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INTEGRATED REPORT

2023

OUR PURSUIT OF MASTERING EXCELLENCE

CEBU LANDMASTERS
We Build with You in Mind

ABOUT THE COVER

Embarking on a journey of dynamic evolution, Cebu Landmasters Inc. (CLI) celebrates two decades of masterful development. Since its inception with a single project in Cebu, CLI has expanded its reach to 16 key cities in the VisMin region. The Company has also expanded its portfolio to include residences, offices, mixed-use, hotels and resorts, co-living, and townships. Prioritizing excellence in planning, operations, and delivery, CLI isn't merely constructing communities; it is actively contributing to a sustainable future, advancing one project at a time in its relentless pursuit of mastering excellence.

ABOUT THE REPORT

This report is CLI's second integrated report prepared according to the International <IR> Framework, Global Reporting Initiative (GRI) standards, and Sustainability Accounting Standards Board (SASB) standards for corporate disclosure. It covers consolidated financial and non-financial metrics that reflect the Company's economic, environmental, social, and governance performance in its internal business units, property management, and construction. It also provides insights into CLI's comprehensive system and the interconnections of the six capitals, key business activities, issues, risks, opportunities, strategies, and impacts for the fiscal year January 1, 2023, to December 31, 2023. The highest-ranking person responsible for this report is CLI's Corporate Sustainability Officer, Jose Franco B. Soberano.

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ABOUT THE COMPANY

Cebu Landmasters, Inc. (CLI) is the leading developer in Visayas and Mindanao (VisMin). Initially engaged in providing housing opportunities in the countryside of Cebu in 2003, the Company's key offerings have since significantly expanded to include vertical, horizontal, and large-scale projects in key cities and urban areas in the VisMin region. Key residential brands include Premier Masters (high-end), Garden Series (mid-market), Casa Mira (economic), Mirani (affordable), and Villa Casita (socialized housing).

CLI is growing its hospitality portfolio through hotels, resorts, and co-living developments. The Company is also building its leasing business with more retail areas, mixed-use communities, townships, and estates. The CLI Group, which includes its subsidiaries and associates, works together to generate value for all stakeholders.

SUBSIDIARIES

A.S. Fortuna Property Ventures, Inc. (ASF)
100%

CLI Hotels and Resorts, Inc. (CHR)
100%

CLI Premier Hotels Intl. Inc. (CPH)
100%

Cebu Landmasters Property Management, Inc. (CLIPM)
100%

CLI-LITE Panglao Inc. (CLI-LITE)
88%

BL CBP Ventures, Inc. (BL Ventures)
50%

Yuson Excellence Soberano, Inc (YES)
50%

Yuson Huang Excellence Soberano, Inc. (YHES)
50%

YHEST Realty and Development Corporation (YHEST)
50%

CCLI Premier Hotels, Inc. (CCLI)
50%

YHES Premier Hotel Inc. (YHESPH)
50%

Mivesa Garden Residences, Inc. (MGR)
45%

El Camino Developers Cebu, Inc. (El Camino)
35%

Cebu Homegrown Developers, Inc. (CHDI)
50%

Cebu BL-Ramos Ventures, Inc. (CBLRV)
50%

Ming-Mori Development Corporation (MMDC)
78%

GGTT Realty Corporation (GGTT)
50%

Sugbo Prime Estate, Inc. (SPE)
64%

ASSOCIATES

Magspeak Nature Park, Inc. (Magspeak)
25%

Icom Air Corporation (ICOM)
43%

Iloilo Global City Corporation (IGCC)
33%

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VISION

To be the leading real estate company in the Visayas and Mindanao and the most customer-centric and community-focused organization in the region.

MISSION

Guarantee stakeholder satisfaction by bringing out the extraordinary in every step of the real estate journey.

CORE VALUES

CUSTOMER-FIRST
Create extraordinary experiences

COLLABORATION
Move forward as one team

COMMITMENT
Walk the talk and Deliver results

LEADERSHIP
Masters lead the way

INTEGRITY
Uphold the highest moral standards

AGILITY
Be responsive and adapt quickly

CEBU LANDMASTERS ADVANTAGE:

THE FOUR PILLARS

CLI consistently provides top-notch experience through its different assets and quality of service, setting it apart from other developers in the country.

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EXTRAORDINARY HANDS-ON SERVICE

- In-house sales support
- Monthly construction updates
- Dedicated and responsive Customer Relations Team
- In-house CLI Property Management (CLIPM)
- Facilitative Accounts Management Team

EXTRAORDINARY VISMIN EXPERIENCE

- Local knowledge and expertise
- Stringent location selections ensure the best locations

EXTRAORDINARY AMENITIES

- Value-added amenities relevant to each project (chapel, pool, basketball court, clubhouse, meditation garden, and others)
- High-quality delivery

EXTRAORDINARY CHOICES

- Wide range of developments from residences, offices, hotels, mixed-use, and townships
- Projects in 16 key cities all over VisMin

CLI BUSINESS PRINCIPLES AND BUSINESS MODEL

BUSINESS PRINCIPLES

The Company's business principles are guidelines applied throughout its business activities.

Cultivate CLI's status as a fast-growing homegrown property developer with unique regional expertise in VisMin.

Build a diversified portfolio of residential subdivisions, condominiums, offices, mixed-use, hotels, and townships.

Apply CLI's "landbank lite" or "acquire to develop" strategy.

Maintain a professionally run and family-inspired business.

BUSINESS MODEL

As the most community-focused property developer and organization in VisMin, CLI uses this framework to form its comprehensive strategy to generate value over the short, medium, and long term.

A MESSAGE FROM **THE CHAIRMAN**

To our valued shareholders,

Cebu Landmasters Inc. (CLI) crossed a major milestone in the year 2023 as we celebrated our 20th year anniversary. We looked back at our journey with great appreciation, as we further strive to master our craft and fuel continuous growth in many years to come.

With our heart of service and commitment to the real estate industry, CLI has provided quality and sustainable developments to thousands of Filipinos in the Visayas and Mindanao (VisMin) in a span of 2 decades. From a single subdivision in Cebu, we have expanded our portfolio to 119 masterful projects across 16 key cities consisting of residences, offices, hotels and resorts, co-living, mixed-use developments, and townships.

We emerged as a resilient and agile organization, able to surpass crisis and headwinds - be it the pandemic, typhoons and multiple interest rate hikes. Our consistent performance for 20 years and the trust granted to us by our clients and stakeholders are a testament to our stability and strength as a company.

Since our initial listing, we have demonstrated a remarkable 15-fold growth in assets. From a modest PHP 6.8 billion in 2016, we now have surged to PHP 102 billion by the end of 2023, while our net income to parent sustained 24% 7-yr CAGR growth from PHP 778 million to PHP 3.58 billion.

In 2023, we have delivered robust financial results, exceeding expectations. I am very proud to announce that we achieved another year of strong financial performance, with a 29% increase in consolidated net income year-on-year to PHP 4.64 billion. We continue to have robust top-line growth across all our segments, reaching a consolidated revenue surge of PHP 18.8 billion from PHP 15.7 billion in FY 2022, thereby recording 20% growth. Our outstanding sales performance has grown by 14%, with a 93% sell-out status across all stages of development as CLI achieved an all-time high of PHP 20.6 billion in reservation sales. Above all, we maintained our momentum by sustaining our market leadership in the VisMin region with a 23% market share in terms of overall net take-up, a 5% jump from the previous year's 18% market share.

We have also expanded our hospitality portfolio by opening lyf Cebu City in Base Line Center and Citadines Bacolod City to cater to the growing local tourism market. These are in addition to Citadines Cebu City and The Pad Co-Living. From an initial offering of 180 rooms, CLI now boasts more than 1,500 room keys, with six more hotel projects underway poised to drive future hotel revenue growth.

We have built strong partnerships over the years and in 2023, we sealed our first international joint venture with a Japan-based global real estate firm to establish CLI NUD Ventures, Inc. This new joint venture with a renowned global business group is a testament to how CLI is meeting international standards in its operations and product innovation.

In the years ahead, we aim to reinforce our leadership in VisMin while actively pursuing strategic expansion into Luzon. We have earmarked PHP 27.65 billion for pipeline projects in expansion areas in Butuan, Gensan and Luzon. We have also set aside PHP 14.5 billion for capital expenditure, with a portion dedicated to land acquisition, particularly for our inaugural Luzon project. This will be a gateway for opportunities as we expand our market presence nationwide.

We established the Cebu Landmasters Foundation, Inc. (CLFI) as our corporate foundation that embodies our responsibility to community-centric operations. We provide socialized housing and integrated support to informal settlers in collaboration with local government units to help address housing backlog and uplift the lives of our partner communities. We also have initiatives that help mitigate environmental impacts and benefit different groups while providing them with livelihood support. At the heart of all these is our steadfast commitment to prioritizing the well-being and aspirations of the communities we serve.

As we celebrate our 20th year, we see only great things from here. We will foster stronger partnerships with local communities and form more strategic alliances, creating mutually beneficial relationships that support sustainable growth and development across the country. We remain committed to upholding excellence in the planning, operations, and delivery of one masterful development at a time.

I extend my heartfelt gratitude to our clients, partners, dedicated CLI executives and workforce, and all stakeholders for their tireless collaboration, which has been instrumental in our collective success. CLI remains committed to upholding the highest integrity, transparency, quality service and aim for sustainability standards in all we do.

As we bring Cebu Landmasters into the future, we will continue our commitment to a relentless pursuit of mastering excellence in the VisMin region and beyond.

JOSE R. SOBERANO III
Chairman and CEO
Cebu Landmasters, Inc.

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A MESSAGE FROM **THE COO**

Dear **CLI Family,**

Our leaders at CLI have always believed that milestones are not just meant to be celebrated, but they are meant to raise the bar higher and define a greater tomorrow. Our journey towards our **20th year** was never an easy one, but it was a journey of continuous improvement and embracing the very same values that have brought us forward since day one – being hands-on, customer-centric, collaborative, family-inspired and yet professionally-run, while always espousing the highest integrity. From a single 200-home subdivision that our founder and CEO, Mr. Joe Soberano, developed for the hardworking Cebuanos in the town of Balamban, to now having developed over 38,259 homes spread across 16 of the most progressive Vismin cities, our company looks back at our journey with so much gratitude and fulfillment in our hearts.

We know that the only way to reciprocate this trust from homeowners, business partners and industry stakeholders is by making sure the company positions itself stronger for the future.

We are Land Masters, and we must continue to earn that name.

Our 20th Year of Masterful Development

We ended 2023 with many records proudly set and broken:

- CLI breached the PHP 100 billion mark in total Asset base (now at PHP 102 billion in Assets from only PHP 6.8 billion Pre-IPO)
- CLI surpassed the PHP 20 billion mark in reservation sales (sold PHP 20.6 billion of residential units from only PHP 12.6 billion in 2019)
- CLI reported its highest FY audited figures with PHP 18.8 billion in consolidated revenues, PHP 4.6 billion in Consolidated NIAT and PHP 3.58 billion in Parent NIAT
- Spent its highest annual CAPEX at PHP 12.89 billion
- Achieved our highest sold-out rate across completed, ongoing and newly launched projects at 93% sold across the board generating over PHP 112 billion in sales value

Aside from these record-setting figures, there were several accolades on many other operational fronts – in accounts management, business development, construction, customer services, records management and property management. This reflects how CLI, from top to bottom, exerts tenacious focus on improving every facet of its operations. Indeed, the whole is greater than the sum of its parts.

Defining a Greater Tomorrow for CLI

We are focused on growing our market leadership further in the residential arena, while emerging as a leading regional player in the office, hospitality, retail and estate segments. Aside from its 90 residential developments, the Company also has 6 offices, 10 hotels, 10 mixed-use projects and 3 estates in its dynamic portfolio. In terms of residential, the Vismin region continues to be characterized by an environment of heightened, sustained demand amidst dwindling supply. It will always be CLI's thrust to make sure we are at the forefront of catering to this demand, with our versatile range of offerings from the premier, mid-market and economic segments. The year 2024 will see CLI's entry into the Luzon housing space, and it will see CLI's value-for-money approach reaching more territories and families. In terms of CLI's recurring income portfolio, we are now starting to see this bear fruit with the company registering at 42% growth in its leasing revenue and 66% growth in its hospitality revenue. The Company, reinforced by its end-to-end SBU approach, is gearing up to reach 110,000 sq.m in GLA and 1,743 in operational hotel keys within 3 years' time. There is a promise of a bright tomorrow, and the organization is very cognizant of the work that needs to be done.

Nurturing a Team of Land Masters

The CLI family is now comprised of 900 of the most dedicated and competent real estate professionals in the country. This includes the headcount from our wholly-owned subsidiaries CLI Property Management Inc, CLI Premier Hotels & Resorts and CLI Foundation. One of the keys to CLI's growth is its steadfast commitment to its human resources. Our people form the heart, mind and soul of our operations and they are the key to CLI's sustained leadership. We take pride in the strong retention of our people, and also advancement of their careers. Our human resources team has made great strides in institutionalizing various programs under training and organizational development, talent acquisition, compensation and benefits and HR administration. As we move past our 20th year, the company is highly committed to our CLI family, and we will march onwards more united, more equipped, and more inspired for our customers and stakeholders.

What's in Store in 2024

CLI will be going for more in 2024 – more in terms of launches, project completions, sustainability, and community impact. These are driven by the following:

- PHP 27.6 billion in New Project Launches
- 48,590 sq.m of additional GLA and new tenant leases
- 459 hotel key completions
- PHP 14.5 billion in CAPEX for project development and land acquisition
- PHP 13 billion in takeouts from various project completions

At CLI, we know these investments will go a long way in uplifting many communities where we operate in, and will also create more employment and business opportunities for Filipinos. This motivates us to maintain our growth trajectory, aiming not only for continued financial growth but also for leadership in sustainability, community involvement, employee engagement and nation-building.

A Springboard for the Next 20 Years

In spite of the continued growth, we always keep the company's feet firmly on the ground. There is always an attitude of not settling for the current wins, and there is always a healthy pressure on pursuing the next innovation, the next process improvement and the next big idea. In our first 20 years of doing real estate, one constant is very clear – there will always be challenges. However, with CLI, the constant that has always overcome these challenges is **the right team** who are armed with the right values, sense of urgency and empathy for its customers and stakeholders. We will continue to build and grow the best real estate team in the Philippines and we know the next 20 years will be even brighter.

From our CLI family to yours, we wish you more in 2024 – more prosperity, more fulfillment, and more success! Thank you, dear shareholders!

JOSE FRANCO B. SOBERANO
Senior Executive Vice-President
and Chief Operating Officer

A MESSAGE FROM
THE CFO

Dear Fellow CLI Shareholders,

2023 was a transformative year for Cebu Landmasters Inc. (CLI) as we advance our mission as the leading integrated real estate developer. We proudly maintained our position as the #1 residential developer in VisMin, achieving record-breaking full-year reservation sales of over PHP 20.56 billion.

This resulted in our revenue for the year reaching PHP 18.8 billion and translating to a consolidated net income after tax of PHP 4.64 billion—a remarkable 29% growth from the previous year. Additionally, net income attributable to the parent company increased to PHP 3.58 billion from PHP 3.17 billion. This performance reflects the steady progress of our 39 ongoing projects and the successful launch of 10 new projects during the year. With a 93% sell-out rate across all developments, we now have a strong pipeline of receivables exceeding PHP 77.7 billion as of the year end.

We also made significant strides in expanding our recurring income portfolio. This year, we opened three new hotels—lyf Cebu City, The Pad Co-Living, and Citadines Bacolod City—significantly adding to our hospitality operations. Our commercial and retail spaces, along with locator tenants in our townships, have increased our gross leasable area (GLA) to over 35,000 sq.m, with an additional 75,000 sq.m in development. These assets are laying the foundation for a future real estate investment trust (REIT).

In 2023, we invested PHP 12.9 billion in capital expenditures, primarily for project development. This significant investment was made possible through our prudent capital-raising efforts. Despite rising benchmark rates, we secured competitive interest rates with an average borrowing cost of 6.36%. We express our sincere gratitude for the invaluable support of our banking partners, enabling us to tap into a total of over PHP 70 billion in approved facilities, of which we have utilized only PHP 53.5 billion as of 2023 year-end. We will continue to be strategic in our capital structure and fundraising as we navigate the challenges of higher for longer interest rates and a challenging stock market.

Our strategic focus on debt and capital management has enabled us to extend debt terms with fixed rates, now covering 65% of our debt profile. Our net debt-to-equity ratio improved from 1.84x to 1.79x, supported by internally generated capital from retained earnings. This year, we will continue to prioritize equity raises and retention of internally generated capital, including our successful maiden offer of preferred shares, which raised over PHP 4.28 billion.

By focusing on the collection of our receivables pipeline, we aim to swiftly reduce leverage and rebalance our capital structure. This will position CLI strongly for continued growth and ensure access to capital on competitive terms.

Since our IPO in 2017, we have consistently delivered shareholder value by distributing PHP 2.5 billion in dividends, with an additional PHP 0.18 per share declared and paid this year. We continue to prioritize investor engagement through non-deal roadshows, ensuring transparent communication and fostering trust with our stakeholders. Additionally, our active involvement in briefings with partner securities firms and the Philippine Stock Exchange, including participation in their PSE STAR event, underscores our commitment to maintaining strong relationships within the investment community. Moreover, we remain dedicated to upholding the highest standards of corporate governance, as evidenced by our recent receipt of the 2-Golden Arrow Recognition from the Institute of Corporate Directors in 2023.

As we forge ahead, our focus remains steadfast on expanding our portfolio, enhancing our recurring income streams, and fortifying our financial foundation. Through prudent capital management, strategic investments, and a relentless pursuit of operational excellence, we are laying the groundwork for sustained success and continued growth for Cebu Landmasters. Our path for more success is long and open, as we play our part in addressing the enormous housing backlog in our country by doing what we do best – home building.

Thank you for your steadfast support as we embark on this journey together towards building homes and communities for the Filipino family.

Sincerely,

B. GRANT CHENG
Executive-Vice President
and Chief Financial Officer

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OUR STORY
COMPANY MILESTONES

INTEGRATED REPORT 2023

FINANCIAL HIGHLIGHTS

CLI achieves all-time high PHP 20.6B reservation sales in 2023, marking a 14% year-on-year increase

Throughout the reporting period, Cebu Landmasters, Inc. demonstrated remarkable financial performance, achieving outstanding records and milestones. In 2023, CLI hit highest reservation sales of PHP 20.6 billion, representing a 14% increase from the previous year and solidifying its position as the leading developer in the Visayas-Mindanao (VisMin) region.

> “2023 was a year that continued our journey as a leading, integrated real estate developer. We maintained our status as the #1 housing developer in VisMin, selling over P20.56 billion worth of housing units.” **- B. Grant Cheng, CLI Chief Financial Officer, on achieving all-time high reservation sales.**

This achievement resulted from robust market support for CLI’s VisMin developments, including Mindara Residences and Casa Mira Homes Davao. These projects contributed to 40% of total sales from Davao, with Mindara Residences achieving a complete sell-out shortly after its launch. Casa Mira Homes Davao, meanwhile, reached a sell-out status of 95% by the year’s end. Overall, CLI sold over 4,600 units during the period.

Other key contributors in the VisMin region:

Davao	40%
Cebu	30%
Bohol	12%
Bacolod	9%
Palawan	7%

Note: Other contributors are not highlighted: 1.08% Dumaguete, 0.76% Ormoc, 0.64% Cagayan De Oro, and 0.63% Iloilo

CLI also launched the fifth tower of The East Village after a very successful introduction of the first 3 towers that marked its inaugural residential venture in Davao Global Township. In terms of sales contribution, CLI’s flagship economic brand, Casa Mira, takes the lead at 45%, followed by the mid-market Garden Series at 36%, with the high-end Premier Masters contributing 17% of total sales.

In 2023, CLI’s launches achieved a 63% sell-out rate within months of their release. Projects under construction boast a robust 96% sell-out rate, while completed ones demonstrate an exceptional 97%, resulting in an overall portfolio sell-out rate of 93%.

CLI cements market leadership in VisMin, accelerates 2024 growth and expansion plans

Colliers International Philippines’ 2023 real estate market analysis highlights CLI’s market leadership as the leading developer in the Visayas-Mindanao region.

According to Colliers International Philippines Real Estate Market Study 2023, spanning H2 2022 to H1 2023, CLI commands nearly a quarter (22.8%) of the market share in overall net take-up. This marks a 5% increase from the previous year’s 18% market share, as per Colliers’ similar study covering H2 2021 to H1 2022.

> “As we celebrate our 20 years as a company, our consistent growth fuels our commitment to continue serving the Filipino people by expanding beyond Visayas and Mindanao. We hope to introduce our brand of service in key areas in Luzon.” **- Jose R. Soberano III, CLI Chairman and CEO**

CLI’s residential pipeline is valued at PHP 27.7 billion, including expansion projects in Butuan and Davao. CLI will unveil new residential towers in Davao Global Township and initiate the first phase of the 14-hectare Manresa Town in Cagayan De Oro.

> “CLI is in the midst of a growth stage that will see us expand to Luzon, carry out a joint venture with NTT UD Asia Pte. Ltd. (a subsidiary of NTT Urban Development Corporation of Japan), and develop the university township Manresa Town in Cagayan de Oro and continue the ongoing progress of Davao Global Township in Matina, Davao City. These pipeline projects, alongside our core housing business, will be delivering results for CLI in the years to come.” **- B. Grant Cheng, CLI Chief Financial Officer, on CLI’s growth and expansion plans.**

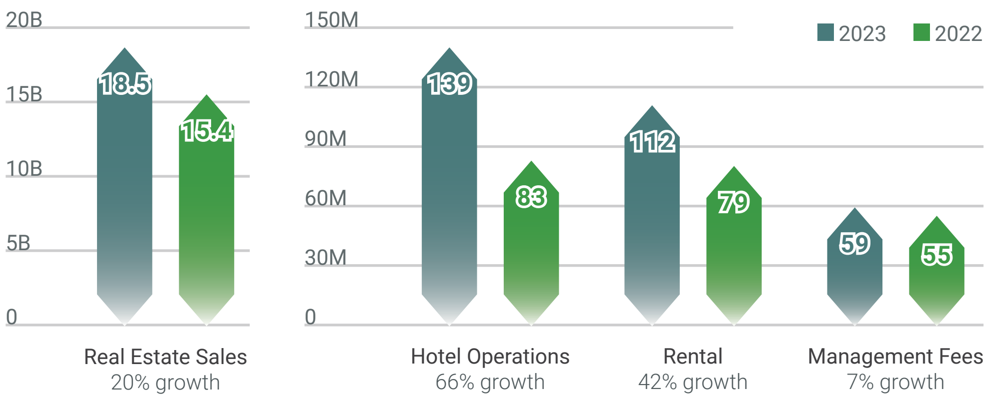
Furthermore, the Company has acquired 21 hectares in General Santos for economic and mid-market residential projects. This residential footprint expansion reflects CLI's dedication to providing customers with homes and communities that are developed with their needs in mind.

In addition to residential projects, CLI has accelerated its growth and progressed developments in hotels, resorts, offices, mixed-use spaces, co-living spaces, and townships, serving as significant revenue sources for the community and contributing to economic growth.

The listed company is also in negotiations for further expansion in Luzon, with a land purchase scheduled for 2024.

SUSTAINED EARNINGS GROWTH MOMENTUM (PHP)

CLI posts a 29% growth on Consolidated Earnings, ending the year with an outstanding financial performance.
Consolidated revenue increases by 20% year-over-year to PHP 18.8 billion from strong topline growth across all segments.



PHP 9,178M
Gross Profit

PHP 9,640M
Cost of Sales

DECLARED

» **Regular Dividend**
PHP 0.15 per share

» **Special Dividend**
PHP 0.03 per share

OPERATIONAL HIGHLIGHTS

Cebu Landmasters expands to key cities, grows hospitality business

CLI strategically positioned itself to leverage the anticipated strong economic growth in the VisMin region. With Cebu emerging as a prominent investment hub in the Visayas, CLI further expanded its presence to other growth areas in Mindanao, including Butuan and General Santos. Operating actively in 16 key cities across Visayas and Mindanao, CLI stands poised to benefit from the projected growth in areas such as CDO, Iloilo, and Bacolod.

Alongside the escalating demand for real estate, the tourism sector in VisMin offers a favorable environment for CLI's expansion in hospitality. By December 2023, the Company had a hotel portfolio comprising 1,543 keys. It launched three new hotels, increasing its operational room count to 338, including 180 rooms at Citadines Cebu City.

Venturing into co-living spaces signifies a bold move for CLI, with two pioneering developments slated to join the Company's portfolio. The premier venture, CLI's own branded The Pad Co-Living, features 256 rooms situated at the heart of Cebu City, offering easy access to prime business districts, universities, and dining establishments.

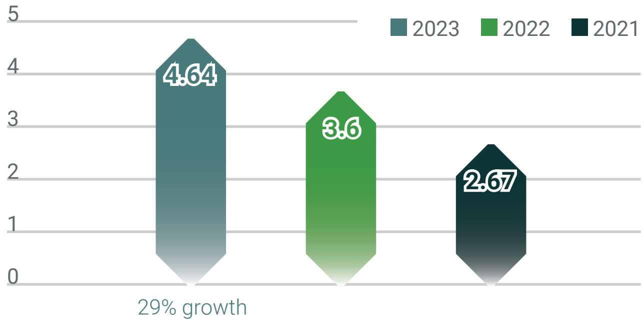
Set in Midtown Cebu, lyf Cebu City operated by Ascott Limited offers 159 rooms that seamlessly blend comfortable co-living spaces with the vibrant ambiance of the city. Strategically positioned near commercial hubs such as Fuente Osmeña Circle, it guarantees accessibility to key destinations, making it an ideal choice for both leisure and business travelers.

Expanding its reach beyond Cebu, CLI established its presence in Bacolod with the international serviced residence, Citadines Bacolod City. This residence boasts 200 rooms and a 1,000 sq.m convention center. Its location near the Bacolod-Silay Airport and the North Bus Terminal ensures easier access and enhanced convenience for guests.

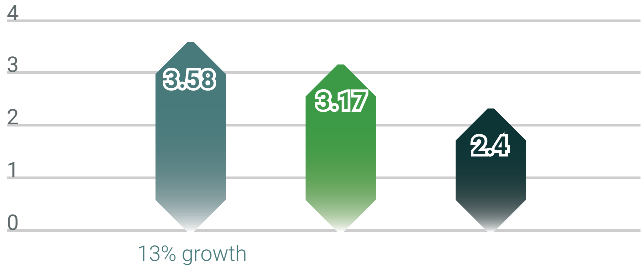
"Our vision is to evolve alongside our home market, VisMin. As the region continues to flourish and attract investors, our growth mirrors the market we've fervently supported since our inception in 2003." **- Jose R. Soberano III, CLI Chairman and CEO**

In the latest financial report, CLI showcased robust growth for the year 2023, with consolidated revenue surging by 20% year-over-year to PHP 18.8 billion. CLI's net income attributable to the parent company also exhibited strong growth, ascending by 13% to PHP 3.58 billion from PHP 3.17 billion in the preceding year.

CONSOLIDATED NET INCOME (PHP IN BILLIONS)



PARENT NET INCOME (PHP IN BILLIONS)



CLI announces first international partnership with prominent Japanese real estate firm NTTUD Group

CLI took a significant step forward in 2023 by announcing its inaugural international joint venture, forging a partnership with the esteemed Japanese property firm NTT UD Asia Pte. Ltd. (NTTUDA), a subsidiary of NTT Urban Development Corporation (NTTUD), to establish CLI NUD Ventures, Inc.

CLI NUD Ventures, Inc. sets its sights on a pioneering project: a PHP 6.4 billion two-tower, Japanese-inspired residential development in the heart of Cebu IT Park. Tower 1, comprising just over 500 premium dwelling units, is projected to launch by Q4 2024.

"We are excited about this new venture, especially since this marks CLI's first joint venture partnership with a well-renowned foreign business group. This is a testament that CLI is meeting international standards—especially Japanese—reflecting our hard work and commitment to the markets we serve."
- Jose R. Soberano III, CLI Chairman and CEO

NTTUD is a global real estate powerhouse headquartered in Japan and a subsidiary of the country's premier telecommunications provider, NTT. It initiated its global operations in the United Kingdom in 2009. NTTUD has been actively expanding its global footprint through diverse projects encompassing mixed developments, office spaces, and residential complexes. The collaboration with CLI marks its debut venture in the Philippines.

"I am pleased to announce the formation of a partnership with CLI, allowing us to participate in our first project in the Philippines. Leveraging the development capabilities cultivated through our domestic and international business activities, along with CLI's extensive track record in property development, to jointly differentiate our products and enhance the selling point, we can provide a better life for the people of the Philippines." **- Hiroshi Tsujigami, NTT Urban Development CEO**

CLI has experienced remarkable growth, expanding its ventures into offices, hotels and resorts, mixed-use developments, retail spaces, and townships. This partnership signifies NTTUD's first venture in the Philippines, expanding its global portfolio with mixed-use, office, and residential projects and positioning itself for continued growth and success in the coming years.

CLI introduces Mirani, a new brand for the affordable market

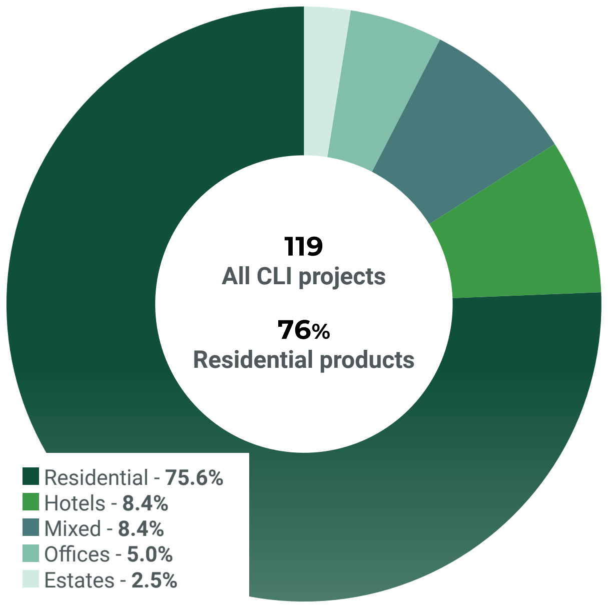
In 2023, CLI launched Mirani—a new offering designed to address the demand for more affordable housing options with residences priced at around PHP 1.90 million to PHP 2.90 million. This concept focuses on simplicity and practicality, providing comfort through functional living spaces, quality home finishes, and community amenities that are attainable for budget-conscious Filipinos aspiring to own a home.

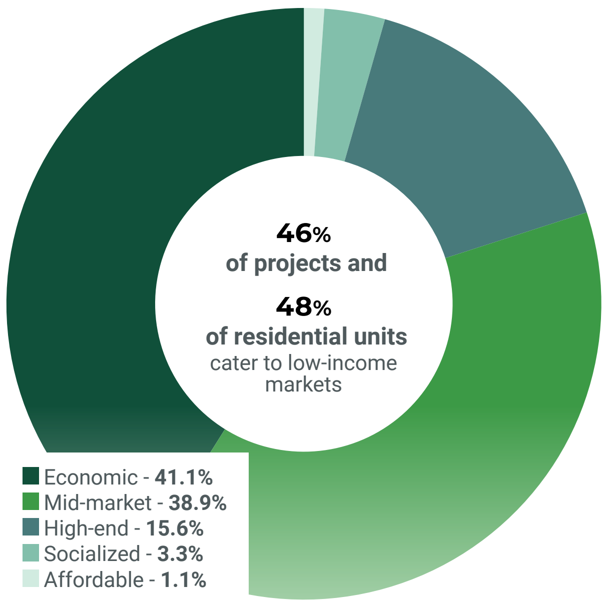
Within the safety and security of a gated neighborhood, Mirani comprises two affordable and well-built residential developments. Mirani Steps offers a pathway to a better life with its walk-up studio and 1-bedroom units, while Mirani Homes transforms dreams into reality with its loft-type townhouses. Filipinos can truly embrace a life they're proud of in these small yet beautiful homes, perfectly suited for practical living.

SUSTAINABILITY HIGHLIGHTS

Sustainability at CLI entails fulfilling the current needs of their customers while safeguarding the capacity of future generations to meet their own needs. Beyond natural resources, it encompasses the necessity for social and economic resources. Sustainability transcends mere environmentalism; it inherently includes considerations for social equity and economic advancement within its various definitions.

PRODUCT
DEVELOPING INNOVATIVE SPACES & ADDRESSING HOUSING NEEDS





1,351 SOCIALIZED HOUSING UNITS DELIVERED SINCE 2015

- SOCIALIZED HOUSING (VILLA CASITA)
- AFFORDABLE (MIRANI)
- ECONOMIC (CASA MIRA)

5 PROJECTS ADOPTING GREEN BUILDING STANDARDS

BUILDING FOR ECOLOGICALLY RESPONSIVE DESIGN EXCELLENCE (BERDE)

- LATITUDE CORPORATE CENTER
- ASTRA CENTRE
- TIPOLO RESIDENCES (SOCIALIZED HOUSING)

LEED

- MASTERS TOWER CEBU

EDGE — Excellence In Design For Greater Efficiencies

- 38 PARK AVENUE

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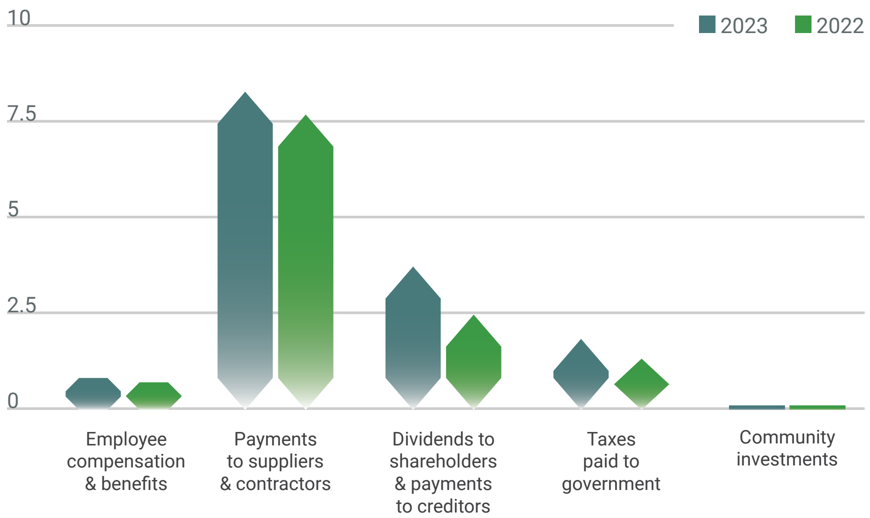
PROGRESS
LOCAL ECONOMIC CONTRIBUTION

OUR POSITIVE DIRECT AND INDIRECT ECONOMIC IMPACTS (PHP IN BILLIONS)



PHP 609M (↑18%)
EMPLOYEE COMPENSATION & BENEFITS

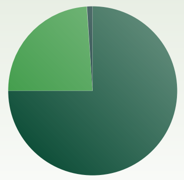
PHP 8.2B (↑7%)
PAYMENTS TO SUPPLIERS & CONTRACTORS

PHP 3.6B (↑49%)
DIVIDENDS TO SHAREHOLDERS & PAYMENTS TO CREDITORS

PHP 1.8B (↑23%)
TAXES PAID TO GOVERNMENT

PHP 51M (↑118%)
COMMUNITY INVESTMENTS

OUR CONTRIBUTION TO THE LOCAL ECONOMY: GROWING LOCAL MARKETS THROUGH LOCAL SOURCING



75% LOCAL VENDORS FROM VISAYAS & MINDANAO

24% Luzon

1% Foreign

EMPLOYMENT GENERATION

10,318 CLI DIRECT & INDIRECT HIRES

- **776** CLI ORGANIC
- **123** CLI OUTSOURCED (THROUGH HR-ADMIN)
- **791** CLI PM ORGANIC & OUTSOURCED
- **82** CLI HOTELS ORGANIC & OUTSOURCED
- **8,546** CLI CONTRACTORS' WORKFORCE

PLANET
ENVIRONMENTAL STEWARDSHIP

CONSERVING OUR RESOURCES

↓47% DIRECT ENERGY USE
52,217 GJ FUEL FOR GENSET AND TRANSPO

↑21.75% INDIRECT ENERGY USE
29,346.16 GJ PURCHASED ELECTRICITY

↓45% WATER WITHDRAWAL
1,359,892.34 CU.M

↑60% RAINWATER COLLECTED
6,512 CU.M

PROTECTING ECOSYSTEMS ENHANCING BIODIVERSITY

AS OF DEC 31, 2023 CUMULATIVE (FROM 2021)

308,333 TREES PLANTED
- 60,647 MANGROVES
- 247,686 TIMBER & FRUIT TREES

298,183 TREES MAINTAINED
- 10,150 MONITORED

33 NATIVE TREE SPECIES

316 HECTARES OF PLANTING SITES

30 BIRD SPECIES OBSERVED IN ONE OF CLI'S PROJECTS

INTEGRATED REPORT 2023

MANAGING OUR IMPACTS

WASTE MANAGEMENT

↓**91%** TOTAL WASTE GENERATED
2,919,772 KG

↑**109%** TOTAL WASTE RECYCLED/REUSED
508.9 TONNES

↑**143%** TOTAL WASTEWATER DISCHARGED
357,688,78 CU.M

↑**98%** TOTAL WASTEWATER TREATED
291,157.18 CU.M

GREENHOUSE GAS EMISSIONS MANAGEMENT

↓**47%** SCOPE 1
3,448.95 MTCO2e EMISSIONS FROM FUEL USE

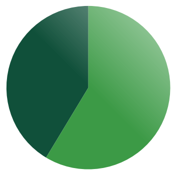
↑**2%** SCOPE 2
2,193.08 MTCO2e EMISSIONS FROM PURCHASED ELECTRICITY

↑**42%** SCOPE 3
10.20 MTCO2e EMISSIONS FROM PURCHASED ELECTRICITY OF UNIT OCCUPANTS

PEOPLE
SOCIAL DEVELOPMENT

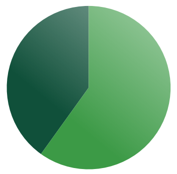
OUR WORKFORCE

MALE FEMALE



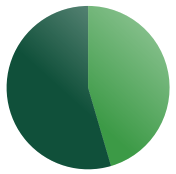
EMPLOYEES

776 ORGANIC EMPLOYEES
59% (455) Female
41% (321) Male



NEW HIRES

60% (118) Female
40% (79) Male



AVERAGE TRAINING HOURS

56% (15) hours/employee (Female)
44% (18) hours/employee (Male)

100% OF EMPLOYEES COVERED FLEXIBLE WORK ARRANGEMENT

13% ATTRITION RATE

32.2% MINIMUM PAY RATIO
LOWEST PAID VS MINIMUM WAGE

TRAINING AND DEVELOPMENT

↑**76.84%** **12,665** TOTAL TRAINING HOURS

↑**52%** **16** AVERAGE TRAINING HOURS/EMPLOYEE

↑**5%** **PHP 1.5M** COST OF TRAINING/ SEMINARS

VOLUNTEER HOURS RENDERED

↑**51%** **1,442** VOLUNTEER HOURS

HEALTH AND WELLBEING INVESTMENTS

↑**158%** HMO | MEDICAL | WELLNESS ACTIVITIES
PHP 31.1M

↑**22%** MEDICAL EXPENSES
PHP 1.54M

↑**418%** HEALTH/LIFE INSURANCE
PHP 20.2M

↑**36%** EMPLOYEE ACTIVITIES
PHP 9.4M

252 WORK-RELATED ILL-HEALTH CASES MONITORED

OUR COMMUNITIES
OUR SOCIAL IMPACT

4,749 FAMILIES BENEFITED SINCE 2021

65 INSTITUTIONS / EXTERNAL ORGANIZATIONS ENGAGED

PHP 51M COMMUNITY INVESTMENTS

>187 HRS TOTAL HOURS OF COMMUNITY CAPACITY BUILDING AND LEARNING ACTIVITIES

AWARDS & RECOGNITIONS

2023
ASIA PACIFIC STEVIE AWARDS
INNOVATIVE ACHIEVEMENT IN CORPORATE SOCIAL RESPONSIBILITY

2023
ASIA CORPORATE EXCELLENCE AND SUSTAINABILITY AWARDS
COMMUNITY INITIATIVE AWARD

WORKFORCE SAFETY IN CONSTRUCTION SITES

20,232,031 SAFE MAN-HOURS

ZERO LOST TIME INJURY
TOTAL DISABLING INJURY RATE

49 SAFETY DRILLS

OUR CUSTOMERS

1,152 TOTAL NO. OF ACCREDITED BROKERS

300 NUMBER OF NEW SELLERS ACCREDITED BY CLI IN 2023

405 NUMBER REAL ESTATE BROKERAGE COMPANIES PARTNERED

4.6 OUT OF 5 AVERAGE CUSTOMER SATISFACTION RATING (BUYERS AND SELLERS)

PILLAR 1: INTEGRATED COMMUNITY DEVELOPMENT FOR SOCIALIZED HOUSING BENEFICIARIES

1,351 LOW-INCOME FAMILIES BENEFITED FROM SOCIALIZED HOUSING PROJECTS SINCE 2015

190 INFORMAL SETTLER FAMILIES BENEFITED FROM SOCIALIZED HOUSING MEDIUM RISE BUILDINGS (MRBs)

PILLAR 2: ENVIRONMENT

422 FARMERS AND FISHERMEN PROVIDED GREEN SKILLS TRAINING / ECO LEARNING (TREE GROWING)

14 COMMUNITY PLANTING SITES ENHANCED, MAPPED & DESIGNED FOR PLANTING

PILLAR 3: EDUCATION

23 UNIVERSITY SCHOLARS SUPPORTED

15 VOCATIONAL TRAINEES SUPPORTED WITH

6 GRADUATES

PILLAR 4: LIVELIHOOD

21 FARMERS' AND FISHERMEN'S ORGANIZATIONS SUPPORTED

80 BENEFICIARIES RECEIVED LIVELIHOOD TRAINING

187 FAMILIES OF FARMERS AND FISHERMEN BENEFITED FROM LIVELIHOOD PROGRAMS

PRACTICE
CORPORATE GOVERNANCE

ACGS ASEAN CORPORATE GOVERNANCE SCORECARD

↑16.4% IMPROVED CG RATING
2 GOLDEN ARROW AWARD

BOARD DIVERSITY

56% MALE **56%** 34-41 YO
44% FEMALE **44%** 60-71 YO

BOARD EXPERTISE & EXPERIENCE

- REAL ESTATE DEV'T
- BUSINESS MGT & ECONOMICS
- FINANCE
- BANKING & WEALTH MGT
- ACCOUNTANCY
- MARKETING
- CORPORATE LAW & LEGAL PRACTICE
- LANDSCAPE ARCHITECTURE

ESG METRICS ALIGNED TO INTERNATIONAL STANDARDS

GRI · SASB · SUSTAINABLE DEVELOPMENT GOALS · INTEGRATED REPORTING

UN SDGS CONTRIBUTION

SDG 3: Good Health and Well-being

CLI proudly promotes health and well-being among its employees by organizing quarterly learning sessions, training, and wellness activities through its Hilig Clubs. The interests-based program includes a variety of health and wellness activities such as dancing, singing, fun runs, yoga and pilates sessions, and pet care, fostering a holistic approach to well-being beyond physical fitness to mental and emotional health. This initiative creates a supportive environment where employees can thrive and have an enabling work environment.

SDG 6: Clean Water and Sanitation

CLI collects rainwater from chapel roofs, clubhouses, and pump rooms via storm drain pipes for horizontal projects and from roof deck areas for vertical projects. The collected rainwater is then channeled to water catchers or cisterns within the buildings, serving purposes such as irrigation and cleaning of parking areas. This practice effectively mitigates soil erosion, minimizes water runoff, and helps prevent flooding.

SDG 4: Quality Education

Through CLI's Leadership and Educational Assistance Program (LEAP), the Company places importance on providing access to quality education. In partnership with the University of San Carlos and Banilad Center for Professional Development for Women's Vocational Course, CLI granted education scholarships to 23 university scholars and supported six vocational scholars in 2023, empowering them to pursue their academic endeavors and realize their full potential.

SDG 8: Decent Work and Economic Growth

CLI provides equitable compensation and benefits to its employees while simultaneously creating livelihood opportunities for the communities it serves through the Livelihood Assistance for Multi-Sectoral Beneficiary Organizations (LAMBO) Program. This initiative has benefited 486 families and enabled six people's organizations, composed of farmers and fishermen, to offer alternative livelihood options.

SDG 11: Sustainable Cities and Communities

CLI significantly enhances local economies directly and indirectly through its 119 projects. Direct economic benefits include job creation, the emergence of local businesses, and the provision of affordable housing options. Indirectly, CLI enhances the quality of life by allocating open spaces, strengthening site resilience, improving community well-being, and having accessible green areas fostering social interaction and physical activities. These efforts position CLI as a vital contributor to thriving, resilient communities, demonstrating its commitment to sustainable urban development.

CLI PM integrated ornamental and edible planting across both horizontal and vertical properties. Tree growing (mangroves, timber and fruit trees) and coastal clean-up drives are likewise being implemented in partner communities. In 2023, CLI planted 50,647 mangroves and 141,468 timber and fruit trees. In the process, CLI provides opportunities for eco-learning and building capacity for partner farmers and fishermen's organizations to conserve their resources and protect and preserve ecosystems. These initiatives highlight CLI's unwavering commitment to promoting biodiversity enhancement and green living within its communities.

SDG 13: Climate Action,
SDG 14: Life Below Water, and
SDG 15: Life on Land

CLI's Waste Management Program effectively manages and reduces waste generated from properties managed by Cebu Landmasters Property Management, Inc. (CLIPM). The comprehensive plan encompasses various aspects of solid waste management, including waste reduction, segregation, disposal, financial implications, and establishing protocols for recording, monitoring, education, and periodic review. Aligned with the guidelines outlined in RA 9003, this plan delineates the waste management procedures adopted by CLI, highlighting their positive impact on the environment, methods for assessing their effectiveness, and their contribution to sustainable practices.

SDG 17: Partnerships for the Goals

CLI establishes partnerships with its local communities and collaborates internationally with a prominent Japanese real estate firm to foster sustainable development and achieve shared objectives. CLI also actively collaborates with people's organizations and local government units (LGUs). These organizations include farmers and fishermen's associations, farmers' multi-purpose cooperatives, LGUs of the Cities of Mandaue, Naga, and Danao, as well as the Municipality of Consolacion, among others, to provide livelihood opportunities for social housing beneficiaries and neighboring communities.

INTEGRATED REPORT 2023

AWARDS AND RECOGNITION

Over the years, CLI has consistently received recognition from prestigious organizations and award-giving bodies, solidifying its position as a local leader in real estate excellence in the Visayas-Mindanao region.

DEVELOPMENT AWARDS

PropertyGuru Philippines Property Awards (PPA)

- **Developer Awards**
  - Best Condo Development in Visayas
    - Casa Mira Towers Bacolod (WINNER)
  - Best Housing Development in Visayas
    - Casa Mira Iloilo (WINNER)
  - Best Housing Development in Metro Cebu
    - Casa Mira Homes Danao (WINNER)
  - Best Waterfront Condo Development
    - Costa Mira Beachtown Panglao (WINNER)
  - Best Condo Development in Luzon
    - Casa Mira Towers Palawan (HIGHLY COMMENDED)
- **Commercial Awards**
  - Best Hotel Development
    - Citadines Bacolod City (HIGHLY COMMENDED)
- **Design Awards**
  - Best Retail Architectural Design
    - DGT City Center (WINNER)
  - Best Condo Architectural Design
    - Calle 104 (HIGHLY COMMENDED)
  - Best Co-Living Space
    - The Pad Co-Living (HIGHLY COMMENDED)

INSTITUTIONAL AWARDS

- **PropertyGuru Philippines Property Awards (PPA)**
  - Best Developer in Mindanao (WINNER)
- **ASEAN Corporate Governance Scorecard (ACGS)**
  - Top Performing Publicly-Listed Company in the Philippines
- **2023 Asia-Pacific Stevie Awards**
  - Asia-Pacific Stevie® Awards - Bronze Winner for Innovative Achievement in Corporate Social Responsibility
- **BCI Asia Philippines**
  - Top 10 Developers in the Philippines
- **Asia Corporate Excellence & Sustainability Awards (ACES 2023)**
  - Community Initiative Award
- **Cebu Chamber of Commerce and Industry (CCCI)**
  - Captain of Industry - Residential and Commercial Property
- **Chamber of Real Estate and Builders' Associations (CREBA)**
  - Best of the Best Developers - Horizontal Residential Economic Housing Category
- **Institute of Corporate Directors (ICD)**
  - 2 Golden Arrow Recognitions

EXECUTIVE AWARDS

PropertyGuru Philippines Property Awards (PPA)

- Philippine Real Estate Personality of the Year - Jose Soberano III, CLI Chairman and CEO
- Real Estate Personality of the Year (WINNER)

2023 Mansmith Young Market Masters Awards (YMMA)

- Mansmith YMMA for Real Estate Marketing Award - Joanna Marie Bergundthal, SVP for Marketing and HR

INTEGRATED REPORT 2023

CEBU LANDMASTERS AT 20: TWO DECADES OF MASTERFUL DEVELOPMENT

"20 years is the time when a person is starting to blossom but has yet to grow into full maturity. As CLI celebrates two decades of masterful development, I can say that we have only started to bring Cebu Landmasters to its future."

JOSE R. SOBERANO III
CLI CHAIRMAN AND CEO

20 Years of Masterful Development

CEBU LANDMASTERS

We Build with You in Mind

The CLI story is one remarkable transformation, evolving from a modest three-million-peso housing initiative nestled in Cebu's countryside in 2003 to emerge as a powerhouse in the real estate sector. Today, CLI stands tall as a multi-billion-peso enterprise, boasting a prestigious listing and a portfolio showcasing over 100 masterfully crafted real estate ventures spanning 16 vibrant cities in the VisMin region.

During a recent company town hall, CLI Chairman and CEO Jose Soberano III expressed his gratitude for the years spent together as Cebu Landmasters family, emphasizing the importance of embracing roots while striving for excellence.

Building extraordinary experiences from the heart

CLI's diversified portfolio includes residences, offices, hotels and resorts, mixed-use developments, and townships. Rooted in core values such as commitment, collaboration, leadership, integrity, and agility, CLI prioritizes customer satisfaction and community-centric development. By infusing every project with dedication and passion, CLI consistently delivers exceptional experiences, enriching the landscape of real estate development.

Since its inception, CLI has achieved remarkable growth, launching initiatives like Casa Mira in 2017 and becoming the first homegrown Cebu-based real estate developer listed on the Philippine Stock Exchange. The Company's success has been recognized with numerous awards, including the prestigious PropertyGuru Philippines Property Awards.

Soberano wins Real Estate Personality of the Year

Soberano's contributions, both in his professional endeavors and as a leader, have been deeply committed to improving society. He was honored with the highest distinction as the Philippines Real Estate Personality of the Year at the 11th Annual PropertyGuru Philippines Property Awards, underscoring his significant impact on the industry.

The award inspires CLI to continue its mission of enhancing lives and communities across the Philippines.

CLI on reaching new heights

CLI aims to reinforce its position in VisMin and expand strategically into Luzon in 2024. These endeavors align with CLI's mission of prioritizing stakeholder satisfaction and fostering community-centric development, driven by Soberano's commitment to enhancing lives across the Philippines.

2023

"Receiving the award is a real honor, one that extends beyond myself, and I owe more to the entire Cebu Landmasters organization and everyone who has supported us all the way… The timing of this recognition is especially meaningful to us as it coincides with CLI's 20th year anniversary in the industry. I dedicate this to all the men and women behind CLI, and to everyone who has believed in us, namely, our homeowners, partners, investors, and stakeholders, especially the VisMin community."

JOSE R. SOBERANO III
CLI CHAIRMAN AND CEO
on earning the industry's highest distinction during the 11th Annual PropertyGuru Philippines Property Awards which coincides with CLI's 20th year anniversary

THE CLI20 CAMPAIGN

CLI celebrated its 20th anniversary with several activities, the highlight of which was the launch of the CLI20 Campaign under the theme "Cebu Landmasters: 20 Years of Masterful Development." This campaign included launching a video showcasing CLI's remarkable growth journey, from its humble beginnings with one property to the establishment of over 100 developments across different categories in the VisMin region. The video emphasized CLI's commitment to customer-centricity by infusing passion into every project and reaffirmed its dedication to consistently delivering exceptional results.

CLI officially introduced the campaign to employees during the town hall assembly, marking the milestone during the company's mid-year gathering. The event celebrated company achievements and recognized employees who have journeyed with CLI over the past two decades, highlighting the collective efforts and dedication propelling CLI to its current leadership position in the real estate industry.

Expanding the campaign's reach, CLI organized its inaugural fun run titled "Run with the Masters," which emphasized the Company's 20 years of masterful development while promoting health and community engagement among employees, partners, and stakeholders.

The campaign's impact was showcased during the Night of the Masters, CLI's awards night for its partner sellers and brokers. At this event, CLI honored individuals who have played pivotal roles in its success over the past two decades, reaffirming its commitment to collaboration and excellence in all endeavors.

The Company puts its heart into every project and is committed to delivering the extraordinary every step of the way. With masterful leadership, a wide array of developments, and 20 years of genuine service
- Cebu Landmasters is not just builders; they are Landmasters.

Watch the CLI20 video on the Cebu Landmasters official YouTube page.

OUR VALUE CREATION

CLI'S SUPPLY AND VALUE CHAIN

CLI's main activities as a property development company encompass planning, development, operations, and management. The Company draws from its six capitals to perform business activities and generate outputs. CLI aims to build enduring value for its stakeholders by managing risks and seizing opportunities. With the vision of becoming the most community-focused organization in VisMin, CLI prioritizes integrating social development into its value chain.

