anscor Group manages the material topic Procurement Practices, please refer to the 2023 SR.
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 24
GRI 303: Water ad Effluents 2018		
GRI 3: Material Topics 2021	GRI 3-3 Management of Material Topics	Page 26
GRI 303: Water ad Effluents 2018	303-1 Interaction with water as a shared resource	Page 28
	303-2 Management of water discharge-related impacts	Page 29
	303-3 Water withdrawal	Page 29
	303-4 Water discharge	Page 30
	303-5 Water consumption	Page 31
GRI 306: Waste 2020		
GRI 3: Material Topics 2021	3-3 Management of Material Topics	Page 32
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 35
	306-2 Management of significant waste-related impacts	Page 36
	306-3 Waste generated	Page 36
	306-4 Waste diverted from disposal	Page 37 & 38
	306-5 Waste directed to disposal	Page 37 & 38

GRI STANDARD	DISCLOSURE	LOCATION
GRI 401: Employment 2016		
GRI 3: Material Topics 2021	3-3 Management of Material Topics	Page 40
GRI 401: Employment 2016	401-1 New employee hire and employee turnover	Page 44
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 45
	401-3 Parental leave	Page 45
GRI 403: Occupational Health and Safety 2018		
GRI 3: Material Topics 2021	3-3 Management of Material Topics	Page 46
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 49; For a detailed description of SSRLI's OSH management system, please refer to the 2023 SR.
	403-2 Hazard assessment, risk assessment, and incident investigation	Page 49
	403-3 Occupational health services	Page 50; For a detailed description of the subject, please refer to the 2023 SR.
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 50; For a detailed description of the subject, please refer to the 2023 SR.
	403-5 Worker training on occupational health and safety	Page 50; For a detailed description of the subject, please refer to the 2023 SR.
	403-6 Promotion on worker health	Page 50
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationship	Page 51; For a detailed description of PDP's and SSRLI/Amanpulo's prevention and mitigation of OSH impacts directly linked by business relationships, please refer to the 2023 SR.
	403-8 Workers covered by occupational health and safety management system	Page 51; For a detailed description on the subject, please refer to the 2022 SR.
	403-9 Work-related injuries	Page 52
	403-10 Work-related ill health	Page 53
GRI 404: Training and Education 2016		
GRI 3: Material Topics 2021	3-3 Management of Material Topics	Page 54; For a detailed description on how PDP manages the material topic Training and Education, please refer to the 2023 SR.
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 59
	404-2 Program for upgrading employee skills and transition assistance programs	Page 61; For a detailed description on PDP's programs for upgrading employee skills and transition assistance programs, please refer to the 2023 SR.
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 62

GRI STANDARD	DISCLOSURE	LOCATION
GRI 413: Local communities 2016		
GRI 3: Material Topics 2021	GRI 3-3 Management of Material Topics	Page 64
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessment, and development programs	Page 67
	413-2 Operations with significant actual and potential negative impacts on local communities	Page 69
GRI 418: Customer Privacy 2016		
GRI 3: Material Topics 2021	3-3 Management of Material Topics	Page 69; For a detailed description on how the Anscor Group manages the material topic Customer Privacy, please refer to the 2023 SR.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 69
Corporate Social Responsibility: The Andres Soriano Foundation, Inc.		Page 70

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2-3

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