VALUE CREATION MODEL

INPUTS

Natural Capital*
Environmental resources are efficiently and responsibly used

- Landbank: 107 ha
- Materials
  - Non-renewable
    - 58,395.71 cu.m of sand
    - 23,026.83 cu.m of gravel
    - 117,763,360.00 kg of cement
    - 42,258,471.26 kg of steel rebars
    - 35,477.03 sq.m of glass
    - 200,000.14 cu.m of limestone
  - Renewable
    - 2,359,004.28 bd.ft of lumber/wood
- Energy
  - 151,751.47 GJ of fuel and electricity
- Water: 6,896,852.75 cu.m consumed

Financial Capital
Stable funds from profits, equity, and loans used to build products and provide services

- PHP 12.89 billion worth of capital expenditures in 2023

Manufactured Capital
A highly diversified product mix in the best locations in VisMin

- Real estate products (various development stages)
  - 90 Residential projects
  - 10 Hotels
  - 6 Offices
  - 10 Mixed-use/Commercial
  - 3 Estates
- Recurring Assets
  - 35,772 sq.m total Gross Leasable Area (GLA) completed
  - 75,000 sq.m GLA under construction
  - 180 room keys completed
  - 1,543 room keys under construction
- Green building design
  - Energy-efficient construction practices
  - Renewable resources (solar power and rainwater harvesting)
  - Environmentally friendly design features
  - Waste prevention systems
  - Low impact materials selection
  - Design durability and life cycle assessment

Intellectual Capital
A distinguished brand and reliable track record of project execution

- Local knowledge, mastery, expertise, and market leadership in VisMin
- Established name and trusted brand
- Fast turnover of projects compared with competitors
- Hands-on or personalized approach to customer experience
- Digitized system for a more convenient customer experience
- Strong track record in the medium-rise market segments
- Award-winning planning and design
- In-house after-sales and property management support

Human Capital
Competent & High Performing Employees

- 914 direct hires (including subsidiaries)
- 9,382 total indirect hires (outsourced personnel and contractors' workforce)

Social & Relationship Capital
A strong relationship with the local broker community, trust from buyers and end-users, and preferment of landowners

- 21 Joint Venture Partners
- Network of 11,000 sellers and brokers
- LGU/Community Partners in 9 provinces, 22 cities and municipalities, and 54 barangays

** Energy and water data include consumption in leased properties.*

VALUE CHAIN

Business Activities

1. Land Acquisition*
2. Planning & Permitting*
3. Financial Analysis*
4. Marketing & Sales**

5-1. Construction & Procurement*
5-2. After Sales**

6. Turnover**
7. Operations**

**Planning & Development*
***Operations & Management*

Community Development

» Providing Access to Affordable Housing
» Managing Environmental Impacts and Building Resilience
» Developing Talent through Education
» Promoting Self-reliance through Livelihood

OUTPUTS

Growth in Residential Products

» 80 total residential products
» 33,779 units across 200.82 ha
» 15 residential projects launched in 2022
» 33 under construction
» 32 completed in 2022

Increase in Socialized Housing: Mid-rise Buildings

» 1 completed
» 1 under construction
» 4 in planning stage

New Developments

- 3 Townships
- 10 Mixed-use buildings
- 6 Offices
- 10 Hotels (1 operational, 180 keys)

Leasing Assets

More than 30,006 sq.m current GLA with 47,000 sq.m GLA under construction to be completed in 2 years

Green Building Design

» Latitude Corporate Center - BERDE Excellence Certification 5-star rating (Design Stage)
» Astra Centre - undergoing BERDE Certification review
» 38 Park Avenue - EDGE Certified
» Tipolo Residences Bldg 2 (socialized housing medium-rise building undergoing BERDE certification review)

OUTCOMES AND IMPACTS (Actual and Desired)

Natural

Planet

» Resource conservation
» Reduced environmental impacts

Financial

Profit and Progress

» Business growth
» Favorable economic performance
» Solid and healthy balance sheet
» Increased employment
» Improved local economy

Manufactured

Product

Resilient, sustainable housing, and community spaces

» End-users of CLI products
  › 10,763 Unit owners
  › 14 Condo corporations
  › 11 Homeowners associations

Human

People

» Customer loyalty
» Enhanced brand value
» Healthy and motivated employees
» Productive and self-reliant communities
» Better living conditions
» Strengthened partnerships

Social & Relationship:

Risks

» Unfavorable changes in market demand
» Permitting and licensing
» Project execution and delivery
» Environmental and climate-related risks
» Financial risks
» Data Integrity and accuracy
» IT systems
» Regulatory compliance
» Partnership and alliance
» Organizational risks

Opportunities

» More innovation/digitalization
» Economic recovery from the pandemic and Typhoon Odette
» OFW market segment
» Sustainability design for all segments
» Renewable or alternative materials
» Renewable energy sources
» VisMin communities and suppliers

INTEGRATING COMMUNITY DEVELOPMENT

BUILDING WITH OUR COMMUNITIES IN MIND

CLI adopts a holistic approach to propelling its community programs forward, focusing on tackling societal challenges and fostering enduring positive social change. These initiatives are designed to achieve the following objectives:

- Facilitating access to affordable and decent housing, coupled with an integrated support system
- Proactively managing environmental impacts
- Enhancing community resilience to climate change
- Developing talent through education, skills training, and enrichment programs
- Cultivating self-reliance by offering livelihood opportunities

In pursuit of these objectives, CLI establishes vital community spaces and services, fostering awareness among its stakeholders about the importance of managing, mitigating, and adapting to climate-related risks and impacts. This endeavor encompasses engaging in environmental education, biodiversity conservation, and waste management initiatives. Educational avenues are broadened through tertiary scholarships, community-based skills training, and support for primary and secondary-level education. Moreover, CLI facilitates livelihood opportunities, promoting sustainable growth within partner communities.

4-PILLAR STRATEGY

PILLAR 1:
Integrated Community Development for Socialized Housing Beneficiaries

Goal: Providing access to affordable housing

PILLAR 2:
Environment

Goal: Managing impacts and building resilience

PILLAR 3:
Education

Goal: Developing talent and enhancing skills

PILLAR 4:
Livelihood

Goal: Promoting self-reliance

INTEGRATED REPORT 2023

CLI FOUR PILLARS

Cebu Landmasters considers local communities as partners in development and stakeholders who can have a positive or negative impact on the Company's business practices. Therefore, CLI uses its financial and other resources to support programs and projects that effectively address the long-term needs of the communities in Visayas and Mindanao.

The Company's community development strategy is based on four pillars: 1) Integrated Community Development for Socialized Housing Beneficiaries, 2) Environment, 3) Education, and 4) Livelihood. Before developing community programs, CLI assesses the needs of the diverse sectors involved, such as women's organizations, fisherfolk associations, farmers' cooperatives, and informal settler families.

Integrated Community Development for Socialized Housing Beneficiaries
Provide access to quality residential spaces for low-income, including informal settler families. CLI lends expertise in social preparation and beneficiary welfare as well as management and maintenance of medium rise buildings in the socialized housing category to establish safe, secure, peaceful, cohesive, and resilient communities.

Environment
Raise awareness within communities regarding the importance of managing, mitigating, and adapting to climate-related risks and impacts through environmental education, biodiversity conservation, tree growing initiatives, and the management of rivers and solid waste.

Education
Make education accessible by providing extensive learning opportunities through university scholarship programs and empowering communities by offering skills-based training and internship programs.

Livelihood
Create livelihood opportunities with partner communities through the implementation of the Livelihood Assistance for Multi-Sectoral Beneficiary Organizations (LAMBO) program and provide assistance to local start-up small businesses in some of the Company's neighboring communities.

PORTFOLIO AND PERFORMANCE REPORT

OUR BUSINESS: DEVELOPING SUSTAINABLE AND RESILIENT SPACES

FINANCIAL REVIEW

In 2023, Cebu Landmasters demonstrated exceptional financial performance, strong topline growth across all sectors, and a stable balance sheet. These achievements were made possible through consistent project launches as the Company strives to create value for its stakeholders and reach new milestones. CLI's ongoing business expansion enhances its financial and manufactured capital, enabling the Company to enhance initiatives for its workforce and community and invest in additional sustainable projects.

KEY PERFORMANCE INDICATOR	2021	2022	2023
Gross Profit Margin	46%	47%	49%
Net Income Margin	24%	23%	25%
EBITDA	PHP 3.71 billion	PHP 5.63 billion	PHP 8.03 billion
EBITDA Margin	33%	36%	43%
Interest Coverage Ratio	3.94	5.23	4.34
Return on Average Assets	5%	5%	5%
Return on Average Equity (Parent)	27%	26%	24%
Return on Average Equity (Consolidated)	16%	19%	20%
Current Ratio	1.67	1.61	1.55
Net Debt-to-Equity Ratio	1.72	1.84	1.79
Debt-to-Equity Ratio	1.79	1.9	1.83

SUSTAINED EARNINGS GROWTH MOMENTUM (+29% YOY)
Consolidated NIAT is up by 29%, while NIAT to parent is up by 13% to PHP 3.58 billion from last year's PHP 3.17 billion.

ROBUST TOP-LINE GROWTH ACROSS ALL SEGMENTS (+20% YOY)
Consolidated revenue surged to PHP 18.8 billion from PHP 15.7 billion in FY 2022, recording 20% growth.

OUTSTANDING SALES PERFORMANCES (+14% YOY)
Growth of 14% driven by fresh inventory, with 93% sell-out status across all stages of development.

STEADY GROWTH IN ASSETS (PHP 102 BILLION IN ASSETS)
Asset growth was driven by progress in construction from sold units.

PERSISTENT LAUNCH OF QUALITY PROJECTS (PHP 18.7 BILLION NEW LAUNCHES)
Launched PHP 18.7 billion worth, offering 4,249 units

CONTINUOUS BUILD-UP OF LANDBANK (107 HA OF LAND)
Newly acquired land in General Santos City brings the land bank to 107 hectares worth PHP 9.7 billion.

MARKET LEADERSHIP

Cebu Landmasters strategically allocates resources to maintain its market leadership in the VisMin region. According to an in-depth market study by Colliers International Philippines, Inc., CLI emerged as the top real estate developer in VisMin with a 23% market share in terms of overall net take-up, a 5% jump from the previous year's 18% market share. CLI's success stems from strong market demand and brand trust.

2023 REAL ESTATE PROJECT LAUNCHES

10 recently launched projects with **23.11** hectares, **4,249** units worth **PHP 18.66 billion** in sales value as of FY 2023, and **63%** sold **2,676** units worth **PHP 12.01 billion** in sales value

2023 REAL ESTATE PROJECT LAUNCHES

RESIDENTIAL SUBDIVISION

Mirani Steps Danao
215 units
PHP 464 million, 50% sold
Danao City

Mindara Residences
546 units
PHP 2.6 billion, 99% sold
Davao City

Casa Mira Homes Davao
836 units
PHP 3.7 billion, 95% sold
Davao City

Velmiro Heights Consolacion – Phase 1
156 units
PHP 1 billion, 93% sold
Consolacion

RESIDENTIAL CONDOMINIUM

Casa Mira Towers Palawan – Tower 4
384 units
PHP 1.3 billion, 62% sold
Palawan

Casa Mira Towers Bacolod – Tower 4
378 units
PHP 1.5 billion, 68% sold
Bacolod City

The East Village – DGT Tower 5
429 units
PHP 2.5 billion, 46% sold
Davao City

Casa Mira Towers Mandaue – Tower 1
256 units
PHP 1 billion, 16% sold
Mandaue, Cebu City

Mandtra Residences – Tower 2
685 units
PHP 2.6 billion, 26% sold
Mandaue, Cebu City

RESIDENTIAL CONDOMINIUM (BEACHTOWN RESIDENCES)
Costa Mira Beachtown Residences Panglao – Tower 3
364 units
PHP 2 billion, 48% sold
Bohol City

In 2023, CLI launched 10 projects valued at PHP 18.7 billion. Among these launches was the introduction of the Mirani brand, catering to the lower-income segment by offering residences priced between PHP 1.90 million and PHP 2.90 million. Notably, Mindara Residences in Davao had a remarkable success, with nearly 546 units sold out, accumulating PHP 2.50 billion in sales within the first week.

CLI also debuted its inaugural house and lot project, Casa Mira Homes Davao, which has achieved a remarkable 95% sales rate. Velmiro Heights – Consolacion Phase 1, a mid-market product in Northern Cebu, was launched in December 2023. This project, comprising 378 units of various single detached models with lot areas ranging from 100 to 197 sq.m, achieved a rapid sales rate of 93% shortly after its introduction, indicating a strong demand for such offerings.

Other project launches included Casa Mira Towers Mandaue T1, Mandtra T2, CMT Palawan T4, CMT Bacolod T4, and Costa Mira Panglao T3. This substantial influx of fresh inventory and sustained high demand for the established Casa Mira brand propelled CLI to achieve record-breaking sales of PHP 20.6 billion, marking a 14% increase compared to the same period in 2022.

Looking ahead to the upcoming months, CLI intends to introduce additional developments from its pipeline of 11 projects, with a combined sales value of PHP 27.6 billion.

CLI will be selective in acquiring a high-potential landbank to drive sustained revenue growth in the future. By the end of 2023, the Company had secured 107 hectares of land for development across VisMin locations. Moreover, during the year, CLI expanded its presence in Mindanao by acquiring an additional 21 hectares in General Santos City, further augmenting its landbank value to PHP 9.80 billion.

INTEGRATED REPORT 2023

DRIVING SUSTAINABLE DEVELOPMENT

As a property developer, the Company's growth heavily relies on creating value for all stakeholders in the short- and long-term. Strategies that preserve or augment its financial and manufactured capital are particularly crucial.

GROWTH STRATEGIES

Cebu Landmasters has been sustaining its growth through several strategies that will ensure its progress in the future.

Expansion in key areas
CLI's vision extends beyond its present accomplishments, remaining steadfast in its pursuit of expansion and innovation. The Company focuses its quality developments in key cities in VisMin, with several strategic land acquisitions in greater Cebu, Bacolod, CDO, and Davao and new expansion areas like Butuan and General Santos City. CLI is actively negotiating with landowners in Naga City, Luzon, as part of its strategic expansion. These discussions aim to pave the way for CLI's inaugural Casa Mira project launch in Luzon, marking a significant milestone in the Company's regional expansion.

Building recurring income developments
CLI targets a long-term growth trajectory and is committed to growing its recurring income portfolio. CLI's current recurring income assets include BPO floor space, executive office space, residential units, and various commercial and retail units in its condominium projects. These assets now deliver a lease income to CLI of PHP 112.34 million in 2023 with their combined GLA of 35,772 sq.m. At present, the Company's rental leased rate is at 72% after the newly delivered spaces from Latitude Corporate Center, DGT Drive-thru, Banilad High Street, Baseline Center new wing, 38 Park Avenue, and Casa Mira Towers Guadalupe were substantially leased out.

Several under-construction commercial developments that will further boost its recurring income include Astra Center, Patria de Cebu, DGT Commercial Center, and Masters Tower. These new developments are designed to boost the recurring income of the Company by 2025 by integrating a hotel, commercial center, office, and residential tower into one development.

Vertical integration of property management
Cebu Landmasters Property Management, Inc. (CLIPM) was incorporated to provide property management services to housing, condominium, and office projects developed by the Company. To make CLIPM a self-sustaining and revenue-generating business unit, it eventually offered and expanded its services to outside clients. Currently, CLIPM manages 30 projects with steadily growing revenues since its incorporation.

Growth of economic housing brand (Casa Mira)
The Casa Mira brand of CLI is designed to answer the underserved demand in the economic housing sector. Even after the pandemic, Casa Mira remains CLI's fastest-selling and most sought-after brand. Unit prices range from PHP 1.80 million to PHP 3.00 million. Correspondingly, monthly amortizations range from as low as PHP 6,000.00 to as high as PHP 15,000.00. This caters to households with monthly incomes of PHP 15,000.00 to PHP 30,000.00.

Consistent strong housing demand in VisMin enabled CLI to sell many housing units from Casa Mira, which accounted for 69% of the Company's reservation sales in 2020, amounting to PHP 14.25 billion. In 2021, as the economy reopened, demand for the Casa Mira brand remained resilient, accounting for 41% of the PHP 16.53 billion in reservation sales recorded during the year. In 2022, Casa Mira accounted for 32%, or PHP 5.88 billion, of the total reservation sales for the year. With the new launches in 2023, the Casa Mira segment led the sales with 45% of total sales during the year, primarily from Casa Mira Homes Davao, Casa Mira Homes Danao, and Casa Mira Towers in Palawan and Bacolod.

Currently, there are 15 Casa Mira communities and a total of 16,879 housing units in VisMin namely: (1) Casa Mira Linao, (2) Casa Mira South, (3) Casa Mira Towers Guadalupe, (4) Casa Mira Towers Labangon, (5) Casa Mira Towers Mandaue, (6) Casa Mira Coast, (7) Casa Mira Bacolod, (8) Casa Mira Towers CDO, (9) Casa Mira Iloilo, (10) Casa Mira Homes Dumaguete, (11) Casa Mira Towers LPU, (12) Casa Mira Ormoc, (13) Casa Mira Towers Bacolod, (14) Casa Mira Towers Palawan, and (15) Casa Mira Davao.

By 2024, CLI will roll out this brand at its newly acquired expansion sites in Butuan and General Santos City. The Company sees this as an excellent opportunity to tap into the classes B, C, and D markets, where most of the working population belongs. With the Philippines' young and growing workforce, the need for affordable permanent housing options will continue to escalate.

Capitalizing on pipeline projects
CLI continues to position itself for growth with a robust pipeline of over 11 projects valued at PHP 27.7 billion, slated for the upcoming year. In 2023, CLI strategically secured a total landbank of 107 hectares across key VisMin locations, laying the groundwork for future development initiatives. Notably, a portion of this land comprises gestating township projects, offering a potential source of landbank for up to five years. Underscoring its commitment to expansion, CLI continues its proactive search for high-potential landbanks across VisMin, ensuring a continuous and strategic approach to securing opportunities for future development. This foresighted land acquisition approach solidifies CLI's position for sustained growth and innovation in the real estate sector.

Establish and leverage strategic partnerships, alliances, JVs, and cooperation
CLI will also continue to pursue local partnerships to enhance its expansion plans. The Company has proven that strategic alliances can provide a winning formula for securing strategic locations and entering new markets, as long as the JVs are executed with best practices. Its existing JVs are BL Ventures, CCLI, Cebu BL-Ramos Ventures Inc., CHDI, CPH, El Camino, GGTT, MGR, YHEST, YES, and YHES.

SPE and CLI-LITE, Inc. are CLI's new JV agreements for 2021. In addition, the business expanded its stake in MMDC from 20% to 78%, making it the JV's project manager and principal developer.

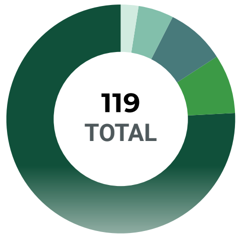
In October 2023, CLI initiated a strategic partnership with NTTUDA, a Japanese entity recognized for its expertise in developing commercial properties such as office buildings, residences, and mixed-use developments across Southeast Asia. This collaborative venture is specifically designed to develop premium-grade residential towers in the heart of Cebu City. The partnership between CLI and NTTUDA signifies a shared commitment to delivering high-quality real estate solutions. It marks a significant milestone in elevating the standards of residential developments in the region.

PROJECT CATEGORIES

Cebu Landmasters develops projects catering to stakeholders' needs and demands in Visayas and Mindanao. A diverse real estate portfolio provides various services across different markets, whether residential, mixed-use developments, hotels and resorts, offices and retail, or townships and estates.

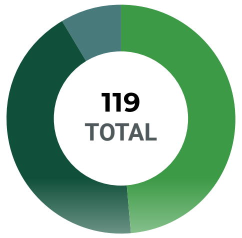
SUMMARY OF CLI PROJECT PORTFOLIO

Project Per Type:



- Residential - **90**
- Hotels - **10**
- Mixed - **10**
- Offices - **6**
- Estates - **3**

Project Per Status:



- Completed - **51**
- Ongoing - **58**
- Newly Launched - **10**

RESIDENTIAL PROJECTS

SUBDIVISIONS - GARDEN SERIES

Midori Plains
370 units | 7 ha
Tungkop, Minglanilla, Cebu

San Jose Maria Village Cebu

Balamban:
231 units | 3 ha

Minglanilla:
145 units | 3.1 ha

Talisay City:
96 units | 2 ha

Toledo City:
144 units | 3 ha

Velmiro Heights
348 units | 8.8 ha
Tunghaan, Minglanilla, Cebu

Velmiro Greens Bohol
Phase 1: 204 units **Phase 2:** 52 units | 4.84 ha
Biking, Dauis, Panglao, Bohol

Velmiro Uptown CDO
395 units | 14.3 ha
Upper Canitoan, CDO

Velmiro Plains Bacolod
342 units | 8.12 ha
Brgy. Granada, Bacolod City

Velmiro Heights CDO
518 units | 12 ha
Brgy. Agusan, CDO

Velmiro Heights Consolacion
156 units | 10.52 ha
Brgy. Tolo-tolo, Consolacion

SUBDIVISIONS - CASA MIRA

Casa Mira Linao | 10.847 ha
Phase 1: 580 units **Phase 2:** 145 units **Phase 3:** 126 units
Maghaway Road, Brgy. Linao, Talisay City, Cebu

Casa Mira Coast
543 units | 5.3 ha
Sibulan, Negros Oriental

Casa Mira South | 51.3 ha

COMPLETED (in units):
Phase 1A: 342 **Phase 2A:** 494 **Phase 3A:** 162 **Phase 3B:** 458
Phase 1B: 667 **Phase 2B:** 250 **Phase 3A.2:** 437

ONGOING (in units):
Phase 4B.1: 198 **Phase 4B.2:** 174

Bordering Langtad, Naga City and Pitalo, San Fernando, Cebu

Casa Mira Homes Bacolod
431 units | 4.5 ha
Brgy. Granada, Bacolod City

Casa Mira Homes Ormoc
908 units | 9.1 ha
Brgy. Luna Ormoc City

Casa Mira Iloilo
1,188 units | 14.4 ha
Brgy. Camalig, Jaro, Iloilo City

Casa Mira Homes Butuan
676 units | 11 ha
Butuan City, Agusan del Norte

Casa Mira Homes Danao
595 units | 6.8 ha
Guinsay, Danao City, Cebu

Casa Mira Homes Davao
836 units | 13.58 ha
Brgy. Magtuod, Davao City

Casa Mira Homes Dumaguete
Phase 1: 517 units **Phase 2:** 604 units | 7.1 ha
Brgy. Junob, Dumaguete City

SUBDIVISIONS - SOCIALIZED HOUSING

Pinamalayan Socialized Housing
338 units | 38,639 sq.m
Oriental Mindoro

Villa Casita Balamban
101 units | 8,000 sq.m
Brgy. Buanoy, Balamban, Cebu

Villa Casita North
663 units | 4.8 ha
Brgy. La Paz, Bogo City

CONDOMINIUMS - PREMIER MASTERS

Asia Premier Residences
88 units | 1.038 sq.m
Cebu IT Park, Cebu City

Base Line Premier
379 units | 1.1 ha
Base Line Center, Juana Osmeña Street, Cebu City

Base Line Residences
189 units | 1,500 sq.m
Base Line Center, Juana Osmeña Street, Cebu City

Base Line Prestige
351 units | 1 ha
Base Line Center, Juana Osmeña Street, Cebu City

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38 Park Avenue
764 units | 1.18 ha
Cebu IT Park, Cebu City

One Astra Place
Tower 1: 478 units **Tower 2:** 533 units | 12,338 sq.m
Astra Centre, A.S. Fortuna St., Banilad, Mandaue City

Terranza Residences
600 units | 2,539 sq.m
Arroyo St., Iloilo City

One Paragon Place
554 units | 19,392 sq.m
The Paragon Davao, Matina, Davao City

Ranudo Tower at Calle 104
192 units | 12,186 sq.m GFA | 21,071 sq.m CFA
Ranudo St., Cebu City

CONDOMINIUMS - GARDEN SERIES

Mesatierra Garden Residences
677 units | 5,094 sq.m
E. Jacinto Ext., Davao City

Mesaverte Garden Residences | 8,740 sq.m
Tower 1: 252 units **Tower 2:** 252 units **Tower 3:** 294 units
Osmeña Ext., Cagayan de Oro City

Midori Residences
396 units | 5,200 sq.m
A.S. Fortuna St., Banilad, Mandaue City

Mesavirre Garden Residences | 1 ha
Building A: 294 units **Building B:** 442 units **Building C:** 336 units
Lacson St., Bacolod City

Ramos Tower at Calle 104
325 units | 12,049 sq.m GFA | 17,973 sq.m CFA
F. Ramos St., Cebu City

Mivesa Garden Residences | 1.8 ha
Phase 1: 297 units **Phase 2:** 638 units **Phase 3:** 576 units
Salinas Drive Ext., Lahug, Cebu City

Mivela Garden Residences | 1.26 ha
(in units) **Tower 1:** 384 **Tower 2:** 505
Tower 3: 360 **Tower 4:** 336
Apas, Cebu City

The East Village at DGT | 2.5 ha
(in units) **Tower 1:** 414 **Tower 2:** 314 **Tower 3:** 359
Tower 4: 387 **Tower 5:** 429 **Tower 6:** 288
DGT, Matina, Davao City

Mindara Residences
546 units | 3,698 sq.m
LPU Town, Brgy. Saa, Buhangin, Davao City

CONDOMINIUMS - CASA MIRA TOWERS

Casa Mira Towers Labangon
Tower 1: 272 units **Tower 2:** 414 units | 4,448 sq.m
Salvador St., Labangon, Cebu City

Casa Mira Towers Guadalupe | 4,794 sq.m
COMPLETED: **ONGOING:**
Tower 1: 544 units **Tower 2:** 234 units **Tower 3:** 453 units
Guadalupe, Cebu City

Casa Mira Towers Bacolod | 1.12 ha
(in units) **Tower 1:** 396 **Tower 2:** 327
Tower 3: 327 **Tower 4:** 396
Lacson St., Bacolod City

Casa Mira Towers CDO
Tower 1: 542 units **Tower 2:** 444 units | 6,315 sq.m
Brgy. Kauswagan, Cagayan de Oro City

Casa Mira Towers LPU Davao
Tower 1: 465 units **Tower 2:** 465 units | 7,604 sq.m
CP Garcia Highway, Brgy. Sasa, Davao City

Casa Mira Towers Mandaue | 1.4 ha
(in units) **Tower 1:** 256 **Tower 2:** 407
Tower 3: 505 **Tower 4:** 316
Brgy. Ibabao, Mandaue City

Casa Mira Towers Palawan | 2 ha
(in units) **Tower 1:** 227 **Tower 2:** 253
Tower 3: 241 **Tower 4:** 384
Puerto Princesa City, Palawan

INTEGRATED REPORT 2023

CONDOMINIUM - MIRANI

Mirani Steps Danao
215 units | 1.53 ha
Brgy. Guinsay, Danao City

Mirani Homes Bogo
562 units | 4.6 ha
Brgy. La Paz, Bogo City

BEACHTOWN RESIDENCES

Costa Mira Beachtown Mactan
Tower 1: 337 units **Tower 2:** 322 units | 1.84 ha
Mactan, Cebu

Costa Mira Beachtown Panglao | 1 ha
Tower 1: 264 units **Tower 2:** 428 units **Tower 3:** 364 units
Brgy. Totolan, Dauis, Panglao, Bohol

MIXED-USE PROJECTS

Base Line Center
11 units | 1.02 ha
Juana Osmeña Street, Cebu City

Astra Centre
1.2 ha
A.S. Fortuna St., Banilad, Cebu City

Banilad High Street
7,500 sq.m
Banilad, Cebu City

Calle 104
Ramos St., Cebu City

Masters Tower Cebu
2,804 sq.m
Cebu Business Park, Cebu City

The Paragon Davao
1.9 ha
MacArthur Highway, Matina, Davao City

Patria de Cebu
6,670 sq.m
P. Gomez St., Cebu City

OFFICE PROJECTS

Base Line HQ
64 units, 6 floors | 2,117 sq.m GFA
Base Line Center, Juana Osmeña Street, Cebu City

Latitude Corporate Center
58 units, 24 floors | 21,000 sq.m GFA | 2.35 ha
Cebu Business Park, Cebu City

Park Centrale Tower
55 units | 11,920 sq.m GFA
Cebu IT Park, Cebu City

Patria de Cebu Office
7 floors (3F-7F) | 5,335.99 sq.m
P. Gomez St., Cebu City

Astra Corporate Center | 18,823 sq.m GFA
66 units (BPO Offices), 84 units (Enterprise), 12 floors
A.S. Fortuna St., Banilad, Mandaue City

Masters Tower Cebu Office | 2,804 sq.m
32 floors (8th - 12th floors for office spaces)
Cebu Business Park, Cebu City

RETAIL PROJECTS

38 Park Avenue Retail
764 units, 38 floors | 1.18 ha GFA
38 Park Avenue, Cebu IT Park, Cebu City

Base Line Center Retail
11 units | 10,258 sq.m GLA
Juana Osmeña Street, Cebu City

Latitude Corporate Center Retail
6 units | 21,000 sq.m GFA | 2.35 ha
Cebu Business Park, Cebu City

Banilad High Street
2 levels | 2,006 sq.m GFA
Banilad, Cebu City

Astra Centre Lifestyle Mall
4 Levels | 14,215.39 sq.m GFA | 10,925.26 sq.m GLA
Astra Centre, A.S. Fortuna St., Banilad, Cebu City

Masters Tower Cebu Retail
2,804 sq.m
Cebu Business Park, Cebu City

Patria de Cebu Retail
2 levels | 4,320 sq.m GFA
P. Gomez St., Cebu City

DGT City Center
14,344 sq.m Lot Area | 17,430 sq.m GF | 10,372 sq.m GLA
DGT, Matina, Davao City

DGT Cultural Center
2,405 sq.m Lot Area | 2,988 sq.m GFA | 703 sq.m GLA
DGT, Matina, Davao City

The Paragon Davao Convention Center
2,252 sq.m GLA | 4,842 sq.m GFA
The Paragon Davao, MacArthur Highway,
Matina, Davao City

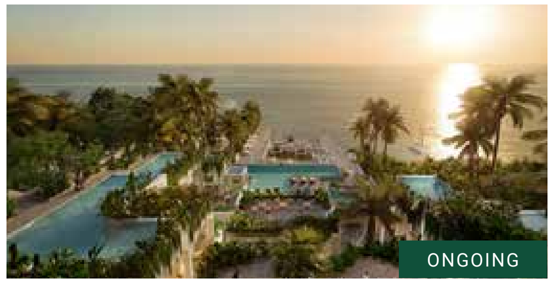
The Paragon Davao Lifestyle Mall
8,226 sq.m GFA | 4,564 sq.m GLA
The Paragon Davao, MacArthur Highway,
Matina, Davao City

HOTEL AND RESORT PROJECTS

Citandines Cebu City
180 rooms | 10,948.03 sq.m GFA
Base Line Center, Juana Osmeña Street, Cebu City

lyf Cebu City
159 rooms | 3,577 sq.m GFA
Base Line Center, Juana Osmeña Street, Cebu City

Citadines Bacolod City
200 rooms | 4,502 sq.m GFA
Brgy. Bata, Bacolod City



Abaca Resort Mactan
125 rooms | 0.42 ha GFA
Punta Engaño, Lapu-Lapu City, Mactan

Citadines Paragon Davao
263 rooms | 19,084 sq.m GFA
Gen. MacArthur Highway, Brgy. Bucana, Davao City

Magspeak Mountain Resort and Villas
11 mountain villas, 12 hotel rooms | 14.9 ha
Magsaysay Peak, Sunog, Balamban, Cebu

Mercure Downtown Cebu
171 rooms | 6,670 sq.m
Patria de Cebu, P. Burgos St., Cebu City

Radisson Red
146 rooms | 12,338 sq.m GFA
Astra Centre, A.S. Fortuna St., Banilad, Mandaue City

Sofitel Cebu City
195 rooms | 1,036 sq.m
Masters Tower Cebu, Cebu Business Park

CO-LIVING PROJECTS

The Pad Co-Living | 7,500 sq.m
Completed: Building A - 156 rooms
Ongoing: Building B - 102 rooms
Banilad, Cebu City

TOWNSHIP PROJECTS

Davao Global Township
22 ha
Gen. MacArthur Highway, Matina, Davao City

Manresa Town
14.5 ha
Uptown, Cagayan de Oro

Minglanilla Techno Business Park (Ming-Mori)
100 ha
Minglanilla, Cebu

"From a single 200-home subdivision that our founder and CEO, Mr. Joe Soberano, developed for the hardworking Cebuanos in the town of Balamban, to now having developed over 38,259 homes spread across 16 of the most progressive Vismin cities, our company looks back at our journey with so much gratitude and fulfillment in our hearts. We know that the only way to reciprocate this trust from homeowners, business partners and industry stakeholders is by making sure the company positions itself stronger for the future. **We are Land Masters, and we must continue to earn that name."**

JOSE FRANCO SOBERANO

SENIOR EXECUTIVE VICE-PRESIDENT & COO

CORPORATE SUSTAINABILITY

INTEGRATED REPORT 2023

OUR SUSTAINABILITY STRATEGY

CLI's sustainability strategy includes a reliable assessment of its sustainability performance in all business activities. This strategy led to developing commitments aligned with the Company's core principles, value chain, and material topics.

OUR APPROACH AND JOURNEY TO SUSTAINABILITY

CLI continuously improves and embeds sustainability in its business processes through a comprehensive Plan-Do-Check-Act (PDCA) cycle.

PLAN (1,2)

DO (3)

CHECK (4)

ACT (5)

PLAN (6)

1 | Materiality Assessments

- Sustainability committee sessions at the management and board level
- Organizational process and policy review
- Updating the year's six capitals
- Reviewing risks, opportunities, and material impacts
- Creating the Strategic Management Office
- Performance Management System planning and departmental consultations

2 | Review of internal business processes, objectives, targets, and programs

Identifying key indicators and result areas to evaluate the Company, departments, and individuals based on:

- Financial and operational performance
- Customer satisfaction
- Environmental sustainability
- Community focus
- Employee engagement and training
- Organizational development, process improvement, and digital innovation

3 | Preparation of corporate, departmental, and individual balanced scorecards

4 | Sustainability management, monitoring, and reporting

- Measuring and tracking performance
- Documenting and reporting performance

5 | Continuing stakeholder engagement and developing a sustainability culture

- Implement sustainability programs and activities
- Continuous capacity building

6 | Performance review (gap analysis and identification of areas for improvement)

Use data to improve performance and set target reductions on resource use and impacts

CLI SUSTAINABILITY STRATEGY/FRAMEWORK

"Creating Lasting Positive Impact" is CLI's commitment to the company's sustainability strategy and contributions to sustainable development. The Five Pillars framework was developed after assessing the Company's risks, issues, impacts, and opportunities. It provides a snapshot of CLI's EESG profile and defines the Company's sustainability vision and strategy, goals and objectives, and alignment with the 17 UN Sustainable Development Goals (SDGs).

1 | PRODUCT

Developing Sustainable and Resilient Spaces

- Product quality and affordability
- Providing products for the low-income segment
- Product eco-efficiency
- Product resilience and safety
- Risk-based project management
- Diversified product portfolio

2 | PROFIT / PROGRESS

Growing the Business and Supporting Local Markets

- Economic value creation and distribution
- Procurement practices
- Local sourcing
- Indirect economic impacts
- Financial impacts due to climate-related risks

3 | PLANET

Conserving Resources and Managing Environmental Impacts

- Energy, water, and materials
- Waste management
- Emissions management
- Biodiversity management
- Climate risk adaptation and mitigation

4 | PEOPLE

Engaging and Investing in our People, Customers, and Communities

- Employee welfare
- Training and organizational development
- Employee and customer health and safety
- Diversity and equal opportunity
- Customer feedback and satisfaction
- Stakeholder engagement
- Community development programs

5 | PROCESS / PRACTICE

Achieving Organizational Efficiency and Good Corporate Governance

- Legal and Compliance
- Effective risk management and business continuity
- Data security and privacy
- ESG monitoring and investor communication
- Organizational alignment and internal business process optimization
- Digital innovation

INTEGRATED REPORT 2023

Highlighting CLI's efforts to conserve biodiversity and manage environmental impacts, positive outcomes have been achieved in protecting and restoring habitats, resulting in significant gains in tree cover.

- **310 hectares of timberland area** were planted and maintained, which is equivalent to **247,686 seedlings** planted and maintained
- **5.06 hectares of mangrove area** rehabilitated, equivalent to **50,647 mangrove seedlings** planted and maintained
- **33 native tree species planted**
- **9 species of mangrove planted** (2 species of *Avicennia*, 5 species of *Rhizophora*, and 2 species of *Sonneratia*)

SUSTAINABILITY GOVERNANCE STRUCTURE

The CLI Corporate Governance Committee assists the Board with its oversight responsibilities and ensures adherence to corporate governance principles and practices.

For 2023-2024, the CG Committee comprises four (4) non-executive directors, with three independent directors. Atty. Ma. Jasmine S. Oporto, an independent director, serves as the Chairperson.

Regarding sustainability, the Corporate Governance Committee performs oversight functions on the economic, environment, social and governance aspects of the organization. It receives support from the Sustainability Head and the Company's sustainability champions from all departments.

MANAGEMENT LEVEL | SUSTAINABILITY GOVERNANCE AND MANAGEMENT

TOP LEVEL
1. Board of Directors
2. Corporate Governance Committee

MID-LEVEL
3. Sustainability Committee at the Management Level
a. COO and CSO
i. Sustainability Manager
ii. Senior Management teams and Sustainability Champions per department (accross the value chain)
1. Planning and development
2. Operations and management
3. Support functions

SUSTAINABILITY POLICY FRAMEWORK

OUR SUSTAINABILITY COMMITMENT

The Company is mindful of its impacts as a real estate developer and fully embraces its vision of becoming the most customer-centric and community-focused organization in VisMin. CLI aims to operate responsibly and ethically, creating long-term value for the business and its stakeholders while managing social and environmental impacts.

To achieve this, CLI commits to the following:

- Identify the global and local economic, environmental, social, and governance (EESG) issues, trends, and impacts most relevant to the business and its stakeholders.
- Drive sustainability across the value chain, aligning programs with business strategy, risks, opportunities, and stakeholder interests.
- Measure, manage, and communicate the Company's performance and progress in minimizing environmental and social impacts.
- Adhere to and comply with all applicable regulatory requirements.
- Continually improve channels of engaging employees, customers, suppliers, investors, community partners, and other stakeholders to manage their expectations, consider their perspectives, and address their concerns.
- Develop a culture of sustainability across the entire organization at all levels and allocate needed resources to support sustainability capability-building programs.
- Conduct regular reviews to improve the Company's sustainability performance.

MATERIALITY PROCESS

CLI established its list of material topics through an extensive process that integrated data assessments, management reviews, and stakeholder engagements from previous years with the performance management system it developed in 2022. CLI aligned its sustainability strategy with its vision, mission, core values, strategy, and core competencies, ensuring its sustainability efforts are genuinely embedded in its core business and corporate identity. By assessing its tangible and intangible capitals that enable the development of its products and provision of services, the company acknowledges its dependencies on and impacts on these capitals, striving to minimize negative impacts. The capitals are:

NATURAL	The Company utilizes environmental resources that serve as the foundation for all capitals. These resources include land, energy, water, and materials.
INTELLECTUAL	The Company leverages intellectual assets, including its knowledge base, brand, reputation, track record, local market leadership in Vismin, after-sales and property management support, digital customer experience, fast turnover of projects, and award-winning design.
SOCIAL/ RELATIONSHIP	The Company nurtures relationships with its stakeholders, encompassing host communities and external publics such as 21 JV Partners, 11,000 sellers/broker networks, LGU/community partners in 9 provinces, 22 cities and municipalities combined, and 54 barangays.
MANUFACTURED	The Company manages man-made assets, comprising its real estate products at various stages of development: 90 residential projects, 6 offices, 10 mixed-use, 3 estates, and 10 hotels, with 180 room keys completed and 1,543 room keys under construction. This also encompasses 35,772 sq.m of total GLA completed and 75,000 sq.m of GLA under construction.
FINANCIAL	The Company actively utilizes financial resources for building and providing services, with a CapEx of PHP 14.5 billion in 2023.
HUMAN	CLI relies on its employees and their skills, competencies, and experiences. This includes 914 direct hires and 9,370 indirect hires, consisting of outsourced personnel and contractors.

CLI conducted exercises and assessments within each department and with cross-functional teams, yielding significant inputs for the materiality process. Additionally, the Company identified its impacts based on key business activities in the value chain and across the six capitals, studying global megatrends and localizing them to refine these impacts further. Aligning the risk management process with the materiality process, CLI reviewed its risks, providing a clearer picture of the most relevant topics.

CLI also identified and addressed concerns and interests by engaging with stakeholder groups through multi-channel approaches. Insights from these engagements informed CLI's ranking and prioritization of material topics in its materiality matrix, which maps out the importance of each sustainability topic to the company and its importance to stakeholders.

FEATURE STORY

INTERNAL BUSINESS PROCESS:

IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEM AND THE BALANCED SCORECARD APPROACH

To integrate these material topics into its operations, CLI developed its performance management system through corporate, departmental, and individual balanced scorecards. The goal is to drive organizational alignment in measuring and managing performance. Strategic objectives and key result areas are clustered according to the following aspects: Financial, Business, People (workforce, customers and communities), Process and Digitalization with a thrust to strengthen internal capabilities and enhance operational efficiency by mastering excellence in planning, operations, and delivery.

The specific key performance indicators (KPIs) are based on identified material topics, enabling the Company to monitor its sustainability performance across organizational levels in alignment with its sustainability strategy. As a result, the scorecard reflects all aspects that matter most to CLI.

STAKEHOLDER ENGAGEMENT

The Company actively engages with stakeholder groups to update material topics through a multi-channel approach. CLI embraces digital innovations, such as online systems, to enhance engagement. Additionally, the Company regularly hosts seller fellowship activities and events like CLI Townhall, CLI Run, and Night of the Masters. Regular engagement with specific stakeholders encourages open dialogue and collaboration with stakeholders. CLI's efforts create opportunities for meaningful interactions and connections, further strengthening relationships with its diverse stakeholder groups.

PHASE	STAKEHOLDERS
Strategic land banking	» Business development team, Technical consultants » Landowners and project partners
Business development, design, and technical planning	» Technical consultants (urban planners and architects) » LGUs, regulators, and national government agencies » Communities
Construction and engineering	» Project teams (engineering) » Contractors and suppliers » Skilled labor » Regulators » Utility providers » Communities and the general public
Sales, leasing, hotel operations, customer relations, and accounts management	» Marketing, sales, leasing, and customer relations teams » Brokers and sellers » Hotel guests » Suppliers » National and local media, social media influencers » Buyers » Lessees
Property management	» Property management team » Property occupants (homeowners, locators, tenants, and merchants) » Providers of outsourced services and other suppliers » Regulators » Utility providers » Communities

KEY STAKEHOLDER GROUPS

- Banks, financial institutions, and creditors
- Brokers and sellers
- Business partners (land and property owners)
- Buyers (product end-users)
- Condominium corporations
- Contractors and suppliers (workforce)
- Employees (direct and indirect hires)
- Financial analysts
- Homeowners' associations
- Hotel guests
- Individual shareholders
- Institutional (investors and providers of capital)
- National and local media partners
- Office and retail space tenants
- Partner communities (informal settler families, fisherfolk, farmers' coop, women's organizations, and other vulnerable sectors)
- Regulators and government agencies
- Technical consultants (urban planners, architects, and engineers)
- Utility providers

MATERIAL TOPICS

CLI conducted a rigorous materiality assessment. This involved strategic planning pre-work and sessions, management committee meetings, data collection and validation, sustainability talks with experts on climate change-related risks and green buildings, alignment with the risk management process, and a thorough review of stakeholder feedback.

CLI'S MATERIAL TOPICS 2023

Economic
- Economic Performance (Generation & Distribution)
- Products for Low-Income Segment
- Compliance to Regulatory Requirements / Permits and Licenses
- Supply Chain Management & Procurement Practices
- Local Sourcing
- Significant Indirect Economic Impacts / Jobs Created or Workforce Supported
- Anti-Corruption

Social
- Customer Engagement, Experience, & Satisfaction
- Employee Safety, Health, and Well-being
- Customer Safety and Health
- Customer Privacy and Data Security
- Local Communities: Partnerships & Development Programs
- Compliance to Labor Laws/Standards
- Training and Development
- Talent Attraction and Retention
- Diversity and Equal Opportunity
- Marketing and Labeling

Environmental
- Land, Water, Energy, Materials
- Climate-related Risks, Opportunities: Mitigation and Adaptation
- Compliance to Environmental Laws
- Environmental Impacts: Emissions, Solid Waste, Hazardous Waste, Effluents
- Ecosystems and Biodiversity

Governance
- Risk Management
- Organizational Efficiencies / Alignment: Optimizing Business Processes
- Digital/Technological Innovation
- Governance and Ethics

ECONOMIC SUSTAINABILITY

In 2023, CLI surpassed internal targets and achieved another stable financial performance, recording a 28% increase in consolidated net income. Moving forward, the Company strives to generate positive economic impacts and mitigate risks to its people and communities.

MATERIAL TOPICS

- Economic Performance (Generation & Distribution)
- Products for Low-Income Segment
- Compliance to Regulatory Requirements / Permits and Licenses
- Supply Chain Management & Procurement Practices
- Local Sourcing
- Significant Indirect Economic Impacts / Jobs Created or Workforce Supported
- Anti-Corruption

CREATING AND DISTRIBUTING ECONOMIC VALUE

The Company experienced significant growth, marking a 12% increase from the previous year's figures, rising from PHP 3.17 billion to PHP 3.5 billion. Ongoing projects launched in 2022 and earlier, currently under construction, achieved a robust 95% sell-out rate, while completed projects reached an exceptional 99% sold. To sustain its strong financial performance and continue supporting local workers and economies, CLI invested in diversifying its portfolio, developing recurring income projects, and expanding its hotel operations.

CLI's recurring income took center stage in 2023, with the completion of several projects augmenting its current portfolio, heavily reliant on real estate sales. Regarding hotels, CLI expanded its portfolio from a single project to now encompass four hotels, including the recently completed Citadines Bacolod, Baseline Lyf Cebu, and The Pad Cebu. Initially offering 180 rooms, CLI now boasts nearly 800 room keys, and with six more hotel projects underway, it is poised to drive future hotel revenue growth. These remarkable figures highlight CLI's diverse and dynamic business, aligning with its commitment to increasing its recurring income portfolio.

DIRECT ECONOMIC IMPACTS

EMPLOYEE WAGES AND BENEFITS

PHP 608,775,986

» Salaries and benefits paid to CLI's human capital, the most valuable asset in its value creation process

OPERATING COSTS

PHP 1,902,871,510

» Expenses incurred to sustain the Company's operations

PAYMENTS TO SUPPLIERS AND OTHER OPERATING COSTS

PHP 8,168,387,481

» Payments for goods received from suppliers and contracted services by construction companies

GOVERNMENT TAXES

PHP 1,797,273,315

» Taxes imposed on the net profits of corporations

DIVIDENDS GIVEN TO STOCKHOLDERS AND INTEREST PAYMENTS TO LOAN PROVIDERS

PHP 3,625,988,441

» Issued to providers of capital or stockholders and paid based on the earnings, cash flow, and the financial condition of the Company after considering future capital expenditures and project requirements

» Payments to banks, in line with the agreed payment terms and schedule

INVESTMENTS IN THE COMMUNITY

PHP 51,212,463

» Investments provided to the community (programs on livelihood, education, environment and integrated development support)

HELPING LOCAL ECONOMIES FLOURISH

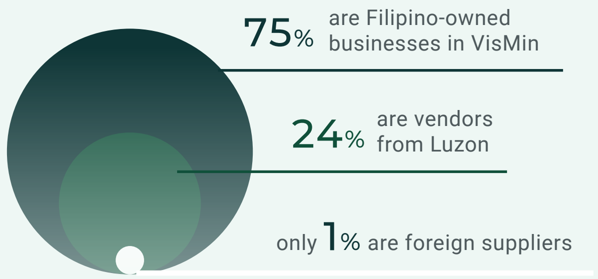
Cebu Landmasters aims to drive economic growth in the VisMin region while pursuing sustainable expansion by prioritizing and cultivating talent from the region. CLI recruits most of its senior management committee members from the local communities where its significant operations are located. Regarding compensation, CLI provides competitive wages, irrespective of gender and location. The Company prefers engaging with local suppliers, contractors, and home-grown businesses to enhance its local partnerships. This extends to design services and construction work packages, including civil, electrical, plumbing, fire protection, architectural works, and other specialized services.

SUPPORTING THE LOCAL ECONOMY

73.91%
of CLI's senior management committee members are from the local communities

32.20%
higher entry-level wage vs local minimum wage

LOCATION OF ACTIVE VENDORS



INVESTING IN OUR COMMUNITIES

As a property developer, Cebu Landmasters' indirect economic impacts primarily involve commercial and pro-bono infrastructure development. The Company offers a diverse range of products, including residential units for sale, office and retail spaces for lease, hotels, and townships.

COMMUNITY INVESTMENTS

PHP 51.2 MILLION

» CLI's various contributions to its partner communities and external publics, such as community infrastructure, education, disaster response, youth development, arts, heritage, and culture, environment, livelihood, and other program partnerships implemented through the Cebu Landmasters Foundation, Inc.

SUSTAINABLE SPACES

» By developing well-planned, accessible, inclusive, and resilient spaces, CLI contributes to transforming the landscape of the locality where its products are built. In the process, the Company plays a vital role in fostering economic vitality in these development areas.

AFFORDABLE HOUSING

» The Company provides access to affordable housing by developing products for low-to-medium income markets.

EMPLOYMENT OPPORTUNITIES

» CLI has supported over ten thousand jobs in the project development cycle by sourcing talent, services, and materials locally.

ENVIRONMENTAL STEWARDSHIP

CLI relies on natural capital to operate and acknowledges the consequent environmental impacts of its activities. The Company's capacity to construct residential areas, retail spaces, townships, offices, hotels, and resorts that benefit customers depends on its sustainable access to materials, water, and energy. Therefore, the need arises to harmonize business productivity with resource conservation, impact management, and climate adaptation.

MATERIAL TOPICS

- Land, Water, Energy, Materials
- Climate-related Risks, Opportunities: Mitigation and Adaptation
- Compliance to Environmental Laws
- Environmental Impacts: Emissions, Solid Waste, Hazardous Waste, Effluents
- Ecosystems and Biodiversity

USING RESOURCES RESPONSIBLY

CLI sustains its business through responsible resource utilization. The Company utilizes its monitoring system to establish baseline and comparative data on the energy, water, and materials consumed. Involving different departments across various sites ensures efficiency within this system. Through this approach, CLI can make informed decisions regarding resource management, establish reduction targets, and devise strategies for resource management. Following assessment by the sustainability data management team, conservation measures are introduced for relevant departments to cascade and implement.

ENVIRONMENTAL IMPACTS MONITORING SYSTEM

HUMAN RESOURCES-ADMIN DEPARTMENT
Monitors water and energy use in corporate offices, showrooms, and staff houses

ENGINEERING DEPARTMENT
Monitors materials usage in projects under construction in coordination with contractors and tracks contractor-supplied materials

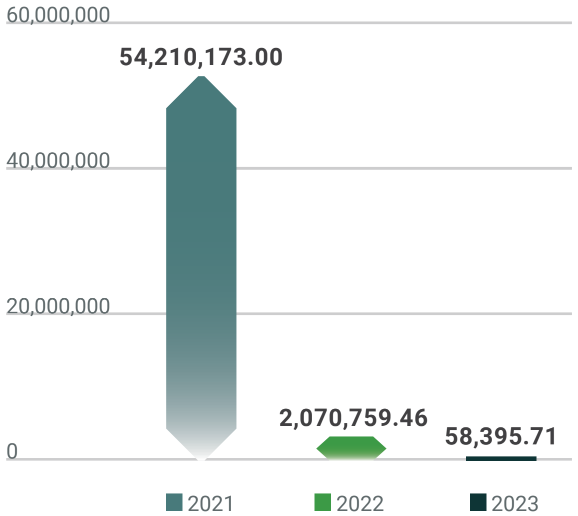
PROPERTY MANAGEMENT
Tracks resource use and waste generation in managed properties

SUPPLY CHAIN MANAGEMENT DEPARTMENT
Takes note of owner-supplied materials

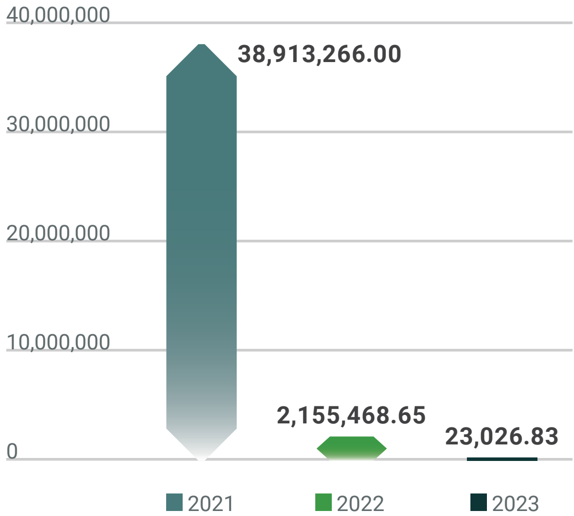
CLI aims to continue tracking and conserving resource consumption while managing its impacts. The Company demonstrates its commitment to sustainability by prioritizing the development of resource conservation programs and reduction targets as key deliverables in both corporate and departmental scorecards.

MATERIALS

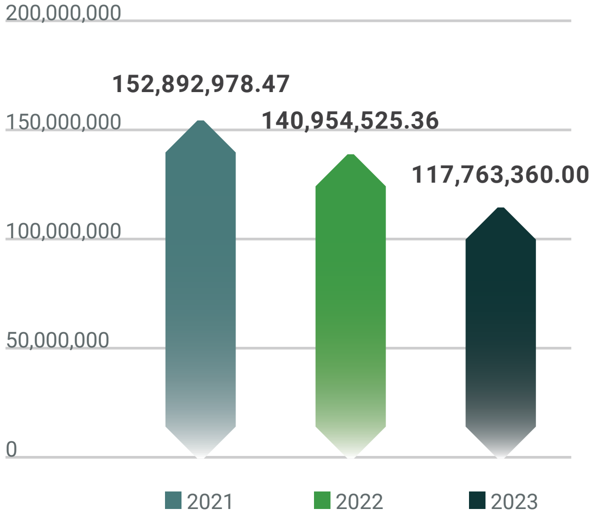
SAND (cu.m)



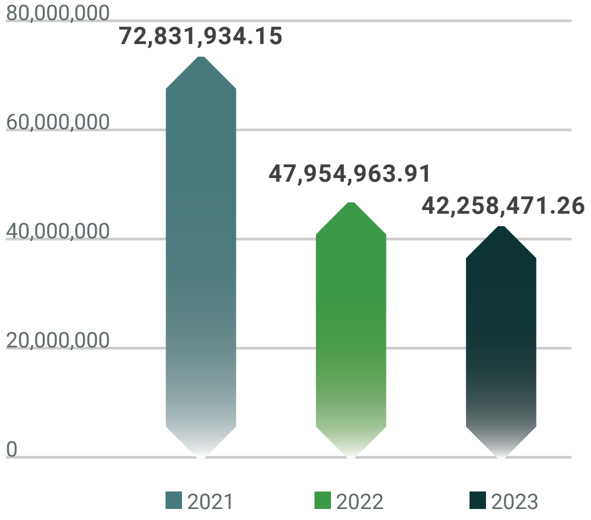
GRAVEL (cu.m)



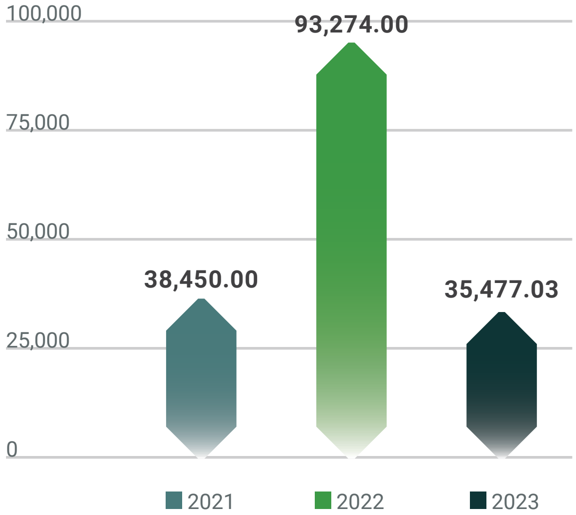
CEMENT (kg)



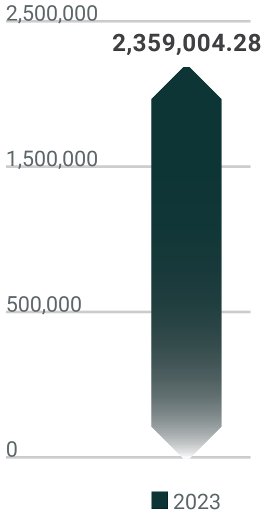
REBARS (kg)



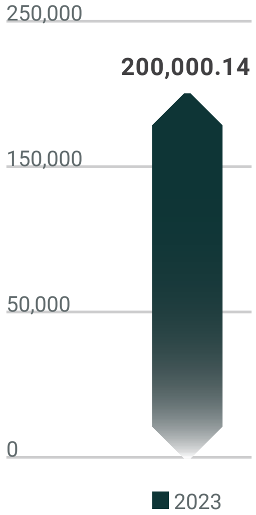
GLASS (sq.m)



LUMBER (bd. ft)



LIMESTONE (cu.m)



CLI sources materials in-house (owner-supplied) and through local contractors (contractor-supplied), actively supporting local businesses primarily in the Visayas and Mindanao regions. Additionally, CLI includes small companies in its vendor list, offering them growth opportunities. Concurrently, CLI acknowledges the adverse effects of using substantial quantities of non-renewable construction materials like sand, cement, steel, and glass, which are essential for developing high-quality projects. It emphasizes the responsible procurement and utilization of these materials to conserve their supply and mitigate environmental impacts from extraction and processing.

CLI actively implements processes and systems to monitor its material usage. The Company collaborates with contractors to continually enhance project execution and implement optimal construction practices to improve material efficiency while ensuring product quality and durability. This initiative can help CLI reduce costs related to materials, particularly those constituting the largest portion of its project expenditures, such as steel and cement.

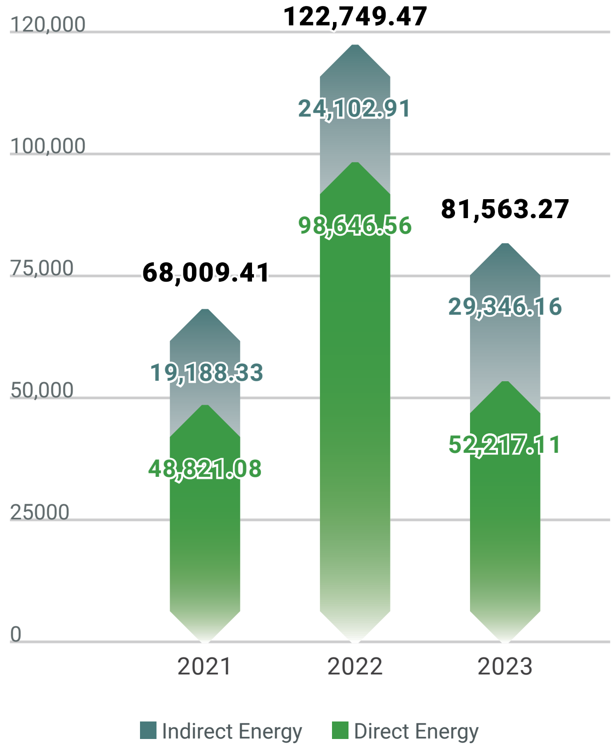
In addition to material efficiency measures, the Company intends to manage and mitigate its impacts and risks by exploring alternative or renewable materials for its projects. This approach can further diversify and bolster the resilience of the Company's supply chain while reducing environmental impacts throughout the supply chain.

ENERGY

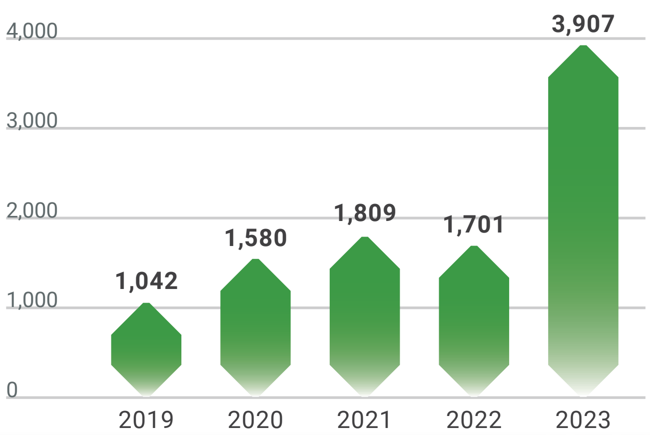
CLI procures fuel and electricity from local suppliers such as the Visayan Electric Company (VECO) and the Davao Light and Power Company (DLPC). However, using non-renewable fossil fuels to meet CLI's energy needs results in the emission of greenhouse gases. To mitigate these risks, CLI integrates renewable energy sources, such as solar panels, into projects like Sugbo Walk Up One and Tipolo Residences - Building 2. These solar panel systems power common areas of the buildings, reducing costs for residents. CLI remains committed to exploring renewable energy sources for future commercial properties to mitigate environmental impacts.

Furthermore, the Company monitors its energy consumption and implements efficiency measures to lower emission levels and decrease power expenses. The HR-Admin Department oversees energy usage in corporate offices, while the Engineering Team monitors energy usage at construction sites in collaboration with project contractors. CLI's Property Management (PM) group monitors energy consumption in residential and commercial properties. It implements energy-saving measures such as selecting efficient electrical equipment, installing mechanical heat recovery ventilators, and adhering to policies and standards to maintain CLI's energy ratings and support green building design principles.

YOY DIRECT AND INDIRECT ENERGY CONSUMPTION (GJ)

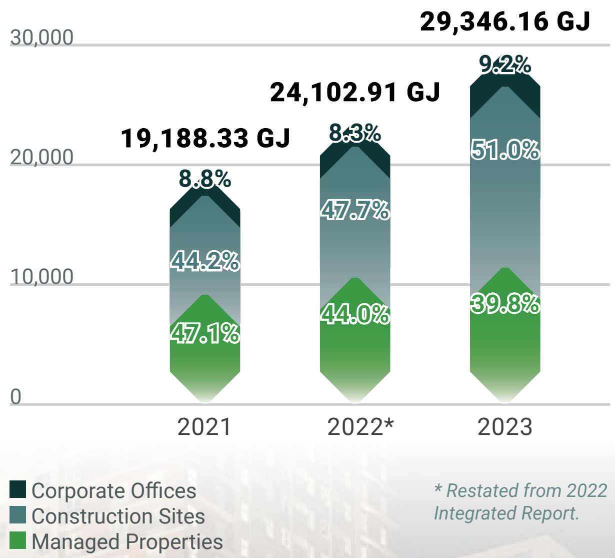


FUEL CONSUMPTION ON TRANSPORTATION (GJ)



Data sources for fuel consumption include employee shuttles (for 2019–2022) and business trips (for 2019–2023).

POWER CONSUMPTION (GJ)



** Restated from 2022 Integrated Report.*

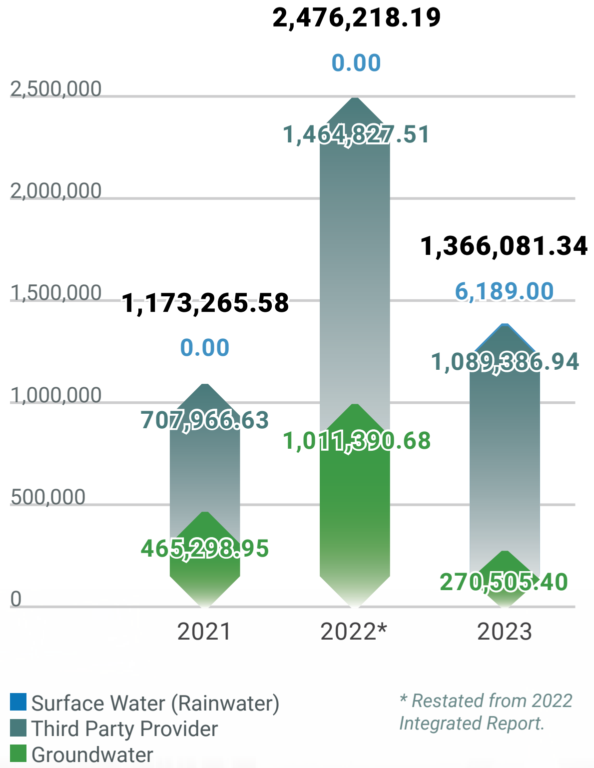
WATER

For its operations in Cebu City, the Company directly obtains water from the Metropolitan Cebu Water District (MCWD), supplemented by additional providers in certain areas, and utilizes groundwater extraction for selected construction sites and managed properties. Outside of Cebu City, CLI acquires water from alternative water supply companies.

Water is crucial in CLI's commercial operations, particularly at construction sites, office and retail spaces, hotel facilities, and managed residential properties. To manage water consumption and promote conservation, CLI's Property Management (PM) team and its contractors implement measures such as installing water-saving fixtures and establishing rainwater collection systems in managed properties. As of 2023, 115 properties have rainwater collection systems, accumulating 352 cubic meters of water for onsite reuse. The importance of water conservation is emphasized to both employees and customers.

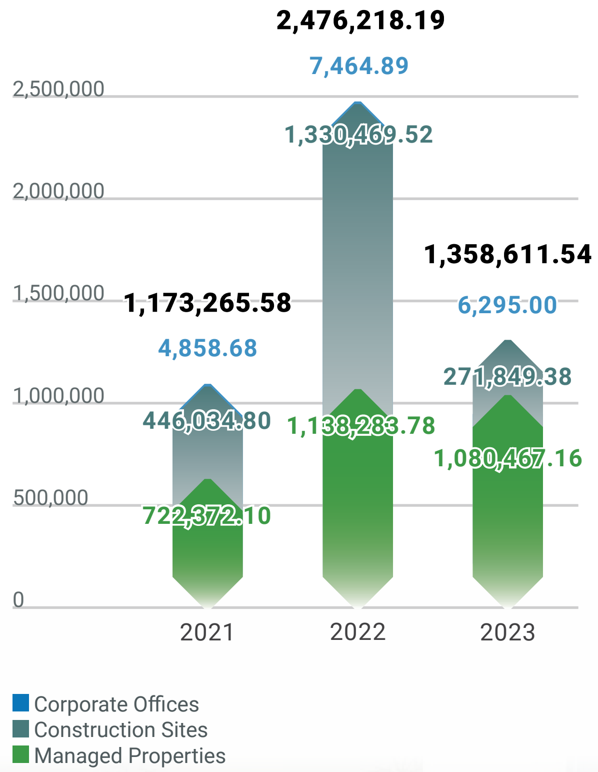
As CLI identifies additional opportunities to enhance water usage efficiency and expand rainwater collection and storage capacity, the Company is exploring systems like water percolation ponds and other catchment areas. These systems could capture substantial water volumes in the future to supplement the Company's water supply. This initiative not only aids in safeguarding aquifers by reducing water withdrawal rates but also mitigates the impact of disruptions in purchased water supply by providing alternative water sources.

WATER SOURCE/WITHDRAWAL (cu.m)



** Restated from 2022 Integrated Report.*

WATER CONSUMPTION (cu.m)

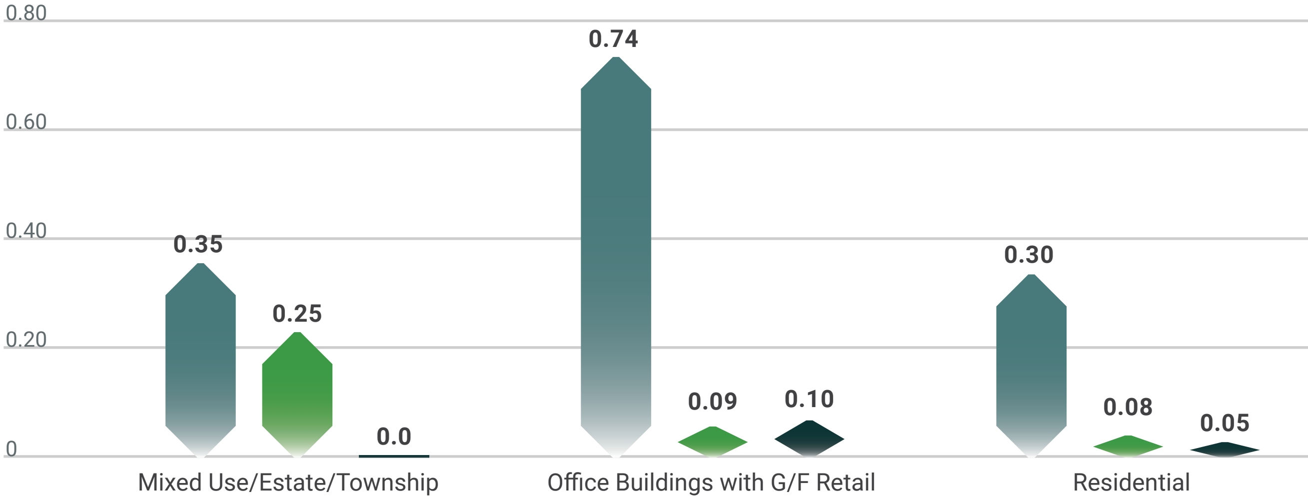


INTEGRATED REPORT 2023

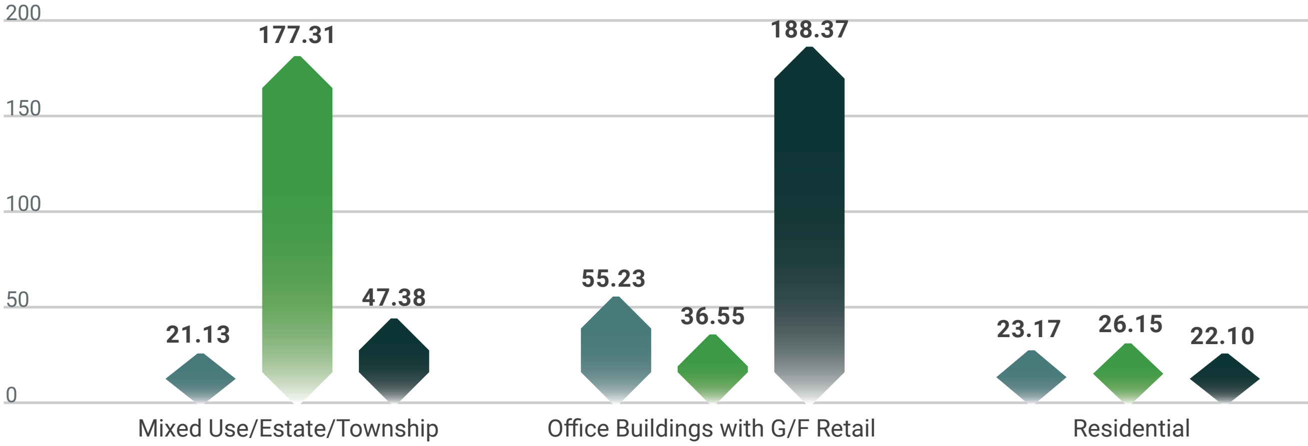
RESOURCE INTENSITY

2021 2022 2023

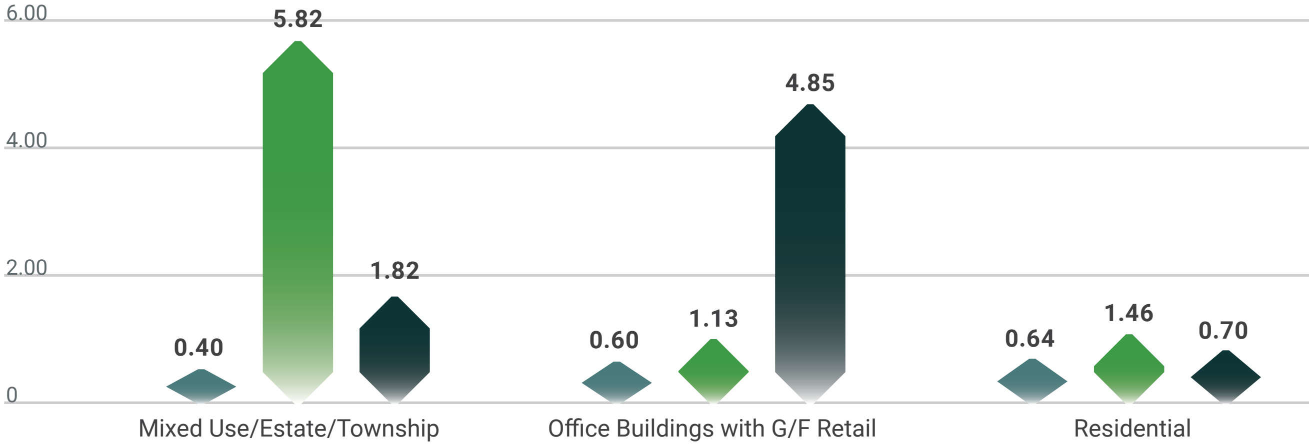
DIRECT ENERGY INTENSITY (kWh/sq.m)



INDIRECT ENERGY INTENSITY (kWh/sq.m)



WATER INTENSITY (cu.m/sq.m)

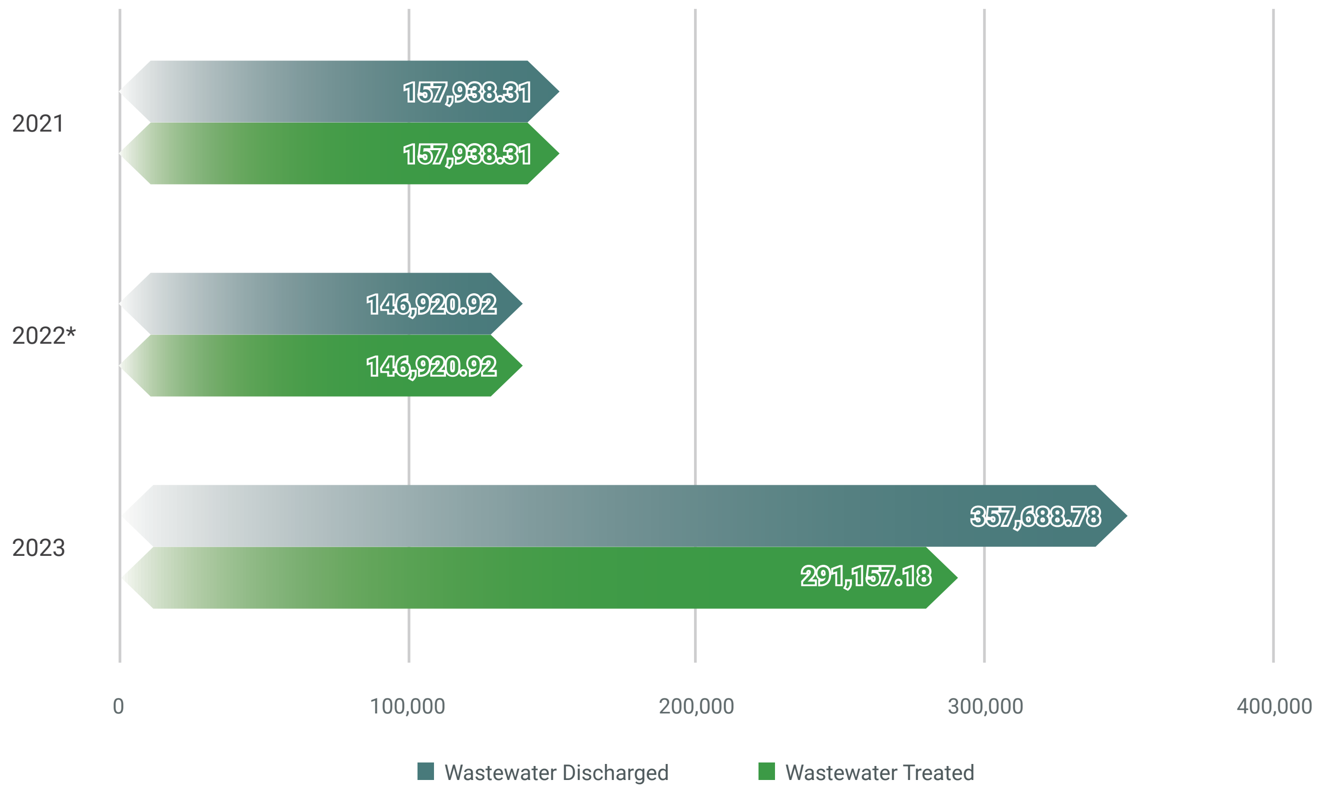


Data is averaged for all properties within a category. See Appendices for the complete breakdown of resource intensity per property.

MANAGING WASTE

EFFLUENTS

WASTEWATER TREATED AND DISCHARGED (cu.m)



** Restated from 2022 Integrated Report.*

CLI acknowledges that untreated wastewater can directly contaminate bodies of water and natural habitats, exposing them to harmful chemicals. The Company reduces effluents by integrating wastewater treatment systems into its residential, commercial, office, hotel, and project sites. On average, 80% of the water utilized in vertical managed properties and 90% in horizontal properties undergo treatment before discharge, while the remainder is used for irrigation and similar purposes.

In residential subdivisions, domestic wastewater, or sewage, undergoes basic treatment in septic tanks through biological decomposition and drainage processes. A total of 291,157.18 cubic meters of wastewater undergoes treatment via this process before being discharged into receiving bodies of water classified appropriately for the discharged wastewater's quality.

The Company is currently investigating implementing a dual piping system for potable and non-potable water in vertical projects. Wastewater is directed through a separate system for treatment. The treated wastewater, known as 'gray water,' is reused for flushing or irrigation. This initiative aims to decrease water consumption at managed properties.

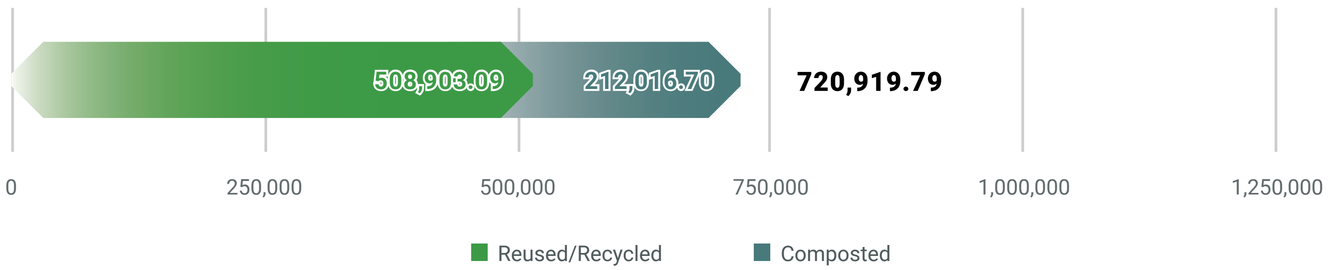
PILLAR 2: Environment

FEATURE STORY

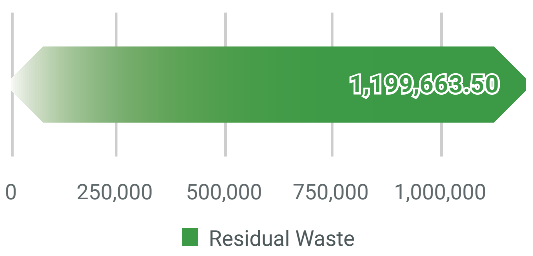
PARTNERSHIP WITH EVO ENVIRO SOLUTIONS, INC. FOR RECYCLING AND UPCYCLING PROGRAM

WASTE

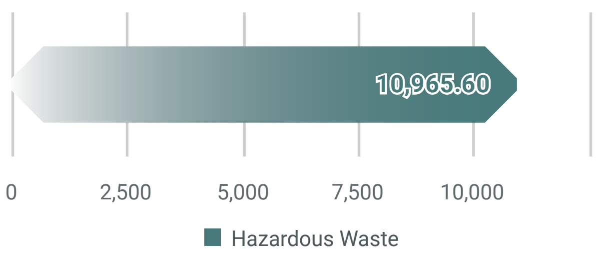
WASTE DIVERTED FROM DISPOSAL (kg)



WASTE DIRECTED TO DISPOSAL (kg)



WASTE SCHEDULED FOR DISPOSAL (KG)



In its waste management endeavors, CLI PM partners with Evo Enviro Solutions, Inc. to implement a recycling and upcycling program for its vertical residential living spaces. Additionally, for its horizontal living spaces, CLI undertakes initiatives like recycling plastic bottles to create recycling bins and plant boxes, aiming to optimize plastic usage and minimize waste.

These efforts diverted 5% of the total waste generated by the managed properties.

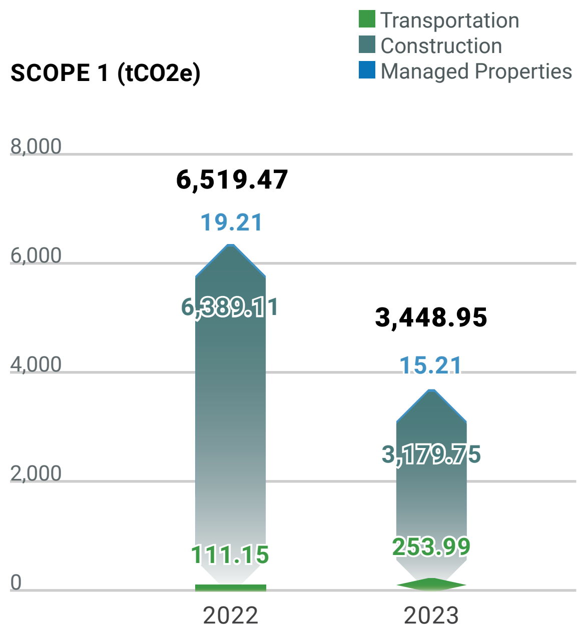
Measuring Greenhouse Gas Emissions
Carbon footprint measurements serve as a vital sustainability indicator, particularly in property development. CLI's resource utilization and waste production result in greenhouse gas (GHG) emissions across all properties throughout the value chain, spanning from project planning to development and operations. The Company foresees that as it expands its portfolio of real estate products, carbon emissions will escalate.

In CLI's efforts to manage its emissions, the Company has implemented a system to record and track carbon emissions stemming from its direct and indirect energy consumption. This system will serve as a foundation for targeting reductions and implementing energy-saving measures. The initiatives made to decrease energy consumption and emissions by CLI are being integrated as energy-efficient designs into its developments. The Company aims to attain 100% LED lighting across its properties, not only reducing energy costs but also extending the fixtures' life cycle compared to traditional systems. New projects already integrate 100% LED lighting into their designs, while older projects undergo LED replacement through CLI's ongoing LED retrofitting program.

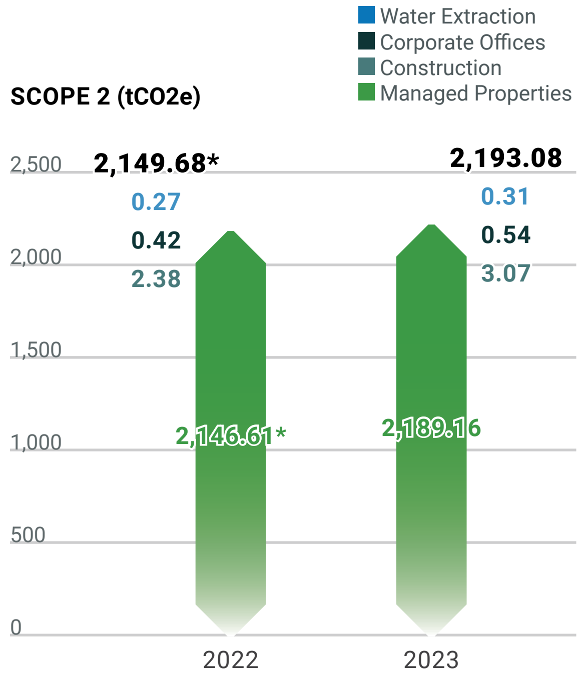
EMISSIONS

CLI established baseline data for GHG emissions per managed property to identify the most and least energy-efficient ones. This data will guide the Company in formulating strategies to decrease GHG emissions moving forward.

SCOPE 1 (tCO2e)

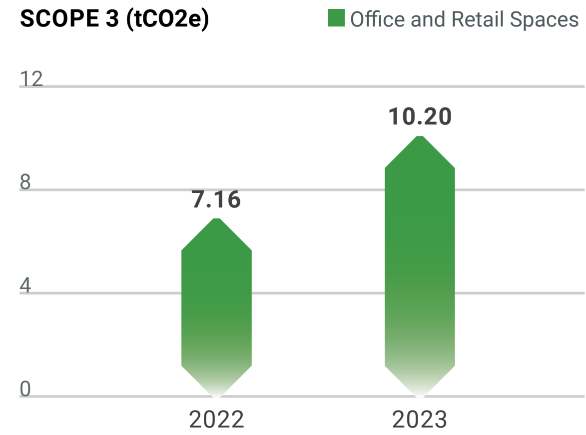


SCOPE 2 (tCO2e)



** Restated from 2022 Integrated Report.*

SCOPE 3 (tCO2e)



EMISSIONS INTENSITY OF MANAGED PROPERTIES (TCO2E/SQ.M)	
Mixed Use/Estate/Township	
Base Line Center	33.640
Office Buildings with G/F Retail	
Park Centrale	134.360
Latitude Corporate Center	133.650
Residential (High rise/Condo)	
Asia Premier Residences	47.410
Base Line Residences	18.370
Midori Residences	0.390
Mivesa Garden Residences	17.880
Casa Mira Towers - Labangon	24.020
MesaVerte Residences	17.390
MesaTierra Garden Residences	23.670
38 Park Avenue	0.020
Mesavirre Garden Residences	0.000
Residential (Horizontal)	
Midori Plains	0.190
SJV Toledo	4.170
Velmiro Uptown CDO	0.760
Villa Casita North	0.400

MANAGING CLIMATE RISKS AND IMPACTS

CLI recognizes the following climate-related risks and opportunities it faces over the short, medium, and long term:

RISKS	OPPORTUNITIES
» Damages and disruptions from typhoons and heavy floods *(physical)* » Sea level rise/coastal flooding and increase in peak river flow *(physical)* » Limited supply of coal *(transition)* » Limited supply of water *(physical/transition)* » Extreme heat/heatwaves *(physical)* » Regulation of carbon-intensive products and activities *(transition)* » Technological and construction risks *(transition)* » Changing market preferences *(transition)* » Change in investor sentiment *(transition)*	» Use of renewable energy sources » Development of energy efficient building designs » Use of sustainable building materials to future-proof real estate assets

Although climate change poses risks to its businesses, CLI acknowledges its own contribution to this phenomenon through its activities. Therefore, the Company prioritizes efficient resource utilization through green building practices and biodiversity conservation efforts.

GREEN DESIGN AND DEVELOPMENT

As an advocate of green building design, CLI has obtained a green building certification for one of its developments from Building for Ecologically Responsive Design Excellence (BERDE). In 2023, CLI registered and commenced compliance with BERDE requirements for a medium-rise building in the socialized housing category. Other projects are undergoing certification review based on the metrics and standards of Excellence in Design for Greater Efficiencies (EDGE) and Leadership in Energy and Environmental Design (LEED). CLI, a member of the Green Building Council (PHILGBC), employs in-house Certified BERDE Professionals to ensure that its projects adhere to world-class standards. The following are some of CLI's green building initiatives aimed at reducing carbon emissions:

- Installing energy-efficient heating, ventilation, and air conditioning (HVAC) units for indoor use.
- Maintaining controlled temperatures for HVAC efficiency and prolonging equipment lifespan.
- Incorporating solar panels in select projects to power street lights, pumps, parking structures, and common area housing components.
- Designating parking spaces for bikes and fuel-efficient vehicles in CLI establishments to encourage their use.
- Implementing waste prevention systems and employing strategic landfilling methods and locations to minimize the carbon footprint associated with transporting earth fill materials between projects.

CLI's tree planting initiatives also contribute to carbon sequestration, offsetting a portion of the Company's carbon emissions.

CLI'S GREEN BUILDING FEATURES

CLI's real estate ventures are setting a new benchmark in modern construction by focusing on green building features. These projects prioritize sustainability, energy efficiency, and environmental responsibility. By implementing design elements that reduce carbon footprints, improve indoor air quality, and create healthier living and working spaces, these buildings contribute to the fight against climate change and appeal to environmentally-conscious customers. As environmental consciousness grows, sustainable real estate developments are emerging as valuable assets, offering long-term value and benefits.

CLI PROJECTS WITH GREEN FEATURES

DAVAO GLOBAL TOWNSHIP (DGT) SUSTAINABLE AND GREEN FEATURES

Generous Green Spaces
- Dedicated one-hectare central park and several pocket parks for the preservation of native trees in the township

Earth-Saving Initiatives
- Smart programmable street lights for reducing energy consumption
- Alternative power sources
- Systemized reuse of detention tank catchment volume for general irrigation

Flood Mitigation Technology
- Detention tank with a capacity of more than 10,000 cu.m that can handle 2-hour detention time based on the Davao area computation

Solid Waste Management
- Provision of centralized and individual Material Recovery Facility per locator
- Proper segregation is mandatory for each locator that follows the deed of restriction
- Strict implementation of recycling programs at the township

DAVAO GLOBAL TOWNSHIP (DGT) SMART COMMUNITY FEATURES

Provision of wide bike lanes, sidewalks, and planting strips
- Promote walkability and encourage cycling to contribute to the reduction of carbon emissions from the transport sector
- Generous sidewalks, planting strips, and wide bike lanes

Transportation Hub
- Transportation hub near commercial district with dedicated lay-by supporting HPBS Davao project

Promotion of Open Spaces
- Development features with special attention to the provision of generous open spaces intended for leisure and outdoor activities, crafted for the new normal

Smart City Features
- Full underground cabling distribution system (power and auxiliaries)
- Integrated dual-source water system
- Optimal cabling redundancy with loop distribution system
- 24/7 security and surveillance systems
- Public wifi integration

TIPOLO RESIDENCES BLDG 2

Active Green Building Applications
- Solar panels for common area lighting
- Built-in rainwater tanks
- Sewage treatment plant

Passive Green Building Applications
- Prevailing winds can enter through rooms and common areas
- Units are lifted to create wide open spaces and to allow cross-ventilation
- All units can take in a good amount of light

Developing Sustainable and Resilient Spaces
- Built sustainably with pre-cast
- Locally-produced materials
- Less waste onsite
- Built in a controlled environment
- Building orientation captures a sufficient amount of light in units and common areas

LATITUDE CORPORATE CENTER

Energy Efficiency and Conservation
- **31.88%**

Water Efficiency and Conservation
- **51.88%**

Use of Land and Ecology
- **20%**

Green Materials
- **32%** Post-construction recycled content
- **30%** Locally-sourced materials

Indoor Environment Quality
- **100%** Units with daylight access
- **93%** Provisions to natural ventilation
- **85%** Low VOC materials

CLI is dedicated to maintaining environmental standards and certifications, such as BERDE. Moreover, the Company consistently undergoes certification reviews for EDGE and LEED to improve its environmental impact. This creates healthier and more efficient buildings that benefit their occupants, demonstrating a holistic approach to sustainability.

1 | ENERGY EFFICIENT CONSTRUCTION PRACTICES

- LED technology – CLI's office, hotel, residential, and retail designs have LED technology specifications that reduce energy consumption. This increases buildings' life cycles by around five times compared to traditional buildings. The Company aims to achieve 100% LED lighting, with older properties undergoing an LED retrofitting program.
- Heating, Ventilation, and Air Conditioning (HVAC) energy efficient units are specified for indoor installations.
- Technical installations of mechanical air ducts—fresh intake and source systems are properly checked by third party organizations. Filters and louvers of quality specifications are to be maintained by the Property Management Group.
- Recent standards for improving indoor air quality were instituted in the operation and policy building manual. Maintaining a controlled temperature is important for HVAC efficiency and longevity of equipment.
- Heat recovery ventilator (HRV) unit installation in offices and tenant spaces is practiced and specified.

2 | USE OF RENEWABLE RESOURCES

- Solar panels are installed for powering pumps, street lights, parking facility structures, hallways, lobbies, and housing components in common areas.
- Treated water from the rainwater tank is used for washing and irrigation of ground cover.

3 | ENVIRONMENTALLY FRIENDLY DESIGN FEATURES

- Green wall features to improve indoor air and visual quality
- Parking for fuel efficient vehicles on CLI's establishments
- Bike parking and facilities to support and promote bike usage
- Urban design features: Podium Park is considering projects that feature a holistic biophilic design approach by incorporating open spaces to accommodate open area activity and cater to active lifestyles (jogging, zumba, yoga, and other open air exercise).

4 | USE OF WASTE PREVENTION SYSTEMS

- Landfill – CLI sources landfill materials from existing excavated project earth material, transporting it from one project to another. This method is utilized in several ongoing projects to reduce the carbon footprint associated with transportation, making the hauling process efficient and ideal for project sites in close proximity. This approach minimizes the need to quarry earthfill materials from external providers.
- Material Recovery Facility (MRF) – proper waste disposal and segregation
- Re-use of wastewater generated from domestic use. Treated water is used for irrigation and landscape upkeep.

5 | LOW IMPACT MATERIALS SELECTION

- More organic interior material specifications – Wood/timber or recycled materials are specified for indoor and outdoor cladding treatment.
- The use of low-VOC (volatile organic compound) content on materials - strictly specified in construction building manuals.

6 | DESIGN DURABILITY AND LIFE CYCLE ASSESSMENT

- CLI consults with green building materials and specialty consultants for the longevity of materials and in accordance with other green building materials.
- Biodiversity Conservation - CLI prioritizes planting tree species that are native or local to the area to ensure higher survival rate.

As land primarily constitutes CLI's natural capital, the Company's land development activities directly influence biodiversity. Construction operations have the potential to disturb and harm existing ground cover and vegetation in the surrounding areas. Accidental spills and leaks may also alter surface soil type, chemical composition, or fertility if left unaddressed. Furthermore, local threats such as overharvesting of wood and improper waste disposal further pose environmental challenges.

In addressing these concerns, CLI formed project teams that handle projects located in critical ecosystems. The team consists of the Business Development, Technical Planning, Engineering with pollution control officers per construction site, and Sustainability Department, with support from the corporate foundation for community engagement initiatives that concentrate on ecosystem protection, climate action, and livelihood generation.

PILLAR 2: Environment

PILLAR 4: Livelihood

FEATURE STORY

GREEN RESOURCES AND OPPORTUNITIES FOR WORK (GROW) PROGRAM

Cebu Landmasters Inc.'s Green Resources and Opportunities for Work (GROW) Program embodies a harmonious blend of environmental conservation, community empowerment, and sustainable livelihoods. It aims to produce, plant, and maintain native tree species, fulfilling CLI's project requirements while enhancing local biodiversity. Secondly, GROW serves as a vital ally in CLI's efforts for sustainable development by offsetting carbon emissions and contributing to the fight against climate change. Finally, through direct engagement with partner communities—particularly fisherfolk and farmers—GROW cultivates alternative livelihood opportunities, nurturing a green economy and fostering resilience in marginalized groups.

In the GROW Program, trees planted under the initiative thrive with an impressive 92% survival rate, enhancing local tree cover and biodiversity. Since the program's inception in 2021, over 422 eco-champions have emerged in 2023 from partner communities, equipped with the knowledge and passion to champion environmental causes and advocate for resource conservation. Through sustainable income streams, individuals find economic stability and witness firsthand the transformative power of green entrepreneurship, with partner farmers and fisherfolk reaping the rewards.

GROW PROGRAM HIGHLIGHTS

Project Locations
- Balamban (Lamesa Farmers Association)
- San Fernando (San Isidro Farmers and Fishermen Association)
- Danao City (Tawsan-Guinsay Fishermen Association)
- Consolacion (Tugbongan Brotherhood Fishermen Association, Nangka Fishermen Association, Nagkahiusang Mananagat sa Jugan)

Tree Growing Outputs through Cebu Landmasters Foundation, Inc.
- 308,333 total number of trees and mangroves planted, maintained and monitored
- 247,686 native tree species (timber and fruit trees)
- 60,647 mangroves

List of Tree Species Planted
- **Mangroves**
  - *Rhizophora apiculata*
  - *Rhizophora mucronate*
  - *Rhizophora astylosa*
  - *Ceriops decandra*
  - *Ceriops tagal*
  - *Aviccenia marina*
  - *Aviccenia alba*
  - *Sonneratia alba*
  - *Sonneratia caseolaris*
- **Species of native trees and naturalized fruit trees**
  - Narra (*Pterocarpus indicus*)
  - Molave (*Vitex parviflora*)
  - Bayabas (*Psidium guajava*)
  - Durian (*Durio zibethinus*)
  - Lanzones (*Lansium domesticum*)
  - Marang (*Artocarpus odoratissimus*)
  - Jackfruit (*Artocarpus heterphyllus*)
  - Rambutan (*Nephelium lapaseum*)
  - Santol (*Sandoricum koetjape*)
  - Dao (*Dracontomelon dao*)
  - Kalumpit (*Terminalia microcarpa*)
  - Bitanghol (*Calophyllum blancoi*)
  - Malaruhat (*Syzygium simile*)
  - Ilang-ilang (*Cananga odorata*)
  - Banaba (*Lagerstroema speciosa*)
  - Mamalis (*Pittosporum pentandrum*)
  - Bani (*Pongamia pinnata*)
  - Kamagong (*Diospyros blancoi*)
  - Talisay-gubat (*Terminalia foetidissima*)
  - Dakit-dakit (*Ficus pantoniana*)
  - Dita (*Alstonia scholaris*)
  - Toog (*Petersiantus quadrialatus*)
  - Red Lauan (*Shorea negrosensis*)
  - Tanguile (*Shorea polysperma*)
  - White Lauan (*Shorea contorta*)
  - Yakal-saplungan (*Hopea plagata*)
  - Amugis (*Kooerdersiodendron pinnatum*)
  - Lamio (*Dracontomelon edule*)
  - Bahai (*Ormosia calavensis*)
  - Paguringon (*Cratoxylum sumatranum*)
  - Palosapis (*Anisoptera thurifera*)
  - Narig (*Vatica mangachapoi*)
  - Akle (*Albizia acle*)
- **Naturalized species**
  - Avocado (*Persea gratissima*)
  - Kakaw (*Theobroma cacao*)
  - Guyabano (*Annona muricata*)

In addition, CLI's biodiversity conservation effort includes collaboration with farmers and communities in developing its first mountain resort, MagsPeak Mountain Resort and Villas, located in Balamban, Cebu. This project aims to foster local economic progress by enhancing biodiversity by conserving flora and fauna species. It also engages surrounding communities through tree-growing activities and educates people through various eco-experiences, exploring the natural resources of MagsPeak.

TREE
Taking Responsibility for Ecosystems Enrichment

PILLAR 2: Environment

PILLAR 3: Education

FEATURE STORY

TAKING RESPONSIBILITY FOR ECOSYSTEMS ENRICHMENT (TREE) PROGRAM

The Taking Responsibility for Ecosystems Enrichment (TREE) Program sows the seeds of environmental stewardship and sustainable livelihood. Through a holistic approach that blends environmental awareness with technical expertise, the TREE program empowers fisherfolk and farmers to become stewards of their environment by providing them with environmental education and technical training. In 2023, the program benefited 137 trainors as participants, equipping them with the skills to establish nurseries, produce seedlings, and effectively maintain and monitor their growth. These trainors enabled the rest of the members of people's organizations through application of technical inputs in the course of actual implementation.

In addition, this program fosters continuous engagement through a series of community sessions and consultations, serving as a platform for dialogue, collaboration, and supporting alternative livelihoods for farmers and fisherfolk. At its core, it seeks to build trust and foster a sense of partnership among community members. As the TREE Program branches out into more communities, it hopes to empower people to appreciate the intrinsic value of growing and nurturing trees to full maturity—a vital lesson in environmental sustainability for future generations.

Mangrove planting at low-tide in Naga City, Cebu

SOCIAL DEVELOPMENT

In 2023, Cebu Landmasters strengthened its social development and stakeholder engagement initiatives, demonstrating its commitment to the core values of customer-centricity and community focus. The Company adopted an integrated approach to community development, focusing on the Four Pillars to address diverse community needs.

MATERIAL TOPICS

» Customer Engagement, Experience, and Satisfaction
» Employee Safety, Health, and Well-being
» Customer Safety and Health
» Customer Privacy and Data Security
» Local Communities: Partnerships & Development Programs
» Compliance to Labor Laws/Standards
» Training and Development
» Talent Attraction and Retention
» Diversity and Equal Opportunity
» Marketing and Labeling

STAKEHOLDER ENGAGEMENT

CLI engages with stakeholders to comprehend their needs and concerns, thereby nurturing the Company's social and relationship capital. The primary stakeholder groups comprise partners, customers, and local communities.

STAKEHOLDER GROUPS

PARTNERS Joint venture partners, suppliers, contractors, and service providers	CLI's business partners are crucial to enabling its delivery of products and services. As such, the Company maintains a long-term and mutually beneficial relationship with them.
CUSTOMERS Sellers, buyers, end-users (homeowners associations, condominium corporations, and end-users of leased products), and office and retail space lessees	Customer satisfaction is indispensable to the Company's success. It involves the overall experience of the customer, from the reservation of units, monthly equity payments, prompt construction updates, smooth take-out, and turn-over to property management. CLI prioritizes enhancements in digitalization and innovation to strengthen connections and communication with its broker network and buyers.
LOCAL COMMUNITIES Local government units, host communities, and neighboring barangays	CLI is especially committed to community development, and uses its engagements with local communities for capacity building and infrastructure development.

EMPOWERING OUR PEOPLE

The Company regards its employees as its most critical asset, constituting its human capital. CLI recruits and retains the right talents and equips them with pertinent skills to fulfill business demands and standards.

Employees receive recognition for their contributions and are offered competitive compensation and benefits, professional growth and development opportunities, and a healthy workplace culture and environment.

DECENT EMPLOYMENT AND EQUAL OPPORTUNITY	2021	2022	2023
New Hires			
Male	40	61	79
Female	94	133	118
Total	134	194	197
Turnover			
Male	14	19	38
Female	35	35*	53
Total	49	54*	91

** Restated from 2022 Integrated Report.*

The Company practices inclusivity in its hiring procedures, offering equal opportunities irrespective of gender. CLI boasts a higher proportion of 506 female employees, while there are 408 male employees. Both male and female employees have been recruited for various positions.

CLI attracts and retains top talent through its competitive compensation and benefits packages. Regular benchmarking against industry standards and key competitors ensures the Company remains competitive. CLI's entry-level wage is 32.20% higher than the minimum wage. Additionally, CLI enhances its competitive edge by providing quarterly performance-based bonuses and annual salary increments.

The Compensation and Benefits Committee advises the Board of Directors on the compensation and benefits provided to employees across all levels of the Company. This committee also supervises the administration and execution of CLI's remuneration, compensation, and benefits programs, ensuring they are equitable and capable of offering respectable incomes to CLI's workforce. Salaries undergo benchmarking using the Willis Towers Watson Salary Survey to maintain fairness and competitiveness. CLI has also established a "Comp&Ben Helpdesk" to help employees obtain guidance and feedback on related concerns. The Company has enhanced its Human Resources Information System (HRIS) to better manage employee profiles and records, including payroll. Additionally, CLI plans to conduct a benefits review in 2023.

To enhance recruitment efforts in 2023, CLI has invested in improving its employer branding by establishing CLI Career Pages, sharing employee testimonial videos, and launching a referral program. Internship programs have also been offered at various universities, including the University of Cebu, Cebu Institute of Technology University, University of San Carlos, and the University of the Philippines-Cebu.

FEATURE STORY

EMPOWERING EXCELLENCE IN CLI'S WORKFORCE

CLI aims to become a preferred employer in VisMin and effectively recruit, retain, and reward high-potential talents in the Company. To realize this, CLI puts a premium in a nurturing employee recruitment experience with holistic onboarding sessions and the like.

To attract top talents in the organization, CLI invests in several employer initiatives while enhancing career development, training, and employee engagement to retain talent.

CLI uses the HR helpdesk, bi-annual town hall meetings, WorkPlace internal portal, quarterly departmental and individual performance management updates, training sessions, summer outings, fitness and interests clubs, and employee volunteer programs as communication and engagement channels to ensure effective communication with its employees.

The Company not only hires the best employees in the industry, but CLI sees to it that throughout the employee's entire career, real estate know-how is in place as part of their professional development. In addition to cultivating industry-leading expertise, CLI fosters a sense of belonging and purpose among its workforce. With each step forward, CLI reaffirms its commitment to attracting talent and empowering individuals to thrive and succeed in a dynamic and rewarding environment.

HUMAN CAPITAL DEVELOPMENT	2021	2022	2023
Total Training Hours Provided to Employees			
Male	2310	3080	5699
Female	3636	4082	6966
Average Training Hours / Employees			
Male	9	8.7	17.8
Female	11.5	9.9	15.3

CLI prioritizes the establishment of a culture of learning and development. The Company provides employees with internal and external training opportunities aimed at developing new skills and competencies and enhancing existing ones, enabling them to unlock their full potential within the organization.

CLI offers employees numerous and diverse opportunities to develop skills and advance professionally to enhance its human capital. The Human Resources department, particularly its Training and Organizational Development Unit, leads internal training initiatives, including competency-based courses and leadership training. In 2022, CLI introduced its "SBU Academy: Real Estate the CLI Way," delivering comprehensive training on CLI's end-to-end real estate development process to core strategic business units (SBUs) and key support members. In 2023, CLI conducted training for Batch 3 of the SBU Academy and planned a Real Estate 101 training series for implementation in 2024.

To further support professional growth, the Company operates a Career CLIpboard program, enabling employees to chart their career paths with guidance from their line managers, achieving 100% compliance for all employees in 2023.

CLI directors, executives, and key officers participate in in-house training sessions supplemented by SEC-accredited corporate governance training and outsourced seminars and courses from various providers. Additionally, CLI provides regular anti-money laundering training conducted by the National Anti-Money Laundering Council.

In 2023, the CLI PM subsidiary conducted various training sessions, including team-building outings and quarterly learning sessions covering accounting, process reorientation, professional branding, customer service, and financial wellness.

WORKPLACE HEALTH AND SAFETY

DISCLOSURE	Quantity	Units
Construction Sites		
Safe Man-Hours	20,232,031	Man-hours
No. of work-related injuries (First Aid Injury)	409	#
No. of work-related injuries (Medical Treatment Injury)	54	#
No. of work-related fatalities	0	#
Total Disabling Injury Rate (TDIR)	0	#
Lost Time Injury	0	#
No. of safety drills	49	
Corporate Offices, Branches, and Showrooms		
No. of work-related ill health	246	#
Property Management		
No. of work-related ill health	6*	#

Data from horizontal properties only.

To ensure the safety and well-being of its employees and workers, the Company invests significant resources in implementing a structured occupational health and safety (OHS) system, providing health benefits such as a Health Maintenance Organization (HMO) plan, and conducting employee wellness programs to foster a safe and healthy working environment.

CLI's occupational health and safety efforts are led by the Company's Health, Environment, and Safety (HES) department. At construction sites, various preventive measures are employed to safeguard workers and train them for emergency response using fire drills, safety orientations, installing physical safety structures like perimeter nets, weatherproofing of electrical systems, regular equipment inspections, and developing emergency evacuation plans.

In 2023, CLI conducted quarterly HES audits across 33 construction projects. With active participation of contractors, CLI's Health, Environment and Safety team established Health and Safety Management System Standards, which included 33 HES guidelines, 9 HES procedures, and 19 HES forms. Additionally, HES-related training sessions covering risk assessment and flagman safety were conducted, alongside regular safety discussions and updates through channels like the Daily ToolBox and project team meetings. As a result of these efforts, CLI achieved a Total Disabling Injury Rate (TDIR) of zero (0), surpassing its target threshold of three (3), and recorded zero lost time incidents, accumulating a total of 20,232,031 safe man-hours.

INTEGRATED REPORT 2023

FEATURE STORY

EXEMPLARY SAFETY PRACTICES

In 2023, CLI demonstrated outstanding performance in overseeing its Health, Environment, and Safety (HES) operations, emphasizing health and safety training programs for site workers. This is crucial, particularly in the real estate industry, to uphold safety practices and mitigate workplace risks.

CLI proudly recorded 20,232,031 safe man-hours year-to-date, achieving an impressive Total Disabling Injury Rate (TDIR) of 0 and zero lost time incidents.

These commendable results for the year reflect CLI's unwavering commitment to prioritizing the safety of its workforce and valuing their well-being, all while striving to maintain its position as the leading real estate developer in the VisMin region.

HEALTH, ENVIRONMENT AND SAFETY (HES)

- **Training conducted:**
  - First Aid Training
  - Fire Safety
  - Emergency Response Training
  - Mandatory 8-hour Safety Orientation
  - Health, Environment, and Safety Awareness Training
  - Orientation/cascading of HES guidelines, procedures and forms for implementation
  - Housekeeping/5s guidelines and adherence checks
  - Drills: ERT and Medical emergency drills
  - Daily toolbox meetings
  - HES Risk Management Training
  - Flagman Safety Training
  - Gondola Safety and Body Harness Inspection Training

LABOR LAWS AND HUMAN RIGHTS

The Company prioritizes compliance with the labor code and other laws and regulations that safeguard the rights of all its employees while fostering a healthy and safe workplace environment. CLI acknowledges that threats to its employees' rights, health, and safety affect productivity, employee retention, and engagement.

CLI'S HUMAN RIGHTS POLICIES

FORCED LABOR

The Company has rolled out the CLI Handbook on Employee Discipline and the Code of Business Conduct and Ethical Standards. These contain policies that ensure fair and consistent treatment of its people. This handbook outlines policies in a manner that the employees easily understand.

CHILD LABOR

CLI does not tolerate child labor and forced labor in the workplace and strives to improve its business processes and procedures to ensure that no incidence of forced / child labor is observed.

HUMAN RIGHTS

CLI guarantees full respect for human rights and upholds the dignity of its employees. CLI complies with the requirements of the Labor Code and provides more than the standard set by the government-mandated benefits. The employee handbook explicitly outlines policies relating to human rights, including the unequivocal prohibition of all forms of sexual harassment, acts of lasciviousness, and workplace harassment.

The Company's Handbook on Employee Discipline and the Code of Business Conduct and Ethical Standards establish policies for fair and equitable treatment of all employees. To uphold human rights across its operations, CLI abides by this code and routinely assesses workplace conditions to safeguard the interests of its employees.

ENHANCING CUSTOMER EXPERIENCE

Customer feedback and satisfaction significantly influence the CLI organization, as they mirror the overall customer experience priority of the company—from unit reservation, monthly equity payments, and construction updates to take-out, turnover, and property management. In 2023, CLI aimed to further enhance a seamless end-to-end customer experience by improving communication channels to address all customer concerns efficiently.

CUSTOMER FEEDBACK CHANNELS

- **Online Platforms**
  - Facebook chat bot, Google reviews, email blasts, social media sites, customer relations team, virtual turnover experience, dedicated hotline and email addresses
- **Flagship Sales Office New Features**
  - Digital/queuing system, ticketing general queries counter, interactive screens
- **Product knowledge seminars**
- **CLI Masters Circle**
  - Top Sellers' Rewards & Loyalty Program
- **Customer Satisfaction Survey**
  - Addressed to buyers, sellers, investors, and residents to evaluate and respond to their feedback and concerns
- **CLI Masters Portal**
  - An innovative CLI mobile application that provides its buyers with account and property updates.
- **CLI Buyers Journey**
  - A five-step guide to a CLI buyer's journey from unit selection to moving into a new home
- **On-time issuance of commissions for sellers**
- **Improving seller competency through seminar series**
- **Enhanced billing statements and reports**
- **Auto-notification on Payment Reminders and Missed Payments**

ENHANCEMENT OF COMMUNICATION CHANNELS

CLI adheres to transparent and efficient communication channels to enable swift dissemination of information, facilitating timely responses to challenges and opportunities. By enhancing communication channels, CLI empowers its customers and employees to share insights, feedback, and concerns, ultimately leading to better decision-making and organizational agility.

CLI'S DIGITALIZATION PROGRAM

CLI's Digitalization Program is a strategic initiative to revolutionize the organization's transactions through cutting-edge technology. With a primary objective to upgrade CLI's operations, digitalization, automation, and real-time reporting have become pivotal elements in enhancing efficiency across the board. The newly revamped website features enhancements, including easy navigation, accessible payment channels, a streamlined buyers' journey, information on career opportunities at CLI, and updates on investor relations, all designed to provide users with a seamless and comprehensive experience, reinforcing CLI's commitment to excellence in every aspect of its operations. These initiatives not only streamline processes but also ensure transaction responsiveness and accuracy.

By leveraging digital tools, CLI can expedite decision-making, reduce manual errors, and provide stakeholders with instantaneous access to critical information. This forward-thinking approach underscores CLI's commitment to staying ahead in a rapidly evolving business environment while maintaining a relentless focus on delivering exceptional value to its customers and stakeholders alike.

CUSTOMER HEALTH AND SAFETY

0	**Incidents of non-compliance with voluntary codes or resulting in fine, penalty, or warning in relation to customer health and safety**

In ensuring workplace health and safety, CLI also prioritizes safeguarding the well-being of customers, which extends to the broader public utilizing these facilities. While acknowledging the potential for unforeseen accidents within CLI's facilities, the Company actively mitigates these risks by implementing robust customer health and safety policies across its managed properties. CLI's Property Management (PM) team, alongside homeowners associations and condominium corporations, actively maintains environments for tenants and guests daily. For example, CLI has instituted pet ownership policies in certain properties in compliance with RA 9482, the Anti-Rabies Law. Collaborating with expert resource persons and local government units, CLI PM organizes seminars on responsible pet ownership and facilitates free anti-rabies vaccination programs for homeowners in these areas. These proactive measures significantly contribute to fostering a safer community environment.

MARKETING AND LABELING

0	**Incidents of non-compliance with voluntary codes or resulting in fine, penalty, or warning in relation to marketing communications and labeling**

CLI recognizes its responsibility to provide customers with accurate and necessary product information to ensure fairness in decision-making and protect their safety. By including all relevant information and engaging in truthful marketing practices, CLI contributes to greater public safety and trust.

In an increasingly competitive real estate environment, particularly in residential sales and commercial operations, customers seek key differentiators such as a robust online presence, strong brand recognition, mobile apps, and online events substituting face-to-face activities, saving significant time and effort. To address this demand, Cebu Landmasters, Inc. employs a multi-channel approach to advertising its products, including social media, digital advertising, events and activations, public relations, out of home executions, radio ads, and other platforms.

The Company ensures that its advertising and branding campaigns comply with existing laws and regulations enforced by government regulatory agencies such as the Department of Trade and Industry (DTI) and the Ads Standards Committee (ASC) for all advertisements and promotions accessible to the general public outside the Company's facilities.

CUSTOMER PRIVACY AND DATA SECURITY

0	**Complaints received from outside parties and substantiated by the organization**
0	**Customers, users and account holders whose information is used for secondary purposes**
0	**Total number of identified leaks, thefts, or losses of customer data**

CLI acknowledges the risk posed to customers' and corporate data security by hacking and data breaches. These incidents can disrupt the Company's operations, lead to the loss or theft of corporate information impacting stakeholders and shareholders, and result in the theft of personally identifiable information affecting users.

To safeguard corporate and customer data, the Company has implemented robust security policies across all aspects of data management, focusing on secured network protection. In 2023, CLI enhanced its Data Privacy Policy by reviewing and reinforcing physical, technical, and organizational protection measures. Key highlights from this review include:

- Privacy Statements and Notices
- Consent from CLI Data Subjects
- Employee Awareness Campaigns
- Non-Disclosure and/or Data Sharing Agreements
- Privacy Impact Assessments
- Data Management Policies
- Information Security Policies and Programs
  - Firewalls, Encryption
  - User Access
  - Physical Security
  - Breach Management Policy
  - Disaster Recovery Plan and Procedures

Moreover, the Company ensures that only authorized personnel can access customer information and that the personal data collected is processed solely for legitimate purposes. CLI maintains a secure email system and operates a 24/7 IT team to monitor the CLI network.

In 2023, CLI initiated the planning and development of its Digitalization Strategic Roadmap, transitioning many customer services to digital platforms and automated processes. These services, including some banking transactions, are protected to ensure safer transactions for customers interacting with CLI.

BUILDING RESILIENT COMMUNITIES

Since its inception, CLI has aimed to cultivate thriving communities. Nearly 20 years later, CLI has transformed into an organization that prioritizes the development and advancement of its local communities throughout its value-creation process, ensuring that the communities in which the Company operates are considered in every development CLI undertakes.

Cebu Landmasters Foundation, Inc. (CLFI) is CLI's Corporate Social Responsibility (CSR) arm. It concentrates on the holistic development of communities through a strategy comprising four pillars: 1) Integrated Community Development for Socialized Housing Beneficiaries, 2) Environment, 3) Education, and 4) Livelihood.

The Company evaluates the needs of each community through stakeholder engagement activities before initiating projects, engaging with various sectors such as women's organizations, fisherfolks' associations, farmers' cooperatives, and informal settler families. The CSR programs of CLI actively empower individuals, especially in the communities where the Company operates, as CLI aspires to be a community-focused organization where its people are valued in all aspects of its operations.

FEATURE STORY

CEBU LANDMASTERS FOUNDATION, INC. (CLFI)

As a comprehensive real estate developer, Cebu Landmasters, Inc. (CLI) actively integrates a social dimension into its overarching vision, aiming to become the leading community-focused organization in the Vismin Region.

To realize this vision, CLI established the Cebu Landmasters Foundation, Inc. (CLFI) as its corporate foundation, embodying its commitment to community-centric operations.

Operating as a non-stock, non-profit entity under the legal framework of the Republic of the Philippines, CLFI was officially registered with the Securities and Exchange Commission on October 8, 2018, signifying the Company's dedication to community welfare and development.

CLFI serves as the conduit for advancing CLI's corporate social responsibility (CSR) initiatives, strategically aligning its programs with CLI's core business objectives to enrich the lives of stakeholders, especially communities within CLI's operational areas. Through its corporate citizenship efforts, the Foundation aims to generate tangible value for the communities it serves, driven by a holistic approach that reinforces its commitment to sustainable development and societal advancement.

To effectively implement its programs, CLFI has established four key pillars to address societal issues and create lasting positive social impact. Each pillar is tailored to address specific areas, including providing access to affordable and decent housing, mitigating environmental impacts, nurturing talent through educational initiatives, and promoting sustainable livelihoods within communities.

Development Programs Performance Highlights

- Benefited 4,749 families or an estimated 23,745 individuals
- 308,333 trees planted, covering 316 hectares

Note: Data from 2021-2023

PILLAR 1:
Housing and Integrated Development

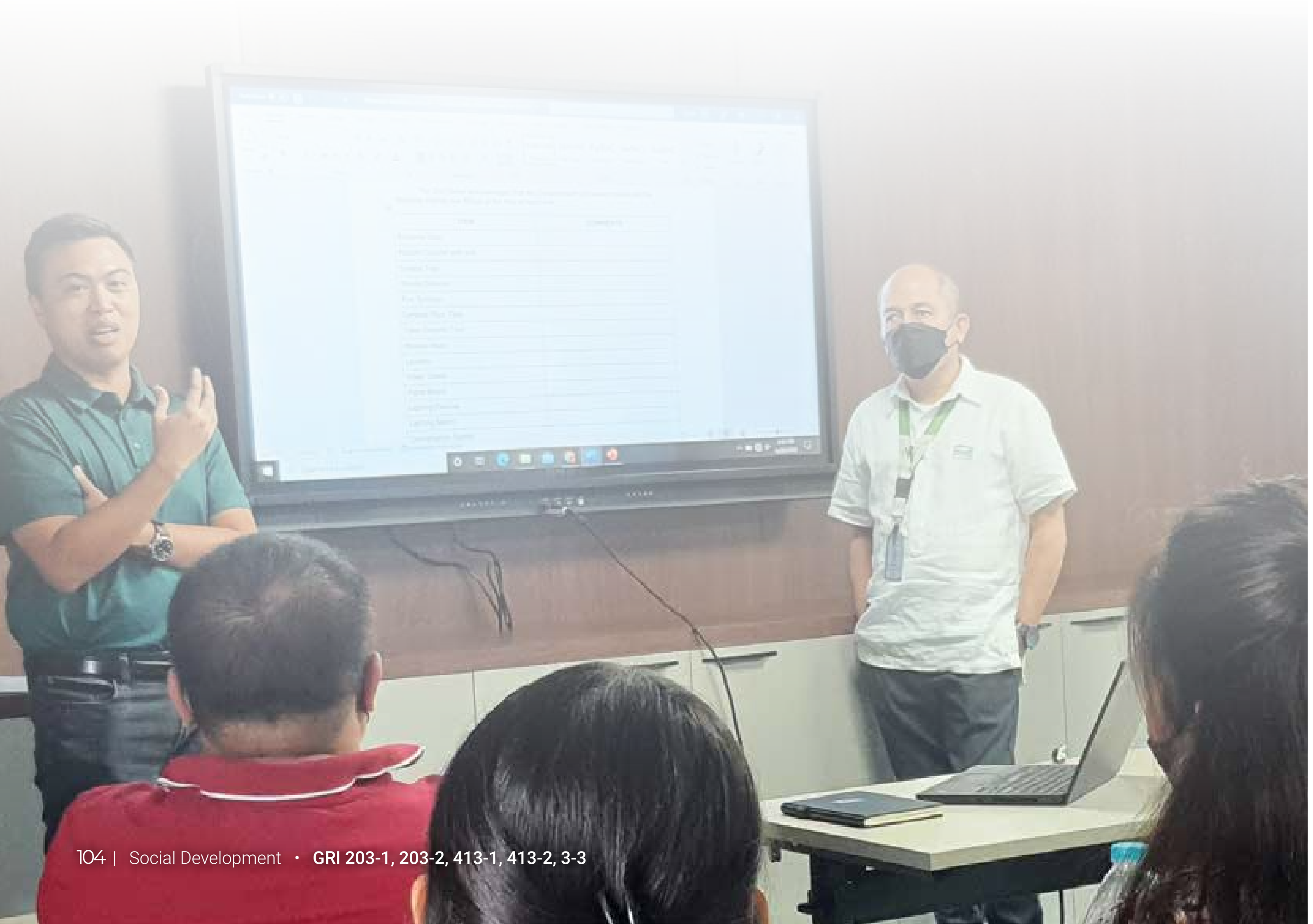
PILLAR 1: INTEGRATED COMMUNITY DEVELOPMENT FOR SOCIALIZED HOUSING BENEFICIARIES

PROVIDING ACCESS TO AFFORDABLE HOUSING AND INTEGRATED COMMUNITY DEVELOPMENT

As CLI's CSR arm, the Foundation has pioneered a framework to foster integrated social development within CLI's established socialized housing communities. This framework exemplifies a collaborative effort involving the private sector (CLI and the Foundation), partner local government units (LGUs), and the Philippine national government, mainly through the Department of Human Settlements and Urban Development (DHSUD).

Under this framework, two medium-rise buildings have been developed: Sugbo Walk Up One in Barangay Lorega San Miguel, Cebu City, comprising 100 units ranging from 23.75 to 25 sq.m per unit, and Tipolo Residences (Building 2) in Mandaue City, Cebu, featuring units with an area of 24 sq.m each.

- Addressing housing backlog
- Lending expertise: LGU capacity building on property management and community program development
- Social preparation: community organizing and pre-settlement beneficiary engagement



INTEGRATED REPORT 2023

FEATURE STORY

In this pillar, CLI collaborates with LGU partners to benefit the beneficiaries of the housing project. The goal is to plan and implement strategies that prioritize social preparation, property management, and community development. This program has enabled CLI to establish standards in the development and maintenance of socialized housing projects, potentially leading to eco-efficient transitions for informal settler families from horizontal settlements to vertical co-living arrangements.

LENDING EXPERTISE AND ADVANCING DEVELOPMENT IN SOCIALIZED HOUSING (LEAD-SH)

The Lending Expertise and Advancing Development for Socialized Housing (LEAD-SH) program has significantly contributed to increasing access to affordable and decent housing for more families, resulting in improved living conditions and the development of more resilient and self-reliant communities. CLFI assists partner LGUs in beneficiary selection, social preparation, and property management to ensure readiness for turnover and settlement, thereby motivating LGU partners to establish their own property management teams and beneficiary welfare offices within their existing local housing offices.

In June 2023, CLFI relocated nearly 100 informal settler families residing in Cebu City's danger zones to Sugbo Walk Up 1, the Company's inaugural socialized medium-rise building donated to the City of Cebu. CLFI continues its collaboration with the Housing and Urban Development Office of Mandaue City to prepare for the turnover of CLI's second medium-rise building, Tipolo Residences Building 2, which reached 99% completion by the end of 2023, following its topping-off in July.

CLFI continues to set standards in the development of more well-planned socialized housing projects, aiming for eco-efficiency and potentially low-carbon SH developments.

PILLAR 2:
Environment

PILLAR 2: ENVIRONMENT
MANAGING ENVIRONMENTAL IMPACTS THROUGH ECOSYSTEMS PROTECTION

In biodiversity management, the Foundation has forged partnerships with LGUs, civil society organizations (CSOs), and people's organizations (POs), particularly farmers and fisherfolk, to implement its Green Resources and Opportunities for Work (GROW) program. This initiative has led to the growing of 308,333 trees by the end of 2023. The tree-growing initiative enhances local forest and mangrove sites and provides opportunities for environmental education within the community.

- » Biodiversity Conservation including tree-growing programs and biodiversity assessments on projects with ecosystems
- » Support to beneficiary communities on Waste Management and Disaster Readiness/Risk Reduction
- » Eco-skills program for partner farmers and fishermen
- » CLI envisions implementing the carbon sink program in the future.

FEATURE STORIES

ADOPT-A-RIVER PROGRAM

CLI implemented the adopt-a-river program by deploying trash traps in the Pakigne River, located in the Municipality of Minglanilla, and later replicated this in Brgy. Cuanos, in the same municipality. The main objective of this program is to mitigate the adverse effects of pollution on aquatic ecosystems. The CL Foundation organized the initiative and training on environmental conservation, which the River Troopers of Cebu City facilitated. The training was provided to the barangay leaders, municipal purok officer, and disaster risk reduction and management teams of barangays Pakigne, Tungkil, Tubod, Calajoan, and Cuanos in Minglanilla, Cebu.

DEPLOYMENT OF RIVER TRASH TRAPS

CLI has installed river trash traps made from repurposed PET bottles in response to environmental degradation. The discarded bottles are collected and transformed into effective waste traps, representing an innovative approach to mitigating waste impacts. This initiative encourages a culture of environmental stewardship within CLI and its communities, placing them as champions for a cleaner and greener future.

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COASTAL CLEAN UPS (TRASH PATROL PROGRAM)

The Company implements river and coastal clean-up initiatives as part of CLI's environmental management efforts. Coined as the Trash Patrol Program, this initiative targets issues related to improper waste disposal, sanitation, and hygiene in specific areas. Additionally, it aims to empower and encourage communities to organize regular clean-up activities to reduce waste within their localities.

CLI collaborates with local government units (LGUs), the Environment and Natural Resources Office (ENRO), and employee volunteers to participate in these clean-up events. This initiative aims to create lasting impacts and sustainable practices in waste management. Together, these efforts serve as a testament to CLI's dedication to environmental stewardship and its commitment to positively impacting the communities it serves.

SUPPORTING FISHERMEN'S LIVELIHOOD THROUGH GREEN RESOURCES AND OPPORTUNITIES FOR WORK (GROW)

CLFI actively collaborates with LGUs and civil society organizations (CSOs), and people's organizations (POs), particularly farmers and fisherfolk, to implement the Green Resources and Opportunities for Work (GROW) program. Through this partnership, CLFI supports partner POs in increasing their income by compensating them for seedling production, labor for planting, and maintenance. To ensure the effectiveness of these activities, CLFI conducts training sessions covering species identification, zonation, planting design, tree nursery establishment, and proper planting and maintenance techniques.

Additionally, CLFI assists partner POs in registering with the BIR to obtain official receipts for their businesses. The GROW program thus serves as an alternative livelihood for partner POs during low periods between farming activities or when fish catch volumes are low.

"Salamat kaayo nga naa na gyud mi resibo nga na rehistro sa BIR; dako kaayo ni ug tabang sa among gamay nga pangabuhi-an; mas maka serbisyo nami ug mga kompaniya nga nanginahanglan ug resibo."

(We are grateful that we now have receipts registered with the BIR; this is very helpful to our small livelihood, and this can help us better serve companies that require receipts.)

- Daisy Tangub, Treasurer of San Isidro Fisherman's and Farmers Association on benefitting from the LAMBO program

PILLAR 3: Education

PILLAR 3: EDUCATION
DEVELOPING TALENT AND ENHANCING SKILLS THROUGH EDUCATION

In the third pillar, the Foundation has introduced the Leadership and Educational Assistance Program (LEAP), which aims to benefit the dependents of CLI employees. By the end of 2023, CLFI had provided university scholarships to 23 students pursuing courses in Architecture, Information Technology, Engineering, and Business at the University of San Carlos. Furthermore, the Foundation continued its scholar mentoring program, enlisting employee volunteers to serve as mentors, and has extended support to 15 technical-vocational scholars. CLFI is committed to expanding its educational initiatives, including community-based skills training tailored to enhance livelihood opportunities and employment prospects for identified beneficiaries.

- LEAP scholarship program for CLI employees and dependents
- Community-based technical vocational skills training
- Support to academic institutions

FEATURE STORIES

LEAP
Leadership & Educational Assistance Program

LEADERSHIP AND EDUCATIONAL ASSISTANCE PROGRAM (LEAP)

Ensuring access to quality education is crucial for empowering communities and improving individuals' employment prospects. Recognizing this, CLFI established the Leadership and Educational Assistance Program (LEAP) for the dependents of CLI employees and forged partnership with the University of San Carlos. This initiative provides students with scholarships covering full tuition fees, monthly allowances, and employment opportunities within CLI.

In 2023, CLFI continued to support 23 university scholars pursuing degrees in various fields such as Engineering, Architecture, Business, Accountancy, Hospitality, among others.

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SKILLS TRAINING AND ENRICHMENT PROGRAM FOR THE URBAN POOR (STEP UP)

CLFI remains dedicated to broadening its educational endeavors, which currently encompass community-based skills training designed to improve livelihood opportunities and employment prospects for identified beneficiaries. In 2023, CLI supported 15 vocational scholars in partnership with the Banilad Center for Professional Development in providing programs on hotel and restaurant services.

TAKING RESPONSIBILITY FOR ECOSYSTEMS ENRICHMENT (TREE)

Under this program, CLFI facilitated eco-skills training sessions on mangrove ecosystem services for members of the San Isidro Farmers and Fisherfolk Association in San Fernando, Cebu, the Tawsan Guinsay Fisherfolks Association in Danao City and Tugbongan Brotherhood Fishermen Association, Nangka and Jugan Fishermen Associations in the Municipality of Consolacion. These sessions focused on mangrove planting design, nursery and plantation establishment techniques.

PILLAR 4:
Livelihood

PILLAR 4: LIVELIHOOD
PROMOTING SELF-RELIANCE THROUGH LIVELIHOOD

CLFI implemented its Livelihood Assistance for Multi-Sectoral Beneficiary Organizations (LAMBO) program (translating to growth or progress in Cebuano) to support local start-up micro businesses within the company's nearby communities.

In 2022, the Foundation assisted a homeowners' association at a relocation site in Barangay Paknaan, Mandaue City, to establish a consumer cooperative. In collaboration with the Cooperative Development Authority, CLFI provided essential guidance on the cooperative's formation requirements and conducted livelihood training sessions, which continued in 2023 to equip its members for their forthcoming small-scale enterprise called "Bugasan" (a rice retailing business), which the Foundation pledges to support.

In 2023, CLFI added more community milestones by providing resources and advocacy support to the BUKID Multi-purpose Cooperative, a vegetable farmer cooperative in Barangay Sunog, Balamban, Cebu. The cooperative has seen significant gains through its monthly "Tabo sa CLI" events, a farm-to-market program that has markedly boosted farmers' incomes. By providing a platform for the sale of fresh produce directly to CLI employees and community residents, these events have proven instrumental in enhancing economic opportunities for local farmers.

The Foundation has also extended its assistance to Barangay Punta Engano by mobilizing the local women into a barangay-registered organization designated as the beneficiary of the Company's livelihood initiatives in Lapu-Lapu City, Cebu. CLI has allocated seed funds for livelihood projects through its Community Entrepreneurial Challenge, benefiting two communities in Mandaue City and one in Punta Engano, Lapu-Lapu City. To date, 465 families have directly benefited from the Company's livelihood program.

CLI remains committed to fostering value within its communities, further strengthening its partnerships with 22 key cities and municipalities, mainly spanning 54 barangays across the Visayas and Mindanao regions.

» Building community start-ups, organizing cooperatives, and building entrepreneurial skills through training
» Livelihood support for farmers, fishermen's women's associations and socialized housing beneficiary communities.

INTEGRATED REPORT 2023

FEATURE STORY

LIVELIHOOD ASSISTANCE FOR MULTI-SECTORAL BENEFICIARY ORGANIZATIONS (LAMBO)

Livelihood Assistance for Multi-sectoral Beneficiary Organizations (LAMBO) is a CLFI program that allows CLI to actively support local startups and small businesses in its communities. LAMBO, derived from the Cebuano word meaning "to flourish," "to grow," and "to develop," embodies CLI's commitment to providing livelihood assistance to people's organizations, farmers, fisherfolk, women, and other sectors in the community.

In addition, this program aims to promote self-reliance and enhance food and income security, particularly among local startups and small businesses in neighboring communities. In 2023, CLI supported the BUKID-Multipurpose Cooperative, a vegetable farmers' cooperative in Barangay Sunog, Balamban, Cebu. CLI supports them with resources and provides them with a venue for selling their produce via monthly "Tabo sa CLI" events. The community market caters to the needs of CLI employees, customers, and homeowners while providing income-generating opportunities for the farmers.

Tabo sa CLI, helped increase farmers' income by directly selling their produce to consumers, eliminating middlemen. This helped a total of 486 families, with products selling out completely at prices lower than those in grocery stores. This achievement is significant as it ensures fresh produce for CLI employees and neighboring communities while directly supporting the farmers.

The farmers eagerly look forward to joining more farm-to-market activities with CLI. "*Ni dako gyud ang among kita, dako kaayo ug diperensya sa among halin kung direkta sa customer.* (Our income has really significantly increased; there's a huge difference in our earnings when it comes directly from the customer)," says one of the farmer beneficiaries who joined Tabo sa CLI.

Community members are also highly appreciative of the opportunity to purchase farm fresh produce at more affordable prices. "I don't have to go to the public market or grocery store; the produce is delivered to our office; it saves a lot of time, and freshness is guaranteed," shares one buyer. Most importantly, this partnership cultivates a culture of supporting local producers, thereby strengthening the bond between CLI and the communities it serves.

CLI plans to further expand this program to serve more residential communities and provide additional support to farming cooperatives.

GOOD GOVERNANCE

The Company celebrates its many achievements during the reporting period and looks forward to improving its systems and achieving set targets in the coming years.

MATERIAL TOPICS

- Risk Management
- Organizational Efficiencies / Alignment: Optimizing Business Processes
- Digital/Technological Innovation
- Governance and Ethics

OUR LEADERS

Cebu Landmasters Inc.'s Board of Directors, which is responsible for its overall management and supervision, is composed of experienced professionals with relevant expertise in the real estate industry and beyond. The Board maintains an appropriate mix of competence and expertise, ensuring each director is individually and collectively qualified for their positions.

The Board oversees the development, review, and approval of CLI's business objectives and strategies. Additionally, it monitors the implementation of these objectives and strategies, conducting reviews at each board meeting. To fulfill these responsibilities, a management team prepares pertinent information and reports regarding the company's business operations and financial condition.

INTEGRATED REPORT 2023

THE BOARD OF DIRECTORS

JOSE R.
SOBERANO III

Chairman of the Board,
President, and
Chief Executive Officer (CEO)

MA. ROSARIO
B. SOBERANO

Executive Director, Treasurer,
and Senior Executive
Vice-President

JOSE FRANCO
B. SOBERANO

Executive Director,
Chief Operating Officer
(COO), and Senior
Executive Vice-President

BEAUREGARD
GRANT L. CHENG

Executive Director,
Chief Financial Officer
(CFO), and Executive
Vice-President

JOANNA MARIE S.
BERGUNDTHAL

Executive Director, Senior
Vice-President for Marketing
& Human Resources, and
Asst. Treasurer

RUFINO LUIS
T. MANOTOK

Lead Independent Director

MA. AURORA
D. GEOTINA-GARCIA

Independent Director

ATTY. MA. JASMINE
S. OPORTO

Independent Director

STEPHEN
A. TAN

Non-Executive Director

EXECUTIVES

ATTY. LARRI-NIL G. VELOSO

First Vice-President for Legal and Strategic Landbanking and Asst. Corporate Secretary

MARIE ROSE C. YULO

First Vice-President for Sales

PEDRITO A. CAPISTRANO

First Vice-President for Engineering

SYLVAN JOHN M. MONZON

First Vice-President for Business Development

MARK LEO M. CHANG

Vice-President for External Affairs

ATTY. JAMES M. ABADIA

Vice-President for Business Development and General Manager for Ming Mori

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PAQUITA T. RAFOLS

Vice-President for Accounting

JULIETA M. PANGILINAN

Vice-President for Treasury

MATHIAS H. BERGUNDTHAL

Director of Asset for CLI Premier Hotels

MARILOU P. PLANDO

Asst. Vice-President for Risk Management and Chief Risk Officer (CRO)

ROGELIO C. VINLUAN

Asst. Vice-President for Mindanao Engineering, Area Head

JANELLA MAE S. WU

Asst. Vice-President for Corporate Communications and Customer Relations

ANGEL LINUS R. YAP

Asst. Vice-President for Engineering

INDEPENDENT DIRECTORS

In compliance with the SRC and SEC's CG Code for PLCs, CLI's Board of Directors includes three (3) independent directors, constituting one-third of the board membership. These independent directors are Mr. Rufino Luis T. Manotok, Ms. Ma. Aurora D. Geotina-Garcia, and Atty. Ma. Jasmine S. Oporto.

Mr. Rufino Luis T. Manotok was re-elected as CLI's Lead Independent Director. He is a respected executive in the business community, having held key positions in major conglomerates and companies in the Philippines, such as Chairman, President, Senior Managing Director, CFO, and CIO.

CLI's independent directors possess all the qualifications necessary for their roles and do not have any disqualifications. They maintain independence from the company and its management, ensuring they can exercise independent judgment in fulfilling their responsibilities as directors. In 2023, CLI's independent directors had perfect attendance in all Board and Committee meetings.

Under CLI's CG Manual and policy on setting limits for Board seats, non-executive directors, including independent directors, are permitted to concurrently serve up to a maximum of five (5) publicly listed companies. As of December 31, 2023, all non-executive directors of CLI comply with this limit on board directorships. None of CLI's executive or non-executive directors hold directorships in five or more publicly listed companies, ensuring they have ample time to adequately prepare for meetings, challenge management's proposals, and oversee CLI's long-term strategy.

BOARD DIVERSITY – POLICY AND PROGRESS REPORT

CLI actively implements a board diversity policy to prevent groupthink and ensure robust decision-making processes. The policy emphasizes the selection of a diverse group of competent directors, each contributing unique perspectives and independent judgment to formulating effective corporate strategies and policies. Diversity encompasses various aspects such as skills, experience, expertise, age, gender, ethnicity, culture, competence, and knowledge. CLI's Board Diversity Policy is integrated into its Corporate Governance and Board Charter Manual.

As of the latest publication, CLI's Board consists of nine (9) individuals with diverse skills, cultures, ethnicities, competencies, knowledge, and professional, business, and educational backgrounds. It comprises highly esteemed top executives and seasoned real estate professionals with extensive experience and expertise spanning economics, accounting, finance, management, business administration, communication, manufacturing and management engineering, agricultural economics, legal, and landscape architecture, among other academic disciplines and areas of expertise.

The CLI Board boasts an optimal blend of youth and experience, ages 36 to 73. Among the nine directors, four (4) are female, further enhancing diversity and representation within the board.

EXECUTIVE AND BOARD REMUNERATION

Following CLI's Manual on Corporate Governance, the Board ensures that the remuneration of key officers and Board members reflects the long-term interests of CLI. The Board establishes a policy that outlines the correlation between remuneration and performance. Directors abstain from participating in discussions or deliberations concerning their remuneration.

CLI determines the remuneration for its executive directors and senior executives based on performance, including individual performance and the collective performance of their respective groups or departments. These assessments are conducted per identified key deliverables and other performance indicators aligned with CLI's long-term interests and objectives. CLI utilizes a Balanced Scorecard as a measurement tool to ensure that rewards and compensation are aligned with the company's performance beyond short-term financial metrics.

The Compensation and Benefits Committee oversees the remuneration of Board members and key officers.

CONFLICT OF INTEREST

Under CLI's Manual on Corporate Governance and Board Charter, directors who have a material interest in a company transaction or are involved in other conflict of interest situations (actual or potential) must promptly and fully disclose such matters. They are also required to refrain from participating in the deliberations related to these transactions.

CLI upholds the fundamental principle that directors should not exploit their positions for personal profit or advantage or engage in activities that could compromise their impartiality. Throughout CY 2023, there were no instances where a CLI director had a material interest affecting the company or was involved in any conflict of interest situation (actual or potential).

CLI directors must also inform the Board before accepting a directorship in another company. Within the CLI Group, no executive director serves on more than two boards of listed companies outside the CLI Group.

Moreover, CLI discloses Related Party Transactions (RPTs) and other uncommon or infrequently occurring transactions in line with its RPT Policy. This policy outlines the guidelines, categories, and thresholds for reviewing, approving, or ratifying RPTs by the Board and/or CLI shareholders. CLI ensures that these RPTs are appropriately accounted for and disclosed in compliance with relevant laws and regulations.

CLI'S IN-HOUSE CORPORATE GOVERNANCE TRAINING

In keeping with its Board Charter and Manual on Corporate Governance, CLI mandates that all board members participate in relevant annual continuing training. This training aims to foster effective board performance and ensure directors maintain ongoing qualifications to fulfill their duties and responsibilities.

To adhere to this requirement and bolster the Company's ongoing education and training initiatives, CLI collaborated with the Institute of Corporate Directors (ICD) to organize an in-house corporate governance training event, the Advanced Corporate Governance Training (ACGT).

CLI's ACGT took place on November 30, 2023, and featured distinguished speakers from the ICD. The training covered various topics and discussions, including Cybersecurity Governance, Strengthening of Internal Controls (Data Analysis and Whistleblowing; Anti-Bribery and Anti-Corruption), and Corporate Culture for Ethics and Compliance.

The 2023 ACGT was attended and actively participated in by CLI directors and key management personnel. This included members of the Management Committee, the Secretariat (Corporate Secretary and Assistant Corporate Secretary), and the Office of the Compliance Officer.

CLI BOARD COMMITTEES

The CLI Board maintains fully active and operational board committees to enhance the efficiency of its functions. Key committees include the Audit Committee, Corporate Governance Committee, Related Party Transaction Committee, Risk Oversight Committee, Nomination Committee, and Compensation and Benefits Committee.

Each CLI Committee has a defined charter outlining its purpose, membership, structure, operations, reporting procedures, resource allocation, and performance evaluation criteria. All CLI Committee Charters are disclosed on CLI's website.

AUDIT COMMITTEE

The Audit Committee actively supports the Board in overseeing CLI's financial reporting process, internal control system, internal and external audit functions, and compliance with applicable laws, regulations, and standards. It supervises the internal audit team's activities. It plays a pivotal role in recommending the appointment and dismissal of CLI's external auditor, following a rigorous approval process involving the Audit Committee, Board, and shareholders. Additionally, the Committee evaluates the performance of the external auditor. It ensures compliance with CLI's policy on auditor rotation, which mandates the rotation of either the auditing firm or its signing partner every five (5) years.

By this policy, Punongbayan & Araullo (P&A), CLI's external auditor, appointed Renan A. Piamonte (CPA Reg. No. 0107805; Partner—No. 107805-SEC, until the financial period 2023; Firm—No. 0002, until the financial period 2024) as the new engagement and signing partner for the FY2023 financial statements. Previously, Mailene Sigue-Bisnar served as P&A's engagement and signing partner for CLI's FY2021 and FY2022 financial statements.

The Audit Committee also assesses and approves any non-audit services the external auditor provides, ensuring they do not compromise the auditor's independence or conflict with its responsibilities.

For 2023-2024, CLI's Audit Committee comprises four (4) qualified non-executive directors, with three (3), including the Chairperson, being independent directors. All members possess relevant background, knowledge, skills and/or expertise in accounting, auditing, and finance. Ma. Aurora D. Geotina-Garcia, the Chairperson, does not hold the position of Chairperson in CLI or any other committee.

CORPORATE GOVERNANCE COMMITTEE

The fully engaged CLI Corporate Governance Committee assists the Board in performing its corporate governance oversight responsibilities and ensuring compliance with and proper observance of corporate governance principles and practices.

For 2023-2024, the CG Committee is composed of four (4) non-executive directors, three of whom are independent directors. The Chairperson, Atty. Ma. Jasmine S. Oporto is also an independent director.

In the area of sustainability, the Corporate Governance Committee is supported by its Sustainability Head, Vera R. Alejandria. Prior to joining CLI, Ms. Alejandria held various positions in Cebu Holdings, Inc. and Ayala Land, Inc. spanning over 27 years, including as Sustainability and Community Relations Manager, Project Lead (Cebu Business District Action Team), Corporate Communication and Customer Affairs Division Manager, and Quality, Environment, Health and Safety Management System Auditor. Ms. Alejandria is a Certified Sustainability Reporting Specialist and Certified Sustainability Assurance Practitioner.

RISK OVERSIGHT COMMITTEE

The Risk Oversight Committee ensures the Board fulfills its risk oversight responsibilities concerning management practices throughout the company. It offers direction to management in identifying, assessing, and monitoring existing and emerging risks to ensure proper treatment or mitigation.

For 2023-2024, CLI's Risk Oversight Committee comprises four (4) capable non-executive directors, with three (3), including the Chairperson, being independent directors. All members bring extensive executive experience, having held various key positions in other publicly listed companies, and possess thorough knowledge and experience in risk and risk management. Atty. Ma. Jasmine S. Oporto, the Chairperson, is a certified Compliance & Risk Management Professional under the GRC Institute of Australia.

Chief Risk Officer (CRO) Marilou P. Plando supports the Risk Oversight Committee. She boasts over 24 years of comprehensive experience and accomplishments in manufacturing, contact centers, and retail operations. Before joining CLI, she served as Regional Operations Director at Julie's Bakeshop Group. At Aboitiz Equity Ventures, Inc., she held positions as Assistant Vice-President (AVP) for Enterprise Risk Management and AVP for Legal Business operations.

RELATED-PARTY TRANSACTION COMMITTEE

The CLI Board operates a fully functional Related Party Transaction (RPT) Committee responsible for scrutinizing all material related-party transactions of CLI to ensure that they are conducted at an arm's length basis and on terms not more favorable than those made to unrelated third parties under similar circumstances.

CLI's RPT Committee conducts quarterly assessments of CLI's related-party transactions. Management presents these transactions for either informational purposes (if they do not breach the threshold) or approval (if they exceed the RPT thresholds). Subsequently, the approved transactions are recommended for further ratification and/or approval by the Board.

For 2023-2024, CLI's RPT Committee comprises four (4) capable non-executive directors, with three (3), including the Chairperson, being independent directors. Rufino Luis T. Manotok, the Chairperson of the CLI RPT Committee, does not hold the position of Chairperson of the CLI Board.

NOMINATION COMMITTEE

The Nomination Committee actively engages in the selection and assessment of potential nominee directors for the CLI Board. It implements CLI's formal and transparent nomination and election policy, which outlines criteria for selecting new directors and shareholder nominations.

The nomination and election process entails thoroughly evaluating the qualifications of all nominated individuals for the Board. This assessment includes determining whether candidates: (1) possess the necessary knowledge, skills, and experience, particularly in the case of non-executive directors, independence of mind given the Board's responsibilities and the company's business and risk profile; (2) have a record of integrity and good repute; (3) have adequate time to fulfill their duties; and (4) can facilitate harmonious interactions among Board members. Only stockholders entitled to notice and voting rights at regular or special stockholder meetings for director elections are eligible for nomination.

For the term 2023-2024, the Nomination Committee comprises three (3) qualified directors, with Mr. Rufino Luis T. Manotok, the Lead Independent Director, serving as the Chairperson.

COMPENSATION AND BENEFITS COMMITTEE

The Compensation and Benefits Committee actively formulates the general principles and framework for rationalizing the remuneration, compensation, and benefits of all CLI employees across the organization. It also supervises the execution and management of CLI's initiatives regarding remuneration, compensation, and benefits programs.

For the term 2023-2024, the Compensation and Benefits Committee comprises three (3) qualified directors, with Mr. Stephen Tan, a Non-Executive Director, serving as the Chairperson.

CORPORATE SECRETARY

A Corporate Secretary and an Asst. Corporate Secretary, both distinct from the Compliance Officer, provide support to the CLI Board. They are not members of the CLI Board. Ahead of meetings, the Secretariat distributes materials to directors and committee members. Utilizing the Convene platform, each director and committee member securely accesses and reviews meeting materials online.

During the organizational meeting on 01 June 2023, the Board re-elected Atty. Alan C. Fontanosa as CLI's Corporate Secretary. Atty. Fontanosa, the partner-in-charge and Cebu Branch Head of SyCip Salazar Hernandez & Gatmaitan brings over 33 years of legal practice, specializing in industrial relations, civil and land cases, corporate services, real estate transactions, and due diligence investigations. He obtained his undergraduate and law degrees from the University of San Carlos and was admitted to the Philippine Bar in 1988. He has no familial relations with directors or fellow executive officers within the fourth civil degree.

Serving as CLI's Assistant Corporate Secretary is Atty. Larri-Nil G. Veloso who also holds the position of First Vice-President for Legal. An experienced practitioner in Corporate Law, he holds a Bachelor of Arts in Mass Communication from the University of the Philippines and a Bachelor of Laws from the University of Southern Philippines Foundation. Before CLI, he served as Corporate Legal Counsel of InfoWeapons Corporation, an American-owned software company, and was later promoted to general manager. He has no familial relations within the fourth civil degree with any directors or officers of CLI.

CLI's Corporate Secretary and Assistant Corporate Secretary attended corporate governance training during CY2023.

COMPLIANCE OFFICER

CLI maintains a formal compliance function, overseen by a Compliance Officer, who conducts regular reviews and evaluations.

CLI, through its Compliance Officer,monitors, reviews, and ensures compliance by officers and directors with relevant laws, Corporate Governance Codes, and regulatory requirements. The Office of the Compliance Officer also oversees the attendance of Board members and key officers in relevant training sessions.

As part of the compliance program, the Compliance Officer implements a detailed checklist and monitoring system based on existing laws, government issuances, and pertinent regulations. This checklist undergoes regular review and updating. Additionally, the Compliance Officer reports updates on corporate governance and compliance functions to the Board Corporate Governance Committee and assists in drafting and reviewing corporate governance policies.

At the organizational meeting held on 01 June 2023, the Board re-elected Atty. John Edmar G. Garde as CLI's Compliance Officer. Before joining CLI, he served as Manager/Director in the Business Tax Services of SGV & Co. (Ernst & Young - Philippines), with expertise in taxation, investment promotions, corporate law, and compliance. He holds a Bachelor of Science in Management Accounting and a law degree from the University of San Carlos. Atty. Garde is a Certified Compliance Officer and is not related within the fourth civil degree to any directors or executive officers in the Company. He is not a member of the Board and differs from the Corporate Secretary, aligning with SEC Memorandum Circular No. 19, series of 2016.

INTEGRATED REPORT 2023

CORPORATE GOVERNANCE

Corporate governance is both a cornerstone program and a continuing commitment of CLI to doing business for over 20 years. CLI recognizes that exemplary corporate governance is a key and essential element in achieving its long-term success, creating sustainable value and positive impact for its shareholders, customers, stakeholders, and partner communities. CLI is fully committed to promoting exemplary corporate governance by employing the highest professional and ethical standards in conducting its business.

Cebu Landmasters, Inc. ("CLI") is a publicly-listed property developer that prioritizes corporate governance as an essential part of its business operations. CLI considers it a responsibility and a commitment to embed corporate governance principles and programs into the core of its operations. The Company recognizes that excellent corporate governance is crucial to achieving long-term success, creating sustainable value, and positively impacting shareholders, customers, stakeholders, and communities. CLI is fully committed to promoting exemplary corporate governance by conducting its business with the highest standards of professionalism and ethics.

In support of its commitment to corporate governance, CLI has implemented various policies and programs to improve its practices and policies. These include the Code of Business Conduct and Ethical Standards, the Whistle-Blowing Policy, the updated Executive Committee Charter and Limits of Authority, the Policy on New Investments, Shareholder Advances, Capital Infusions, and Management Services, the Transfer Pricing Policy, the Anti-Money Laundering and Terrorist Financing Prevention Policy, and CLI's updated Handbook on Employee Discipline, among others.

CLI is fully committed to enhancing its corporate governance by ensuring compliance with laws, regulations, and best practices. It also strengthens internal controls, risk management, investor and stakeholder relations, checks and balances, and policies and procedures. Through this integrated sustainability report and its ongoing dedication to ESG standards, CLI advances steadily toward excellence in corporate governance.

ENTERPRISE RISK MANAGEMENT

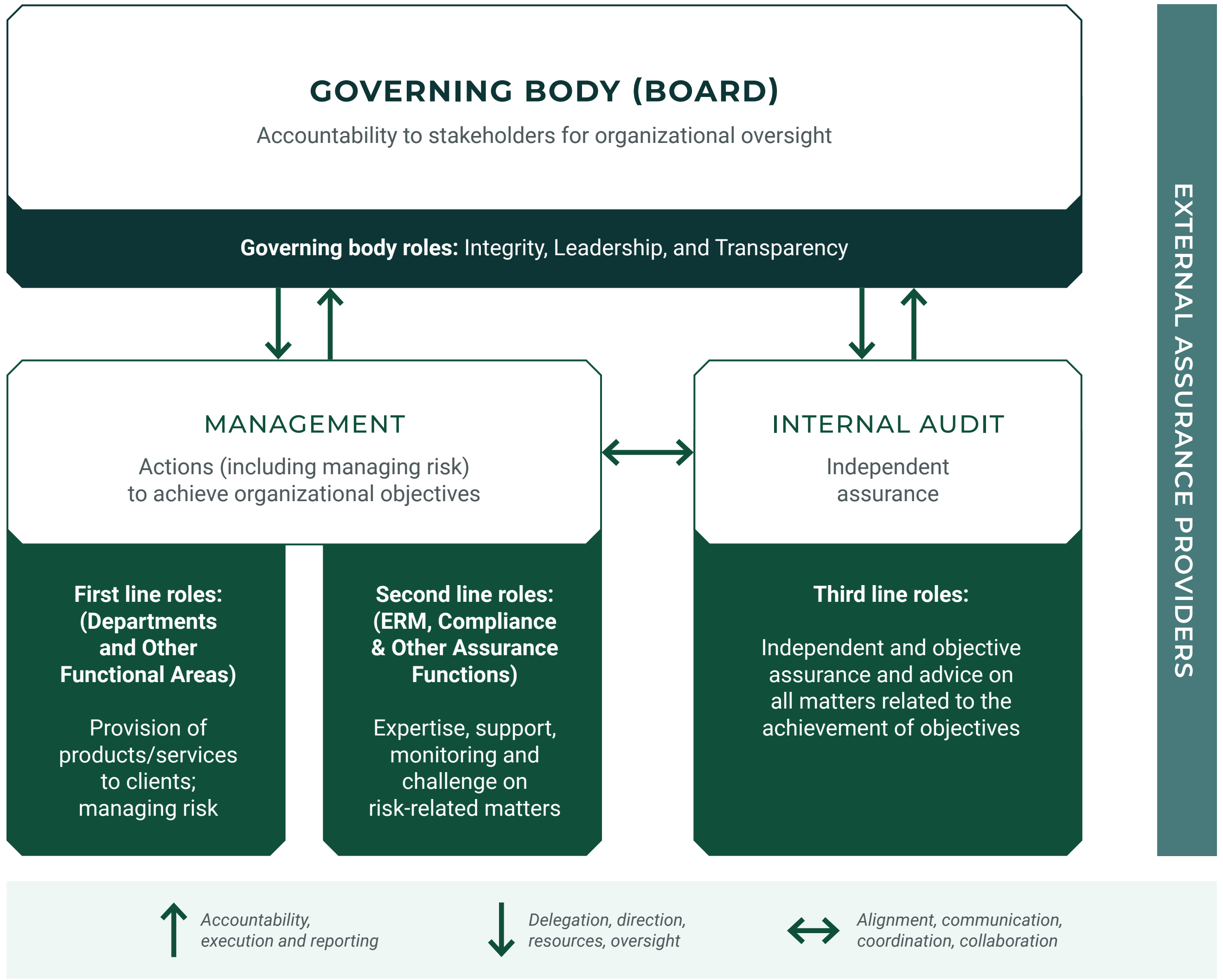
As CLI expands its business territory across the country, it faces a swelled number of known and unknown risks in different forms and variety. To ensure its stability and sustain its corporate value, the company continually assesses these various risks to prioritize and appropriately manage the corresponding mitigation measures.

The Board's commitment to risk management is strongly demonstrated by the Risk Oversight Committee's (ROC) close monitoring of the company's risks and the implementation of the corresponding mitigation strategies. The ROC is headed by an Independent Director with its members composed of three (3) other Independent Directors, the Chief Risk Officer, and members of the Executive Committee. The Committee oversees the enterprise risk management framework that employs a comprehensive and integrated approach to risk management process of identifying, assessing, monitoring, and managing risks in business activities. CLI's risk management structure is built around three main components: governance, people, and processes.

Enterprise Risk Management (ERM) is headed by the Chief Risk Officer (CRO), who is responsible for analyzing and mitigating risks that could impede the achievement of the organization's goals. The CRO leads the formulation of risk management policies, methodologies, and metrics in alignment with the overall business strategy. In a dynamic business environment, the CRO proactively manages the risks to address the impact brought by the change in the organization's operating requirements. Alongside risk strategies implementation, the CRO ensures that the risk-aware culture is maintained by facilitating across-the-board learning programs, benchmarking and promoting best practices.

At the management level, a Risk Steering Committee was established to facilitate an open and transparent interaction and communication among the heads of different departments and strategic business units in defining aspects related to the identification, analysis, evaluation, and treatment of strategic, operational, and project risks the business is exposed to. The department heads are responsible for managing the operational risks, ensuring that mitigation strategies are implemented and internal controls are effective. The committee meets every quarter to assess the effectiveness of the risk mitigation strategies for identified risks and potential shifts in the operating environment that give rise to new risks.

The Risk Oversight Committee (ROC) meets quarterly where the CRO presents the status of risk management, risk mitigation plans, emerging risks, and other risk related topics that can potentially affect the business operations.



INTEGRATION AND COLLABORATION OF ENTERPRISE RISK MANAGEMENT AND INTERNAL AUDIT

Governance, as a major component in CLI's risk management structure, requires a tight relationship between internal audit and risk management. The integration and collaboration of ERM and internal audit help improve risk management at all levels while providing greater assurance to the company's stakeholders. Internal Audit partners with ERM to ensure that there is a clear focus on assuring the most critical risks faced by the organization while supporting the efficient and effective use of resources. The group implements a risk-based audit strategy to achieve the best outcome from this integrated and collaborative approach. It also works closely with Compliance, IT, and other assurance functions to ensure there is a consistent understanding of and approach to the risk management framework.

This collaborative approach is consistently encouraged by the Risk Oversight Committee (ROC) as it significantly improves the communication flow and transparency among different functional teams. Thus, the effort to promote and maintain a risk-aware culture is not concentrated on the Executives, ERM, or Internal Audit but is taken as a shared responsibility among the organization's leaders.

Awareness of the risk management goals leads to a better understanding of the impact and the likelihood of the risks that can potentially derail or affect the organization's ability to achieve its strategic objectives. Given the growing complexity of the organization's dynamic needs, integration and collaboration will empower it to manage risks better and be well prepared to survive and thrive in this fast-paced real estate environment.

KEY ENTERPRISE RISKS

CLI is cognizant of the increasing operational risks as the organization expands its presence by building new projects across Visayas and Mindanao. While operational risks may be similar from project to project, the differences are apparent in its intensity and impact in every location. Operational risks in this context include project delays, contractor performance, supply chain, inefficiencies, quality concerns, and the like. Taking into account the uniqueness of each location, CLI endeavors to limit the impact of these risks by going through the risk management exercise of identifying, assessing, planning, implementing mitigation strategies, and monitoring the outcome. The performance of the exercise is reiterative as it is expected that new and relevant risks will emerge in the entire duration of the project.

The Board consistently emphasizes the importance of compliance with regulatory laws and regulations for continuous and smooth business operations. It also urges teams and departments to keep abreast of the latest updates and changes in laws and regulations to ensure that the organization can comply on time. The complex system of laws, rules, and regulations, coupled with the absence of a unified system among government agencies, is a challenge for CLI due to its multi-location projects and business sites. However, the Compliance team and the relevant departments keep a close monitoring on any new or change in laws and regulations for both local and national, particularly related to taxation, project pre-development, development, and post-development requirements, building codes, AMLA, buyer protection laws like Maceda law and other real estate related laws and regulations. Moreover, awareness of laws and regulations is promoted through various channels such as awareness sessions, email blasts, internal memos, and focus group discussions.

CLI's financial risks specifically revolve around interest rates and the conversion of projects to actual cash. To manage the interest rate fluctuations, CLI loans are fixed interest rate loans to protect the company against the effects of changes in interest rates. Moreover, it endeavors to complete the projects based on a schedule to ensure the organization can convert the projects into cash and pay its financial bank obligations on schedule. To further emphasize the importance of completing the projects on time, the construction teams from different locations were gathered in one place for a Construction Summit on top of their regular alignments and trainings. The summit highlights the CLI's whole business process, the interdependencies among teams, and the main keys to achieving corporate goals.

The organizational risk context is mainly on organizational structure and culture. With the fast-paced and fast-growth environment of CLI, keeping and attracting the right talents are key to the consistent performance and delivery of commitments across all project sites, managed properties, and corporate offices. Strategies, policies, and procedures are in place to manage this risk, and these are regularly reviewed for continuous improvement. Setting clear policies and procedures creates a culture of clarity, transparency, and empowerment among leaders and team members.

CLI prioritizes safety and security and always considers the environmental implications of its projects in all locations. The company has a Safety team that conducts safety and security audits in all its properties. This gives the Company assurance that risks are identified and adequately mitigated, and where areas for improvement are identified, appropriate actions are taken.

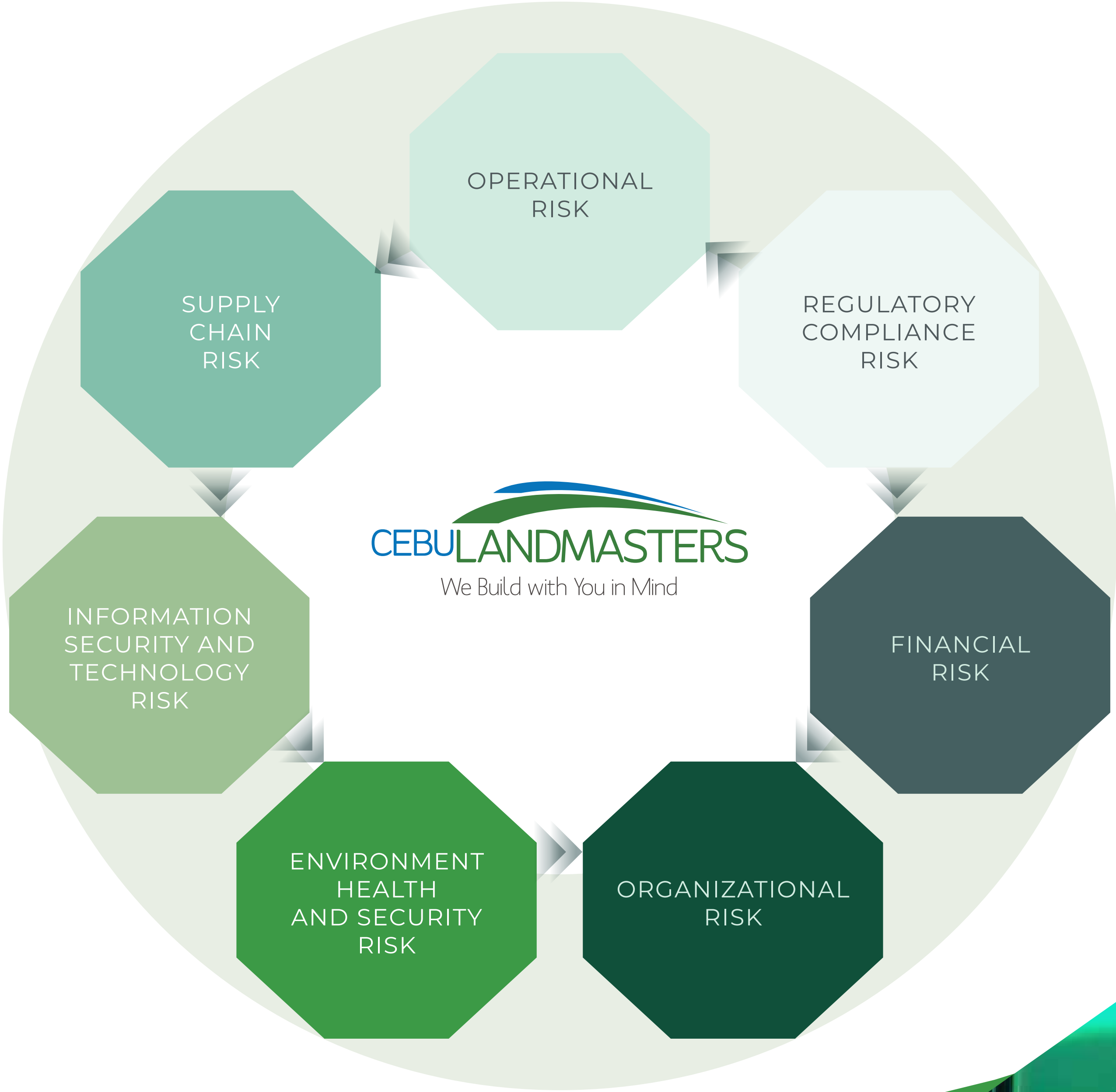
A Business Continuity Team has been established along with a Disaster Risk Reduction and Management Policy and procedures to ensure that the organization is ready to respond to any environmental eventualities. As a risk mitigation strategy, CLI partners with insurance companies for insurance coverage of all properties, both ongoing construction and completed projects. To ensure appropriate insurance coverage, a risk assessment is conducted and considered in the insurance policy of each property.

Incorporating digital innovations into risk management processes enables CLI to enhance responsiveness in the face of rapidly evolving threats and challenges. Through advanced data analytics and the implementation of the Digitalization Strategic Roadmap, CLI aims to automate manual transactions, enabling real-time reporting to enhance the Company's efficiency. Furthermore, digital solutions streamline risk management workflows, improving efficiency and reducing human error.

As CLI embraces digital transformation as a long-term business strategy, it recognizes its increasing reliance on cloud services providers (CSPs), online tools and applications, gadgets and other technology tools in the conduct of business. Conscious of technology benefits and risks, CLI formed an Information Security Management (ISM) Team and appointed a Data Protection Officer (DPO) to safeguard its information assets through appropriate risk assessment and mitigation planning.

The ISM Team, led by the DPO, performs security risk assessments, promotes information security practices, develops information security policies and procedures, and conducts training or learning sessions periodically. It works closely with ERM to align mitigation plans considering the inter-relationship of risks and mitigation requirements. The information security manager, together with the CRO, reports to the Risk Oversight Committee on the status of information security management initiatives and updates, including emerging risks that may significantly impact the company's systems and processes.

CLI's goal of a risk-aware culture is a continual effort as new members join the company from time to time. Existing risks evolve as the business continues to grow, demanding attention and new mitigation strategies. On the other hand, the company is on the lookout for emerging risks that might appear irrelevant at the onset but could eventually become a significant factor in major business decisions.



DATA PRIVACY

CLI improved its Data Privacy Policy by reviewing and reinforcing physical, technical, and organizational protection measures.

Key highlights from this review include:

- Privacy Statements and Notices
- Consent from CLI Data Subjects
- Employee Awareness Campaigns
- Non-Disclosure and/or Data Sharing Agreements
- Privacy Impact Assessments
- Data Management Policies
- Information Security Policies and Programs
  - Firewalls, Encryption
  - User Access
  - Physical Security
  - Breach Management Policy
  - Disaster Recovery Plan and Procedures

2023 CORPORATE GOVERNANCE HIGHLIGHTS

In 2023, coinciding with its 20th year anniversary, CLI received several organizational awards and accolades. Additionally, members of its executive team were honored with prestigious individual recognitions from esteemed governing bodies. These individual achievements are a testament to the quality of leadership in CLI and its outstanding culture of governance and professionalism, which ultimately contribute to the organization's success.

CLI's unwavering commitment to exemplary corporate governance is a testament to its position as the leading developer in VisMin. The company's dedicated efforts in refining strategies, embracing technological advancements, and fostering a culture of excellence have placed it at the forefront of the region's development landscape. CLI's unwavering dedication to surpassing benchmarks and setting new industry standards is ingrained in its ethos, driving its pursuit to become the unquestionable leader in the VisMin region's real estate development industry.

INTEGRATED REPORT 2023

CLI RECEIVES BRONZE STEVIE RECOGNITION AND COMMUNITY INITIATIVE AWARD

During the 2023 Asia-Pacific Stevie Awards, CLI earned recognition as a Bronze Stevie Winner for Innovative Achievement in Corporate Social Responsibility. This acknowledgment highlights the Company's unwavering dedication to sustainability and its exceptional efforts to enhance the environment and society.

Furthermore, CLI was honored with the Community Initiative Award from the Asia Corporate Excellence & Sustainability Awards (ACES 2023), which acknowledges the organization's leadership and sustainability initiatives throughout the industry and Asia.

CLI's vision transcends current achievements. The Company maintains a steadfast commitment to expansion and innovation. Its robust growth strategies aim to solidify its market leadership further, cultivate strategic partnerships, and explore new avenues for sustainable development and community enhancement.

CLI RECEIVES FIRST-EVER GOLDEN ARROW RECOGNITION; ENHANCING CORPORATE GOVERNANCE RATING

CLI's dedication to improving its corporate governance has been unwavering. The Company has consistently implemented measures to enhance compliance reporting and public disclosures, ensuring that it aligns with regulatory requirements and recommended best practices.

In 2023, CLI's efforts in this area were recognized, with the Company receiving its first-ever Golden Arrows, specifically a 2-Golden Arrow Recognition, on 28 September 2023. The prestigious Golden Arrow Awards are conferred by the Institute of Corporate Directors (ICD) in partnership with the Securities and Exchange Commission (SEC) to the top publicly listed companies in the Philippines based on the ASEAN Corporate Governance Scorecard.

CLI's ACGS performance has shown significant growth and improvement, with the Company receiving a total score of 95.43 points in the recent assessment conducted by the ICD. This score represents a robust 20.77% increase from the previous year and a remarkable 42.43% year-over-year increase from two years prior.

CLI's ACGS performance surpasses industry standards, with the Company scoring well above the average of 76.64 points for the 273 publicly listed companies in the Philippines. The property sector, in particular, received an average score of 63.34 points.

2023 REAL ESTATE PERSONALITY OF THE YEAR

CLI Chairman & CEO Jose R. Soberano III was recognized as the 2023 Real Estate Personality of the Year at the 11th PropertyGuru Philippine Property Awards. This prestigious award is a testament to his significant impact and contributions to the Philippine real estate sector.

Chairman Joe Soberano is recognized as a real estate luminary by his peers and contemporaries. Under his leadership, CLI has achieved remarkable milestones and received numerous accolades, including Best Developer of the Philippines in 2019, Best Developer in Visayas and Mindanao in 2021 and 2022, and Best Developer in Mindanao in 2023.

Industry experts have acknowledged CLI's unwavering commitment to excellence and innovation, as proven by the independent study conducted by Colliers International in 2023. The study reaffirmed CLI's leading position in the VisMin residential market, with the largest market share among real estate firms and a 23% overall residential share in net take-up value. This dominance in key VisMin cities is a testament to the utmost consumer confidence and recognition in the market.

2023 MANSMITH YOUNG MARKET MASTERS AWARDS

Joanna Marie Soberano-Bergundthal, Senior Vice President of Marketing and Human Resources at CLI, has been awarded the Mansmith Young Market Masters Awards (YMMA) for 2023. She is the first person to receive this award from Mansmith for Real Estate Marketing.

Senior VP Joanna Marie Bergundthal is a trailblazer in the real estate industry, having established the company's marketing function from ground up. Through her leadership, Joie developed and implemented various breakthrough marketing strategies and milestone programs for CLI. She also heads CLI's marketing team, which has been recognized as best-in-class nationally. SVP Joanna Marie Bergundthal holds a Bachelor's and a Master's degree in Communication, with a major in Integrated Marketing Communication, from the University of Asia and the Pacific. She was the top student in her batch of 2008. Before joining CLI, she worked in various roles at Nestlé, including Marketing Manager for the Global Team based in the company's headquarters in Vevey, Switzerland, and Marketing Manager in Thailand and the Philippines.

DISCLOSURE AND TRANSPARENCY

The CLI Board upholds corporate disclosure policies and procedures aligned with best practices and regulatory standards.

All material information concerning CLI that could impact its viability or the interests of its stockholders and stakeholders is promptly and publicly disclosed. This includes earnings results, significant acquisitions or dispositions of assets, off-balance sheet transactions, related-party dealings, and compensation details for Board and Management members. Such disclosures are made through CLI's PSE EDGE link/ portal and/or submitted to the SEC.

The Board is steadfast in its commitment to transparently communicate material information, including dealings in CLI's shares and any significant developments such as asset transactions or material nonfinancial and sustainability matters. All required disclosures are promptly filed and submitted through CLI's PSE EDGE portal and/or to the SEC, ensuring transparency for stockholders and stakeholders.

CLI maintains effective and cost-efficient communication channels for disseminating relevant information. This includes investor, analyst, and media briefings conducted via teleconference, videoconference, or in-person meetings. CLI regularly engages with the media through press conferences, briefings, news releases, tours, and social events. Key executives such as the CEO, COO, CFO, and senior managers meet with institutional investors and analysts through pre-arranged seminars or conferences. Additionally, CLI organizes regular investors, analysts, and media tours to showcase the progress of its properties. The company publishes regular e-newsletters to update analysts on its performance and progress. Furthermore, annual, quarterly, and current reports are uploaded to CLI's website and its PSE EDGE portal for accessibility.

The following is a summary list of CLI's analyst and media briefings conducted in 2023:

DESCRIPTION	DATE
PSE LIST Masterclass	02 March 2023
FY 2022 Investors' and Analysts' Briefing	13 April 2023
Q1 2023 Investors' and Analysts' Briefing	3 May 2023
Q1 2023 PSE Star Event	9 May 2023
H1 2023 Investors' and Analysts' Briefing	10 August 2023
AUB Economic Briefing	01 September 2023
CREBA CEO Forum	28 September 2023
SHDA 31st National Developers Convention	05-06 October 2023
(CLI) Embracing the IPO Mindset Project Briefing	06 October 2023
9M 2023 Investors' and Analysts' Briefing	14 November 2023
9M 2023 PSE Star Event	16 November 2023

In its annual report (SEC Form 17-A), CLI discloses the ownership interests of its controlling shareholders and the level of ownership concentration.

The CLI Group's map is attached in the "Report of Independent Auditors to Accompany Supplemental Information Required by the SEC filed separately from the basic Consolidated Financial Statements". This map details the cross holdings among company affiliates and illustrates the relationship between CLI and its related entities. The report and the CLI Group's map are attached to the Annual Report (SEC Form 17-A).

There are no disparities between the controlling shareholders' voting power and overall equity position in CLI. Each holder of CLI shares is entitled to one (1) vote for every share following Section 7, Article III of CLI's By-laws, as amended.

CLI also discloses the trading of its shares by directors, key officers, and controlling shareholders, as well as the shareholdings of directors, management, and Top 100 shareholders. Additionally, CLI discloses any purchases of its shares from the market as part of its share buy-back program.

INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT FUNCTIONS

Through its Internal Audit (IA) Department, CLI maintains a "Quality Assurance and Improvement Program" covering all facets of its departmental operations. This program evaluates the IA Department's adherence to standards and ensures internal auditors uphold the Institute of Internal Auditors' (IIA) Code of Ethics. Additionally, it assesses the department's efficiency and effectiveness and identifies areas for enhancement.

Under the oversight of the Audit Committee, the IA Department routinely reviews and assesses the sufficiency and effectiveness of CLI's internal control system.

In CY 2023, Marjorie Jane C. Sistual serves as the ex officio Chief Audit Executive, bringing over fifteen (15) years of internal audit experience to the role. Before joining CLI, Sistual held leadership positions at Waterfront Cebu City Hotel & Casino and Moore Stephens Ltd in Singapore, gaining extensive experience across diverse industries. Her responsibilities are outlined in the IA Charter, and any appointment or removal of the IA Head requires CLI's Audit Committee approval.

The CLI Board consistently evaluates its material controls, encompassing operational, financial, and compliance controls and risk management systems. The CLI Board and its Audit Committee affirm the adequacy of the Company's internal control and risk management systems.

WHISTLE-BLOWING POLICY

In alignment with CLI's corporate values and commitment to maintaining the highest standards of integrity and ethics, and to encourage a culture of transparency and accountability free from fear of reprisals, the Company has established its whistle-blowing policy ("CLI Whistle-Blowing Policy" or the "Policy").

CLI's Whistle-Blowing Policy outlines clear procedures for reporting actual or suspected misconduct, malpractice, unlawful actions or omissions, and violations of company policies. Its objective is to ensure that whistleblowers are shielded from any form of retaliation. The Policy enhances CLI's internal feedback mechanism and guarantees that concerns are thoroughly and impartially investigated.

CLI's Whistle-Blowing Policy covers all CLI employees, regardless of rank or position, members of the Board of Directors and its committees, suppliers, contractors, customers, and all other stakeholders. Employees are granted direct access to a dedicated unit responsible for implementing the Policy, CLI's Whistle-blowing Committee.

CLI's Whistle-blowing Committee comprises the CEO and senior officers from HR, Legal, Internal Audit, and Risk Management.

To ensure confidentiality and provide a channel for anonymous reporting, CLI has established an online form ("Whistle-blower Reporting Form") where stakeholders can lodge their complaints. All disclosures and reports submitted via the Whistle-blower Reporting Form remain confidential and accessible only to CLI's Whistle-blowing Committee. The Committee ensures that the whistleblower's identity remains confidential unless disclosing it to law enforcement or state authorities is indispensable. Otherwise, the whistleblower's identity is disclosed only with their consent.

CLI's Whistle-Blowing Policy also includes provisions for Protection from Retaliation. Under this provision, CLI guarantees the protection of all whistleblowers from retaliation or retribution, including discrimination, harassment, intimidation, or adverse personnel actions by directors, executives, supervisors, or employees. Any individual retaliating against a whistleblower reporting an event in good faith is subject to appropriate disciplinary action. Members of the Whistle-blowing Committee who are the subject of whistle-blowing complaints must recuse themselves from the proceedings. In such cases, their replacements are appointed by the CLI Board or Top Management, depending on the individuals involved in the complaint.

APPENDICES

2023 STAKEHOLDER ENGAGEMENT

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
EMPLOYEES: Direct CLI hires, CLI's important resource to achieve the Company's goals	» Townhall meetings » Training programs » Employee engagement activities » Gender-targeted programs » Employee volunteer program » Email blasts » Workplace posts/chats	» Manpower Request (additional headcount to support expansion) » Enhanced compensation and benefits » Health and Well-being programs » HMO benefits package upgrade » Training and organizational development » A more enhanced employee engagement program	» Wellness and work-life balance » Personal and corporate sustainability » Better workplace conditions » More spaces for collaboration and interaction » Age-targeted programs » Retirement readiness plans
	How We Respond		
	TALENT ACQUISITION » Employer Branding Enhanced » CLI Career Pages, Employee Testimonial videos, Referral Program » 2023 Internship Program: Ateneo, University of Cebu, CITU, UC, USC, UP **COMP & BEN** » Benchmarking: Towers Watson Salary Survey » Creation of a Comp&Ben Helpdesk » Improved HRIS: Employee profile/records management, payroll etc. » Planning for benefits review **CAREER DEVELOPMENT** » 100% Career CLIpboard compliance for all regular employees » Internal Mobility Program for internal job opportunities » Start of Talent Management/Talent Identification and Succession (ongoing/continuing) **TRAININGS** » SBU Academy Batch 3; Planning for Real Estate 101 for all CLI (to be implemented in 2024) » The Art Of Compelling Presentations: Exclusive for SBU Academy graduates » The HR Role of People Managers **EMPLOYEE ENGAGEMENT** » Health and Wellness Program » Additional Hilig Clubs (3): Outdoor Club. Volleyball & Badminton. Martial Arts » Town Halls, International Women's Month, 2023 Summer Outing, Employee Appreciation Day, Halloween Event » Opportunity for community engagement and ecosystems awareness through the employee volunteer program Formation of various cross-functional committees in the areas of disaster management, occupational health and safety Continuing learning and work sessions on sustainability themes and topics		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
EMPLOYEES: Indirect hires (employees of contractors)	» Regular project meetings » Regular toolbox meetings » Safety checks and drills » Mandatory safety awareness orientations	» Workforce Safety » On-time release of workforce compensation	» Continuing response/ assistance in cases of disasters
	How We Respond		
	Regular coordination with contractors Development of Health, Environment and Safety Management System: Safety guidelines, procedures and forms On contractors' workforce Health and Safety, the following training sessions are conducted by CLI's Safety Team: 1. First Aid Training 2. Fire Safety 3. Emergency Response Training 4. Mandatory 8-hour Safety Orientation 5. Health, Environment and Safety Awareness Trainings 6. Orientation/cascading of HES guidelines, procedures and forms for implementation 7. Housekeeping/5S guidelines and adherence checks 8. Drills: ERT and Medical emergency drills Daily toolbox meetings 9. HES Risk Management Training 10. Flagman Safety Training 11. Gondola Safety and Body Harness Inspection Training		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
CUSTOMERS: End users of products (Homeowners Associations / Condominium Corporations)	» Annual general meetings » Town hall meetings » Board meetings, unit inspections Virtual/digital channels: » Facebook pages » Group chats » Trainings/seminars/ learning sessions	» Ease in transacting payments (monthly dues) » Efficiency of utilities/water and power supply » Warranty service requests » Availability of Amenities » Operational Equipment	» Upkeep and maintenance of property » Security, safety and emergency response » Digital transformation » Other payment platforms - GCash, BPI billers » Community Culture Development and Community Development Activities (fiesta, Halloween, Christmas, Sports Leagues, etc)
	How We Respond		
	» Regular engagement with HOAs through GMMs and Town Hall Meetings » Time-bound response to concerns / complaints » Time-bound issuance of billing statements and other documents » Creation of Committees » Issuance of circular and community updates » Process digitalization on vertical projects (residential towers) implemented » Ongoing of process digitalization for horizontal projects (phase 1) » Planned Preventive Maintenance Program (52 Weeks Plan)		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
CUSTOMERS: Sellers/Buyers	Virtual/Digital Channels: » Facebook pages » Online Reservation Process » Group Chats Buy-A-Home microsite to provide sales partners quick access to new project inventories and promotions; » Masters Portal application for homeowners to track their payment status and to get CLI construction updates and promos » Facebook chatbot for 24/7 response to general inquiries » Online Reservation Process » CLI Elite Circle: Buyers' Rewards and Loyalty Program » Online Homefest » Flagship Sales Office Opening and New Features: Digital /Queuing System, Ticketing General Queries Counter, Interactive screens » Virtual Launches/Events » Virtual Turn over Experience » Dedicated Hotline and Email Addresses	» Enhancement of Communication Channels » Enhancement of sellers rewards and recognition initiatives » Sellers' accreditation support » Product differentiation across brands that has impact on pricing » Time- bound response to inquiries » Time-bound issuance of commissions and resolution of other concerns (sellers) » Accuracy and timeliness of customer's records (SOA, BS and Receipts) provided within an acceptable turnaround time » Timeliness in release of Transfer Certificate of Titles (TCTs), Tax Declarations and other documents	» Continuing rewards/ loyalty incentives » Full automation of IT systems in order to provide real-time status of customers' accounts

How We Respond

CLI MASTERS CIRCLE: Launched in March 2023 » 66 Master Circle/Top Sellers all over VisMin » Benefits: Exclusive Perks and Services **CLI AT 20 YEARS (#CLI20) CAMPAIGN:** » Media Amplification » Digital Engagement » Outdoor Advertising » Internal Collaterals » Events (CLI Town hall, CLI Run, Night of the Masters) **WEBSITE REVAMP: End-2023** » Development of website design and back-end work **SELLERS' MODULES:** » Approved accreditation policy and process - submitted to PRC during the inspection. Awaiting PRC release of 3 year compliant certificate	**MASTERS ASSEMBLY IN LUZON (ACCREDITATION EVENT)** » Initial kick-off of accreditation during the CREBA 3-day exhibit in Manila » Aggressive network building and cross selling in areas with projected future developments **Other customer engagement platforms:** » Online customer satisfaction survey » 360-degree tour of model units of horizontal and vertical developments » End to End Buyer's Journey: Defined contribution from other department following the closing of sale (for review and approval) » Promotional offers, and various payment terms and discounts	**Other regular channels - customer feedback is captured through the following channels:** » Online platforms: Sellers' portals, chat groups, email blasts, social media sites, customer care, exhibits, site trips, online turn over; dedicated hotline and email addresses » Online Homefest » Flagship sales office opening and new Features: Digital/queuing system, Ticketing general queries counter, interactive screens » Product knowledge seminars » CLI Elite Circle: Buyers' Rewards and Loyalty Program » On-time issuance of commissions for sellers » Improving seller competency through seminar series » Enhanced billing statements and reports » Auto-notification on Payment Reminders and Missed Payments

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
CUSTOMERS: Office and Retail space lessees/ end users of leased products	» Virtual/digital channels: Facebook page	» On-time completion of construction of leasing products » On-time turnover of office/retail space (for fit out) » Time- bound response to inquiries, complaints and release of billings (utilities and monthly charges) » Safety » Reliable maintenance of utilities (i.e. water and electricity)	» Disaster readiness and response » Future partnerships and collaboration

How We Respond

» Regular coordination and gathering of feedback through CLI Property Management

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
SUPPLIERS AND CONTRACTORS	» Supplier/Contractor accreditation process, bidding & negotiation, selection & awarding, delivery & execution, and billing process	Suppliers: » Timely release of payments as per agreed terms » Better payment terms Contractors: » Concern on cash flow vis a vis schedule of payments » Continuing employment » Health and safety » Proper timing of award of prerequisite contracts	» Equality and fair bidding process » Equal opportunities for local contractors » Identify and develop sustainable water sources » Resource conservation

How We Respond

» Enhancement on the billing process
» Enhancement of supplier /contractor selection and evaluation process
» Award interdependent contracts on time

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
JV PARTNERS	» Formal and casual meetings; project site visits » Emails	» Return on Investment	» Development Timelines
	How We Respond		
	» Completeness in finance updates during board meetings		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
INDIVIDUAL/ INSTITUTIONAL SHAREHOLDERS/ INVESTORS Protect the interests of shareholders by increasing shareholder value; continue our position as an excellent investment vehicle	» Shareholder inquiries and updates through » PSE EDGE filings for real time disclosures, "Maestro" newsletter for monthly updates, investor engagements through one-on-one meetings, non-deal local and international roadshows, report of company performance through quarterly analyst briefings, stockholders' meetings and annual reports	» Knowledge on company financial and operational performance and updates » Increased investment opportunities » Future returns	» Financial and operational performance and updates » Market price appreciation » Dividends » ESG performance » CLI's sustainability commitment and management approach
	How We Respond		
	» Transparency in performance updates and future plans » Ensuring sustainable company growth and expansion » Growing shareholder value » Declaration of dividends » Communication of Environmental, Social and Governance (ESG)/sustainability performance » Conduct of Investors' briefing in Outside Cebu (Held the Investors' and Analysts' briefing at Ascott BGC (Taguig) in April 2023)		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
REGULATORS: SEC, PSE, BIR, DHSUD, AMLC (among other government agencies and regulators) Compliance with regulatory requirements and serve as trusted partner to assure all stakeholders of CLI's exemplary corporate governance	» Inquiries and correspondence by and between CLI and the various government regulators, whether in person (meetings; dialogues) or in writing (e-mails; formal letter correspondence) » Discussions and coordination with IPA regulators for registration of projects and availment of fiscal and non-fiscal incentives. » Attendance and participation in government-initiated training sessions. » Submission of reports, disclosures and other documentary requirements. » Visits to government offices for submission of compliance requirements. » Payment of taxes, business permits and licenses, » Property visits for inspection by government officers.	» Integrity and accuracy of documentary submissions, reports, and disclosures. » Submission of reportorial requirements within the deadline and through the proper modes or channels set by the regulators (various government portals; e-mails; hard copy submissions). » Coordination and cooperation with the government regulators in case of inquiries or conduct of government audits. » Compliance with all relevant laws and regulations.	» Beyond compliance on economic, social and environmental regulations/disclosure requirements » Continuing support and involvement of the private sector in government-initiated programs for the community particularly those that address the needs of the bottom-of-the-pyramid segment of society
	How We Respond		
	» Proactive and extensive monitoring, review, evaluation, and compliance with all the relevant laws, rules and regulations, and government issuances of regulatory agencies. » CLI, its directors and key officers continue to keep themselves abreast of relevant laws, regulations, and industry developments. In keeping thereto, CLI adheres to its training policy and program, including the attendance of directors and key officers in annual corporate governance training. » CLI ensures the proper review and evaluation of information and documents before submission to regulators. » CLI ensures the faithful, transparent, and timely submission of disclosures and reports to the appropriate government regulators. » Close coordination and cooperation with the regulators, ensuring open lines of communication, and timeliness in responding to their request for documents and information. CLI emphasizes that it will continue to be an exemplary corporate citizen and trusted partner of the government and the society in general. » Prompt and accurate payment of taxes and regulatory fees.		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
LGUs AND LOCAL COMMUNITIES as partners in socialized housing development and community development programs	» Partnerships/co-sponsored events, and regular reviews; neighboring communities as program partners and/or beneficiaries to the company's social development programs. » Continuing pandemic and disaster response in 2023 » Public hearing /consultations » Community needs assessment » Program partnerships on environment, employment, education, capacity building, arts and culture » Meetings/site visits	» Collaboration with the private sector on social and environmental programs for the community particularly beneficiaries of CLI's socialized housing projects » Raising public awareness on relevant environmental and socio-economic issues » Local employment » Increase in LGU/barangay income through permits processing	» More job opportunities for the constituents and local residents. » Livelihood programs for the women organizations in the community » Partnerships and collaboration on environmental programs » Guidance on socialized housing design development, social preparation, human settlement administration and property management » Venue for civic interaction » Increase in barangay income
	How We Respond		
	» Close coordination with LGU on program partnership implementation » Provision of integrated support systems including infrastructure enhancements and upgrades (roads, drainage systems), community facilities, community engagement sessions » Attendance and active participation in LGU-organized meetings and conferences » Lending expertise through work sessions on socialized housing development and management » New engagements with LGU/ Barangays in CLI's new project sites e.g. Palawan, Butuan		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
LOCAL COMMUNITIES: Host, partner or neighboring barangays	» Community organizing activities and needs assessment » Project orientations » Consultations » Program partnerships on environment, employment, education, livelihood	» Local employment » Concerns on access » Livelihood programs » Environmental programs » Skills training program » Supporting small business start-ups in the locality	» Program partnerships » Guidance on social preparation and property management » Implementation of community programs on education, emergency and disaster readiness, livelihood and social preparation for beneficiaries of socialized mid-rise project turned over to LGU
	How We Respond		
	» Community engagement/clarificatory meetings and consultations with various sectors e.g fisherfolks, farmers, women's organizations » Provision/repairs of roads and drainage system » Partnerships with LGUs on various community programs that address community needs » Local employment prioritization		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
CIVIL SOCIETY ORGANIZATIONS: Partner People's Organization, Farmers Association and Cooperatives	» Facebook /Messenger/ Group chats » Project Orientations » Program partnership thru environment rehab, livelihood support » Project Consultation/Updating	» Access to farm produce markets (farm-to-market opportunities) » Sourcing of high value seeds » Local employment » Farm produce processing (Value adding) » Irrigation	» Program partnerships » High value crop production (vegetables and fruits) » Implementation of environment related programs/projects
	How We Respond		
	» PO level engagement/project orientations with members, barangay/municipal LGUs, consultations of the terms of partnerships, MOA signing » Preparation of project action plans » Provision of financial support based on the agreed projects » Providing opportunities to market farmers' produce to CLI and its employees (opportunity to be part of the supply chain) » Monitoring and evaluation		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
PARTNER PEOPLE'S ORGANIZATIONS (POs): Fisherfolks Association	» Facebook Messenger/ Group chats » Orientation Sessions » Program partnership in mangrove rehabilitation » Project Consultation/updating	» Access to markets » Livelihood support » Local employment » Culinary skills enhancement	» Program partnerships » Implementation of mangrove tree growing project
	How We Respond		
	» PO level engagement/project orientations with members, barangay/municipal LGUs, consultations of the terms of partnerships, MOA signing. » Preparation of project action plans » Provision of financial support based on the agreed projects » Monitoring and evaluation		

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
BENEFICIARY ORGANIZATIONS: Women's Orgs, Socialized Housing Beneficiaries	» Facebook Messenger/ Group chats » Orientation Sessions Trainings/Seminars/ Learning Sessions » Consultations/ Updating » Community needs assessment/Community Organizing	» Venue for community meetings and training activities » Access to livelihood opportunities » Access to potential markets	» Emergency and Disaster Ready Community » Guidance on organizational management » Guidance on financial management and self-governance as an organized community

How We Respond

- Regular community engagement
- Livelihood training sessions integrated with CLI's skills-based employee volunteer program (e.g. Accounting Department conducting simple accounting to the women's organization and to community start-ups)
- Providing opportunities to market goods and services to CLI and its employees (opportunity to be part of the supply chain)
- Monitoring and Evaluation

Stakeholder	Channels of Engagement	Expressed Needs	Interest Areas
MEDIA PARTNERS Means of promoting & safeguarding CLI's brand, image and reputation	» Press releases » Conduct of press conferences » Media coverage during Investors & analysts briefings » Interviews with top executives » Advertorials » Project tours	» Sufficient information about CLI's credibility, projects and brands » Availability of company representatives for interview » Usefulness & relevance of information shared » Open communication lines	» Disclosures » Publicity » Advertisement » Announcements » Issues-handling

How We Respond

- Seeding of press releases/Media briefings/regular updates on new projects and developments/ media engagements

ENVIRONMENTAL DATA

MATERIALS

Materials Used (2022–2023)

Year	Materials	Contractor Supplied	Owner Supplied	Total	Variance
2022	Sand (cu.m)	2,070,759.46	NA	2,070,759.46	−▼96.18%
	Gravel (cu.m)	2,155,468.65	NA	2,155,468.65	−▼94.46%
	Cement (kg)	42,554,685.36	98,399,840.00	140,954,525.36	−▼7.81%
	Rebars (kg)	16,437,183.91	31,517,780.00	47,954,963.91	−▼34.16%
	Glass (sq.m)	93,274.00	NA	93,274.00	▲142.59%
2023	Sand (cu.m)	57,665.84	729.87	58,395.71	−▼97.18%
	Gravel (cu.m)	23,007.33	19.50	23,026.83	−▼98.93%
	Cement (kg)	21,664,400.00	96,098,960.00	117,763,360.00	−▼16.45%
	Rebars (kg)	12,359,782.67	29,898,688.59	42,258,471.26	−▼11.88%
	Glass (sq.m)	35,477.03	NA	35,477.03	−▼61.96%
	Limestone (cu.m)	NA	200,000.14	200,000.14	-
	Lumber (bd.ft)	2,353,397.28	5,607.00	2,359,004.28	-

ENERGY

Consolidated Direct and Indirect Energy Consumption (2022–2023), in GJ

Energy Consumed	Activity Source	2022	2023	Variance
Direct Energy	Corporate Offices: Use of fuel for employee shuttle service and company-owned vehicles	1,273.35	NA	-
	Corporate Offices: Use of fuel for other vehicle used for official business trips	453.18	3,907.30	▲762.20%
	Managed Properties	264.13	229.36	−▼13.16%
	Construction sites	96,655.90	48,080.45	−▼50.26%
	Subtotal	**98,646.56**	**52,217.11**	**−▼47.07%**
Indirect Energy	Corporate Offices	1,992.38	2,691.85	▲35.11%
	Managed Properties - Common Areas	10,612.92	11,674.55	▲10.00%
	Construction sites	11,497.61	14,979.76	▲30.29%
	Subtotal	**24,102.91**	**29,346.16**	**▲21.75%**
Total Energy Consumption		**122,749.47**	**81,563.27**	**−▼33.55%**

INTEGRATED REPORT 2023

Direct Energy Consumption (2023) by Department and Activity Source

Activity Source	Consumption in Liters	Consumption in GJ	No. of Offices
Corporate and Branch Offices			
Fuel used for employee shuttle service and company-owned vehicles (Diesel)	NA	NA	0/16
Fuel used for employee shuttle service and company-owned vehicles (Gasoline)	NA	NA	0/16
Fuel used for other vehicles used for official business trips (Diesel)	59,060.49	2,279.73	16/16
Fuel used for other vehicles used for official business trips (Gasoline)	47,589.57	1,627.56	16/16
Total	**106,650.06**	**3,907.30**	
Managed Properties			
Fuel used for Gensets (Diesel)	5,941.99	229.36	17/26
Fuel used for other vehicles used for official business trips (Diesel)	NA	NA	0/26
Fuel used for other vehicles used for official business trips (Gasoline)	NA	NA	0/26
Total	**5,941.99**	**229.36**	
Construction Sites			
Gasoline	83,270.42	2,847.85	14/33
Diesel	1,171,829.07	45,232.60	27/33
Total	**1,255,099.49**	**48,080.45**	

Direct Energy Consumption of Corporate and Office Branches (2022–2023)

Activity Source	in liters		Variance	in GJ		Variance
	2022	2023		2022	2023	
Fuel used for employee shuttle service	33,482.22	NA	-	1,247.75	NA	-
Fuel used for CLI-owned vehicles and other vehicles used for official business trips	12,321.69	106,650.06	▲765.55%	453.18	3,907.30	▲762.20%
Total	**45,803.91**	**106,650.06**		**1,700.93**	**3,907.30**	

Direct Energy Consumption of Managed Properties (2022–2023), in L fuel

Properties	2022	2023	Variance	Notes
Horizontal				
Casa Mira Bacolod*	NA	240.00	-	
Casa Mira Coast	NA	No Data	-	
Casa Mira Iloilo*	NA	0.00	-	a
Casa Mira Linao	0.00	0.00	-	b
Casa Mira South	36.00	NA	-	a
Midori Plains	36.00	240.00	▲567%	
San Josemaria Village Balamban & Villa Casita Balamban	54.00	No Data	-	
San Josemaria Village Minglanilla	36.00	0.00	−▼100%	b
San Josemaria Village Talisay	30.00	No Data	-	
San Josemaria Village Toledo	30.00	No Data	-	
Velmiro Heights Minglanilla	36.00	No Data	-	
Velmiro Plains Bacolod*	NA	240.00	-	
Velmiro Uptown CDO*	NA	0.00	-	
Villa Casita North	NA	0.00	-	
Subtotal	**258.00**	**720.00**	**▲179%**	
Vertical				
38 Park Avenue	NA	No Data	-	
Asia Premiere Residences	192.00	140.00	−▼27%	c
Base Line Center	1,005.00	0.00	−▼100%	
Base Line Residences	120.00	706.10	▲488%	
Casa Mira Towers Labangon	2,092.10	512.00	−▼76%	
Latitude Corporate Center	1,800.00	217.44	−▼88%	
Mesatierra	240.00	2,304.00	▲860%	
Mesaverte	181.00	520.00	▲187%	
Mesavirre	NA	No Data	-	
Midori Residences	72.61	72.00	−▼1%	
Mivesa Garden Residences	694.83	610.45	−▼12%	
Park Centrale	187.20	140.00	−▼25%	c
Subtotal	**6,584.74**	**5,221.99**	**−▼21%**	
Total	**6,842.74**	**5,941.99**	**−▼13%**	

Note: In managed properties, direct energy consumption occurs through the use of fuel for generator sets.
** Properties newly turned-over to CLI PM*
a Property does not have a generator set.
b Generator set was not used since no power outage occurred in the municipality in 2023.
c There was no long power outage that required the use of the generator set. Weekly test runs were conducted, which consumed a trivial amount of fuel.

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Direct Energy Consumption of Construction Sites (2022–2023), in L fuel

Properties	2022	2023	Variance	Notes
Bohol	**8,666.00**	**29,784.00**	**▲244%**	
Velmiro Greens Bohol	8,666.00	26,699.00	▲208%	
Velmiro Greens Bohol - Phase 2*		3,085.00	-	
Cebu	**1,513,574.51**	**633,021.49**	**–▼58%**	
38 Park	13,526.53	11,000.00	–▼19%	
Abaca Resort Mactan	105,335.78	34,738.00	–▼67%	
Astra Centre	10,453.00	76,649.00	▲633%	
Banilad High Street	23,600.92	6,355.00	–▼73%	
Baseline Center	0.00	5,044.00	-	a
Baseline Center Prestige	0.00	0.00	-	b
Casa Mira Linao Ph3	4,242.00	14,830.22	▲250%	
Casa Mira South (ph3a, 3b, 4a, 4b)	124,080.00	50,590.00	–▼59%	
Casa Mira Towers Guadalupe	0.00	0.00	-	c
Casa Mira Towers Mandaue	58,945.17	26,948.58	–▼54%	
Costa Mira Beachtown	16,508.00	58,761.00	▲256%	
Lorega Tenement Housing	66,450.00	NA	-	d
Magspeak Nature Park	199,800.00	580.00	–▼100%	
Mandtra Residences	100,610.77	68,179.29	–▼32%	
Masters Tower	132,577.00	126,312.00	–▼5%	
Mivela Garden Residences	55,527.34	2,472.40	–▼96%	
Patria de Cebu	601,678.00	135,875.00	–▼77%	
Tipolo Residences (Tenement Housing)*	NA	14,687.00	-	e
Velmiro Heights Minglanilla	240.00	Turned-Over	-	
Davao del Sur	**373,999.00**	**260,461.00**	**–▼30%**	
Casa Mira Towers Davao (LPU)	87,440.00	32,106.00	–▼63%	
Davao Global Township (DGT)	189,114.00	228,355.00	▲21%	
Mesatiera Garden Residences	0.00	Turned-Over	-	
Paragon Davao	97,445.00	No data	-	
Iloilo	**106,106.00**	**96,720.00**	**–▼9%**	
Casa Mira Iloilo	106,106.00	96,720.00	–▼9%	
Terranza Residences	0.00	0.00	-	f
Leyte	**72,121.00**	**32,970.00**	**–▼54%**	
Casa Mira Homes Ormoc	72,121.00	32,970.00	–▼54%	
Misamis Oriental	**92,740.00**	**64,009.00**	**–▼31%**	
Casa Mira Towers CDO	92,740.00	57,100.00	–▼38%	
Velmiro Heights CDO	0.00	6,909.00	-	
Velmiro Uptown CDO	0.00	Turned-Over	-	
Negros Occidental	**297,762.00**	**15,254.00**	**–▼95%**	
Casa Mira Bacolod	114,780.00	5,807.00	–▼95%	
Casa Mira Towers Bacolod	44,353.00	0.00	–▼100%	
Citadines Bacolod	18,869.00	3,640.00	–▼81%	
Mesavirre Garden Residences	0.00	No data	-	
Velmiro Plains Bacolod	119,760.00	5,807.00	–▼95%	
Negros Oriental	**61,440.00**	**122,880.00**	**▲100%**	
Casa Mira Coast	No data	Turned-Over to PM	-	
Casa Mira Homes Dumaguete	61,440.00	122,880.00	▲100%	
Palawan		**0.00**	**-**	
Casa Mira Towers - Palawan*	NA	0.00	-	e
Total	**2,526,408.51**	**1,255,099.49**	**–▼50%**	

** New construction projects*
a Operations started 2022 but 0 consumption
b Shifted to purchased electricity
c Turned-over to CLI PM
d Turned-over to Cebu City Government
e Project started in 2023
f Construction resumed in 2024

Direct Energy Consumption of Construction Sites (2023) by fuel type, in L

Projects	Gas	Diesel
Bohol	**12,806.00**	**16,978.00**
Velmiro Greens Bohol	12,806.00	13,893.00
Velmiro Greens Bohol - Phase 2*	0.00	3,085.00
Cebu	**48,470.42**	**584,551.07**
38 Park	0.00	11,000.00
Abaca Resort Mactan	0.00	34,738.00
Astra Centre	38,692.00	37,957.00
Banilad High Street	0.00	6,355.00
Baseline Center	0.00	5,044.00
Baseline Center Prestige	No data	No data
Casa Mira Linao Ph3	100.00	14,730.22
Casa Mira South (ph3a, 3b, 4a, 4b)	4,152.00	46,438.00
Casa Mira Towers Guadalupe	0.00	0.00
Casa Mira Towers Mandaue	1,195.00	25,753.58
Costa Mira Beachtown	0.00	58,761.00
Magspeak Nature Park	300.00	280.00
Mandtra Residences	957.42	67,221.87
Masters Tower	586.00	125,726.00
Mivela Garden Residences	0.00	2,472.40
Patria de Cebu	2,488.00	133,387.00
Tipolo Residences (Tenement Housing)*	0.00	14,687.00

Projects	Gas	Diesel
Davao del Sur	**11,568.00**	**248,893.00**
Casa Mira Towers Davao (LPU)	0.00	32,106.00
Davao Global Township (DGT)	11,568.00	216,787.00
Paragon Davao	0.00	0.00
Iloilo	**720.00**	**96,000.00**
Casa Mira Iloilo	720.00	96,000.00
Terranza Residences	0.00	0.00
Leyte	**0.00**	**32,970.00**
Casa Mira Homes Ormoc	0.00	32,970.00
Misamis Oriental	**0.00**	**64,009.00**
Casa Mira Towers CDO	0.00	57,100.00
Velmiro Heights CDO	0.00	6,909.00
Negros Occidental	**6,826.00**	**8,428.00**
Casa Mira Bacolod	3,413.00	2,394.00
Casa Mira Towers Bacolod	0.00	0.00
Citadines Bacolod	0.00	3,640.00
Mesavirre Garden Residences	0.00	0.00
Velmiro Plains Bacolod	3,413.00	2,394.00
Negros Oriental	**2,880.00**	**120,000.00**
Casa Mira Homes Dumaguete	2,880.00	120,000.00
Palawan	**0.00**	**0.00**
Casa Mira Towers - Palawan*	0.00	0.00
Total	**83,270.42**	**1,171,829.07**

** New construction projects*

INTEGRATED REPORT 2023

Renewable Energy Consumption (2023)

Properties	Installation Date	No. of Lights	Consumption in Watts	Hours Usage	No. of Days in 2023	Total Consumption in Watts	Equivalent in kWh
Velmiro Plains	April 2023	5	300	8	275	3,300,000	3,300
Velmiro Plains	Dec. 2023	2	300	8	31	148,800	149
MagsPeak	March 2023	25	300	8	305	18,300,000	18,300
						TOTAL	**21,749**

Indirect Energy Consumption (2023) by Department and Grid

	Consumption		No. of Sites
	in kWh	in MWh	
Corporate and Branch Offices			
Purchased electricity - Luzon/Visayas grid	649,012.29	649.01	13/16
Purchased electricity - Mindanao grid	98,724.50	98.72	3/16
Total	**747,736.79**	**747.74**	
Managed Properties			
Purchased electricity - Luzon/Visayas grid	2,659,230.41	2,659.23	17/26
Purchased electricity - Luzon/Visayas grid (for water production)	435,673.50	435.67	
Purchased electricity - Mindanao grid	583,701.29	583.70	3/26
Total	**3,678,605.20**	**3,678.61**	
Construction Sites			
Purchased electricity - Luzon/Visayas grid	2,610,419.22	2,610.42	25/28
Purchased electricity - Mindanao grid	1,550,624.00	1,550.62	5/5
Total	**4,161,043.22**	**4,161.04**	

Indirect Energy Consumption of End-users/Tenants/Unit Occupants (2023)

	Consumption	
	in kWh	in MWh
Managed Properties		
Purchased electricity - Luzon/Visayas grid	12,435,820.90	12,435.82
Purchased electricity - Luzon/Mindanao grid	1,716,462.83	1,716.46
Total	**14,152,283.73**	**14,152.28**

Indirect Energy Consumption of Corporate and Office Branches (2022–2023)

Activity Source	in kWh		in GJ		Variance
	2022	2023	2022	2023	
Indirect Energy Consumption	586,602.83	747,736.79	2,111.77	2,691.85	▲27%

Indirect Energy Consumption of Corporate/Satellite Offices and Showrooms (2022–2023), in kWh

Offices	2022	2023	Variance
38 Park Avenue Showroom	35,046.00	53,403.00	▲52%
Bacolod -Sta. Clara Office*	N/A	22,609.00	-
Bohol Sales Office	5,039.00	7,223.00	▲43%
Casa Mira Iloilo	24,810.00	29,448.00	▲19%
Cebu - Baseline Residences	N/A	429.00	-
Cebu - CMTL (Permits & Licenses)	N/A	33,119.00	-
Davao (ITH - YHES)*	N/A	40,545.00	-
Dumaguete (Cho Cho Lao)	16,712.00	3,286.00	−▼80%
Dumaguete (Dean Woo)*	N/A	10,274.00	-
Latitude Corporate Center	Not recorded	78,548.00	-
MesaTierra (Davao ITH-YES)	33,714.00	34,614.00	▲3%
Mesaverte	25,110.00	23,566.00	−▼6%
Mesavirre**	24,789.00	NA	-
Ormoc Satellite Office	5,689.00	5,894.00	▲4%
Park Centrale (Cebu Office)	382,530.00	391,196.00	▲2%
The Paragon	33,164.00	NA	-
Palawan (Brookes Point)*	N/A	13,583.00	-
Total	**586,603.00**	**747,737.00**	

Note: NA for previous years means that construction commenced on the year with existing data.
** New construction projects*
*** Office transferred to another location*

INTEGRATED REPORT 2023

Indirect Energy Consumption in Common Areas of Managed Properties (2022–2023), in kWh

Properties	2022	2023	Variance
Horizontal			
Casa Mira Bacolod*	NA	273.00	-
Casa Mira Coast	6,242.00	8,190.00	▲31%
Casa Mira Iloilo*	NA	No data	-
Casa Mira Linao	14,126.00	17,833.00	▲26%
Casa Mira South	42,607.00	112,913.14	▲165%
Midori Plains	20,841.00	27,900.00	▲34%
San Josemaria Village Balamban & Villa Casita Balamban	3,030.00	No data	-
San Josemaria Village Minglanilla	490.00	1,616.80	▲230%
San Josemaria Village Talisay	No data	No data	-
San Josemaria Village Toledo	6,638.00	6,924.00	▲4%
Velmiro Heights Minglanilla	33,851.00	35,580.89	▲5%
Velmiro Plains Bacolod*	NA	No data	-
Velmiro Uptown CDO*	NA	41,174.40	-
Villa Casita North	14,990.00	10,812.60	−▼28%
Subtotal	**142,815.00**	**263,217.83**	**▲84%**
Vertical			
38 Park Avenue	1,916.00	No data	-
Asia Premiere Residences	61,111.00	66,272.00	▲8%
Base Line Center	709,253.62	689,145.05	−▼3%
Base Line Residences	96,092.00	107,595.00	▲12%
Casa Mira Towers Labangon	343,850.00	323,524.00	−▼6%
Latitude Corporate Center	322,573.80	411,486.93	▲28%
Mesatierra	281,309.15	264,295.89	−▼6%
Mesaverte	244,993.00	278,231.00	▲14%
Mesavirre	23,471.00	No data	-
Midori Residences	50,445.00	73,925.00	▲47%
Mivesa Garden Residences	423,766.00	511,539.00	▲21%
Park Centrale	269,910.12	253,700.00	−▼6%
Subtotal	**2,828,690.69**	**2,979,713.87**	**▲5%**
Total	**2,971,505.69**	**3,242,931.70**	**▲9%**

** Properties newly turned-over to CLI PM*

INTEGRATED REPORT 2023

Indirect Energy Consumption of Construction Sites (2023), in kWh

Projects	2022	2023	Variance
Bohol	**14,382.00**	**16,277.00**	**▲13%**
Velmiro Greens Bohol	14,382.00	16,277.00	▲13%
Velmiro Greens Bohol - Phase 2*	NA	0.00	-
Cebu	**1,251,179.12**	**1,592,436.20**	**▲27%**
38 Park	404,614.00	3,000.00	−▼99%
Abaca Resort Mactan	0.00	245,404.88	-
Astra Centre	180,622.48	383,816.00	▲112%
Banilad High Street	9,442.59	44,298.00	▲369%
Baseline Center	0.00	22,095.00	-
Baseline Center Prestige	0.00		-
Casa Mira Linao Ph3	5,680.00	19,014.00	▲235%
Casa Mira South (ph3a, 3b, 4a, 4b)	49,652.00	24,791.12	−▼50%
Casa Mira Towers Guadalupe	19,641.80	50,364.00	▲156%
Casa Mira Towers Mandaue	166,125.70	213,366.00	▲28%
Costa Mira Beachtown	189.00	4,315.00	▲2183%
Lorega Tenement Housing	0.00	Turned-Over	-
Magspeak Nature Park	0.00	0.00	-
Mandtra Residences	81,812.00	166,248.00	▲103%
Masters Tower	60.00	815.00	▲1258%
Mivela Garden Residences	243,116.05	293,659.20	▲21%
Patria de Cebu	89,849.50	121,250.00	▲35%
Tipolo Residences (Tenement Housing)*	NA	0.00	-
Velmiro Heights Minglanilla	374.00	Turned-Over	-
Davao del Sur	**1,364,872.60**	**1,101,327.00**	**−▼19%**
Casa Mira Towers Davao (LPU)	64,750.60	174,094.00	▲169%
Mesatiera Garden Residences	371,998.00	Turned-Over	-
Davao Global Township (DGT)	219,836.00	240,949.00	▲10%
Paragon Davao	708,288.00	686,284.00	−▼3%
Iloilo	**166,448.00**	**237,481.00**	**▲43%**
Casa Mira Iloilo	53,102.00	49,236.00	−▼7%
Terranza Residences	113,346.00	188,245.00	▲66%
Leyte	**5,622.94**	**24,461.00**	**▲335%**
Casa Mira Homes Ormoc	5,622.94	24,461.00	▲335%
Misamis Oriental	**158,154.70**	**449,297.00**	**▲184%**
Casa Mira Towers CDO	154,631.00	436,521.00	▲182%
Velmiro Heights CDO	33.60	12,776.00	▲37924%
Velmiro Uptown CDO	3,490.10	Turned-Over	-
Negros Occidental	**184,262.70**	**649,958.02**	**▲253%**
Casa Mira Bacolod	33,711.00	46,350.00	▲37%
Casa Mira Towers Bacolod	41,168.00	165,700.00	▲302%
Citadines Bacolod	42,776.70	86,390.00	▲102%
Mesavirre Garden Residences	28,016.00	305,168.02	▲989%
Velmiro Plains Bacolod	38,591.00	46,350.00	▲20%
Negros Oriental	**48,858.00**	**89,734.00**	**▲84%**
Casa Mira Coast	No data	Turned-Over	-
Casa Mira Homes Dumaguete	48,858.00	89,734.00	▲84%
Palawan		**72.00**	**-**
Casa Mira Towers - Palawan*	NA	72.00	-
Total	**3,193,780.06**	**4,161,043.22**	**▲30%**

** New construction projects*

Indirect Energy Consumption of Managed Properties (Leased/Occupied Areas) (2022–2023), in kWh

Properties	Leased Area/Unit Owner Consumption		Variance
	2022	2023	
Horizontal			
Velmiro Uptown CDO	NA	124,500.22	-
Subtotal		**124,500.22**	
Vertical			
38 Park Avenue	17,266.00	140.64	−▼99%
Asia Premiere Residences	0.00	0.00	-
Base Line Center	3,470,499.38	4,473,254.95	▲29%
Base Line Residences	361,891.00	456,165.00	▲26%
Casa Mira Towers Labangon	1,029,393.00	1,277,037.00	▲24%
Latitude Corp Center	308,146.20	610,906.85	▲98%
Mesatierra	180,873.25	577,316.91	▲219%
Mesaverte	586,259.00	1,014,645.70	▲73%
Mesavirre	21,329.00	1,014,645.70	▲4657%
Midori Residences	343,011.00	604,399.00	▲76%
Mivesa Garden Residences	1,892,581.15	2,338,392.00	▲24%
Park Centrale	1,769,076.88	1,660,879.76	−▼6%
Subtotal	**9,980,325.86**	**14,027,783.51**	**▲41%**
Total	**9,980,325.86**	**14,152,283.73**	**▲42%**

WATER

Water Withdrawal (2022–2023) by Source, in cu.m

Source	2022	2023	Variance
Third Party Water Provider	**1,464,827.51**	**1,089,386.94**	**−▼26%**
Managed Properties	643,743.28	835,831.96	▲30%
Construction Sites	813,619.34	247,259.98	−▼70%
Corporate Offices - Common areas	7,464.89	6,295.00	−▼16%
Groundwater	**1,011,390.68**	**270,505.40**	**−▼73%**
Managed Properties	494,540.50	245,916.00	−▼50%
Construction Sites	516,850.18	24,589.40	−▼95%
Total	**2,476,218.19**	**1,359,892.34**	**−▼45%**

INTEGRATED REPORT 2023

Water Consumption (2022–2023) by Source, in cu.m

Source	2022	2023	Variance
Third Party Water Provider	**1,464,827.51**	**841,776.16**	**−▼43%**
Managed Properties	643,743.28	835,481.16	▲30%
Construction Sites	813,619.34		-
Corporate Offices - Common areas	7,464.89	6,295.00	−▼16%
Groundwater	**1,011,390.68**	**269,575.40**	**−▼73%**
Managed Properties	494,540.50	244,986.00	−▼50%
Construction Sites	516,850.18	24,589.40	−▼95%
Total	**2,476,218.19**	**1,111,351.56**	**−▼55%**

Water Consumption of Managed Properties (2022–2023), in cu.m

Properties	Groundwater		Third party water provider				Non-Revenue Water
			Leased areas		Common Areas		
	2022	2023	2022	2023	2022	2023	2023
Horizontal	**494,540.50**	**244,986.00**	**339,681.00**	**441,551.81**	**4,073.00**	**41,943.00**	**930.00**
Casa Mira Bacolod*	NA	0.00	NA	243.81	NA	0.00	0.00
Casa Mira Coast	NA	0.00	0.00	No Data	0.00	No Data	No Data
Casa Mira Iloilo*	NA	0.00	NA	0.00	NA	0.00	0.00
Casa Mira Linao	106,280.50	226,079.00	93,842.00	105,174.00	282.00	168.00	No Data
Casa Mira South	161,713.00	0.00	22,036.00	196,531.00	0.00	37,641.00	No Data
Midori Plains	92,118.00	0.00	78,285.00	76,605.00	1,034.00	987.00	Not Applicable
San Josemaria Village Balamban & Villa Casita Balamban	NA	0.00	38,473.00	No Data	0.00	No Data	Not Applicable
San Josemaria Village Minglanilla	26,566.00	0.00	21,892.00	20,927.00	207.00	226.00	No Data
San Josemaria Village Talisay	16,559.00	9,352.00	16,019.00	14,686.00	156.00	No Data	No Data
San Josemaria Village Toledo	16,716.00	0.00	0.00	0.00	0.00	0.00	Not Applicable
Velmiro Heights Minglanilla	72,029.00	0.00	64,712.00	No Data	2,394.00	2,861.00	No Data
Velmiro Plains Bacolod*	NA	0.00	NA	0.00	NA	0.00	0.00
Velmiro Uptown CDO*	NA	9,555.00	NA	12,752.00	NA	No Data	480.00
Villa Casita North	2,559.00	0.00	4,422.00	14,633.00	0.00	60.00	450.00

Water Consumption of Managed Properties (2022–2023), in cu.m *(continued)*

Properties	Groundwater		Third party water provider				Non-Revenue Water
			Leased areas		Common Areas		
	2022	2023	2022	2023	2022	2023	2023
Vertical	**NA**	**NA**	**177,653.46**	**248,807.70**	**124,967.82**	**103,178.65**	**350.80**
38 Park Avenue	NA	NA	467.00	0.00	NA	0.00	22.80
Asia Premiere Residences	NA	NA	6,534.57	7,539.98	2,434.43	1,659.02	0.00
Base Line Center	NA	NA	24,573.65	37,467.00	23,263.35	26,427.00	1.20
Base Line Residences	NA	NA	7,700.00	7,969.00	7,127.00	6,553.00	72.00
Casa Mira Towers Labangon	NA	NA	26,398.80	30,343.00	7,556.00	5,701.00	18.80
Latitude Corporate Center	NA	NA	726.00	1,298.00	4,793.00	5,008.00	0.00
Mesatierra	NA	NA	7,277.54	18,284.52	1,026.04	6,077.53	0.00
Mesaverte	NA	NA	18,444.00	34,762.00	10,630.00	7,934.00	75.00
Mesavirre	NA	NA	614.00	No Data	2,632.00	No Data	No Data
Midori Residences	NA	NA	7,438.00	13,961.00	1,701.00	3,338.00	77.00
Mivesa Garden Residences	NA	NA	62,608.00	82,988.40	53,017.00	30,535.90	24.00
Park Centrale	NA	NA	14,871.90	14,194.80	10,788.00	9,945.20	60.00
Total	**494,540.50**	**244,986.00**	**517,334.46**	**690,359.51**	**129,040.82**	**145,121.65**	**1,280.80**

** Properties newly turned-over to CLI PM*

Water Consumption of Construction Sites (2022–2023), in cu.m

Projects	Third party water provider		Variance
	2022	2023	
Bohol	**4,330.00**	**5,451.00**	**▲26%**
Velmiro Greens Bohol	4,330.00	5,451.00	▲26%
Velmiro Greens Bohol - Phase 2*	NA	0.00	-
Cebu	**26,504.62**	**213,330.30**	**▲705%**
38 Park	5,306.00	7,680.00	▲45%
Abaca Resort Mactan	1,597.50	4,786.00	▲200%
Astra Centre	2,617.00	7,128.00	▲172%
Banilad High Street	43.00	0.00	–▼100%
Baseline Center	0.00	5,044.00	-
Baseline Center Prestige	0.00	0.00	-
Casa Mira Linao Ph3	0.00	3,427.00	-
Casa Mira South (ph3a, 3b, 4a, 4b)	0.00	166,428.41	-
Casa Mira Towers Guadalupe	3,702.79	5,181.00	▲40%
Casa Mira Towers Mandaue	2,569.83	410.89	–▼84%
Costa Mira Beachtown	0.00	2,789.00	-
Latitude Corporate Center	N/A	Turned-Over	-
Lorega Tenement Housing	No data	Turned-Over	-
Magspeak Nature Park	0.00	0.00	-
Mandtra Residences	1,821.50	2,869.00	▲58%
Masters Tower	8,847.00	7,164.00	–▼19%
Mivela Garden Residences	0.00	0.00	-
Patria de Cebu	0.00	0.00	-
Tipolo Residences (Tenement Housing)*	NA	423.00	-
Davao del Sur	**19,838.80**	**12,542.00**	**–▼37%**
Casa Mira Towers Davao (LPU)	1,282.80	1,107.00	–▼14%
Mesatiera Garden Residences	1,320.00	Turned-Over	-
Davao Global Township (DGT)	4,176.00	0.00	–▼100%
Paragon Davao	13,060.00	11,435.00	–▼12%
Iloilo	**661.92**	**664.68**	**▲0%**
Casa Mira Iloilo	7.68	7.68	▲0%
Terranza Residences	654.24	657.00	▲0%
Leyte	**5,126.00**	**4,369.00**	**–▼15%**
Casa Mira Homes Ormoc	5,126.00	4,369.00	–▼15%
Misamis Oriental	**754,308.00**	**7,159.00**	**–▼99%**
Casa Mira Towers CDO	5,508.00	7,159.00	▲30%
Velmiro Heights CDO	748,800.00	0.00	–▼100%
Velmiro Uptown CDO	0.00	Turned-Over	-
Negros Occidental	**2,850.00**	**3,744.00**	**▲31%**
Casa Mira Bacolod	1,030.00	1,766.00	▲71%
Casa Mira Towers Bacolod	NA	0.00	-
Citadines Bacolod	No data	212.00	-
Mesavirre Garden Residences	No data	0.00	-
Velmiro Plains Bacolod	1,820.00	1,766.00	–▼3%
Negros Oriental	**0.00**	**0.00**	**-**
Casa Mira Coast	0.00	Turned-Over	-
Casa Mira Homes Dumaguete	0.00	0.00	-
Palawan	**NA**	**78.00**	**-**
Casa Mira Towers - Palawan*	NA	78.00	-
Total	**813,619.34**	**247,337.98**	**–▼70%**

** New construction projects*

INTEGRATED REPORT 2023

Wastewater Treated and Discharged (2022–2023), in cu.m

	2022	2023	Variance
Wastewater discharged	146,920.92	357,688.78	▲143%
Wastewater treated	146,920.92	291,157.18	▲98%
No. of managed properties with reports	73% (8/11)	96.1%(25/26)	

ENERGY AND WATER INTENSITY

Energy and Water Intensities of Managed Properties (2022–2023)

	Direct Energy Intensity (kWh/sqm)			Indirect Energy Intensity (kWh/sqm)			Water Intensity (cu.m/sqm)		
	2022	2023	Variance	2022	2023	Variance	2022	2023	Variance
Mixed Use/Estate/Township									
Base Line Center	0.25	0.00	–▼100%	177.31	47.38	–▼73%	5.82	1.82	–▼69%
Average Intensity	**0.25**	**0.00**	**–▼100%**	**177.31**	**47.38**	**–▼73%**	**5.82**	**1.82**	**–▼69%**
Office Buildings with G/F Retail									
Park Centrale	0.03	0.00	–▼100%	46.63	188.87	▲305%	1.86	7.40	▲297%
Latitude Corporate Center	0.15	0.10	–▼33%	26.47	187.88	▲610%	0.39	2.29	▲482%
Average Intensity	**0.09**	**0.05**	**–▼45%**	**36.55**	**188.37**	**▲415%**	**1.13**	**4.85**	**▲329%**
Residential (High rise/Condo)									
Asia Premier Residences	0.19	0.54	▲181%	61.11	66.27	▲8%	2.43	1.66	–▼32%
Base Line Residences	0.03	0.17	▲493%	22.57	25.27	▲12%	1.67	1.54	–▼8%
Midori Residences	0.02	0.01	–▼71%	16.82	0.26	–▼98%	0.57	0.01	–▼98%
Mivesa Garden Residences	0.07	0.03	–▼55%	20.77	25.07	▲21%	2.60	1.50	–▼42%
Casa Mira Towers - Labangon	0.24	0.05	–▼78%	39.33	33.63	–▼14%	0.86	0.59	–▼31%
MesaVerte Residences	0.01	0.04	▲193%	19.52	22.16	▲14%	0.85	0.63	–▼25%
MesaTierra Garden Residences	0.03	0.02	–▼19%	32.22	30.28	–▼6%	0.12	0.70	▲490%
38 Park Avenue	NA	0.01	-	2.25	0.00	–▼100%	NA	0.02	-
Mesavirre Garden Residences	0.07	No data	-	20.77	No data	-	2.60	No data	-
Average Intensity	**0.08**	**0.11**	**▲32%**	**26.15**	**25.37**	**–▼3%**	**1.46**	**0.83**	**–▼43%**
Residential (Horizontal)									
Midori Plains	NA	0.01	-	NA	11.65	-	NA	0.38	-
SJV Toledo	NA	NA	-	NA	5.87	-	NA	0.00	-
Villa Casita North	NA	0.00	-	NA	0.56	-	NA	0.00	-
Average Intensity	**NA**	**0.00**	**-**	**NA**	**6.03**	**-**	**NA**	**0.13**	**-**

INTEGRATED REPORT 2023

WASTE

Total Waste Generated (2022–2023), in kg

Source	Total Solid Waste Generated			Total Waste Recycled/ Reused		Total Hazardous Waste		Total Residual Waste	
	2022	2023	Variance	2022	2023	2022	2023	2022	2023
Managed Properties	661,739.81	864,730.80	▲31%	36,163.09	39,977.20	1,692.50	6,755.10	7,281.54	37,112.10
#/% of properties w/ report	50% (11/22)	57% (15/26)		36% (8/22)	38% (10/26)	(22/26)	61% (16/26)	(22/26)	(17/26)
Construction Sites (Contractor-supplied materials)	32,333,146.08	1,623,249.57	−▼95%	91,266.41	311,067.30	No data	4,210.50	No data	1,162,551.40
#/% of projects w/ report	39% (15/38)	66% (22/33)		60% (23/38)	51% (17/33)		(8/33)		(9/33)
Construction Sites (Owner-supplied materials)	472,002.01	431,792.12	−▼9%	116,228.47	157,858.59	0.00	0.00	0.00	0.00
#/% of projects w/ report	34% (3/38)	45% (15/33)		68% (26/38)	36% (12/33)				

Total Hazardous Waste Generated in Managed Properties (2023), in kg

Properties	Hazardous Waste 2023
Horizontal	**14.00**
Casa Mira Bacolod	0.00
Casa Mira Coast	No Data
Casa Mira Iloilo	0.00
Casa Mira Linao	No Data
Casa Mira South	Not Applicable
Midori Plains	Not Applicable
SJV and VC Balamban	No Data
SJV Minglanilla	No Data
SJV Talisay	No Data
SJV Toledo	0.00
Velmiro Heights	No Data
Velmiro Plains Bacolod	0.00
Velmiro Uptown CDO	14.00
Villa Casita North	Not Applicable

Properties	Hazardous Waste 2023
Vertical	**6,741.10**
38 Park Avenue	No Data
Asia Premiere Residences	Not Applicable
Base Line Center	900.00
Base Line Residences	No Data
Casa Mira Towers Labangon	1,792.00
Latitude Corp Center	398.00
Mesatierra	6.00
Mesaverte	34.00
Mesavirre	No Data
Midori Residences	2,937.00
Mivesa Garden Residences	674.10
Park Centrale	No Data
Total	**6,755.10**

Construction Waste Generated (2023), in kg

Projects	Biodegradable waste	Non-biodegradable waste	Hazardous waste
Abaca Resort Mactan	0.00	494,304.00	0.00
Astra Centre	590.00	4,268.00	304.00
Banilad High Street	1,882.00	855.00	0.00
Baseline Center	0.00	499,000.00	0.00
Casa Mira Bacolod	2,430.00	18,764.00	0.00
Casa Mira Homes Dumaguete	231,337.70	57,676.30	2,536.50
Casa Mira Iloilo	600.00	12,000.00	0.00
Casa Mira Linao Ph3	132.00	163.00	0.00
Casa Mira South (ph3a, 3b, 4a, 4b)	1,096.00	1,267.00	117.00
Casa Mira Towers Bacolod	300.00	546.00	0.00
Casa Mira Towers Davao (LPU)	3,744.00	0.00	0.00
Casa Mira Towers Guadalupe	161.00	0.00	0.00
Casa Mira Towers Mandaue	11,100.00	6,900.00	0.00
Citadines Bacolod	0.00	603.60	56.00
Costa Mira Beachtown	4,259.00	4,124.00	0.00
Davao Global Township (DGT)	2,357.00	2,459.00	0.00
Mandtra Residences	15,000.00	15,000.00	420.00
Masters Tower	1,975.00	17,821.00	0.00
Mesavirre Garden Residences	1,301.00	2,765.00	0.00
Mivela Garden Residences	1,348.50	684.00	0.00
Paragon Davao	2,420.00	2,410.00	640.00
Patria de Cebu	5,536.50	1,084.50	69.00
Terranza Residences	28.00	31.00	0.00
Velmiro Greens Bohol	1,989.00	1,062.00	12.00
Velmiro Plains Bacolod	2,430.00	18,764.00	56.00
Total	**292,016.70**	**1,162,551.40**	**4,210.50**

Recycled Construction Waste: Owner-Supplied Materials (2023), in kg

Projects	Recycled construction waste	Projects	Recycled construction waste
Astra Centre	5,376.40	Costa Mira Beachtown	94,698.00
Banilad High Street	3,833.00	Davao Global Township (DGT)	4,452.00
Casa Mira Bacolod	327.00	Masters Tower	12,493.13
Casa Mira South (ph3a, 3b, 4a, 4b)	970.00	Mivela Garden Residences	14,730.06
Casa Mira Towers Bacolod	1,672.00	Paragon Davao	1,120.00
Casa Mira Towers Guadalupe	16,610.00	Velmiro Plains Bacolod	327.00
Casa Mira Towers Mandaue	1,250.00	**Total**	**157,858.59**

Recycled Construction Waste: Contractor-Supplied Materials (2023), in kg

Projects	Construction waste	Recycled construction waste
Astra Centre	40,329.00	8,065.80
Banilad High Street	2,257.00	172.00
Casa Mira Bacolod	21,194.00	0.00
Casa Mira Homes Dumaguete	310,644.50	45,743.30
Casa Mira Linao Ph3	135.00	105.00
Casa Mira South (ph3a, 3b, 4a, 4b)	1,806.00	2,617.00
Casa Mira Towers CDO	7,200.00	0.00
Casa Mira Towers Davao (LPU)	192.00	0.00
Casa Mira Towers Guadalupe	8,635.00	3,770.00
Casa Mira Towers Mandaue	89,000.00	4,300.00
Citadines Bacolod	0.00	22,350.00
Davao Global Township (DGT)	3,510.00	3,058.00
Mandtra Residences	13,900.00	0.00
Masters Tower	823,392.00	92,199.00
Mesavirre Garden Residences	8,989.00	0.00
Mivela Garden Residences	6,089.07	286.20
Paragon Davao	810.00	695.00
Patria de Cebu	27,886.00	9,606.00
Terranza Residences	15.00	10.00
Tipolo Residences (Tenement Housing)	233,000.00	117,500.00
Velmiro Greens Bohol	3,062.00	0.00
Velmiro Greens Bohol - Phase 2*	0.00	15.00
Velmiro Plains Bacolod	21,194.00	0.00
Total	**1,623,239.57**	**310,492.30**

GREENHOUSE GAS EMISSIONS

Greenhouse Gas Emissions (2022–2023), in MTCO2e

	Activity Source	2022	2023	Variance
Scope 1 / Direct GHG Emissions	Corporate Offices: Use of fuel for employee shuttle service and company-owned vehicles	81.65	NA	-
	Corporate Offices: Use of fuel for other vehicle used for official business trips	29.5	253.99	▲761%
	Managed Properties: Use of fuel for generator sets	19.21	15.21	−▼21%
	Construction Sites: Use of fuel for generator sets	6,389.11	3,179.75	−▼50%
	Sub-total	**6,519.47**	**3,448.95**	**−▼47%**
Scope 2 / Indirect GHG Emissions	Power consumption			
	Corporate Offices	0.42	0.54	▲29%
	Managed Properties: Common Areas	2,146.61	2,189.16	▲2%
	Construction Sites	2.38	3.07	▲29%
	Energy consumed from water extraction	0.27	0.31	▲15%
	Sub-total	**2,149.68**	**2,193.08**	**▲2%**
Scope 3 / Other Indirect GHG Emissions	Power consumption			
	Leased Spaces: Office and Retail Spaces	7.16	10.20	▲42%
Total GHG Emissions		**8,676.31**	**5,652.23**	**−▼35%**

Emissions Intensity per Product Line (2023), in MTCO2e/sq.m

Scope and Breakdown	2022	2023	Variance
Mixed Use/Estate/Township			
Base Line Center	126.54	33.64	−▼73%
Average Intensity	**126.54**	**33.64**	**−▼73%**
Office Buildings with G/F Retail			
Park Centrale	33.19	134.36	▲305%
Latitude Corporate Center	19.17	133.65	▲597%
Average Intensity	**26.18**	**134.00**	**▲412%**
Residential (High rise/Condo)			
Asia Premier Residences	43.88	47.41	▲8%
Base Line Residences	16.10	18.37	▲14%
Midori Residences	12.00	0.39	−▼97%
Mivesa Garden Residences	14.92	17.88	▲20%
Casa Mira Towers - Labangon	28.54	24.02	−▼16%
MesaVerte Residences	15.26	17.39	▲14%
MesaTierra Garden Residences	25.20	23.67	−▼6%

Scope and Breakdown	2022	2023	Variance
38 Park Avenue	1.60	0.02	−▼99%
Mesavirre Garden Residences	0.62	0.00	−▼100%
Average Intensity	**17.57**	**16.57**	**−▼6%**
Residential (Horizontal)			
Casa Mira Linao	0.47	NA	-
Casa Mira South	0.22	NA	-
Midori Plains	0.29	0.19	−▼34%
San Josemaria Village Minglanilla	0.31	NA	-
SJV Toledo	NA	4.17	-
Velmiro Heights Minglanilla	0.50	NA	-
Velmiro Uptown CDO	NA	0.76	-
Villa Casita North	4.45	0.40	−▼91%
Average Intensity	**NA**	**1.38**	**-**

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Greenhouse Gas Emissions of Managed Properties (2023)

Properties	Common Area (sq.m)	Scope 1			Scope 2					Emissions Intensity			
		Genset Fuel Consumption (Diesel) (L)	Genset Fuel Consumption (Diesel) (GJ)	GHG Emissions (kgCO2e)	Common Area Consumption (GJ)	Common Area Consumption (kWh)	Common Area Consumption (MWh)	Emission factor (MTCO2e/MWH)	GHG Emissions (kgCO2e)	GJ Total	Emissions total (kgCO2e)	Emissions total (MTCO2e)	kgCO2/ sq.m
Horizontal	**170,236.10**	**720.00**	**27.78**	**1,843.20**	**413.01**	**114,723.80**	**114.72**		**84,336.11**	**440.79**	**86,179.31**	**86.18**	**0.51**
Casa Mira Bacolod*	0.00	240.00	9.26	614.40	0.98	273.00	0.27	0.71	193.83	10.24	808.23	0.81	NA
Casa Mira Coast	No Data	0.00	0.00	0.00	29.48	8,190.00	8.19	0.71	5,814.90	29.48	5,814.90	5.81	NA
Casa Mira Iloilo*	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.71	0.00	0.00	0.00	0.00	NA
Casa Mira Linao	No Data	0.00	0.00	0.00	64.20	17,833.00	17.83	0.71	12,661.43	64.20	12,661.43	12.66	NA
Casa Mira South	No Data	0.00	0.00	0.00	0.00	0.00	0.00	0.71	0.00	0.00	0.00	0.00	NA
Midori Plains	107,407.80	240.00	9.26	614.40	100.44	27,900.00	27.90	0.71	19,809.00	109.70	20,423.40	20.42	0.19
San Josemaria Village Balamban & Villa Casita Balamban	No Data	0.00	0.00	0.00	0.00	0.00	0.00	0.71	0.00	0.00	0.00	0.00	NA
San Josemaria Village Minglanilla	No Data	0.00	0.00	0.00	5.82	1,616.80	1.62	0.71	1,147.93	5.82	1,147.93	1.15	NA
San Josemaria Village Talisay	No Data	0.00	0.00	0.00	0.00	0.00	0.00	0.71	0.00	0.00	0.00	0.00	NA
San Josemaria Village Toledo	1,180.00	0.00	0.00	0.00	24.93	6,924.00	6.92	0.71	4,916.04	24.93	4,916.04	4.92	4.17
Velmiro Heights Minglanilla	No Data	0.00	0.00	0.00	0.00	0.00	0.00	0.71	0.00	0.00	0.00	0.00	NA
Velmiro Plains Bacolod*	No Data	240.00	9.26	614.40	0.00	0.00	0.00	0.71	0.00	9.26	614.40	0.61	NA
Velmiro Uptown CDO*	42,441.00	0.00	0.00	0.00	148.23	41,174.40	41.17	0.78	32,116.03	148.23	32,116.03	32.12	0.76
Villa Casita North	19,207.30	0.00	0.00	0.00	38.93	10,812.60	10.81	0.71	7,676.95	38.93	7,676.95	7.68	0.40
Vertical	**99,643.36**	**3,121.99**	**120.49**	**7,992.30**	**10,479.80**	**2,911,055.87**	**2,911.06**		**2,104,826.55**	**10,600.29**	**2,112,818.85**	**2,112.82**	**21.20**
38 Park Avenue	1,343.28	12.00	0.46	30.72	0.00	0.00	0.00	0.71	0.00	0.46	30.72	0.03	0.02
Asia Premiere Residences	1,000.00	140.00	5.40	358.40	238.58	66,272.00	66.27	0.71	47,053.12	243.98	47,411.52	47.41	47.41
Base Line Center	14,546.00	0.00	0.00	0.00	2,480.92	689,145.05	689.15	0.71	489,292.99	2,480.92	489,292.99	489.29	33.64
Base Line Residences	4,257.38	706.10	27.26	1,807.62	387.34	107,595.00	107.60	0.71	76,392.45	414.60	78,200.07	78.20	18.37
Casa Mira Towers Labangon	9,619.13	512.00	19.76	1,310.72	1,164.69	323,524.00	323.52	0.71	229,702.04	1,184.45	231,012.76	231.01	24.02
Latitude Corporate Center	2,190.18	217.44	8.39	556.65	1,481.35	411,486.93	411.49	0.71	292,155.72	1,489.74	292,712.37	292.71	133.65
Mesatierra	8,729.68	192.00	7.41	491.52	951.47	264,295.89	264.30	0.78	206,150.79	958.88	206,642.31	206.64	23.67
Mesaverte	12,553.27	520.00	20.07	1,331.20	1,001.63	278,231.00	278.23	0.78	217,020.18	1,021.70	218,351.38	218.35	17.39
Mesavirre	13,473.37	0.00	0.00	0.00	0.00	0.00	0.00	0.71	0.00	0.00	0.00	0.00	0.00
Midori Residences	10,182.70	72.00	2.78	184.32	18.96	5,267.00	5.27	0.71	3,739.57	21.74	3,923.89	3.92	0.39
Mivesa Garden Residences	20,405.09	610.45	23.56	1,562.75	1,841.54	511,539.00	511.54	0.71	363,192.69	1,865.10	364,755.44	364.76	17.88
Park Centrale	1,343.28	140.00	5.40	358.40	913.32	253,700.00	253.70	0.71	180,127.00	918.72	180,485.40	180.49	134.36
Grand Total	**269,879.46**	**3,841.99**	**148.27**	**9,835.50**	**10,892.81**	**3,025,779.67**	**3,025.78**		**2,189,162.66**	**11,041.08**	**2,198,998.16**	**2,199.00**	**8.15**

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SOCIAL DATA

EMPLOYEES

Employee count (2022–2023)

	2022	2023
TOTAL	**669**	**776**
By gender		
Male	289	321
Female	380	455
By age		
Below 30 years old	421	355
30 - 50 years old	196	370
Over 50 years old	52	51
By category		
AVP, VP, and up (Execom & Mancom)	22	24
Managers	134	103
Supervisors	41	103
Officers	74	127
Associates	398	419

Manpower hired (2023)

	2023
Offices & Branches	**123**
Male	97
Female	26
Managed Properties	**478**
Male	315
Female	163
Construction Projects	**8,546**
Male	7,229
Female	1,317
Hotels	**25**
Male	19
Female	6

New employee hires and turnover (2022–2023)

	New hires		Turnover	
	2022	2023	2022	2023
TOTAL	**194**	**197**	**54**	**91**
By gender				
Male	61	79	19	38
Female	133	118	35	53
By age				
Below 30 yrs old	116	124	42	46
30 - 50 yrs old	75	72	22	44
Over 50 years old	3	1	0	1
By category				
AVP, VP, and up (Execom & Mancom)	0	1	0	3
Managers	12	8	3	10
Supervisors	20	22	3	13
Officers	18	27	5	10
Associate	144	139	53	55

Employee benefits (2022–2023)

List of Benefits	2022		2023	
	% of female employees who availed for the year	% of male employees who availed for the year	% of female employees who availed for the year	% of male employees who availed for the year
GOVT-MANDATED BENEFITS				
PhilHealth Contribution	100%	100%	100%	100%
Pag-ibig Contribution	100%	100%	100%	100%
Pag-ibig Loan Availment	12%	9%	17%	14%
SSS Contribution	100%	100%	100%	100%
SSS Loan Availment			2%	1%
LEAVES				
Sick leave	47%	37%	59%	41%
Vacation leave	47%	37%	59%	41%
Emergency leave			3%	5%
Birthday Leave	47%	37%	88%	85%
Parental leave	100%	100%	100%	100%
HEALTH BENEFITS				
Annual Physical Exam	47%	37%	44%	34%
Booster Shots	100%	100%	0%	0%
Flu shots	0%	0%	16%	12%
HMO/Medical Assistance (Company provided, not PhilHealth)	100%	100%	100%	100%
WORK SET UP				
Semi flexible-working Hours **Semi flexible time arrangement shifts, where employees are provided shift schedule options*	100%	100%	100%	100%
ALLOWANCE				
Meal Allowance (Regular employees)	47%	37%	20%	33%
Per Diem Allowances	100%	100%	100%	100%
Rice Subsidy (Regular employees)	100%	100%	100%	100%
OTHER FRINGE BENEFITS				
Car/Motorcycle Loan	80%	90%	84%	81%
Special Emergency Loan	47%	37%	4%	5%
Company stock options	41%	59%	41%	59%
Company Uniforms	100%	100%	100%	100%
Gift Certificates	100%	100%	100%	100%
Housing assistance (aside from Pag-ibig)			1%	2%
Retirement Fund Program	100%	100%	100%	100%
Savings Benefit Program **5% from Employee's Monthly Basic will be set aside to savings claim*	100%	100%	100%	100%

Parental leaves (2022–2023)

	2022	2023
Total no. of employees entitled to parental leave		
Male	151	151
Female	152	152
Total	**303**	**303**
Total no. of employees that took parental leave		
Male	9	9
Female	7	7
Total	**16**	**16**
Total no. of employees that returned to work after parental leave ended		
Male	9	9
Female	7	7
Total	**16**	**16**
Return to work and retention rates of employees that took parental leave		
Male	100%	100%
Female	100%	100%

General employee leave benefits (2022–2023)

	2022	2023
Total no. of employees who availed of Sick leave		
Male	316	316
Female	247	247
Total	**563**	**563**
Total no. of employees who availed of Vacation leave		
Male	316	316
Female	247	247
Total	**563**	**563**
Total no. of employees who availed of Emergency leave		
Male	62	62
Female	54	54
Total	**116**	**116**
Total no. of employees who availed of Sabbatical leave		
Male	1	1
Female	1	1
Total	**2**	**2**
Total no. of employees who availed of Birthday leave		
Male	316	316
Female	247	247
Total	**563**	**563**

Employee training and education (2022–2023)

	2022	2023	Variance
Total training hours provided to employees (in hours)	**7,162**	**12,665**	**▲77%**
Male	3,080	5,699	▲85%
Female	4,082	6,966	▲71%
Average training hours (in hours/employee)	**9.3**	**16.3**	**▲75%**
Male	8.7	17.8	▲105%
Female	9.9	15.3	▲55%

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OCCUPATIONAL HEALTH AND SAFETY

Work-related Illnesses and Injuries (2022–2023)

	2022	2023
Corporate Offices & Branches		
Recorded Illnesses	166	246
Property Management		
Vertical		
Work-related Illnesses	No Data	0
Work-related incidents and accidents	No Data	0
Horizontal		
Work-related Illnesses	No Data	6
Work-related incidents and accidents	No Data	1
Construction Sites		
Safe Man-hours		20,232,031
First Aid Injury (FAI)	No Data	223
Lost Time Injury (LTI)	5	0
No Lost Time Injury (NLTI)	823	0
Lost Time Accident (LTA)	0	0
No. of safety and other trainings	54	465
Sites that submitted data	10/38	12/33
No. of attendees	3,597	7,700
Male	3,360	7,452
Female	237	248

GRI CONTENT INDEX

Statement of Use	CLI has reported in accordance with the GRI Standards for the period 01 January 2023 to 31 December 2023.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	None

GRI Standard	Disclosure	Location	Omission Reason/Explanation/Direct Answer
General Disclosures			
	2-1 Organizational details	4-6	Location of headquarters: 10/F Park Centrale, JM Del Mar Ave., Cebu IT Park, Cebu City. Countries of operations: Philippines.
	2-2 Entities included in the organization's sustainability reporting	4-6	
	2-3 Reporting period, frequency and contact point	2	
	2-4 Restatements of information	78, 79, 81, 83, 93	GRI 201-1 Direct Economic Impacts » Operating costs: restated as PHP 1,531,845,153.00 (previously reported as PHP 2.37 billion) » Payments to providers of capital: restated as PHP 2,441,536,103.00 (previously reported as PHP 2.53 billion) » Payments to government: restated as PHP 1,465,089,299.00 (previously reported as PHP 1.16 billion) » Community investments: restated as PHP 23,516,626.86 (previously reported as PHP 0.01 billion)
	2-5 External assurance		CLI is not seeking external assurance for its 2023 report.
	2-6 Activities, value chain and other business relationships	37-39, 44-45, 48-60	
	2-7 Employees	162	
	2-8 Workers who are not employees	162	
	2-9 Governance structure and composition	65, 114-118, 120-122	
	2-10 Nomination and selection] of the highest governance body	121	
	2-11 Chair of the highest governance body	114	
	2-12 Role of the highest governance body in overseeing the management of impacts	65, 113, 124-125	

GRI Standard	Disclosure	Location	Omission Reason/Explanation/Direct Answer
	2-13 Delegation of responsibility for managing impacts	65, 76, 120, 124-125	
	2-14 Role of the highest governance body in sustainability reporting	63	
	2-15 Conflicts of interest	119	
	2-16 Communication of critical concerns	125	
	2-17 Collective knowledge of the highest governance body	63, 118	
	2-18 Evaluation of the performance of the highest governance body		Board Committees perform annual self-assessments as stated in their respective Committee Charters, available on CLI's website. Assessment results are validated by the Chief Compliance Officer.
	2-19 Remuneration policies	119	
	2-20 Process to determine remuneration	119	
	2-21 Annual total compensation ratio		Data not available.
	2-22 Statement on sustainable development strategy	13, 15, 22, 63-66	
	2-23 Policy commitments	66, 97-98, 118-119, 123, 130-131	
	2-24 Embedding policy commitments	68, 76, 87	
	2-25 Processes to remediate negative impacts	124-125, 131-140	
	2-26 Mechanisms for seeking advice and raising concerns	93-94, 98-99, 131-140	
	2-27 Compliance with laws and regulations	100	
	2-28 Membership associations		» Subdivision and Housing Developers' Association (SHDA) – Central Visayas » Subdivision and Housing Developers' Association (SHDA) – Panay Chapter » Organization of Socialized and Economic Housing Development of the Philippines (OSHDP) » Chamber of Real Estate and Builders Associations, Inc. (CREBA) » Cebu IT BPM Organization » Cebu Leads Foundation » Cebu Chinese Chamber of Commerce
	2-29 Approach to stakeholder engagement	69, 92, 130, 132-140	
	2-30 Collective bargaining agreements		Not applicable (no collective bargaining agreements).

GRI Standard	Disclosure	Location	Omission
			Reason/Explanation/Direct Answer
Material Topics			
	3-1 Process to determine material topics	67, 70	
	3-2 List of material topics	70	
Economic			
201 Economic Performance 2016	3-3 Management of material topic	20-21, 46-47, 126	
	201-1 Direct economic value generated and distributed	19, 43, 72	
	201-2 Financial implications and other risks and opportunities due to climate change	84	
	201-3 Defined benefit plan obligations and other retirement plans		The scheme's liabilities are estimated to be adequately covered by the assets designated for meeting them within CLI's existing pension plan. Through careful asset allocation and management, CLI ensures that the value of assets set aside aligns with or exceeds the projected liabilities of the pension plan. This ensures financial stability and security for the beneficiaries of the pension plan. CLI's executive committee, with the Chief Financial Officer (CFO), oversees and decides upon the plan. If a fund set up to pay the plan's pension liabilities is not fully covered, CLI employs a proactive strategy to work towards full coverage. This strategy typically involves increasing contributions, optimizing investment returns, and implementing cost-saving measures to bolster the fund's assets. CLI aims to achieve full coverage within a reasonable timescale, prioritizing the financial security of its beneficiaries while maintaining fiscal responsibility. CLI demonstrates a high level of participation in retirement plans among its employees. This includes engagement in both mandatory and voluntary schemes. CLI's commitment to financial well-being extends to providing comprehensive retirement benefits, ensuring a secure future for its workforce. By diligently pursuing these measures, CLI demonstrates its dedication to supporting employee welfare and fostering long-term financial security.
	201-4 Financial assistance received from government		Data not available.
202 Market Presence 2016	3-3 Management of material topic	73	
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	73	
	202-2 Proportion of senior management hired from the local community	73	
203 Indirect Economic Impacts 2016	3-3 Management of material topic	74, 102-107	
	203-1 Infrastructure investments and services supported	74, 102-111	

GRI Standard	Disclosure	Location	Omission
			Reason/Explanation/Direct Answer
	203-2 Significant indirect economic impacts	74, 102-111	
204 Procurement Practices 2016	3-3 Management of material topic	73	
	204-1 Proportion of spending on local suppliers	73	
205 Anti-corruption 2016	3-3 Management of material topic	119	Zero incidents of corruption recorded for 2023. Further information available in SEC 17-A Annex A.
	205-1 Operations assessed for risks related to corruption		
	205-2 Communication and training about anti-corruption policies and procedures	119	
	205-3 Confirmed incidents of corruption and actions taken		
206 Anti-competitive Behavior 2016	3-3 Management of material topic	Not identified as a material topic.	
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		
207 Tax 2019	3-3 Management of material topic	Not identified as a material topic.	
	207-1 Approach to tax		
	207-2 Tax governance, control, and risk management		
	207-3 Stakeholder engagement and management of concerns related to tax		
	207-4 Country-by-country reporting		
Environmental			
301 Materials 2016	3-3 Management of material topic	77	
	301-1 Materials used by weight or volume	76-77, 141	
	301-2 Recycled input materials used		Data not available.
	301-3 Reclaimed products and their packaging materials		Not applicable to product.
302 Energy 2016	3-3 Management of material topic	78, 87	
	302-1 Energy consumption within the organization	78, 141-150	
	302-2 Energy consumption outside of the organization	148, 151	
	302-3 Energy intensity	80, 155	

GRI Standard	Disclosure	Location	Omission: Reason/Explanation/Direct Answer
	302-4 Reduction of energy consumption		Data not available.
	302-5 Reductions in energy requirements of products and services		
303 Water and Effluents 2018	3-3 Management of material topic	79, 81	
	303-1 Interactions with water as a shared resource	26, 79, 81	
	303-2 Management of water discharge-related impacts	81	
	303-3 Water withdrawal	79, 151	
	303-4 Water discharge	81, 155	
	303-5 Water consumption	79, 152-154	
304 Biodiversity 2016	3-3 Management of material topic	88-90, 106-107	
	304-1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	89	
	304-2 Significant impacts of activities, products, and services on biodiversity	88	
	304-3 Habitats protected or restored	88-89, 106-107	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		Information available in SEC 17-A Annex A.
305 Emissions 2016	3-3 Management of material topic	83-87	
	305-1 Direct (Scope 1) GHG emissions	83, 159-160	
	305-2 Energy indirect (Scope 2) GHG emissions	83, 159, 161	
	305-3 Other indirect (Scope 3) GHG emissions	83, 159	
	305-4 GHG emissions intensity	83, 159, 161	
	305-5 Reduction of GHG emissions		Data not available.
	305-6 Emissions of ozone-depleting substances (ODS)		
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		

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GRI Standard	Disclosure	Location	Omission: Reason/Explanation/Direct Answer
306 Waste 2020	3-3 Management of material topic	82, 87	Further information available in SEC 17-A Annex A.
	306-1 Waste generation and significant waste-related impacts	27, 82	
	306-2 Management of significant waste-related impacts	82, 87	
	306-3 Waste generated	156-157	
	306-4 Waste diverted from disposal	82, 158	
	306-5 Waste directed to disposal	82	
308 Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Not identified as a material topic.	
	308-2 Negative environmental impacts in the supply chain and actions taken		
Social			
401 Employment 2016	3-3 Management of material topic	93-94	
	401-1 New employee hires and employee turnover	93, 162	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	163	
	401-3 Parental leave	164	
402 Labor/Management Relations 2016	3-3 Management of material topic	94	
	402-1 Minimum notice periods regarding operational changes		Data not available.
403 Occupational Health and Safety 2018	3-3 Management of material topic	96-97	
	403-1 Occupational health and safety management system	96	
	403-2 Hazard identification, risk assessment, and incident investigation		Data not available.
	403-3 Occupational health services	96	
	403-4 Worker participation, consultation, and communication on occupational health and safety	96-97, 133	
	403-5 Worker training on occupational health and safety	97	
	403-6 Promotion of worker health	96	

GRI Standard	Disclosure	Location	Omission: Reason/Explanation/Direct Answer
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	96-97	Further information available in SEC 17-A Annex A.
	403-8 Workers covered by an occupational health and safety management system		Data not available.
	403-9 Work-related injuries	96, 165	
	403-10 Work-related ill health	96, 165	
404 Training and Education 2016	3-3 Management of material topic	94-95	
	404-1 Average hours of training per year per employee	95, 164	
	404-2 Programs for upgrading employee skills and transition assistance programs	95, 97	
	404-3 Percentage of employees receiving regular performance and career development reviews	94-95	
405 Diversity and Equal Opportunity 2016	3-3 Management of material topic	93, 98	
	405-1 Diversity of governance bodies and employees	118, 162	
	405-2 Ratio of basic salary and remuneration of women to men		Data not available.
406 Non-discrimination 2016	3-3 Management of material topic	Not identified as a material topic.	
	406-1 Incidents of discrimination and corrective actions taken		
407 Freedom of Association and Collective Bargaining 2016	3-3 Management of material topic	Not identified as a material topic.	
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		
408 Child Labor 2016	3-3 Management of material topic	Not identified as a material topic.	
	408-1 Operations and suppliers at significant risk for incidents of child labor		
409 Forced or Compulsory Labor 2016	3-3 Management of material topic	Not identified as a material topic.	
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		
410 Security Practices 2016	3-3 Management of material topic	Not identified as a material topic.	
	410-1 Security personnel trained in human rights policies or procedures		

GRI Standard	Disclosure	Location	Omission: Reason/Explanation/Direct Answer
411 Rights of Indigenous Peoples 2016	3-3 Management of material topic	Not identified as a material topic.	
	411-1 Incidents of violations involving rights of indigenous peoples		
413 Local Communities 2016	3-3 Management of material topic	40-41, 102-111	
	413-1 Operations with local community engagement, impact assessments, and development programs	102-111	
	413-2 Operations with significant actual and potential negative impacts on local communities	102-111	
414 Supplier Social Assessment 2016	3-3 Management of material topic	Not identified as a material topic.	
	414-1 New suppliers that were screened using social criteria		
	414-2 Negative social impacts in the supply chain and actions taken		
415 Public Policy 2016	3-3 Management of material topic	Not identified as a material topic.	
	415-1 Political contributions		
416 Customer Health and Safety 2016	3-3 Management of material topic	98-100	
	416-1 Assessment of the health and safety impacts of product and service categories	100	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	100	
417 Marketing and Labeling 2016	3-3 Management of material topic	100	
	417-1 Requirements for product and service information and labeling		Data not available.
	417-2 Incidents of non-compliance concerning product and service information and labeling	100	
	417-3 Incidents of non-compliance concerning marketing communications	100	
418 Customer Privacy 2016	3-3 Management of material topic	101, 126	
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	101	

INTEGRATED REPORT 2023

P&A Grant Thornton

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Report of Independent Auditors

The Board of Directors and Stockholders
Cebu Landmasters, Inc. and Subsidiaries
(A Subsidiary of A B Soberano Holdings Corp.)
10th Floor, Park Centrale Tower
Jose Ma. Del Mar St., B2 L3
Cebu I.T. Park, Brgy., Apas
Cebu City

Opinion

We have audited the consolidated financial statements of Cebu Landmasters, Inc. and Subsidiaries (collectively referred to herein as the Group), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of profit or loss, 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, 2023, and notes to the consolidated financial statements, including a summary of 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, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2023 in accordance with Philippine Financial Reporting Standards (PFRS), as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission (SEC) and described in Note 2 to the consolidated financial statements.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' 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 audits 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.

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Emphasis of Matter

We draw attention to Note 2 to the consolidated financial statements, which indicates that the consolidated financial statements have been prepared in accordance with PFRS, as modified by the financial reporting reliefs issued and approved by the SEC. The qualitative impact of the financial reporting reliefs on the consolidated financial statements are disclosed in Note 2 to the consolidated financial statements. Our opinion is not modified in respect of this matter.

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.

(a) Revenue Recognition for Real Estate Sales

Description of the Matter

We considered the Group's recognition of revenue from real estate sales a key audit matter because of the significant volume of transactions and amount of revenue from real estate sales involved. In 2023, the Group's revenue from real estate sales amounted to P18.5 billion which accounts for 98% of the Group's total revenues. It uses the percentage of completion (POC) method to determine the appropriate amount of contract revenues to be recognized for the reporting period. Thus, the complexity of the application of the revenue recognition standard in real estate sales contracts; and the application of significant management judgments in determining when to recognize revenue, particularly on the assessment of the probability of collecting the contract price, and in estimating the stage of project completion were also taken into consideration. An error in the application of the requirements of said standard, and of management judgment and estimate could cause a material misstatement in the consolidated financial statements.

The Group's accounting policy on recognition of revenue from real estate sales, and basis of significant judgment and estimates are disclosed in Notes 2 and 3 to the consolidated financial statements, respectively. In addition, the details of contract revenues, specifically the disaggregation of revenues are disclosed in Notes 18 to the consolidated financial statements.

How the Matter was Addressed in the Audit

To address the risk of material misstatements in revenue recognition, we have performed tests of design and operating effectiveness of internal controls, including information technology (IT) general controls, over processes relating to generation of contract revenue, and revenue recognition and measurement. In addition, we reviewed sales agreements, on a sampling basis, and the relevant facts and circumstances about the real estate transactions to determine compliance with a set of criteria for revenue recognition. We have also tested the reasonableness of management's judgment in determining the probability of collection of the contract price which involves a historical analysis of customer payment pattern and behavior.

To ascertain the reasonableness of the measurement of progress towards complete satisfaction of performance obligation using the input method, we have tested the progress reported for the year in reference to the actual costs incurred relative to the total budgeted project development costs. Our procedures include understanding of controls over recording of costs and direct examination of supporting documents. We have also performed physical inspection of selected projects under development to determine if the completion based on costs is consistent with the physical completion of the project. In testing the reasonableness of budgetary estimates, we have ascertained the qualification of project engineers who prepared the budgets and reviewed the actual performance of completed projects with reference to their budgeted costs.

(b) Existence and Valuation of Real Estate Inventories

Description of the Matter

Real estate inventories amount to P18.7 billion, which accounts for 34% of total current assets and 18% of total assets of the Group, as at December 31, 2023. Because of the asset's material effect on the consolidated financial statements, we considered its valuation a key audit matter. Valuation of the Group's real estate inventories, particularly construction-in-progress, involves determination and estimation of significant unbilled materials and project contractors' services at the end of the reporting period. Management's failure to consider such unbilled materials and services, and an error in estimating the same, could have a material impact on the carrying value of real estate inventories as well as the POC and cost of real estate sales.

The valuation of the real estate inventories is also hinged on their existence. Given that the Group's real estate projects are located in various locations and the varying stages of completion of the projects, which require significant judgment and estimation, we have also considered the existence of real estate inventories as a key audit matter.

The Group's policy on accounting for real estate inventories is disclosed in Notes 2 and 3 to the consolidated financial statements and an analysis of the assets' components is presented in Note 7.

How the Matter was Addressed in the Audit

We have obtained an understanding, and performed tests of design and operating effectiveness of internal controls, including IT general controls, over processes relating to initiation and recording of purchases and allocation of cost to real estate inventories. We also performed ocular inspection of selected real estate projects on a date closest to the end of the reporting period to confirm their existence, and examined documents, such as land titles, progress reports, contractors' accomplishment billings among others, to corroborate with other procedures as well as to ensure completeness of recorded costs. We tested the assumptions used by management in estimating the unbilled materials and services, reviewed the technical competence of project engineers in relation to their assessment of the stage of completion of the projects, and the reasonableness of the stage of completion which was used in the assets' valuation.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023, but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2023 are expected to be made available to us after the date of this auditors' 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.

INTEGRATED REPORT 2023

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, as modified by the application of the financial reporting reliefs issued and approved by the SEC, 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.

Auditors' 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 auditors' 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 PSA 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 PSA, 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Certified Public Accountants
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- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, 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 audits resulting in this independent auditors' report is Renan A. Piamonte.

PUNONGBAYAN & ARAULLO

By: **Renan A. Piamonte**
Partner

CPA Reg. No. 0107805
TIN 221-843-037
PTR No. 10076150, January 3, 2024, Makati City
SEC Group A Accreditation
Partner - No. 107805-SEC (until financial period 2023)
Firm - No. 0002 (until financial period 2024)
BIR AN 08-002511-037-2022 (until Oct. 13, 2025)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Aug. 27, 2024)

April 10, 2024

Certified Public Accountants
Punongbayan & Araullo (P&A) is the Philippine member firm of Grant Thornton International Ltd.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022
(With Corresponding Figures as of January 1, 2022)
(Amounts in Philippine Pesos)

	Notes	**December 31, 2023**	December 31, 2022 (As Restated - see Note 2)	January 1, 2022 (As Restated - see Note 2)
A S S E T S				
CURRENT ASSETS				
Cash and cash equivalents	5	**P 913,841,206**	P 1,434,559,762	P 1,095,821,916
Receivables - net	6	**2,093,139,231**	3,571,775,532	5,844,643,647
Contract assets - net	18	**26,225,182,718**	16,208,926,784	6,558,006,000
Real estate inventories	7	**18,693,496,246**	18,309,208,981	18,708,757,553
Deposits on land for future development	8	**15,000,000**	129,996,729	-
Due from related parties	26	**48,596,767**	35,802,341	57,434,271
Prepayments and other current assets	9	**6,434,166,661**	4,236,252,125	4,113,273,504
Total Current Assets		**54,423,422,829**	43,926,522,254	36,377,936,891
NON-CURRENT ASSETS				
Receivables - net	6	**156,093,837**	106,500,218	161,127,276
Contract assets - net	18	**18,868,803,692**	15,770,136,750	13,732,299,185
Investments in associates	10	**142,489,432**	133,559,576	135,064,930
Property and equipment - net	11	**7,241,895,672**	4,813,732,450	915,671,703
Right-of-use assets - net	12	**1,129,605,407**	1,168,049,405	1,152,854,127
Investment properties - net	13	**18,334,014,653**	17,749,297,533	13,240,123,662
Other non-current assets - net	14	**1,789,963,392**	1,377,070,838	937,027,659
Total Non-current Assets		**47,662,866,085**	41,118,346,770	30,274,168,542
TOTAL ASSETS		**P 102,086,288,914**	P 85,044,869,024	P 66,652,105,433
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Interest-bearing loans and borrowings	15	**P 11,567,153,371**	P 8,123,643,987	P 8,813,501,067
Trade and other payables	17	**22,780,790,598**	18,843,635,888	12,650,588,490
Contract liabilities	18	**449,338,207**	598,361,867	604,254,603
Customers' deposits	18	**144,003,765**	120,250,096	89,897,007
Lease liabilities	12	**55,717,884**	54,145,058	3,288,349
Income tax payable		**2,210,977**	3,646,417	2,177,192
Total Current Liabilities		**34,999,214,802**	27,743,683,313	22,163,706,708
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings	15	**30,621,692,365**	26,938,646,624	23,208,218,323
Bonds payable	16	**4,947,822,521**	4,930,582,631	-
Trade and other payables	17	**185,420,132**	195,075,703	169,777,112
Lease liabilities	12	**1,207,138,171**	1,182,914,425	1,122,841,952
Post-employment defined benefit obligation	24	**10,395,914**	9,390,095	4,753,329
Deferred tax liabilities - net	25	**4,317,848,473**	3,031,961,340	2,050,626,485
Total Non-current Liabilities		**41,290,317,576**	36,288,570,818	26,556,217,201
Total Liabilities		**76,289,532,378**	64,032,254,131	48,719,923,909
EQUITY	27			
Equity attributable to shareholders of the Parent Company		**16,451,402,273**	13,501,563,155	10,839,874,203
Non-controlling interest		**9,345,354,263**	7,511,051,738	7,092,307,321
Total Equity		**25,796,756,536**	21,012,614,893	17,932,181,524
TOTAL LIABILITIES AND EQUITY		**P 102,086,288,914**	P 85,044,869,024	P 66,652,105,433

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Amounts in Philippine Pesos)

	Notes	2023	2022	2021
REVENUES	18			
Sale of real estates		**P 18,508,302,086**	P 15,439,136,362	P 10,996,247,695
Hotel operations		**138,551,300**	83,418,279	48,683,577
Rental		**112,343,856**	79,277,559	74,272,000
Management fees		**59,216,126**	55,465,803	42,967,412
		18,818,413,368	15,657,298,003	11,162,170,684
COST OF SALES AND SERVICES	19	**(9,640,347,529)**	(8,367,635,549)	(5,972,289,664)
GROSS PROFIT		**9,178,065,839**	7,289,662,454	5,189,881,020
OPERATING EXPENSES	20	**(2,784,634,909)**	(2,368,932,953)	(1,950,338,710)
OTHER OPERATING INCOME	21	**410,779,779**	202,542,753	257,229,190
OPERATING PROFIT		**6,804,210,709**	5,123,272,254	3,496,771,500
FINANCE COSTS	22	**(603,186,832)**	(351,048,830)	(264,069,008)
FINANCE INCOME	23	**14,983,406**	14,819,366	7,689,872
SHARE IN NET LOSS OF ASSOCIATES	10	**(12,570,144)**	(9,505,354)	(4,229,178)
IMPAIRMENT LOSS ON FINANCIAL ASSETS	6	**(432,794)**	(1,855,555)	-
OTHER LOSSES	21	**(3,809,681)**	(8,077,498)	(132,572,525)
PROFIT BEFORE TAX		**6,199,194,664**	4,767,604,383	3,103,590,661
TAX EXPENSE	25	**(1,556,175,019)**	(1,159,713,237)	(432,719,044)
NET PROFIT		**P 4,643,019,645**	P 3,607,891,146	P 2,670,871,617
Net profit attributable to:				
Parent Company's shareholders		**P 3,575,837,120**	P 3,170,887,739	P 2,612,937,324
Non-controlling interests		**1,067,182,525**	437,003,407	57,934,293
		P 4,643,019,645	P 3,607,891,146	P 2,670,871,617
Earnings per Share:				
Basic and diluted	28	**P 1.03**	P 0.92	P 1.04

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Amounts in Philippine Pesos)

	Notes	2023	2022	2021
NET PROFIT		**P 4,643,019,645**	P 3,607,891,146	P 2,670,871,617
OTHER COMPREHENSIVE LOSS				
Item that will not be reclassified subsequently to profit or loss				
Gain (loss) on remeasurements of post-employment defined benefit plan	24	**(5,836,964)**	(577,372)	435,092
Tax income (expense)	25	**1,459,241**	144,343	(1,029,189)
		(4,377,723)	(433,029)	(594,097)
TOTAL COMPREHENSIVE INCOME		**P 4,638,641,922**	P 3,607,458,117	P 2,670,277,520
Total comprehensive income attributable to:				
Parent Company's shareholders		**P 3,571,459,397**	P 3,170,454,710	P 2,612,343,227
Non-controlling interests		**1,067,182,525**	437,003,407	57,934,293
		P 4,638,641,922	P 3,607,458,117	P 2,670,277,520

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Amounts in Philippine Pesos)

	Attributable to Shareholders of the Parent Company										
	Capital Stock (See Note 27)	Additional Paid-in Capital (See Note 27)	Treasury Stock (See Note 27)	Share Options Outstanding (See Note 27)	Revaluation Reserves (See Note 27)	Retained Earnings (See Note 27) Appropriated	Retained Earnings (See Note 27) Unappropriated	Retained Earnings Total	Total	Non-controlling Interests (See Note 27)	Total
Balance at January 1, 2023	P 3,623,451,997	P 1,608,917,974	(P 732,664,604)	P 2,195,991	(P 13,910,501)	P 3,931,475,893	P 5,082,096,405	P 9,013,572,298	P 13,501,563,155	P 7,511,051,738	P 21,012,614,893
Transactions with owners											
Investments from non-controlling stockholders	-	-	-	-	-	-	-	-	-	879,500,000	879,500,000
Cash dividends	-	-	-	-	-	-	(623,736,265)	(623,736,265)	(623,736,265)	(112,380,000)	(736,116,265)
Stock option granted	-	-	-	2,115,986	-	-	-	-	2,115,986	-	2,115,986
	-	-	-	2,115,986	-	-	(623,736,265)	(623,736,265)	(621,620,279)	767,120,000	145,499,721
Appropriation of retained earnings											
Appropriations during the year	-	-	-	-	-	6,324,658,043	(6,324,658,043)	-	-	-	-
Reversal of appropriations during the year	-	-	-	-	-	(3,341,330,930)	3,341,330,930	-	-	-	-
	-	-	-	-	-	2,983,327,113	(2,983,327,113)	-	-	-	-
Total comprehensive income for the year											
Net profit for the year	-	-	-	-	-	-	3,575,837,120	3,575,837,120	3,575,837,120	1,067,182,525	4,643,019,645
Other comprehensive loss	-	-	-	-	(4,377,723)	-	-	-	(4,377,723)	-	(4,377,723)
	-	-	-	-	(4,377,723)	-	3,575,837,120	3,575,837,120	3,571,459,397	1,067,182,525	4,638,641,922
Balance at December 31, 2023	P 3,623,451,997	P 1,608,917,974	(P 732,664,604)	P 4,311,977	(P 18,288,224)	P 6,914,803,006	P 5,050,870,147	P 11,965,673,153	P 16,451,402,273	P 9,345,354,263	P 25,796,756,536
Balance at January 1, 2022	P 3,623,451,997	P 1,608,917,974	(P 748,171,901)	P -	(P 13,477,472)	P 172,049,912	P 6,197,103,693	P 6,369,153,605	P 10,839,874,203	P 7,092,307,321	P 17,932,181,524
Transactions with owners											
Investments from non-controlling stockholders	-	-	-	-	-	-	-	-	-	61,641,010	61,641,010
Cash dividends	-	-	-	-	-	-	(519,780,221)	(519,780,221)	(519,780,221)	(79,900,000)	(599,680,221)
Stock option granted	-	-	-	3,005,840	-	-	-	-	3,005,840	-	3,005,840
Stock option exercised	-	-	15,507,297	(809,849)	-	-	(6,688,825)	(6,688,825)	8,008,623	-	8,008,623
	-	-	15,507,297	2,195,991	-	-	(526,469,046)	(526,469,046)	(508,765,758)	(18,258,990)	(527,024,748)
Appropriation of retained earnings											
Appropriations during the year	-	-	-	-	-	3,931,475,893	(3,931,475,893)	-	-	-	-
Reversal of appropriations during the year	-	-	-	-	-	(172,049,912)	172,049,912	-	-	-	-
	-	-	-	-	-	3,759,425,981	(3,759,425,981)	-	-	-	-
Total comprehensive income for the year											
Net profit for the year	-	-	-	-	-	-	3,170,887,739	3,170,887,739	3,170,887,739	437,003,407	3,607,891,146
Other comprehensive loss	-	-	-	-	(433,029)	-	-	-	(433,029)	-	(433,029)
	-	-	-	-	(433,029)	-	3,170,887,739	3,170,887,739	3,170,454,710	437,003,407	3,607,458,117
Balance at December 31, 2022	P 3,623,451,997	P 1,608,917,974	(P 732,664,604)	P 2,195,991	(P 13,910,501)	P 3,931,475,893	P 5,082,096,405	P 9,013,572,298	P 13,501,563,155	P 7,511,051,738	P 21,012,614,893
Balance at January 1, 2021	P 1,714,000,000	P 1,608,917,974	(P 732,851,016)	P -	(P 12,883,375)	P 3,949,504,623	P 2,104,913,555	P 6,054,418,178	P 8,631,601,761	P 6,895,639,697	P 15,527,241,458
Transactions with owners											
Investments from non-controlling stockholders	-	-	-	-	-	-	-	-	-	226,733,331	226,733,331
Cash dividends	-	-	-	-	-	-	(388,749,900)	(388,749,900)	(388,749,900)	(88,000,000)	(476,749,900)
Stock dividends	1,909,451,997	-	-	-	-	-	(1,909,451,997)	(1,909,451,997)	-	-	-
Acquisition of treasury stock	-	-	(15,320,885)	-	-	-	-	-	(15,320,885)	-	(15,320,885)
	1,909,451,997	-	(15,320,885)	-	-	-	(2,298,201,897)	(2,298,201,897)	(404,070,785)	138,733,331	(265,337,454)
Reversal of appropriations during the year	-	-	-	-	-	(3,777,454,711)	3,777,454,711	-	-	-	-
Total comprehensive income for the year											
Net profit for the year	-	-	-	-	-	-	2,612,937,324	2,612,937,324	2,612,937,324	57,934,293	2,670,871,617
Other comprehensive loss	-	-	-	-	(594,097)	-	-	-	(594,097)	-	(594,097)
	-	-	-	-	(594,097)	-	2,612,937,324	2,612,937,324	2,612,343,227	57,934,293	2,670,277,520
Balance at December 31, 2021	P 3,623,451,997	P 1,608,917,974	(P 748,171,901)	P -	(P 13,477,472)	P 172,049,912	P 6,197,103,693	P 6,369,153,605	P 10,839,874,203	P 7,092,307,321	P 17,932,181,524

See Notes to Consolidated Financial Statements.

INTEGRATED REPORT 2023

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Amounts in Philippine Pesos)

	Notes	2023	2022 (As Restated see Note 2)	2021 (As Restated see Note 2)
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		**P 6,199,194,664**	P 4,767,604,383	P 3,103,590,661
Adjustments for:				
Interest expense on:				
Loans	22	**451,982,816**	259,475,530	196,904,919
Lease liabilities	12	**80,167,300**	75,629,879	67,139,552
Bonds	16	**66,856,868**	15,444,620	-
Depreciation and amortization	20	**186,911,151**	170,626,662	121,798,863
Interest income	23	**(13,874,699)**	(14,664,879)	(6,528,935)
Share in net losses of associates	10	**12,570,144**	9,505,354	4,229,178
Share option benefits expense	24, 27	**2,115,986**	3,005,840	-
Recognition of impairment loss on financial assets	6	**432,794**	1,855,555	-
Loss (gain) on sale of property and equipment	11	**17,410**	(128,365)	16,577
Operating profit before working capital changes		**6,986,374,433**	5,288,354,579	3,487,150,815
Decrease in receivables		**1,428,609,888**	2,325,639,618	136,187,839
Increase in contract assets		**(13,114,922,876)**	(11,688,758,349)	(6,433,654,690)
Decrease (increase) in real estate inventories		**2,956,338,724**	2,409,017,134	(1,290,125,235)
Increase in deposits on land for future development		**(349,502,459)**	(129,996,729)	(376,327,882)
Decrease (increase) in prepayments and other current assets		**(2,197,914,536)**	625,328,447	(905,070,148)
Decrease (increase) in other non-current assets		**(418,939,623)**	(1,069,949,268)	(573,896,768)
Increase in trade and other payables		**1,561,102,970**	3,804,705,659	5,317,928,215
Increase (decrease) in contract liabilities		**(149,023,660)**	(5,892,736)	71,605,256
Increase (decrease) in customers' deposits		**23,753,669**	30,353,089	(106,227,005)
Increase (decrease) in post-employment defined benefit obligation		**(4,831,145)**	4,059,394	3,538,048
Cash generated from (used in) operations		**(3,278,954,614)**	1,592,860,838	(668,891,555)
Cash paid for taxes		**(270,264,085)**	(300,933,097)	(252,045,906)
Net Cash From (Used in) Operating Activities		**(3,549,218,699)**	1,291,927,741	(920,937,461)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property and equipment	11	**(996,053,776)**	(1,204,019,547)	(299,836,002)
Acquisitions of investment properties	13	**(321,623,733)**	(5,174,664,275)	(4,865,426,664)
Additional investments in associates	10	**(21,500,000)**	(8,000,000)	(25,310,918)
Interest received	23	**13,874,699**	14,664,879	6,528,935
Advances to related parties	26	**(12,794,426)**	(368,535)	(35,500,674)
Acquisitions of computer software	14	**(1,914,986)**	(3,064,323)	(10,242,943)
Proceeds from sale of property and equipment	11	**563,795**	1,043,039	75,961
Collections of advances to related parties	26	**-**	22,000,465	16,907
Net Cash Used in Investing Activities		**(1,339,448,427)**	(6,352,408,297)	(5,229,695,398)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from availment of interest-bearing loans - net	34	**12,943,572,215**	11,749,374,715	14,448,015,997
Repayments of interest-bearing loans	34	**(5,791,848,745)**	(8,807,422,731)	(6,288,347,939)
Interest paid on interest-bearing loans	15	**(2,543,426,951)**	(1,907,051,243)	(1,387,522,892)
Additional investment from non-controlling shareholders	27	**879,500,000**	61,641,010	226,733,331
Cash dividends paid	27	**(727,716,265)**	(599,680,221)	(476,749,900)
Interest paid on bonds	16	**(337,485,050)**	(14,704,640)	-
Payment of lease liability	12	**(54,646,634)**	(17,574,742)	(57,537,727)
Proceeds from issuances of bonds - net	16	**-**	4,926,627,631	-
Proceeds from reissuance of treasury stock	27	**-**	8,008,623	-
Acquisition of treasury stock		**-**	-	(15,320,885)
Net Cash From Financing Activities		**4,367,948,570**	5,399,218,402	6,449,269,985
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(520,718,556)**	338,737,846	298,637,126
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**1,434,559,762**	1,095,821,916	797,184,790
CASH AND CASH EQUIVALENTS AT END OF YEAR		**P 913,841,206**	P 1,434,559,762	P 1,095,821,916

Supplemental Information on Non-cash Activities is disclosed in Note 35.

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023, 2022 AND 2021
(Amounts in Philippine Pesos)

1. GENERAL INFORMATION

1.1 Corporate Information

Cebu Landmasters, Inc. (the Parent Company or CLI) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on September 26, 2003. CLI is presently engaged in real estate-related activities, which include real estate development, sales, leasing and property management. The Parent Company's real estate portfolio include condominium and subdivision for residence, mixed-use properties, townships, hotels and resorts, offices, and co-living space.

The Parent Company is a subsidiary of A B Soberano Holdings Corp. (the Ultimate Parent Company or ABS). ABS is a holding company and is incorporated and domiciled in the Philippines. ABS is primarily and currently engaged in holding activities. The registered office and principal place of business of ABS is located at 2nd Street, Villa San Lorenzo, Quijada Street, Barangay Guadalupe, Cebu City.

On January 6, 2017, the Board of Directors (BOD) approved the Company's application for the registration of its common stocks with the SEC and application for the listing thereof in the Philippine Stock Exchange (PSE). The Company's shares were listed on the main board of the PSE on June 2, 2017 (see Note 27).

The registered office address of CLI, which is also its principal place of business, is located at 10th Floor, Park Centrale Tower, Jose Ma. Del Mar St., B2 L3, Cebu I.T. Park, Brgy. Apas, Cebu City, Philippines.

1.2 Subsidiaries and Associates

CLI holds ownership interests in the following subsidiaries and associates:

Entities	Notes	Effective Percentage of Ownership 2023	2022
Subsidiaries			
CLI Premier Hotels Int'l. Inc. (CPH)	(a)	**100%**	100%
Cebu Landmasters Property Management, Inc. (CPM)	(b)	**100%**	100%
A.S. Fortuna Property Ventures, Inc. (ASF)	(c)	**100%**	100%
CLI Hotels and Resorts Inc. (CHR)	(d)	**100%**	100%
CLI-LITE Panglao Inc. (CLI-LITE)	(e)	**88%**	88%
Ming-mori Development Corporation (MDC)	(f)	**78%**	78%
Sugbo Prime Estate, Inc. (SPE)	(g)	**64%**	64%
BL CBP Ventures, Inc. (BL Ventures)	(h)	**50%**	50%
Yuson Excellence Soberano, Inc. (YES)	(i)	**50%**	50%
Yuson Huang Excellence Soberano, Inc. (YHES)	(j)	**50%**	50%
YHEST Realty and Development Corporation (YHEST)	(k)	**50%**	50%
CCLI Premier Hotels, Inc. (CCLI)	(l)	**50%**	50%

Forward

Entities	Notes	Effective Percentage of Ownership 2023	2022
Subsidiaries			
Cebu Homegrown Developers, Inc. (CHDI)	(m)	**50%**	50%
YHES Premier Hotels Inc. (YHESPH)*	(n)	**50%**	50%
Cebu BL-Ramos Ventures Inc. (CBLRV)	(o)	**50%**	50%
GGTT Realty Corporation (GGTT)	(p)	**50%**	50%
Mivesa Garden Residences, Inc. (MGR)	(q)	**45%**	45%
El Camino Developers Cebu, Inc. (El Camino)	(r)	**35%**	35%
Associates			
Iloilo Global City Corporation (IGCC)	(s)	**43%**	-
ICOM Air Corporation (ICOM)	(t)	**33%**	33%
Magspeak Nature Park, Inc. (Magspeak)	(u)	**25%**	25%

* *YHESPH is a wholly owned subsidiary of YHES*

CLI and its subsidiaries (collectively referred as "the Group"), and associates are all incorporated in the Philippines. The subsidiaries and associates, except CPH, CPM, CCLI, YHESPH and ICOM are in the same line of business with CLI. A brief description of these entities follows:

(a) CPH was incorporated in 2016 as a wholly owned subsidiary of the CLI. CPH is engaged in the real estate and hotel management business, which started commercial operations on September 14, 2019. The principal place of business of CPH is located in Cebu City.

(b) CPM was incorporated in 2017 as a wholly owned subsidiary of the CLI. CPM is engaged in the management of condominium corporations and housing associations affiliated with CLI. CPM has started commercial operations on September 1, 2017. The principal place of business of CPH is located in Cebu City.

(c) ASF was incorporated in 2017 as a joint venture where CLI initially held 40% ownership interest. CLI acquired all the ownership interest of its business partners at the end of 2017 which made ASF its wholly owned subsidiary. The principal place of business of ASF is located in Cebu City.

(d) CHR was incorporated on August 4, 2022 as a wholly-owned subsidiary of CLI and is engaged to run and manage the Group's various hotel projects. Its principal place of business is located in Cebu City. As at December 31, 2023, CHR has yet to start commercial operations.

(e) CLI-LITE was incorporated on July 19, 2021 as an undertaking by CLI and two other corporations for the development of a mixed-use project with residential condominiums and a possible hotel component in Panglao Island, Bohol. The principal place of business of CLI-LITE is located in Cebu City.

(f) MDC was incorporated in 2013 as an undertaking between CLI and four other entities for the development of an economic business district. The principal place of business of MDC is located in Cebu City.

(g) SPE was formed in 2019 as a one person corporation and was converted to an ordinary stock corporation after entering into a joint venture with CLI on March 4, 2021, for the development of a dormitory with retail and warehouse spaces. The principal place of business of SPE is located in Cebu City.

(h) BL Ventures was formed by CLI and Borromeo Bros. Estate, Inc. (BBEI) to construct and operate Latitude Corporate Center. The principal place of business of BL Ventures is located in Cebu City.

(i) YES was formed by CLI and Yuson Comm. Investments, Inc. to construct and operate Messatiera Garden Residences in Davao. The principal place of business of YES is located in Davao City.

(j) YHES was incorporated in 2017 as an undertaking among CLI, Yuson Strategic Holdings, Inc., and Davao Filandia Realty Corp. for the development of mixed-used real estate project, the Paragon Davao. The principal place of business of YHES is located in Davao City.

(k) YHEST was incorporated in 2018 as an undertaking among CLI and five corporations for the development of a central business district located at Matina, Davao. The principal place of business of YHEST is located in Davao City.

(l) CCLI was incorporated in 2018 as an undertaking between CLI and Capitaine, Inc. for the development of Citadines hotel in Bacolod City. The principal place of business of CCLI is located in Bacolod City. As at December 31, 2023, CCLI has yet to start commercial operations.

(m) CHDI is an undertaking between CLI and Aboitiz Land, Inc. and was incorporated on December 5, 2019. CHDI is engaged in the development of a high-rise mixed-use condominium complex in Mandaue City, Cebu, which commenced commercial operations in 2021. Its principal place of business is in Cebu City.

(n) YHESPH was incorporated on October 28, 2019 as a wholly owned subsidiary of YHES that will engage in hotel business. Its ultimate parent is CLI, which owns 50% of YHES.

(o) CBLRV, a new subsidiary in 2020, was incorporated on February 21, 2020 as an undertaking between CLI and BBEI and is engaged in the development of a mixed-use condominium tower in Cebu City. Its principal place of business also is located in Cebu City.

(p) GGTT was incorporated on March 26, 2003 and is engaged to construct a residential condominium project in its principal place of business in Iloilo City.

(q) MGR was incorporated in 2017 as an undertaking by CLI and three corporations for the construction of buildings 6 and 7 of the Mivesa Garden Residences condominium. The principal place of business of MGR is located in Cebu City.

(r) El Camino was incorporated in 2016 as an undertaking between CLI and four other corporations for the development of 38 Park Avenue condominium project in Cebu City. The principal place of business of El Camino is located in Cebu City.

(s) IGCC was incorporated in 2023 as an undertaking between CLI and two other corporations and is engaged in the development of a mixed-use condominium tower in Iloilo City. Its principal place of business also is located in Iloilo City.

(t) ICOM was incorporated on December 7, 2020 as an undertaking of CLI and various individual stockholders and corporations to import aircraft(s) and to operate a transportation business in the Philippines. ICOM's principal place of business is in Iloilo City. As at December 31, 2023, ICOM has yet to start its commercial operations.

(u) Magspeak was incorporated in 2011 as an undertaking among CLI and four other corporations for the development of a mountain resort to be located in Balamban, Cebu. The principal place of business of Magspeak is located in Cebu City.

1.3 Approval of Issuance of Consolidated Financial Statements

The consolidated financial statements of the Group as at and for the year ended December 31, 2023 (including the comparative consolidated financial statements for the years ended December 31, 2022 and 2021), were authorized for issue by the BOD on April 10, 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information that have been used in the preparation of these consolidated financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic. The financial reporting reliefs availed of by the Group are disclosed in details below and in the succeeding pages. PFRS are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by PFRS, as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic, for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) SEC Financial Reporting Reliefs Availed by the Group

The Group has availed of several financial reporting reliefs granted by the SEC relating to several implementation issues of PFRS 15, *Revenue from Contracts with Customers*, affecting the real estate industry under following Memorandum Circulars (MC):

- MC No. 14-2018, *Philippine Interpretation Committee Question and Answer (PIC Q&A) No. 2018-12 Implementation Issues Affecting Real Estate Industry*;
- MC No. 3-2019, *PIC Q&A Nos. 2018-12-H and 2018-14*;
- MC No. 4-2020, *Deferment of the Implementation of IFRS Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Costs) for Real Estate Industry*; and,
- MC 34-2020, *Deferral of PIC Q&A No. 2018-12 and IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) for Real Estate Industry for another period of three years or until 2023*.

SEC MC No. 08-2021, Amendment to SEC MC No. 14-2018, MC No. 03-2019, MC No. 04-2020, and MC No. 34-2020 to clarify transitory provision, provides real estate companies the accounting policy option of applying either the full retrospective approach or the modified retrospective approach when they apply the provisions of the PIC and IFRIC pronouncement. Discussed below and in the succeeding page are the financial reporting reliefs availed of by the Group, including the descriptions of the implementation issues and their qualitative impacts to the consolidated financial statements. The Group opted to avail the reliefs until the end of the deferment period as provided under the relevant MC.

(i) IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) for Real Estate Industry (deferred until December 31, 2023)

The IFRIC concluded that any inventory (work-in-progress) for unsold units under construction that the entity recognizes is not a qualifying asset, as the asset is ready for its intended sale in its current condition (i.e., the developer intends to sell the partially constructed units as soon as it finds suitable customers and, in signing a contract with a customer, will transfer control of any work-in-progress relating to that unit to the customer). Accordingly, no borrowing costs can be capitalized on such unsold real estate inventories.

(ii) PIC Q&A No. 2018-12-D, *Concept of the significant financing component in the contract to sell* and PIC Q&A No. 2020-04, *Addendum to PIC Q&A 2018-12-D: Significant Financing Component Arising from Mismatch between the Percentage of Completion and Schedule of Payments* (deferred until December 31, 2023)

PFRS 15 requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

There is no significant financing component if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. Further, the Group does not need to adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception that the timing difference of the receipt of full payment of the contract price and that of the completion of the project, are expected within one year and significant financing component is not expected to be significant.

Had the Group elected not to defer this provision of the standard, it would have an impact in the consolidated financial statement as there would have been a significant financing component when there is a difference between the percentage of completion (POC) of the real estate project and the right to the consideration based on the payment schedule stated in the contract. The guidance should have been applied retrospectively and would have resulted in the restatement of prior year consolidated financial statements or applied using modified retrospective approach.

In the initial calculation of the Group, adoption of the deferred provisions of PFRS 15 and related issuances of the Philippine Interpretation Committee would have an impact on the following financial statement accounts as of and for the year ended December 31, 2023:

	Increase (Decrease)
Real estate sales	(P2,103,367,290)
Cost of real estate sales	(1,139,065,655)
Interest expense	1,602,455,786
Interest income	2,134,914,530
Provision for deferred income tax	50,067,140
Net profit	545,004,511
Real estate inventories	(1,422,007,090)
Deferred tax liability	(371,997,944)
Opening balance of retained earnings	1,249,000,523

Furthermore, these would have impacted the cash flows from operations and cash flows from financing activities for all years presented in case of a full retrospective approach.

The Group has decided to use full retrospective approach upon adoption.

(c) Presentation of Consolidated Financial Statements

The consolidated financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Group presents consolidated statement of comprehensive income separate from the consolidated statement of profit or loss.

The Group presents a third consolidated statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the consolidated statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

(d) Functional and Presentation Currency

These consolidated financial statements are presented in Philippine pesos, the Group's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the consolidated financial statements of the Group are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

(e) Reclassification of Accounts

The Company reclassified certain deferred commissions as part of Prepayments and Other Current Assets to Other Non-current Assets account due to its expected recognition as expense in the succeeding years.

The effect of this reclassification in the consolidated financial statements as at December 31, 2022 and January 1, 2022 are summarized as follows:

(i) Consolidated statements of financial position

	As Previously Reported	Reclassification	As Restated
December 31, 2022			
Changes in Assets			
Prepayments and other current assets	P 4,964,507,403	(P 728,255,278)	P 4,236,252,125
Other non-current assets	648,815,560	728,255,278	1,377,070,838
		P -	
January 1, 2022			
Changes in Assets			
Prepayments and other current assets	P 4,737,412,289	(P 624,138,785)	P 4,113,273,504
Other non-current assets	312,888,874	624,138,785	937,027,659
		P -	

(ii) Consolidated statements of cash flows

	As Previously Reported	Reclassification	As Restated
December 31, 2022			
Decrease (increase) in			
Prepayments and other current assets	(P 102,926,831)	P 728,255,278	P 625,328,447
Other non-current assets	(341,693,990)	(728,255,278)	(1,069,949,268)
		P -	
January 1, 2022			
Decrease (increase) in			
Prepayments and other current assets	(P 1,529,208,933)	P 624,138,785	(P 905,070,148)
Other non-current assets	50,242,017	(624,138,785)	(573,896,768)
		P -	

The effect of the reclassification has no impact on the consolidated statements of profit or loss and consolidated statements of comprehensive income.

2.2 Adoption of Amended PFRS

(a) Effective in 2023 that are Relevant to the Group

The Group adopted for the first time the following amendments to PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2023:

PAS 1 and PFRS Practice Statement 2 (Amendments)	:	Presentation of Financial Statements – Disclosure of Accounting Policies
PAS 8 (Amendments)	:	Definition of Accounting Estimates
PAS 12 (Amendments)	:	Deferred Tax Related to Assets and Liabilities from a Single Transaction

Discussed below are the relevant information about these pronouncements.

(i) PAS 1 and PFRS Practice Statement 2 (Amendments), *Presentation of Financial Statements – Disclosure of Accounting Policies*. The amendments replaced the requirement for entities to disclose their significant accounting policies with the requirement to disclose their material accounting policy information. The amendments also include guidance to help entities apply the definition of material in making decisions about accounting policy disclosures.

The amendments clarify that accounting policy Information may be material because of its nature, even if the related amounts are immaterial, that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements and if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. The application of these amendments is reflected in the Group's consolidated financial statements under Notes 2 and 3.

PAS 8 (Amendments), *Definition of Accounting Estimates*. The amendments introduced a new definition of accounting estimate which is a monetary amount in the financial statements that are subject to measurement uncertainty. It also clarifies that a change in accounting estimate that results from new information or new developments is not a correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(ii) PAS 12 (Amendments), *Deferred Tax Related to Assets and Liabilities 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 judgment (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). Management assessed that the application of such amendments had no significant impact on the Group's consolidated financial statements.

(b) Effective in 2023 that is not Relevant to the Group

Among the amendments to PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2023, the amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*, are not relevant to the Group's consolidated financial statements.

(c) Effective Subsequent to 2023 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to 2023, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and none of these are expected to have significant impact on the Group's consolidated financial statements:

(i) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current* (effective from January 1, 2024)

(ii) PAS 1 (Amendments), *Presentation of Financial Statements – Non-current Liabilities with Covenants* (effective from January 1, 2024)

(iii) PAS 7 (Amendments), *Cash Flow Statements* and PFRS 7 (Amendments), *Financial Instruments: Disclosures – Supplier Finance Arrangements* (effective from January 1, 2024)

(iv) PFRS 16 (Amendments), *Leases – Lease Liability in a Sale and Leaseback* (effective from January 1, 2024)

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Parent Company, and its subsidiaries, after the elimination of material intercompany transactions. The financial statements of subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting principles.

Acquired subsidiaries are accounted for using the acquisition method of accounting.

Acquired investment in associate is subject to the purchase method.

2.4 Financial Instruments

(a) Financial Assets

Regular purchases and sales of financial assets are recognized on their trade date (i.e., the date that the Group commits to purchase or sell the asset).

(i) Classification, Measurement and Reclassification of Financial Assets

The Group's financial assets are all categorized as financial assets at amortized cost.

(ii) Impairment of Financial Assets

The expected credit losses (ECL) on receivables and contract assets are estimated by a probability weighted estimate of credit losses over the expected life of the financial assets. These assets are assessed for impairment on a collective basis based on shared credit risk characteristics.

However, if the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures and provides for credit losses that are expected to result from default events that are possible within 12-months after the end of the reporting period, except when there has been a significant increase in credit risk on the financial asset since initial recognition.

(b) Financial Liabilities

Financial liabilities include interest-bearing loans and borrowings, bonds payable, and trade and other payables [except government-related obligations, advance rental and output value-added tax (VAT).

2.5 Business Combinations

Business acquisitions are accounted for using the acquisition method of accounting.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition, except for lease liabilities which are measured based on the present value of the remaining lease payments as if the acquired lease were a new lease at acquisition date and right-of-use assets which are measured at an amount equal to the recognized lease liability, adjusted to reflect favorable or unfavorable lease terms compared with market terms . For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The cash-generating units or groups of cash-generating units are identified according to operating segment.

2.6 Real Estate Inventories

Costs of real estate inventories are assigned using specific identification of their individual costs.

The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known. Any impairment loss from a real estate project is charged to operations during the period in which the loss is determined. Repossessed property arising from sales cancellation is recognized at cost. The difference between the carrying amount of the receivable or Contract Asset to be recognized and the cost of the repossessed property is recognized in the consolidated statement of comprehensive income.

2.7 Property and Equipment

Property and equipment are carried at acquisition or construction cost less subsequent depreciation, amortization and any impairment losses.

Depreciation and amortization are computed on the straight-line basis over the estimated useful lives of the assets. The depreciation and amortization periods for property and equipment, based on the above policies, are as follows:

Buildings	20 years
Transportation equipment	5 years
Operating equipment	3-5 years
Furniture and fixtures	2-5 years

2.8 Investment Property

Properties held for lease under operating lease agreements, which comprise mainly of land, buildings and condominium units, are classified as Investment Properties and carried at cost, net of accumulated depreciation and any impairment in value, except for land which is not subject to depreciation. Depreciation and amortization of investment properties are computed using the straight-line method over the estimated useful lives of the assets ranging from 20 to 50 years.

2.9 Revenue and Expense Recognition

Revenue comprises revenue from sale of real properties. The Group uses the practical expedient in PFRS 15 with respect to non-disclosure of the aggregate amount of the transaction price allocated to unsatisfied or partially satisfied performance obligations as of the end of the reporting period and the explanation of when such amount will be recognized.

The Group develops real properties such as developed land, house and lot, and condominium units. The Group often enters into contracts to sell real properties as they are being developed. The significant judgment used in determining the timing of satisfaction of the Group's performance obligation with respect to its contracts to sell real properties is disclosed in Note 3.1*(b)*. Sales cancellations are accounted for on the year of forfeiture. Any gain or loss on cancellation is charged to profit or loss.

(a) *Real Estate Sales on pre-completed real estate properties* – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development. Revenue recognized is presented as part of Real Estate Sales in the consolidated statement of comprehensive income.

(b) *Real Estate Sales on completed real estate properties* – Revenue from real estate sales is recognized at point in time when the control over the real estate property is transferred to the buyer. Revenue recognized from real estate sales is presented as part of Real Estate Sales in the consolidated statement of comprehensive income.

(c) *Rendering of management services* – Revenue from the rendering of management services is recognized over time as the services are provided to the client entities. The client entities are invoiced monthly as work progresses, which are also due upon receipt by them. Any amounts remaining unbilled at the end of a reporting period are presented in the consolidated statement of financial position as receivables as only the passage of time is required before payment of these amounts will be due.

(d) *Hotel operations* – Revenues are recognized over time during the occupancy of hotel guest and ends when the scheduled hotel room accommodation has lapsed (i.e., the related room services have been rendered). As applicable, invoices for hotel accommodations are due upon receipt by the customer.

For tax reporting purposes, a modified basis of computing the taxable income for the year based on collections from real estate sales is used by the Group.

Incremental costs of obtaining a contract to sell real property to customers are recognized as part of Prepayments and Other Current Assets and is subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized. Other costs and expenses are recognized in profit or loss upon utilization of services or receipt of goods or at the date they are incurred. Finance costs are reported on an accrual basis except capitalized borrowing costs.

Under its contracts with customers, the Group will receive an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Group as it develops the property are presented as Contract Assets in the consolidated statement of financial position. Contract assets are subsequently tested for impairment in the same manner as the Group assesses impairment of its financial assets [see Note 2.4*(a)(ii)*].

Any consideration received by the Group in excess of the amount for which the Group is entitled is presented as Contract Liabilities in the consolidated statement of financial position.

2.10 Leases

(a) The Group as Lessee

Subsequent to initial recognition, the Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term which is from two to five years for offices and 29 to 39 years for land.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

(b) The Group as Lessor

The Group applies judgment in determining whether a lease contract is a finance or operating lease.

2.11 Employee Benefits

The Group provides post-employment benefits to employees through a defined benefit plan and defined contribution plans, and other employee benefits.

The Group's defined benefit post-employment plan covers all regular full-time employees. The pension plan is tax-qualified, noncontributory, and administered by a trustee.

The defined benefit obligation (DBO) is calculated annually by an independent actuary using the projected unit credit method.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements and related notes. Judgments and estimates 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. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

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

(a) Determining Existence of a Contract with Customer

In a sale of real estate properties, the Group's primary document for a contract with a customer is a signed contract to sell which is executed when the real estate property sold is completed and ready for use by customer. In rare cases wherein contract to sell are not executed by both parties, management has determined that the combination of other signed documentations with the customers such as reservation agreement, official receipts, computation sheets and invoices, would contain all the elements to qualify as contract with the customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms). Moreover, as part of the evaluation, the Group assesses the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the customer's downpayment in relation to the total contract price [see Note 3.1(c)].

Collectability is also assessed by considering factors such as past history with the customer and pricing of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

(b) Evaluation of Timing of Satisfaction of Performance Obligations

The Group exercises critical judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time. In making this judgment, the Group considers the following:

- any asset created or enhanced as the Group performs;
- the ability of the customer to control such asset as it is being created or enhanced;
- the timing of receipt and consumption of benefits by the customer; and,
- the Group's enforceable right for payment for performance completed to date.

The Group determined that its performance obligation is satisfied over time since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Further, the Group has rights over payment for development completed to date as the Group can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments. On the other hand, performance obligation for completed real estate properties is satisfied at a point in time when the control over the real estate property is transferred to the buyer.

(c) Determination of Collection Threshold for Revenue Recognition

The Group uses judgment in evaluating the probability of collection of transaction price on real estate sales as a criterion for revenue recognition. The Group uses historical payment pattern of customers and number of sales cancellation in establishing a percentage of collection threshold over which the Group determines that collection of the transaction price is reasonably assured. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price. Management is confident that when the collections received from the buyers exceed a certain threshold, it would be unlikely for the buyer to default and therefore, cancel the contract. Accordingly, the Group will not recognize the whole contract and no revenue will be recognized when the collection threshold is not yet reached.

(d) Assessment Involving Right of Return

The Group's real estate sales under pre-completed contracts has variable consideration, which is the right of return when a buyer defaulted the equity payments. Moreover, RA No. 6552, *Realty Installment Buyer Act* or, which is popularly known in the Philippines as the *Maceda Law*, provides a statutory obligation to the Group to refund the buyer the cash surrender value of the collections received on the property equivalent to 50% of the total collected amount, and, after five years of installment payments, an additional 5% every year but not to exceed 90% of the total collections received.

(e) Determination of ECL on Receivables and Contract Assets

The Group uses the cumulative loss rate approach to calculate ECL for receivables and contract assets. This approach considers and includes reasonable approximation of probable and estimable future losses determined by applying historical gross charge-off information (arising from cancellations and back-out sales) to forward-looking qualitative information (i.e., forecast of economic condition). While there may be an assessed default occurring in these receivables over the term of the instrument, the amount of required allowance for ECL is minimized since the legal title related to the unit sold will only be transferred once the contract receivable has been paid in full, and the Group has the right to recover the real estate properties covered by the contract with customer through repossession, and to resell the asset at an amount sufficient to cover the unpaid outstanding obligations.

On the other hand, additional ECL may be calculated for certain pool of trade receivables specifically determined to have expected cash shortfall based on outstanding exposures. These generally arise from receivables which were charged-off at an earlier term of the instrument since origination period.

Details about the ECL on the Group's trade and other receivables and contract assets are disclosed in Note 31.2.

(f) Distinction Between Investment Properties and Owner-managed Properties

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to other assets used in the operations.

(g) Distinction Between Operating and Finance Leases for Contracts where the Group is the Lessor

The Group has entered into various lease agreements. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or a finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Currently, its leases are all operating leases.

(h) Determination of Lease Term of Contracts with Renewal and Termination Options

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For leases of land and office space, the factors that are normally the most relevant are (a) if there are significant penalties should the Group pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain not to terminate the lease contract. Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised or not exercised or the Group becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

(i) Accounting for Equity Ownership Interest in Subsidiaries and Associates

In classifying its equity acquisitions as an investment in a subsidiary or associates, the Group evaluates whether control or significant influence exists. Control is present when the Group 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. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policy decisions.

The Parent Company was able to demonstrate control over the operations of CBLRV (since 2020), CHDI and YHESPH (since 2019), YHEST and CCLI (since 2018), MGR and YHES (since 2017), and BL Ventures, El Camino, and YES (since 2016), from the time of their incorporation, as indicated in Note 1.2. On June 22, 2021, CLI assumed control of MDC (see Note 10.1). It had been able to demonstrate control over the operations of the foregoing investees despite having 50% or less equity ownership interest in them by virtue of a formal agreement with the respective other shareholders of the investees and the Parent Company's actual role in the investees' operations. Accordingly, the said entities are accounted for as subsidiaries.

(j) Recognition of Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. The disclosures on relevant contingencies are presented in Note 29.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Revenue Recognition for Performance Obligations Satisfied Over Time

In determining the amount of revenue to be recognized for performance obligations satisfied over time, the Group measures progress on the basis of actual costs incurred relative to the total expected costs to complete such performance obligation. Specifically, the Group estimates the total development costs with reference to the project development plan and any agreement with customers. Management regularly monitors its estimates and apply changes as necessary. A significant change in estimated costs would result in a significant change in the amount of revenue recognized in the year of change.

(b) Determination of Appropriate Discount Rate in Measuring Lease Liabilities

The Group measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using a reasonable rate deemed by management equal to the Group's incremental borrowing rate. In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

(c) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Management also applies judgment in the estimation of the contractual cash flows due from counterparties that the Group would expect to receive from the realization of any credit enhancements, including the discounting factor for recoveries beyond one year.

Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 31.2.

(d) *Determination of Net Realizable Value of Real Estate Inventories*

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the dates the estimates are made. The future realization of the carrying amounts of real estate inventory as presented in Note 7, is affected by price changes in the different market segments as well as the trends in the real estate industry. These are considered key sources of estimation uncertainty and may cause significant adjustments to the Group's real estate inventories within the next financial reporting period.

Considering the Group's pricing policy, the net realizable values of real estate inventories for sale are determined to be higher than their related costs.

(e) *Estimation of Useful Lives of Property and Equipment, Investment Properties and Right-of-use Assets*

The Group estimates the useful lives of property and equipment, investment properties and right-of-use assets based on the period over which the 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.

The carrying amounts of property and equipment, right-of use assets, and investment properties are analyzed in Notes 11, 12 and 13, respectively. Based on management's assessment as at December 31, 2023 and 2022, there is no change in estimated useful lives of these assets during those periods. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned.

(f) *Impairment of Non-financial Assets*

The Group's Investment Properties, Property and Equipment and other non-financial assets are subject to impairment testing.

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Though management believes that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in those assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Management assessed that no impairment loss is required to be provided on its significant non-financial assets, particularly property and equipment, right-of-use assets and investment properties, as at December 31, 2023, 2022 and 2021.

(g) *Valuation of Post-employment Defined Benefit Obligation*

The determination of the Group's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates and salary rate increase. A significant change in any of these actuarial assumptions may generally affect the recognized expense and the carrying amount of the post-employment defined benefit obligation in the next reporting period.

The amounts of post-employment defined benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment defined benefit as well as the significant assumptions used in estimating such obligation are presented in Note 24.3.

(h) *Fair Value Measurement of Share Options*

The Group estimates the fair value of the share option by applying an option valuation model, taking into account the terms and conditions on which the share option was granted. The estimates and assumptions used are presented in Note 27.4, which include, among others, the option's time of expiration, applicable risk-free interest rate, expected dividend yield, volatility of the Parent Company's share price. Changes in these factors can affect the fair value of share options at grant date.

Details of employee share option plan and the amount of fair value recognized is presented in Note 27.4.

(i) *Fair Value Measurement for Investment Properties*

Investment properties are measured using the cost model. The fair value of investment property held for capital appreciation and to earn rental income disclosed in the consolidated financial statements is determined by the Group based on the appraisal reports of a professional and independent appraiser.

The fair value is determined by reference to market-based evidence, which 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. Such amount is influenced by different factors including the location and specific characteristics of the property, quantity of comparable properties in the market, and economic condition and behavior of the buying parties. A significant change in these elements may affect prices and the value of the assets being disclosed.

The fair value the Group's investment properties as at December 31, 2023 and 2022 is disclosed in Notes 13 and 32.3*(c)*.

4. SEGMENT INFORMATION

4.1 Business Segments

The Group's operating segments are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group's real estate segment covers the development and sale of residential and office units to individual and corporate buyers. The rental segment includes leasing of office and commercial spaces to corporate organizations. The management services segment focuses on the management of real estate projects and upkeep services to condominium corporations and housing associations. The hotel operations segment relates to the management of hotel business operations that caters hotel guest.

The Group generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

4.2 Segment Reporting

In identifying its operating segments, management generally follows the Group's products and service lines, which represent the main products and services provided by the Group.

Each of these operating segments is managed separately as each of these service lines requires different technologies and other resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

For management purposes, the Group uses the same measurement policies as those used in its consolidated financial statements, except that the following are not included in arriving at the operating profit of the operating segments:

- post-employment benefit expenses;
- expenses relating to share-based payments;
- research costs relating to new business activities; and,
- revenue, costs and fair value gains from investment property.

In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

4.3 Segment Assets and Liabilities

Segment assets are allocated based on their physical location and use or direct association with a specific segment and they include all operating assets used by a segment and consist principally of operating cash, receivables, real estate inventories, property and equipment, and investment properties, net of allowances and provisions. Similar to segment assets, segment liabilities are also allocated based on their use or direct association with a specific segment. Segment liabilities include all operating liabilities and consist principally of accounts, wages, taxes currently payable and accrued liabilities. Segment assets and segment liabilities do not include deferred taxes.

4.4 Intersegment Transactions

Segment revenues, expenses and performance include sales and purchases between business segments. Such sales and purchases are eliminated in consolidation, if any.

4.5 Analysis of Segment Information

The following tables present revenue and profit information regarding industry segments for the years ended December 31, 2023, 2022 and 2021 and certain assets and liabilities information regarding segments as at December 31, 2023 and 2022:

	2023				
	Real Estate	**Rental**	**Management Services**	**Hotel Operations**	**Total**
REVENUES					
Sale to external customer	P 18,508,302,086	P 112,343,856	P 59,216,126	P 138,551,300	P 18,818,413,368
Intersegment sales	(250,714)	17,808,753	172,903,762	-	190,461,801
Total revenues	18,508,051,372	130,152,609	232,119,888	138,551,300	19,008,875,169
COSTS AND EXPENSES					
Costs of sales and services excluding depreciation and amortization	9,467,614,506	771,352	31,403,825	54,607,458	9,554,397,141
Operating expenses excluding depreciation and amortization	2,766,058,359	10,037,973	20,806,625	120,067,486	2,916,970,443
Depreciation and amortization	88,661,778	85,950,388	26,454	12,272,531	186,911,151
Impairment loss	-	-	-	432,794	432,794
Total costs and expenses	12,322,334,643	96,759,713	52,236,904	187,380,269	12,658,711,529
FINANCE COST (INCOME)					
Interest expense on:					
Loans	472,543,129	3,236,270	-	-	475,779,399
Bonds	66,856,868	-	-	-	66,856,868
Lease liabilities	-	66,164,355	-	14,002,943	80,167,298
Interest income on banks	(13,466,493)	(95,293)	(3,790)	(309,123)	(13,874,699)
Total finance cost (income)	525,933,504	69,305,332	(3,790)	13,693,820	608,928,866
SEGMENT PROFIT (LOSS) BEFORE TAX	**P 5,659,783,225**	**(P 35,912,436)**	**P 179,886,774**	**(P 62,522,789)**	**P 5,741,234,774**
ASSETS AND LIABILITIES					
Segment assets	**P 92,032,772,207**	**P 18,083,475,472**	**P 124,577,602**	**P 2,207,726,408**	**P 112,448,551,689**
Segment liabilities	**71,364,917,731**	**60,997,437**	**102,698,177**	**1,665,906,004**	**73,194,519,349**

	2022				
	Real Estate	Rental	Management Services	Hotel Operations	Total
REVENUES					
Sale to external customer	P 15,439,136,362	P 79,277,559	P 55,465,803	P 83,418,279	P 15,657,298,003
Intersegment sales	4,451,344	6,553,177	144,248,732	-	155,253,253
Total revenues	15,443,587,706	85,830,736	199,714,535	83,418,279	15,812,551,256
COSTS AND EXPENSES					
Costs of sales and services excluding depreciation and amortization	8,226,034,323	-	24,274,537	32,688,802	8,282,997,662
Operating expenses excluding depreciation and amortization	2,210,563,101	9,081,245	2,803,398	60,496,434	2,282,944,178
Depreciation and amortization	73,939,300	84,637,886	46,111	12,003,365	170,626,662
Impairment loss	-	-	1,208,773	646,782	1,855,555
Total costs and expenses	10,510,536,724	93,719,131	28,332,819	105,835,383	10,738,424,057
FINANCE COST (INCOME)					
Interest expense on:					
Loans	258,010,575	1,963,756	-	-	259,974,331
Bonds	15,444,620	-	-	-	15,444,620
Lease liabilities	75,629,879	-	-	-	75,629,879
Interest income on banks	(14,568,391)	(107,185)	(10,166)	(133,624)	(14,819,366)
Total finance cost (income)	334,516,683	1,856,571	(10,166)	(133,624)	336,229,464
SEGMENT PROFIT (LOSS) BEFORE TAX	P 4,598,534,299	(P 9,744,966)	P 171,391,882	(P 22,283,480)	P 4,737,897,735
ASSETS AND LIABILITIES					
Segment assets	P 73,165,463,251	P 17,680,288,533	P 101,569,240	P 2,323,842,175	P 93,271,163,200
Segment liabilities	60,403,425,069	44,140,094	98,345,315	2,025,168,139	62,571,078,617

	2021 Real Estate	2021 Rental	2021 Management Services	2021 Hotel Operations	2021 Total
REVENUES					
Sale to external customer	P 10,996,247,695	P 74,271,999	P 42,967,413	P 48,683,577	P 11,162,170,684
Intersegment sales	(83,694,730)	2,607,317	112,754,994	-	31,667,581
Total revenues	10,912,552,965	76,879,316	155,722,407	48,683,577	11,193,838,265
COSTS AND EXPENSES					
Costs of sales and services excluding depreciation and amortization	5,834,729,247	63,259	18,740,197	20,693,997	5,874,226,700
Operating expenses excluding depreciation and amortization	1,926,845,038	7,813,579	3,253,570	48,400,793	1,986,312,980
Depreciation and amortization	79,388,040	42,410,823	-	-	121,798,863
Total costs and expenses	7,840,962,325	50,287,661	21,993,767	69,094,790	7,982,338,543
FINANCE COST (INCOME)					
Interest expense on:					
Loans	206,602,933	1,576,018	656,253	-	208,835,204
Lease liabilities	67,139,552	-	-	-	67,139,552
Interest income on banks	(5,992,874)	(49,612)	(20,658)	(155,633)	(6,218,777)
Total finance cost (income)	267,749,611	1,526,406	635,595	(155,633)	269,755,979
SEGMENT PROFIT (LOSS) BEFORE TAX	P 2,803,841,029	P 25,065,249	P 133,093,045	(P 20,255,580)	P 2,941,743,743
ASSETS AND LIABILITIES					
Segment assets	P 59,241,930,021	P 13,257,992,141	P 47,761,136	P 668,752,885	P 73,216,436,183
Segment liabilities	47,210,106,719	36,400,266	8,264,159	476,195,105	47,730,966,249

The real estate segment is further analyzed based on their geographical location as shown in Note 18.1. Both rental and management services segments are located in Cebu City.

Sales to any of the Group's major customers did not exceed 10% of the Group's revenues in all of the years presented.

4.6 Reconciliation

Following is a reconciliation of the Group's segment information to the key financial information presented in its consolidated financial statements.

	2023	2022	2021
Revenues			
Total segment revenues	**P 19,008,875,169**	P 15,812,551,256	P 11,193,838,265
Elimination of intersegment revenues	**(190,461,801)**	(155,253,253)	(31,667,581)
Revenues as reported in profit or loss	**P 18,818,413,368**	P 15,657,298,003	P 11,162,170,684
Profit or loss			
Segment profit before tax	**P 5,741,234,776**	P 4,737,897,735	P 2,941,743,743
Adjustments for intersegment accounts	**63,559,934**	(155,253,253)	41,419,431
Other operating income	**410,779,779**	202,542,753	257,229,190
Share in net loss in associates	**(12,570,144)**	(9,505,354)	(4,229,178)
Other losses - net	**(3,809,681)**	(8,077,498)	(132,572,525)
Profit before tax as reported in profit or loss	**P 6,199,194,664**	P 4,767,604,383	P 3,103,590,661

Forward

	2023	2022	2021
Assets			
Segment assets and total assets reported in statements of financial position	**P112,448,551,689**	P 93,271,163,200	P 73,216,436,183
Elimination of intercompany accounts	**(10,362,262,775)**	(8,226,294,176)	(6,564,330,750)
Total assets as reported in the consolidated statements of financial position	**P102,086,288,914**	P 85,044,869,024	P 66,652,105,433
Liabilities			
Segment liabilities	**P 73,194,519,349**	P 62,571,078,617	P 47,730,966,249
Deferred tax liabilities	**4,317,848,473**	3,031,961,340	2,050,626,485
Elimination of intercompany accounts	**(1,222,835,444)**	(1,570,785,826)	(1,061,668,825)
Total liabilities as reported in the consolidated statements of financial position	**P 76,289,532,378**	P 64,032,254,131	P 48,719,923,909

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as at December 31:

	2023	2022
Cash on hand	**P 4,365,735**	P 3,024,222
Cash in banks	**864,263,028**	1,322,678,049
Short-term placements	**45,212,443**	108,857,491
	P 913,841,206	P 1,434,559,762

Cash in banks (savings and demand deposits) generally earn interest based on daily bank deposit rates. Short-term placements are made for varying period from 35 to 60 days and earn effective interest ranging from 3% to 3.5% per annum in 2023, ranging from 0.75% to 4.25% per annum in 2022, and ranging from 0.75% to 1.90% per annum in 2021.

Interest income earned from cash and cash equivalents are presented as part of Finance Income in the consolidated statements of profit or loss (see Note 23).

6. RECEIVABLES

This account includes the following:

	Notes	2023	2022
Contract receivables:			
Third parties		**P 1,548,388,979**	P 2,900,433,836
Related parties	26.2, 26.3	**685,584**	129,796,291
Retention receivable		**132,973,570**	113,229,317
Management fee receivable		**111,340,567**	102,357,085
Receivable from contractors and suppliers		**156,616,742**	41,212,041
Receivable from insurance		**77,373,832**	144,893,228
Rent receivable		**71,548,690**	53,640,904
Advances to officers and employees		**37,927,664**	21,014,700
Receivable from hotel operations customers		**8,510,578**	2,621,371
Other receivables		**106,109,124**	170,886,446
		2,251,475,330	3,680,085,219
Allowance for impairment	31.2(c)	**(2,242,262)**	(1,809,469)
		P 2,249,233,068	P 3,678,275,750

Receivables are presented in the consolidated statements of financial position as follows:

	2023	2022
Current	**P 2,093,139,231**	P 3,571,775,532
Non-current	**156,093,837**	106,500,218
	P 2,249,233,068	P 3,678,275,750

Buyers of real estate properties are given two to four years to complete the equity amortization, which ranges from 10% to 30% of the contract price of the real estate being purchased. Contract receivables, which are all covered by postdated checks, are only recognized when the collection of total transaction price is reasonably assured and the corresponding revenue is recognized. Generally, full payment by buyers of their equity amortization is followed by full settlement by the buyer's chosen financing institution of the buyer's account within 12 months. Title to real estate properties are transferred to the buyers once full payment has been made. Hence, contract receivables are fully secured by the real properties acquired by buyers.

Long-term contract receivables, which are noninterest-bearing, are receivables from buyers whose equity payments are expected to be fully paid after 12 months following the end of the reporting period. These are measured at amortized cost, which is determined by discounting future cash flows using the applicable rates of similar types of instruments. The aggregate unamortized discount on noninterest-bearing contract receivables amounts to P5,309,083 and P1,557,409 as at December 31, 2023 and 2022, respectively.

The Parent Company has day-one loss on noninterest-bearing contract receivables, net of amortization of day one loss, amounting to P3,751,672 and P257,332, and is presented as part of Finance Costs in the 2023 and 2022 consolidated statements of profit or loss, respectively (see Note 22). The amortization of day-one loss of noninterest-bearing contract receivables is presented as part of Finance Income in the consolidated statements of profit or loss (see Note 23).

Receivable from insurance pertains to outstanding claims filed with various insurance companies in relation to damages incurred to the insured properties of the Group.

Retention receivable represents amounts retained by Home Development Mutual Fund (HDMF) from the proceeds of loans availed by real estate buyers in accordance with HDMF Circular No. 182-A to pay off their obligations to the Group.

Advances to officers and employees are composed of advances intended for the Group's operations and are subject to liquidation.

The Group assesses an ECL when the receivables from contract with customers and other counterparties are initially recognized and updates the assessment at each reporting date based on the analysis determined by management. A reconciliation of the allowance for impairment at the beginning and end of 2023 and 2022 is shown below.

	2023	2022
Balance at beginning of year	**P 1,809,469**	P 600,695
Impairment losses	**432,794**	1,855,555
Write off	**-**	(646,781)
Balance at end of year	**P 2,242,262**	P 1,809,469

7. REAL ESTATE INVENTORIES

This account includes the following inventories, which are all at cost.

	Note	2023	2022
Subdivision units		**P 470,257,538**	P 723,515,775
Condominium units		**400,467,121**	442,847,171
		870,724,659	1,166,362,946
Construction-in-progress (CIP):			
Condominium building costs		**11,216,886,132**	3,538,686,897
Housing costs		**4,200,650,987**	1,330,557,606
Land development costs		**1,627,403,713**	9,090,488,250
		17,044,940,832	13,959,732,753
Raw land inventory	8	**777,830,755**	3,183,113,282
		P18,693,496,246	P 18,309,208,981

An analysis of the cost of real estate inventory included in cost of sales is presented in Note 19.

Land development costs pertain to the cost of land acquisition, and site development costs of horizontal projects and other future site projects of the Group.

Condominium building costs consist of the cost of land and the cost to construct the units of the vertical projects of the Group. Housing costs pertain to the cost of house construction for the horizontal projects of the Group.

Raw land inventory consists of parcels of land owned by the Group in various locations. These are expected to be developed into saleable condominium or subdivision units.

In 2023, the Group reclassified deposits on land for future development to raw land inventory, i.e., applied as part of the payment for the land acquisitions that were consummated during the reporting period (see Note 8). There was no similar transaction in 2022.

Borrowing costs that are capitalized as part of real estate inventory amounted to P1,668,971,527 and P1,177,920,349 in 2023 and 2022, respectively, which represents the interest incurred on loans and corporate notes obtained to fund the construction projects (see Note 15). The capitalization rate used for the borrowings ranges from 5% to 9.25% and 4% to 8% in 2023 and 2022, respectively.

In 2023 and 2022, the Group reclassified certain investment properties to real estate inventories (see Note 13). In 2023, the Group reclassified certain real estate inventories to property and equipment, there was no similar transaction in 2022 (see Note 11).

As at December 31, 2023 and 2022, real estate inventories totaling to P7,794,550,414 and P8,128,280,586, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Parent Company (see Note 15.1).

8. DEPOSITS ON LAND FOR FUTURE DEVELOPMENT

Deposits on land for future development pertains to advance payments for acquisitions of certain parcels of land which are intended for future development into saleable real estate projects. A reconciliation of the deposits on land for future development is presented below.

	Note	2023	2022
Balance at beginning of year		**P 129,996,729**	P -
Additions		**349,502,459**	129,996,729
Transferred to raw land inventory	7	**(464,499,188)**	-
Balance at end of year		**P 15,000,000**	P 129,996,729

The deposits on land for future development is presented as current assets in the consolidated statements of financial position.

9. PREPAYMENTS AND OTHER CURRENT ASSETS

This account includes the following:

	2023	2022 (As restated - see Note 2)
Advances to subcontractors	**P1,979,370,709**	P 1,555,905,543
Input VAT and deferred input VAT	**1,555,489,960**	1,401,290,754
Deferred commissions	**1,645,513,898**	483,984,105
Advances to suppliers	**537,191,493**	248,056,728
Prepaid taxes	**454,631,300**	298,208,444
Short-term investments	**200,838,362**	204,836,249
Prepaid expenses	**51,509,612**	34,567,894
Others	**9,621,327**	9,402,408
	P6,434,166,661	P 4,236,252,125

Advances to subcontractors include advance payments for materials, payment of labor and overhead expenses for on-going construction of subdivision and condominium units for sale. These are applied against the progress billings of subcontractors.

Deferred commissions pertain to sales commissions incurred and capitalized by the Group upon execution of contracts to sell real properties to customers. These are amortized over the expected construction period on the same basis as how the Group measures progress towards complete satisfaction of its performance obligation in its contracts. In 2023, 2022 and 2021, the Group expensed deferred commissions based on the POC of its related real estate project and is presented as Commissions under Operating Expenses in the consolidated statements of profit or loss (see Note 20).

Short-term investments pertain to escrow funds that are required to be set up in relation to the Group's compliance with the regulatory requirements for issuance of license to sell, and are restricted for use in the Group's operations. The escrow funds is significantly comprised of investments in treasury bills with maturity dates of up to 12 months, earning effective interest ranging from 3.5% to 6.5% and 0.75% to 4.25% per annum in 2023 and 2022, respectively.

Prepaid expenses include advance payment for insurance and rent.

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10. INVESTMENTS IN ASSOCIATES

10.1 Breakdown of Carrying Amounts

A reconciliation of the carrying amounts of investments in associates at the beginning and end of 2023 and 2022 is shown below.

	2023	2022
Balance at beginning of year	**P 133,559,576**	P 135,064,930
Share in net loss during the year	**(12,570,144)**	(9,505,354)
Additional investments	**21,500,000**	8,000,000
Balance at end of year	**P 142,489,432**	P 133,559,576

An analysis of the carrying amount of the Parent Company's investments in associates as at December 31, 2023 and 2022 is shown below.

	IGCC	Magspeak	ICOM	Total
December 31, 2023				
Cost				
Balance at beginning of year	P -	P 25,735,096	P 122,300,934	P 148,036,030
Additional investments	8,500,000	5,000,000	8,000,000	21,500,000
Balance at end of year	8,500,000	30,735,096	130,300,934	169,536,030
Accumulated equity in net losses				
Balance at beginning of year	-	(2,838,295)	(11,638,159)	(14,476,454)
Equity in net losses during the year	-	(982,394)	(11,587,750)	(12,570,144)
Balance at end of year	-	(3,820,689)	(23,225,909)	(27,046,598)
Carrying Amount	**P 8,500,000**	**P 26,914,407**	**P 107,075,025**	**P 142,489,432**

	Magspeak	ICOM	Total
December 31, 2022			
Cost			
Balance at beginning of year	P 25,735,096	P 114,300,934	P 140,036,030
Additional investments	-	8,000,000	8,000,000
Balance at end of year	25,735,096	122,300,934	148,036,030
Accumulated equity in net losses			
Balance at beginning of year	(1,487,450)	(3,483,650)	(4,971,100)
Equity in net losses during the year	(1,350,845)	(8,154,509)	(9,505,354)
Balance at end of year	(2,838,295)	(11,638,159)	(14,476,454)
Carrying Amount	P 22,896,801	P 110,662,775	P 133,559,576

On June 22, 2021, CLI assumed control of the MDC by acquiring additional common shares of MDC from nine other stockholders and became its parent Company. Upon acquisition, CLI remeasured its investment in an associate to its acquisition-date fair value and recognized a Gain on remeasurement of investments in associates presented under Other Operating Income in the 2021 consolidated statement of profit or loss (see Note 21.1).

The total revenues and net losses of MDC included in the 2021 consolidated statement of comprehensive income since acquisition date are nil and P2,330,126, respectively. Had the acquisition occurred at the beginning of the year, the total revenues and net losses of MDC to be included in the 2021 consolidated statement of comprehensive income are nil and P3,274,357, respectively.

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10.2 Summarized Financial Information

The aggregated amounts of assets, liabilities and equity are as follows:

	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity
December 31, 2023					
Magspeak	P 18,071,989	P 86,274,189	P 2,287,827	P 1,830,565	P 100,227,786
ICOM	33,763,138	292,523,319	3,138,099	87,942,100	235,206,258
IGCC	8,500,000	-	-	-	8,500,000
	P 60,335,127	**P 378,797,508**	**P 5,425,926**	**P 89,772,665**	**P 343,934,044**
December 31, 2022					
Magspeak	P 18,071,989	P 86,274,189	P 2,287,827	P 1,830,565	P 100,227,786
ICOM	30,759,869	300,684,537	1,379,372	39,000,000	291,065,034
	P 48,831,858	P 386,958,726	P 3,667,199	P 40,830,565	P 391,292,820

The aggregated amounts of revenues, net loss, other comprehensive loss of the associates are as follows:

	Revenues	Net Loss	Other Comprehensive Income	Total Comprehensive Loss
2023				
Magspeak	**P -**	**(P 3,929,611)**	**P -**	**(P 3,929,611)**
ICOM	**12,452,209**	**(32,839,961)**	**-**	**(32,839,961)**
IGCC	**-**	**-**	**-**	**-**
2022				
Magspeak	P -	(P 4,934,527)	P -	(P 4,934,527)
ICOM	14,448,415	(24,360,430)	-	(24,360,430)
2021				
Magspeak	P -	(P 2,551,014)	P -	(P 2,551,014)
ICOM	8,312,631	(10,310,845)	-	(10,310,845)

The reconciliation of the summarized financial information to the carrying amount of the interest in associates are as follows:

	Magspeak	ICOM	IGCC	Total
2023				
Net assets at end of year	P 100,227,786	P 235,206,258	P 8,500,000	
Proportion of equity interest by the Parent Company	25%	33%	43%	
Parent Company's share in the net assets of associates	25,056,947	77,618,065	3,655,000	
Other stockholders' unpaid subscription	1,857,460	29,456,960	4,845,000	
Carrying amount of investment	**P 26,914,407**	**P 107,075,025**	**P 8,500,000**	**P 142,489,432**

	Magspeak	ICOM	Total
2022			
Net assets at end of year	P 94,157,786	P 291,065,034	
Proportion of equity interest by the Parent Company	25%	33%	
Parent Company's share in the net assets of associates	23,539,447	96,051,461	
Other stockholders' unpaid subscription	(642,548)	14,611,314	
Carrying amount of investment	P 22,896,899	P 110,662,775	P 133,559,674

The shares in net losses of associates totaling P12,570,149, P9,505,354, and P4,229,178 were recognized in 2023, 2022 and 2021, respectively, in the consolidated statements of profit or loss.

There were no dividends received from the Group's associates in 2023, 2022 and 2021.

11. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of 2023 and 2022 are shown below.

	Land	Building and Parking Units	Operating Equipment	Transportation Equipment	Furniture and Fixture	Leasehold Improvements	Construction in Progress	Total
December 31, 2023								
Cost	P 359,058,133	P 512,706,244	P 125,131,130	P 60,827,521	P 50,499,782	P 14,587,797	P 6,420,474,335	P 7,543,284,942
Accumulated depreciation and amortization	-	(142,131,917)	(69,747,528)	(47,766,743)	(33,152,170)	(8,590,912)	-	(301,389,270)
Net carrying amount	**P 359,058,133**	**P 370,574,327**	**P 55,383,602**	**P 13,060,778**	**P 17,347,612**	**P 5,996,885**	**P 6,420,474,335**	**P 7,241,895,672**
December 31, 2022								
Cost	P 359,058,133	P 401,375,877	P 111,382,859	P 57,015,172	P 40,459,135	P 14,547,842	P 4,077,078,853	P 5,060,917,871
Accumulated depreciation and amortization	-	(117,269,272)	(53,078,326)	(42,285,966)	(27,932,433)	(6,619,424)	-	(247,185,421)
Net carrying amount	P 359,058,133	P 284,106,605	P 58,304,533	P 14,729,206	P 12,526,702	P 7,928,418	P 4,077,078,853	P 4,813,732,450
December 31, 2021								
Cost	P 140,896,820	P 313,420,883	P 91,775,926	P 59,603,223	P 36,731,888	P 12,514,727	P 471,807,019	P 1,126,750,486
Accumulated depreciation and amortization	-	(102,246,056)	(40,841,416)	(39,453,413)	(23,778,921)	(4,758,977)	-	(211,078,783)
Net carrying amount	P 140,896,820	P 211,174,827	P 50,934,510	P 20,149,810	P 12,952,967	P 7,755,750	P 471,807,019	P 915,671,703

A reconciliation of the carrying amounts of property and equipment at the beginning and end of 2023, 2022 and 2021 is as follows:

	Land	Building and Parking Units	Office Equipment	Transportation Equipment	Furniture and Fixture	Leasehold Improvements	Construction in Progress	Total
Balance at January 1, 2023 net of accumulated depreciation and amortization	P 359,058,133	P 284,106,605	P 58,304,533	P 14,729,206	P 12,526,702	P 7,928,418	P 4,077,078,853	P 4,813,732,450
Additions	-	97,747,164	13,857,110	4,359,670	10,040,647	39,955	2,343,395,482	2,469,440,028
Reclassifications	-	13,583,203	-	-	-	-	-	13,583,203
Disposals	-	-	(33,884)	(547,321)	-	-	-	(581,205)
Depreciation and amortization for the year	-	(24,862,645)	(16,744,157)	(5,480,777)	(5,219,737)	(1,971,488)	-	(54,278,804)
Balance at December 31, 2023 net of accumulated depreciation and amortization	**P 359,058,133**	**P 370,574,327**	**P 55,383,602**	**P 13,060,778**	**P 17,347,612**	**P 5,996,885**	**P 6,420,474,335**	**P 7,241,895,672**
Balance at January 1, 2022 net of accumulated depreciation and amortization	P 140,896,820	P 211,174,827	P 50,934,510	P 20,149,810	P 12,952,967	P 7,755,750	P 471,807,019	P 915,671,703
Additions	218,161,313	55,888,147	19,701,024	1,604,275	3,727,247	2,033,115	2,336,303,706	2,637,418,827
Disposals	-	-	(56,627)	(858,046)	-	-	-	(914,673)
Reclassification	-	32,066,847	-	-	-	-	1,268,968,128	1,301,034,975
Depreciation and amortization for the year	-	(15,023,216)	(12,274,374)	(6,166,833)	(4,153,512)	(1,860,447)	-	(39,478,382)
Balance at December 31, 2022 net of accumulated depreciation and amortization	P 359,058,133	P 284,106,605	P 58,304,533	P 14,729,206	P 12,526,702	P 7,928,418	P 4,077,078,853	P 4,813,732,450
Balance at January 1, 2021 net of accumulated depreciation and amortization	P 140,896,820	P 170,588,299	P 39,392,002	P 12,602,929	P 8,936,688	P 1,130,735	P 269,748,169	P 643,387,606
Additions	-	11,827,275	21,178,971	13,413,303	8,401,409	7,929,190	237,085,854	299,836,002
Disposals	-	-	(23,178)	-	(69,360)	-	-	(92,538)
Reclassification	-	43,004,043	-	-	-	-	(35,027,004)	7,977,039
Depreciation and amortization for the year	-	(14,244,790)	(9,613,285)	(5,866,422)	(4,315,770)	(1,304,175)	-	(35,344,442)
Balance at December 31, 2021 net of accumulated depreciation and amortization	P 140,896,820	P 211,174,827	P 50,934,510	P 20,149,810	P 12,952,967	P 7,755,750	P 471,807,019	P 915,671,703

Depreciation and amortization expense on property and equipment is presented as part of Operating Expenses in the consolidated statements of profit of loss (see Note 20).

In 2023, the Group reclassified real estate inventory and investment property with carrying amount of P13,080,557 and P502,646, respectively, to Building as these properties will be used for administrative purposes.

In 2022, the Group reclassified construction in progress under Investment Properties with an aggregate carrying amount of P1,301,034,975 to Property and Equipment (see Note 13). Additionally, construction in progress with an aggregate carrying amount of P32,066,847 was reclassified to Building for office renovations completed during the year.

In 2021, the Group reclassified certain retail buildings previously presented as Investment Properties with an aggregate amount of P7,977,039 to Property and Equipment (see Note 13) because CLI used these units as one of its offices.

Borrowing costs that are capitalized as part of property and equipment amounted to P572,141,966 and P441,588,741 in 2023 and 2022, respectively, which represents the allocated costs incurred on loans and corporate notes obtained to fund the construction projects (see Note 15). The capitalization rate used for the borrowings ranges from 5% to 9.25% and from 4% to 8% in 2023 and 2022, respectively.

Certain land, building, office equipment, furniture and fixtures and construction in progress with an aggregate carrying amount of P6,404,580,614 and P4,353,935,990 as at December 31, 2023 and 2022, respectively, are used as collateral for certain interest-bearing loans of the Group (see Note 15.1).

As at December 31, 2023 and 2022, the cost of the Group's fully-depreciated property and equipment that are still used in operations amounted to P119,631,379 and P103,615,868, respectively.

12. LEASES

The Group entered into lease contracts, as lessee, for leases of land and office spaces. With the exception of short-term leases and leases of low-value underlying assets, each lease is presented in the consolidated statements of financial position as Right-of-use Assets and the corresponding obligation, as Lease Liabilities. Variable lease payments, which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying lease asset outright at the end of the lease, or to extend the lease for a further term.

Under the lease contracts, the Group is prohibited from selling or pledging the underlying leased assets as security. For the lease of an office space, the Group must keep the related property in a good state of repair and return the property in good state at the end of the lease. For the lease on the land, the Group must insure all the improvements made on the property.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognized in the 2023 and 2022 consolidated statement of financial position.

	Number of right-of-use assets leased	Lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
December 31, 2023					
Land	4	21 to 39 years	-	-	-
Office space	2	2 to 4 years	1	-	1
December 31, 2022					
Land	4	25 to 42 years	-	-	-
Office space	2	4 to 5 years	1	-	1

12.1 Right-of-use Assets

The carrying amounts of the Group's right-of-use assets as at December 31, 2023 and 2022 and the movements during the year are shown as follows:

	Land	Office Space	Total
December 31, 2023			
Cost			
Balance at beginning of year	P 1,262,756,727	P 15,877,921	P 1,278,634,648
Amendment of lease contract	275,906	-	275,906
Balance at end of year	1,263,032,633	15,877,921	1,278,910,554
Accumulated amortization			
Balance at beginning of year	102,160,939	8,424,304	110,585,243
Amortization for the year	35,367,425	3,352,479	38,719,904
Balance at end of year	137,528,364	11,776,783	149,305,147
Carrying amount at December 31, 2023	**P1,125,504,269**	**P 4,101,138**	**P1,129,605,407**
December 31, 2022			
Cost			
Balance at beginning of year	P 1,209,882,682	P 15,877,921	P 1,225,760,603
Additions	52,874,045	-	52,874,045
Balance at end of year	1,262,756,727	15,877,921	1,278,634,648
Accumulated amortization			
Balance at beginning of year	67,834,649	5,071,827	72,906,476
Amortization for the year	34,326,290	3,352,477	37,678,767
Balance at end of year	102,160,939	8,424,304	110,585,243
Carrying amount at December 31, 2022	P 1,160,595,788	P 7,453,617	P 1,168,049,405

There are no additional right-of-use asset in 2023. The additional right-of-use asset in 2022 pertains to a 30-year lease contract for a parcel of land intended for the development of a commercial complex.

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12.2 Lease Liabilities

Lease liabilities presented in the consolidated statements of financial position as follows:

	2023	2022
Current	**P 55,717,884**	P 54,145,058
Non-current	**1,207,138,171**	1,182,914,425
	P1,262,856,055	P 1,237,059,483

The Group is fully liable for the rentals on the remaining term of the lease of office space, including any interest, penalties, utility charges and damages for termination prior to expiration of the contract. The contracts of lease on land does not provide for any future lease termination and extension options.

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities are as follows:

	2023	2022
Gross payments		
Within one year	**P 55,717,884**	P 54,145,058
From one to two years	**57,294654**	55,823,190
From two to three years	**70,139,485**	57,377,309
From three to four years	**72,023,308**	70,139,485
From four to five years	**74,496,654**	72,023,307
More than five years	**3,548,425,975**	3,622,922,628
	3,878,097,960	3,932,430,977
Total discount	**(2,615,241,905)**	(2,695,371,494)
Net present value	**P 1,262,856,055**	P 1,237,059,483

12.3 Lease Payments Not Recognized as Liabilities

The Group has elected not to recognize a lease liability for short-term leases or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred. The expense relating to short-term leases and low-value assets is presented as Rent under Operating Expenses in the consolidated statements of profit of loss (see Note 20).

12.4 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of leases amounted to P54,646,634, P17,574,742 And P57,537,727 in 2023, 2022 and 2021, respectively. The interest expense in relation to the lease liabilities are presented as part of Interest expense on lease liabilities under Finance Costs in the consolidated statement of profit or loss (see Note 22).

13. INVESTMENT PROPERTIES

The Group's investment properties include parcels of land held for development of properties, condominium units and retail building for lease. The gross carrying amounts and accumulated depreciation of investment properties at the beginning and end of 2023 and 2022 are shown below.

	Retail Building	Condominium Units	Parking Units	Land	Construction in Progress	Total
December 31, 2023						
Costs	P 1,353,024,478	P 912,472,958	P 121,565,022	P 2,682,185,384	P 13,589,390,602	P 18,658,638,444
Accumulated depreciation	(147,637,420)	(157,211,650)	(19,774,721)	-	-	(324,623,791)
Carrying amount	**P 1,205,387,058**	**P 755,261,308**	**P 101,790,301**	**P 2,682,185,384**	**P 13,589,390,602**	**P 18,334,014,653**
December 31, 2022						
Costs	P 1,312,033,280	P 910,086,051	P 122,067,668	P 2,682,185,384	P 12,961,598,553	P 17,987,970,936
Accumulated depreciation	(98,114,489)	(126,885,260)	(13,673,654)	-	-	(238,673,403)
Carrying amount	P 1,213,918,791	P 783,200,791	P 108,394,014	P 2,682,185,384	P 12,961,598,553	P 17,749,297,533
December 31, 2021						
Costs	P 776,845,974	P 828,036,331	P 33,036,981	P 5,449,949,151	P 6,306,290,741	P 13,394,159,178
Accumulated depreciation	(49,310,883)	(97,154,410)	(7,570,223)	-	-	(154,035,516)
Carrying amount	P 727,535,091	P 730,881,921	P 25,466,758	P 5,449,949,151	P 6,306,290,741	P 13,240,123,662

A reconciliation of the carrying amounts of investment properties at the beginning and end of years 2023, 2022 and 2021 is as follows:

	Retail Building	Condominium Units	Parking Units	Land	Construction in Progress	Total
Balance at January 1, 2023, net of accumulated depreciation	P 1,213,918,791	P 783,200,791	P 108,394,014	P 2,682,185,384	P 12,961,598,553	P 17,749,297,533
Additions	-	-	-	-	1,891,405,985	1,891,405,985
Reclassifications of completed projects	40,991,198	2,386,907	-	-	(43,378,105)	-
Reclassifications to other accounts	-	-	(502,646)	-	(1,220,235,831)	(1,220,738,477)
Depreciation during the year	(49,522,931)	(30,326,390)	(6,101,067)	-	-	(85,950,388)
Balance at December 31, 2023, net of accumulated depreciation	**P 1,205,387,058**	**P 755,261,308**	**P 101,790,301**	**P 2,682,185,384**	**P 13,589,390,602**	**P 18,334,014,653**
Balance at January 1, 2022, net of accumulated depreciation	P 727,535,091	P 730,881,921	P 25,466,758	P 5,449,949,151	P 6,306,290,741	P 13,240,123,662
Additions	250,000	1,535,704	-	-	6,622,774,985	6,624,560,689
Reclassifications	534,937,306	80,514,016	89,030,687	(2,767,763,767)	(32,532,827)	(2,030,748,931)
Depreciation during the year	(48,803,606)	(29,730,850)	(6,103,431)	-	-	(84,637,887)
Balance at December 31, 2022, net of accumulated depreciation	P 1,213,918,791	P 783,200,791	P 108,394,014	P 2,682,185,384	P 12,961,598,553	P 17,749,297,533
Balance at January 1, 2021, net of accumulated depreciation	P 561,426,632	P 476,377,690	P 25,409,488	P 5,742,622,708	P 3,287,906,544	P 10,093,743,062
Additions	696,786	-	-	740,506,424	4,269,412,078	5,037,615,288
Reclassifications	184,643,291	276,075,529	1,665,177	(1,033,179,881)	(1,278,027,881)	(1,848,823,865)
Depreciation during the year	(19,231,618)	(21,571,298)	(1,607,907)	-	-	(42,410,823)
Balance at December 31, 2021, net of accumulated depreciation	P 727,535,091	P 730,881,921	P 25,466,758	P 5,449,949,151	P 6,306,290,741	P 13,240,123,662

In 2023, the Group reclassified certain investment properties with aggregate carrying amount of P1,220,235,831 to real estate inventories (see Note 7) and P502,646 to property and equipment (see Note 11). In 2022, the Group reclassified certain investment properties with aggregate carrying amounts of P729,713,956 and P1,301,034,975 to real estate inventories and property and equipment, respectively (see Note 11). These reclassifications were made as a result of the change in the use of the properties from being held for lease to being held for sale and for use in the operations.

Borrowing costs that are capitalized as part of investment property amounted to P344,938,772 and P101,968,120 in 2023 and 2022, respectively, which represents the specific borrowing costs incurred on loans and corporate notes obtained to fund the construction projects (see Note 15). The capitalization rate used for the borrowings ranges from 5% to 9.25% and 4% to 8% for the years ended December 31, 2023 and 2022, respectively.

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Income and expenses from investment properties in 2023, 2022 and 2021 are presented below.

	Notes	2023	2022	2021
Rental income:	18.1			
Retail building		**P 93,550,383**	P 68,094,916	P 68,244,532
Condominium units		**12,631,070**	9,789,476	3,882,427
Parking units		**2,257,520**	1,287,074	728,102
Others		**3,904,883**	106,093	1,416,939
		P 112,343,856	P 79,277,559	P 74,272,000
Expenses:				
Depreciation	19	**P 85,950,388**	P 84,637,887	P 42,410,823
Repairs and maintenance	20	**-**	-	2,041,149
Others	19	**771,352**	-	63,259
		P 86,721,740	P 84,637,887	P 44,515,231

The depreciation and other expenses are included as part of Cost of Sales and Services in the consolidated statements of profit or loss in 2023, 2022 and 2021 (see Note 19).

Investment properties have a total fair value of P18,422,843,422 and P20,627,177,086 as at December 31, 2023 and 2022, respectively, based on the appraisal done by an independent expert [see Note 32.3*(c)*]. On the basis primarily of the foregoing valuations, management has assessed that no impairment loss is required to be provided on the Group's investment properties as at December 31, 2023 and 2022 [see also Note 3.2*(f)*].

Investment properties with a total carrying amount of P7,160,910,550 and P7,165,081,902 as at December 31, 2023 and 2022, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Parent Company (see Note 15.1).

14. OTHER NON-CURRENT ASSETS

This account includes the following:

	2023	2022 (As restated - see Note 2)
Deferred commissions	**P 1,046,459,553**	P 728,255,278
Advances to subcontractors	**550,104,738**	473,134,430
Refundable deposits	**152,741,454**	128,384,996
Computer software - net	**25,314,992**	31,362,061
Investment in equity securities	**9,375,002**	9,375,002
Deferred input VAT	**4,624,926**	4,624,926
Others	**1,342,727**	1,934,145
	P 1,789,963,392	P 1,377,070,838

Advances to subcontractors include advance payments for materials, payment of labor and overhead expenses for on-going construction of investment properties. These are applied against the progress billings of subcontractors.

Refundable deposits pertain to recoverable payments, which are expected to be realized at the termination of the contract, to lessors and various payees. These are measured at amortized cost.

The gross carrying amounts and accumulated amortization of Computer software at the beginning and end of 2023 and 2022 are shown below.

	2023	2022
Cost	**P 65,252,045**	P 63,337,059
Accumulated amortization	**(39,937,053)**	(31,974,998)
Carrying amount	**P 25,314,992**	P 31,362,061

The total additions to computer software amounted to P1,914,986, P3,064,323 and P10,242,943 in 2023, 2022 and 2021, respectively. The amortization expense on the computer software amounted to P7,962,055, P8,831,626 and P8,988,002 in 2023, 2022 and 2021, respectively, and is presented as part of Depreciation and amortization under Operating Expenses (see Note 20).

15. INTEREST-BEARING LOANS AND BORROWINGS

The outstanding balance of interest-bearing loans and corporate notes are presented in the consolidated statements of financial position as follows:

	Notes	2023	2022
Current:			
Bank loans	15.1	**P10,075,486,704**	P 7,006,084,463
Corporate notes	15.2	**1,491,666,667**	1,117,559,524
		11,567,153,371	8,123,643,987
Non-current:			
Bank loans	15.1	**20,871,648,528**	15,721,660,371
Corporate notes	15.2	**9,750,043,837**	11,216,986,253
		30,621,692,365	26,938,646,624
		P42,188,845,736	P 35,062,290,611

15.1 Bank Loans

An analysis of the movements in the balance of interest-bearing loans is presented below.

	Note	2023	2022
Balance at beginning of year		**P22,727,744,834**	P 16,181,942,664
Proceeds and drawdowns - net		**12,943,572,215**	11,749,374,715
Repayments		**(4,674,289,221)**	(5,262,184,636)
Reclassification	17	**(154,500,000)**	-
Amortization of debt issue costs		**104,607,404**	58,612,091
Balance at end of year		**P30,947,135,232**	P 22,727,744,834

In 2023, the Group reclassified interest-bearing loans obtained from co-venturers to trade and other payables.

The unamortized debt issue cost as at December 31, 2023 and 2022 amounts to P163,081,681 and P107,967,127, respectively. A reconciliation of the unamortized debt issue cost at the beginning and end of 2023 and 2022 is shown below.

	2023	2022
Balance at beginning of year	**P 107,967,127**	P 64,046,933
Debt issue costs from new loans	**159,721,958**	102,532,285
Amortization of debt issue cost	**(104,607,404)**	(58,612,091)
Balance at end of the year	**P 163,081,681**	P 107,967,127

The loans bear interest rates per annum ranging from 5% to 8.04%, from 4% to 8%, from 1.71% to 6.25% in 2023, 2022, 2021, respectively. Certain loans are collateralized by the specific projects and developments and certain property and equipment for which the loans were obtained. The cost of such projects aggregating to P21,360,041,578 and P19,647,298,478 as at December 31, 2023 and 2022, respectively, are included in the Real Estate Inventory, Property and Equipment and Investment Properties accounts in the consolidated statements of financial position (see Notes 7, 11 and 13).

The Group's new loans bear interest ranging from 5% to 8.04% in 2023 and from 4% to 8% in 2022.

The total interest incurred from the foregoing loans, including amortization of debt issuance cost, amounted to P2,079,945,262, P1,077,091,468 and P612,575,458 in 2023, 2022, 2021, respectively, and of which P1,627,962,447, P817,615,938 and P414,515,526, respectively, were capitalized as part of construction costs of real estate inventory, investment property and property and equipment (see Notes 7, 11 and 13). The capitalization rate used in determining the amount of interest charges qualified for capitalization ranges from 5% to 8% and from 4% to 8% in 2023 and 2022, respectively.

15.2 Corporate Notes

The Parent Company and various financial institutions executed a Notes Facility Agreement (NFA) for the issuance of long-term corporate notes (LTCN) totaling P13,000,000,000 and two short-dated notes (SDN) amounting to P2,000,000,000 and P3,000,000,000, respectively.

	2023	2022
Balance at beginning of year	**P12,334,545,777**	P 15,839,776,726
Repayments	**(1,117,559,524)**	(3,545,238,095)
Amortization of debt issue cost	**24,724,251**	40,007,146
Balance at end of the year	**P 11,241,710,504**	P 12,334,545,777

The NFA is composed of the following tranches:

NFA	Date Executed	Tranche	Tenor	Principal Amount
LTCN	07/20/2018	Series A	Seven years	P 2,500,000,000
		Series B	Ten years	1,000,000,000
		Series C	Ten years with repricing on the interest rate re-setting date	1,500,000,000
	03/05/2020	Series D	Five years	1,300,000,000
		Series E	Seven years	5,700,000,000
		Series F	Ten years	1,000,000,000
				P 13,000,000,000
SDN	10/25/2019	SDN 1	18 months from drawdown date	P 2,000,000,000
	04/30/2021	SDN 2	18 months from drawdown date	3,000,000,000
				P 5,000,000,000

The Parent Company made the following drawdowns from the NFA.

Year	Tranche	Interest Rate	Maturity Dates	Amount
2021	SDN 2	3.88%	November 2022	P 3,000,000,000
2020	Series D	3.46%	September 2025	P 1,300,000,000
	Series E	3.54% - 4.66%	April 2027	5,700,000,000
	Series F	4.23% - 5.23%	March 2030	1,000,000,000
				P 8,000,000,000
2019	Series A	7.25%	January 2026	P 2,000,000,000
	SDN 1	4.75%	April 2021	2,000,000,000
				P 4,000,000,000
2018	Series A	7.25%	December 2025	P 500,000,000
	Series B	6.63%	August - September 2028	1,000,000,000
	Series C	6.75%	October - December 2028	1,500,000,000
				P 3,000,000,000

In 2021 and 2020, the Parent Company recognized debt issuance costs for new NFA amounting to P27,236,842 and P108,124,311, respectively, which has a carrying amount of P77,634,734 and P102,358,985 as at December 31, 2023 and 2022, respectively, in relation to the drawdowns from the NFA. The debt issuance cost amortization in 2023 and 2022 amounted to P24,724,251 and P40,007,146, respectively. The debt issuance costs are deducted from the fair value or issue price of the note.

The total interest incurred related to the NFA, including amortization of debt issuance cost, amounted to P667,255,268, P836,758,484 and P861,785,646 in 2023, 2022 and 2021, respectively, which was capitalized as part of real estate inventories and investment properties in 2023, 2022 and 2021, respectively (see Notes 7, 11 and 13).

The Parent Company is required to maintain the specifically defined financial ratios with respect to (a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; and, (c) minimum interest coverage ratio of 3:1. As at December 31, 2023 and 2022, the Parent Company is compliant with the requirements.

The total interest expense related to the above loans, which are included as part of Finance Costs in the consolidated statements of profit or loss, amounted to P451,982,816, P259,475,530 and P196,904,919 in 2023, 2022 and 2021, respectively (see Note 22).

The accrued interest on these loans amounts to P262,413,071 and P136,111,341 as at December 31, 2023 and 2022, respectively, and is presented as part of Accrued expenses under the Trade and Other Payables account in the consolidated statements of financial position (see Note 17).

16. BONDS PAYABLE

On September 23, 2022, CLI registered with the SEC its debt securities program of P15,000,000,000 fixed rate bonds, which will be offered in one or more tranches within three years.

On October 7, 2022, the Parent Company issued the first tranche of its fixed rate bonds amounting to P5,000,000,000 and was listed with the Philippine Dealing & Exchange Corp. (PDEx). The bonds have been rated "PRS Aa plus" with a stable outlook by PhilRatings and are comprised of the following tenors:

- Series A – maturity of 3.5 years and a coupon rate of 6.4222%;
- Series B – maturity of 5.5 years and a coupon rate of 6.9884%; and,
- Series C – maturity of 7 years and a coupon rate of 7.3649%.

In 2022, the Company recognized bond issuance costs amounting to P73,372,369 in relation to the issuance of the first tranche of the bonds which has a carrying amount of P52,177,479 and P69,417,369 as at December 31, 2023 and 2022, respectively. In 2023, the Company capitalized a portion of the amortization of bond issuance costs amounting to P14,081,503 as part of real estate inventory, property and equipment and investment property. No similar capitalization in 2022. The Company expensed the amortization amounting to P3,158,387 and P3,955,000, in 2023 and 2022, respectively.

The total interest incurred related to the bonds, including amortization of bond issuance cost, amounted to P357,691,418 and P82,547,408 in 2023 and 2022, respectively, of which P290,834,550 and P67,102,788 was capitalized as part of real estate inventories and investment properties in 2023 and 2022, respectively, and P66,856,868 and P15,444,620 was recognized as interest expense as part of Finance Costs in 2023 and 2022, respectively. No similar transaction in 2021.

The capitalization rate used in determining the amount of interest charges qualified for capitalization ranges from 6.89% to 7.64% and from 6.89% to 7.64% in 2023 and 2022, respectively.

The Parent Company is required to maintain the financial ratios with respect to (a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; and, (c) minimum interest coverage ratio of 3:1. As at December 31, 2023 and 2022, the Parent Company is compliant with the requirements.

17. TRADE AND OTHER PAYABLES

The current portion of trade and other payables is composed of the following:

	Note	2023	2022
Unbilled construction costs		**P 12,617,790,247**	P 10,491,702,481
Trade payables		**4,517,518,729**	4,357,836,398
Sales commissions payable		**3,763,166,755**	1,944,995,963
Retention payable		**1,112,645,901**	968,787,106
Accrued expenses	15	**262,413,071**	282,466,666
Payable to co-venturers	15	**154,500,000**	-
Government-related obligations		**85,420,412**	99,495,460
Output VAT		**76,190,277**	117,142,226
Advances from NCI		**19,344,748**	467,105,353
Other payables		**326,300,458**	114,104,235
		P22,780,790,598	P 18,843,635,888

The non-current portion of trade and other payables is composed of the following:

	2023	2022
Retention payable	**P 141,540,119**	P 172,064,151
Advance rental	**33,282,573**	16,072,805
Other payables	**10,597,440**	6,938,747
	P 185,420,132	P 195,075,703

Unbilled construction costs pertain to estimated obligations to contractors for services already performed but not yet billed to the Group.

Trade payables mainly represent outstanding obligations to owners of parcels of land acquired, subcontractors and suppliers of construction materials.

Retention payable pertains to amount withheld from payments made to contractors to ensure compliance and completion of contracted projects equivalent to 10% of every billing made by the contractor. Portion of the amount retained that is not expected to be paid within 12 months from the end of the reporting period is presented as part of non-current liabilities in the consolidated statements of financial position.

Accrued expenses pertain to accruals for interest, contracted services, security services, professional fees and other recurring accruals in the Group's operations. Current portion of the other payables are mostly construction bonds from various subcontractors.

Advances from NCI pertains to noninterest-bearing advances of certain subsidiaries from non-controlling shareholders.

18. REVENUE FROM CONTRACTS WITH CUSTOMERS AND CONTRACT BALANCES

18.1 Disaggregation of Contract Revenues

The Group derives revenue from the transfer of goods and services over time and at a point in time. Presented below are revenues from its major product lines and geographical areas for the years ended December 31, 2023, 2022 and 2021.

	2023				
	Cebu	**Visayas**	**Mindanao**	**Luzon**	**Total**
Sale of real estate units					
Over time	P 7,054,772,604	P 4,249,501,336	P 2,444,419,631	P 544,680,899	P 14,293,374,470
At a point in time	1,114,472,339	139,887,766	2,937,687,511	22,880,000	4,214,927,616
	8,169,244,943	4,389,389,102	5.382,107,142	567,560,899	18,508,302,086
Hotel operations					
Over time	138,551,300	-	-	-	138,551,300
Lease of properties					
Over time	112,167,681	-	176,175	-	112,343,856
Render of management services					
Over time	47,828,318	-	11,387,808	-	59,216,126
	P 8,467,792,242	**P 4,389,389,102**	**P 5,393,671,125**	**P 567,560,899**	**P 18,818,413,368**

	2022				
	Cebu	Visayas	Mindanao	Luzon	Total
Sale of real estate units					
Over time	P 5,339,637,015	P 4,335,738,980	P 5,171,981,673	P 7,441,250	P 14,854,798,918
At a point in time	314,907,742	30,553,637	195,896,965	42,979,100	584,337,444
	5,654,544,757	4,366,292,617	5,367,878,638	50,420,350	15,439,136,362
Hotel operations					
Over time	83,418,279	-	-	-	83,418,279
Lease of properties					
Over time	79,277,559	-	-	-	79,277,559
Render of management services					
Over time	46,653,575	135,000	8,677,228	-	55,465,803
	P 5,863,894,170	P 4,366,427,617	P 5,376,555,866	P 50,420,350	P 15,657,298,003

	2021				
	Cebu	Visayas	Mindanao	Luzon	Total
Sale of real estate units					
Over time	P 5,968,595,568	P 2,519,430,086	P 2,313,454,074	P -	P 10,801,479,728
At a point in time	117,211,523	32,795,711	29,159,733	15,601,000	194,767,967
	6,085,807,091	2,552,225,797	2,342,613,807	15,601,000	10,996,247,695
Hotel operations					
Over time	48,683,577	-	-	-	48,683,577
Lease of properties					
Over time	74,272,000	-	-	-	74,272,000
Render of management services					
Over time	35,645,074	-	7,322,338	-	42,967,412
	P 6,244,407,742	P 2,552,225,797	P 2,349,936,145	P 15,601,000	P 11,162,170,684

18.2 Contract Balance

The breakdown of contract balances is as follows:

	2023	2022
Contract assets - net	**P45,093,986,410**	P 31,979,063,534
Contract liabilities	**(449,338,207)**	(598,361,867)
Contract assets - net	**P44,644,648,203**	P 31,380,701,667

A reconciliation of the opening and closing balance of Contract Assets is shown below.

	2023	2022
Balance at beginning of year	**P31,979,063,534**	P 20,290,305,185
Performance of property development	**18,072,586,633**	15,220,156,341
Collections	**(4,957,663,757)**	(2,546,181,039)
Transfers to contract receivables	**-**	(985,216,953)
Balance at end of year	**P45,093,986,410**	P 31,979,063,534

The Group recognizes contract assets, due to timing difference of payment and satisfaction of performance obligation, to the extent of satisfied performance obligation on all open contracts as of the end of the reporting period. Its classification and presentation in the consolidated statements of financial position is based on the Group's estimate of project completion, hence, any change in estimated completion period affects transfers to contracts receivables.

The Group assesses an ECL when the contract assets are initially recognized and updates the assessment at each reporting date based on the analysis determined by management [see Note 31.2*(c)*]. The Group's contract assets as at December 31, 2023 and 2022 are presented in the consolidated statements of the financial position as follows:

	2023	2022
Current	**P 26,225,182,718**	P 16,208,926,784
Non-current	**18,868,803,692**	15,770,136,750
	P45,093,986,410	P 31,979,063,534

A reconciliation of the opening and closing balance of Contract Liabilities is shown in below.

	2023	2022
Balance at beginning of year	**P 598,361,867**	P 604,254,603
Revenue recognized that was included in contract liability at the beginning of year	**(435,715,453)**	(218,980,021)
Increase due to cash received excluding amount recognized as revenue during the year	**286,691,793**	213,087,285
Balance at end of year	**P 449,338,207**	P 598,361,867

Contract liabilities pertains to collections from buyers that are ahead of the stage of completion of the real estate units sold. Collections from buyers on sale of real estate units where the gating criteria for recognition of sales contract have yet to be met are accounted for and presented as Customers' Deposits in the consolidated statements of financial position. The balance of Customers' Deposits amounts to P144,003,765 and P120,250,096 as at December 31, 2023 and 2022, respectively. Changes in the contract assets and contract liabilities are recognized by the Group when a right to receive payment is already established and upon performance of unsatisfied performance obligation, respectively.

18.3 Transaction Price Allocated to Unsatisfied Performance Obligations

The aggregate amount of transaction price allocated to partially or wholly unsatisfied contracts as of December 31, 2023 and 2022 is P26,831,730,439 and P21,166,752,524, respectively. As of December 31, 2023 and 2022, the Group expects to recognize revenue from unsatisfied contracts as follows:

	2023	2022
Within a year	**P16,468,635,728**	P 10,644,823,054
More than one year to three years	**10,363,094,711**	10,521,929,470
	P26,831,730,439	P 21,166,752,524

19. COST OF SALES AND SERVICES

Components of costs of sales and services are analyzed below (see Note 20).

	Notes	2023	2022	2021
Cost of real estate sales:				
Contracted services	20	**P6,756,086,995**	P 6,542,806,165	P 4,846,649,738
Borrowing costs	20	**1,203,143,299**	460,629,194	307,427,540
Land	20	**1,197,636,227**	1,126,978,391	623,070,696
Other costs		**310,747,305**	95,620,574	113,233,414
		9,467,613,826	8,226,034,324	5,890,381,388
Cost of rental services:				
Depreciation		**85,950,388**	84,637,887	42,410,823
Others		**771,352**	-	63,259
	13	**86,721,740**	84,637,887	42,474,082
Cost of management services:				
Salaries and wages		**31,404,255**	24,220,828	18,716,268
Materials and supplies		**250**	53,709	23,929
		31,404,505	24,274,537	18,740,197
Cost of hotel operations:				
Materials and supplies		**17,448,513**	9,293,657	5,944,099
Salaries and wages		**13,621,634**	11,235,316	9,147,270
Advertising and promotion		**8,744,778**	3,256,197	572,891
Utilities		**6,836,731**	4,454,328	2,366,117
Others		**7,955,802**	4,449,304	2,663,620
		54,607,458	32,688,802	20,693,997
		P9,640,347,529	P 8,367,635,549	P 5,972,289,664

20. COSTS AND EXPENSES BY NATURE

Details of costs and expenses by nature are shown below.

	Notes	2023	2022	2021
Contracted services	19	**P 6,756,086,995**	P 6,542,806,165	P 4,846,649,738
Borrowing costs	7, 15, 19	**1,203,143,299**	460,629,194	307,427,540
Land	19	**1,197,636,227**	1,126,978,391	623,070,696
Commissions	9	**1,098,413,229**	847,167,494	725,648,666
Salaries and employee benefits	24.1	**640,179,561**	540,416,163	450,644,706
Taxes and licenses		**246,525,634**	323,092,809	352,965,277
Depreciation and amortization	11, 12, 13, 14	**186,911,151**	170,626,662	121,798,863
Advertising		**114,388,720**	71,973,193	43,175,289
Repairs and maintenance	13	**75,373,439**	87,599,940	19,427,792
Utilities		**67,068,697**	50,536,408	37,931,503
Hotel operations		**54,607,458**	32,688,802	20,693,997
Security services		**46,363,199**	35,588,415	19,179,307
Insurance		**41,993,315**	27,249,959	18,401,367
Transportation and travel		**39,391,380**	40,131,671	13,040,272
Rent	12.3, 29.2	**38,696,975**	24,410,422	23,699,072
Association dues		**37,178,773**	34,626,976	19,337,420
Representation and entertainment		**36,342,834**	33,552,413	20,694,266
Professional and legal fees		**27,865,251**	29,603,118	55,365,530
Donations		**27,231,797**	13,629,849	110,667,997
Supplies		**19,240,550**	21,027,969	12,178,787
Subscription and membership dues		**18,002,477**	14,108,468	15,313,005
Management fee		**14,633,689**	11,767,780	7,965,205
Communications		**8,338,820**	8,540,822	10,374,788
Trainings and seminars		**1,604,995**	1,463,617	880,012
Others		**427,763,973**	186,351,802	46,097,279
		P 12,424,982,438	P 10,736,568,502	P 7,922,628,374

These costs and expenses are classified in the consolidated statements of profit or loss as follows:

	Note	2023	2022	2021
Cost of sales and services	19	**P 9,640,347,529**	P 8,367,635,549	P 5,972,289,664
Operating expenses		**2,784,634,909**	2,368,932,953	1,950,338,710
		P12,424,982,438	P10,736,568,502	P 7,922,628,374

21. OTHER OPERATING INCOME AND OTHER LOSSES

21.1 Other Operating Income

This account is composed of the following:

	Note	2023	2022	2021
Reversal of payables		**P 115,283,578**	P 40,320	P 61,973,774
Documentation fee		**30,657,165**	13,604,956	11,045,486
Move-in fee income		**19,520,069**	38,348,832	41,299,914
Water service fee		**16,337,568**	14,260,920	11,150,077
Utilities charged to tenants		**16,034,536**	5,612,043	6,660,345
Sponsorships		**14,056,920**	7,957,554	2,125,098
Administrative charges		**11,619,322**	91,633,272	67,830,520
Late payment penalties charged to customers		**10,753,489**	7,524,767	2,612,361
Scrap sales		**3,638,108**	3,389,340	3,837,069
Foreign exchange gains		**2,195,803**	6,454,820	2,108,206
Referral incentive		**1,396,796**	2,240,129	609,488
Gain on remeasurement of investment in associates	10.1	**-**	-	32,438,511
Concession income		**-**	-	1,733,355
Others		**15,997,370**	11,475,800	11,804,986
		P 410,779,779	P 202,542,753	P 257,229,190

Reversal of payables pertains to outstanding payables related to advances from buyers in excess of the paid transfer charges and move-in fees, which are not refunded to the buyers. It also includes outstanding payables from cancelled contracts with certain building contractors and suppliers which the Group is no longer required to pay and income from the write-off of long-outstanding unidentified deposits.

Move-in fee income pertain to excess fees charged to real estate buyers upon turn-over of their units over the cost of services to make the buyers' units habitable which include requisition of building insurance and fire extinguisher, processing of related taxes, utility connections and others.

Administrative charges include standard fees charged to the buyers and non-refundable portion of the buyers' payment upon withdrawal from sale.

21.2 Other Losses

This account is composed of the following:

	2023	2022	2021
Foreign exchange losses	**P 3,338,765**	P 8,205,863	P 2,716,588
Loss (gain) on sale of assets – net	**17,410**	(128,365)	16,577
Losses due to typhoon	**-**	-	129,839,360
Other losses	**453,506**	(128,365)	16,577
	P 3,809,681	P 8,077,498	P 132,572,525

On December 16, 2021, severe tropical storm "Odette" affected some of the Group's projects in Cebu. CLI, El Camino, MGR and BL Ventures reported calamity damages, net of estimated insurance claims totaling P129,839,360 in the consolidated statement of profit or loss in 2021. The affected entities above filed notarized declarations of casualty losses on February 23, 2022.

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22. FINANCE COSTS

This is composed of the following:

	Notes	2023	2022	2021
Interest expense on:				
Loans	15	**P 451,982,816**	P 259,475,530	P 196,904,919
Lease liabilities	12.4	**80,167,300**	75,629,879	67,139,552
Bonds	16	**66,856,868**	15,444,620	-
Post-employment defined benefit obligation	24.3	**428,176**	241,469	24,537
Day one loss, net of amortization of day one loss on non-current contract receivables	6	**3,751,672**	257,332	-
		P 603,186,832	P 351,048,830	P 264,069,008

Interest expense on loans and bonds are the portion not capitalized as part of real estate inventories, property and equipment, and investment properties. (see Notes 7, 11 and 13).

23. FINANCE INCOME

This is composed of the following:

	Notes	2023	2022	2021
Interest income on banks	5	**P 13,874,699**	P 14,664,879	P 6,528,935
Amortization of day one loss on non-current contract receivables - net	6	**-**	-	1,160,937
Others		**1,108,707**	154,487	-
		P 14,983,406	P 14,819,366	P 7,689,872

24. EMPLOYEE BENEFITS

24.1 Salaries and Employee Benefits

Expenses recognized for salaries and employee benefits are presented below.

	Notes	2023	2022	2021
Short-term employee benefits		**P 633,424,448**	P 532,826,554	P 446,042,346
Post-employment defined benefit expense	24.3	**4,639,127**	4,583,769	4,602,360
Share options	24.2, 27.4	**2,115,986**	3,005,840	-
	20	**P 640,179,561**	P 540,416,163	P 450,644,706

24.2 Employee Share Option

Employee share option expense, included as part of Salaries and employee benefits expense under the Operating Expenses account in the consolidated statements of profit or loss, amounted to P2,115,986 and P3,005,840 in 2023 and 2022, respectively (see Note 24.1), while the corresponding cumulative credit to Share Options Outstanding account is presented under the Equity section of the consolidated statements of financial position (see Note 27.4).

24.3 Post-Employment Benefit Plan

(a) Characteristics of the Defined Benefit Plan

The Group maintains a funded and non-contributory post-employment benefit plan that is being administered by a trustee bank that is legally separated from the Group. The trustee bank manages the fund in coordination with the Group's top management who acts in the best interest of the plan assets and is responsible for setting the investment policies. The post-employment plan covers all regular full-time employees.

The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with a minimum of five years of credited service and late retirement after age 60, both subject to the approval of the Group's BOD. Normal retirement benefit is an amount equivalent to 50% of the final monthly covered compensation (average monthly basic salary during the last 12 months of credited service) for every year of credited service.

(b) Explanation of Amounts Presented in the Consolidated Financial Statements

Actuarial valuations are made annually to update the post-employment defined benefit costs and the amount of contributions. All amounts presented in the succeeding pages are based on the actuarial valuation reports obtained from an independent actuary in 2023 and 2022.

The amounts of post-employment defined benefit obligation recognized in the consolidated statements of financial position are determined as follows:

	2023	2022
Present value of the obligation	**P 53,883,058**	P 44,024,728
Fair value of plan assets	**(43,487,144)**	(34,634,633)
	P 10,395,914	P 9,390,095

The movements in the present value of the post-employment defined benefit obligation recognized in the books are presented below.

	2023	2022
Balance at beginning of year	**P 44,024,728**	P 40,124,208
Current service cost	**4,639,127**	4,583,769
Interest cost	**3,178,585**	2,038,310
Benefits paid	**(2,979,086)**	(765,844)
Remeasurements - actuarial losses (gains) arising from:		
Changes in financial assumptions	**(2,343,401)**	(4,166,909)
Experience adjustments	**2,676,303**	2,211,194
Balance at end of year	**P 53,883,058**	P 44,024,728

The movements in the fair value of plan assets are presented below.

		2023		2022
Balance at beginning of year	P	**34,634,633**	P	35,370,879
Contributions to the plan		**6,919,362**		-
Interest income		**2,750,409**		1,796,841
Remeasurement on plan assets (excluding amounts included in net interest)	(	**817,260)**	(	2,533,087)
Balance at end of year	P	**43,487,144**	P	34,634,633

The composition of the fair value of plan assets at the end of the reporting period by category and risk characteristics is shown below.

		2023		2022
Unitized investment funds	P	**35,963,869**	P	29,623,378
Government debt securities		**6,901,410**		4,888,091
Cash and cash equivalents		**530,543**		84,245
Receivables		**91,322**		38,919
	P	**43,485,764**	P	34,634,633

The fair values of the above unitized investment funds and government debt securities are determined based on quoted market prices in active markets (classified as Level 1 of the fair value hierarchy).

Plan assets do not comprise any of the Group's own financial instruments or any of its assets occupied and/or used in its operations. The plan assets recognized gains of P1,933,149 in 2023. In 2022 and 2021 the plan assets recognized losses and gains of P736,246 and P507,111, respectively.

The components of amounts recognized in profit or loss and other comprehensive income in respect of the defined benefit post-employment plan are as follows:

		2023		2022		2021
Recognized in profit or loss						
Current service cost - net	P	**4,639,127**	P	4,583,769	P	4,602,360
Net interest expense on defined benefit obligation		**428,176**		241,469		24,537
	P	**5,067,303**	P	4,825,238	P	4,626,897
Recognized in other comprehensive loss (income)						
Actuarial losses (gains) arising from changes in:						
Financial assumptions	P	**2,343,401**	(P	4,166,909)	P	2,431,649
Demographic assumptions		**-**		-	(	2,420,116)
Experience adjustments		**2,676,303**		2,211,194	(	1,316,633)
Remeasurement of plan assets (excluding amounts included in net interest expense)		**817,260**		2,533,087		870,008
	P	**5,836,964**	P	577,372	(P	435,092)

The net interest expense is included in Finance Costs in profit or loss (see Note 22).

Amounts recognized in other comprehensive loss were included within items that will not be reclassified subsequently to profit or loss.

In determining the amounts of the defined benefit post-employment obligation, the following significant actuarial assumptions were used:

	2023	2022	2021
Discount rates	**6.12%**	7.22%	5.08%
Salary increase rates	**7%**	7%	7%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the age of 60 is 25 years for both males and females. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of zero-coupon government bonds with terms to maturity approximating the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

The plan exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) *Investment and Interest Risks*

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Due to the long-term nature of the plan obligation, a level of continuing equity investments is an appropriate element of the Group's long-term strategy to manage the plan efficiently.

(ii) *Longevity and Salary Risks*

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) Other Information

The information on the sensitivity analysis for certain significant actuarial assumptions, the Group's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are as follows:

(i) Sensitivity Analysis

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the post-employment defined benefit obligation:

	Impact on Post-employment Defined Benefit Obligation		
	Changes in Assumption	Increase in Assumption	Decrease in Assumption
December 31, 2023			
Discount rate	**+/-1.0%**	**(P 2,148,365)**	**P 1,759,621**
Salary increase rate	**+/-1.0%**	**2,571,038**	**(1,514,962)**
December 31, 2022			
Discount rate	+/-1.0%	(P 1,499,020)	P 1,759,621
Salary increase rate	+/-1.0%	1,745,813	(1,514,962)

In addition, assuming there are no attrition rates, the increase in post-employment defined benefit obligation would be P102,849,832 and P64,956,547 in 2023 and 2022, respectively.

The foregoing sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the consolidated statements of financial position.

The methods and types of assumptions used In preparing the sensitivity analysis did not change compared to the previous years.

(ii) Asset-Liability Matching Strategies

To efficiently manage the retirement plan, the Group, through its Retirement Plan Committee, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the post-employment obligations by investing in long-term fixed interest securities (i.e., government or corporate bonds) with maturities that match the benefit payments as they fall due and in the appropriate currency. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the post-employment obligations.

There has been no change in the Group's strategies to manage its risks from previous periods.

(iii) Funding Arrangements and Expected Contributions

The Group does not expect to make a contribution during the next reporting period.

The maturity profile of undiscounted expected benefit payments from the plan follows:

	2023	2022
Within one year	**P 36,662,697**	P 31,203,897
More than one year to five years	**11,257,978**	10,454,910
More than five years to ten years	**11,757,739**	11,154,743
	P 59,678,414	P 52,813,550

The weighted average duration of the defined benefit obligation at the end of the reporting period is 3.7 years.

25. CURRENT AND DEFERRED TAXES

In 2021, the recognized net deferred tax liabilities as of December 31, 2020 was remeasured to 25%. This resulted in a decline in the recognized deferred tax liabilities in 2020 by P280,801,696 and such was recognized in the 2021 profit or loss and in other comprehensive income.

The Group is registered with the Board of Investments (BOI) as a developer of various economic and low-cost housing projects. Accordingly, the Group enjoys an income tax holiday on the BOI-registered projects within three to four taxable years from its registration. The Group has 8 and 10 registered projects with BOI as of December 31, 2023 and 2022, respectively.

The components of tax expense relating to profit or loss and other comprehensive loss (income) are as shown below.

	2023	2022	2021
Reported in profit or loss:			
Current tax expense:			
RCIT tax at 25%	**P 264,650,963**	P 173,257,102	P 81,211,577
Final income tax	**2,792,536**	2,915,541	1,212,829
MCIT	**1,385,046**	2,061,395	-
Adjustment in 2020 income taxes due to change in income tax rates	**-**	-	(11,812,475)
	268,828,645	178,234,038	70,611,931
Deferred tax expense arising from:			
Origination and reversal of temporary differences	**1,287,346,374**	981,479,199	643,829,225
Effect of the change in income tax rate	**-**	-	(281,722,112)
	1,287,346,374	981,479,199	362,107,113
	P 1,556,175,019	P 1,159,713,237	P 432,719,044

	2023	2022	2021
Reported in other comprehensive income (loss):			
Deferred tax income (expense) arising from:			
Origination and reversal of temporary differences	P **1,459,241**	P 144,343	(P 108,773)
Effect of the change in income tax rate	**-**	-	920,416
	P **1,459,241**	P 144,343	(P 1,029,189)

A reconciliation of tax on pretax profit computed at the applicable statutory rates to tax expense reported in the consolidated statements of profit or loss is presented below.

	2023	2022	2021
Tax on pretax profit at 25%	**P1,549,798,666**	P 1,191,901,096	P 775,897,665
Adjustments for income subject to lower tax rate	**(593,661)**	(749,364)	(318,128)
Tax effects of:			
Tax-exempt real estate sales	**(2,801,680)**	(31,596,098)	(60,528,608)
Non-deductible expenses	**6,454,513**	7,015,969	8,500,064
Changes in unrecognized deferred tax assets	**3,317,181**	(6,858,366)	2,702,648
Effect of the change in income tax rate	**-**	-	(293,534,597)
Tax expense	**P 1,556,175,019**	P 1,159,713,237	P 432,719,044

The net deferred tax liabilities relate to the following as of December 31:

	2023	2022
Deferred tax liabilities:		
Difference between tax reporting base and financial reporting base used in sales recognition	**P 4,725,923,261**	P 3,314,825,173
Rental income	**15,649,234**	5,515,232
Post-employment defined benefit asset	**875,788**	875,788
Others	**255,466**	11,541
	4,742,703,749	3,321,227,734
Deferred tax assets:		
Sales commissions	**301,763,750**	216,383,222
Net operating loss carry-over (NOLCO)	**63,865,699**	34,044,857
Net lease liabilities	**46,784,773**	33,211,533
Post-employment defined benefit obligation	**3,116,095**	2,070,585
Unamortized past service cost	**1,486,199**	1,774,557
MCIT	**1,262,043**	327,168
Employee stock option	**644,905**	115,908
Allowance for impairment	**560,566**	464,599
Others	**5,371,246**	873,965
	424,855,276	289,266,394
	P 4,317,848,473	P 3,031,961,340

The components of deferred tax expense (income) are as follows:

	2023	2022	2021
Reported in profit or loss:			
Deferred tax liabilities:			
Difference between tax reporting base and financial reporting base used in sales recognition	**P 1,411,674,333**	P 1,078,452,609	P 335,614,825
Rental income	**10,134,002**	621,241	2,489,526
Post-employment defined benefit asset	**-**	(2,802,029)	(1,061,941)
Others	**(4,253,356)**	(2,214,351)	(278,254)
Deferred tax assets:			
Sales commissions	**(85,380,528)**	(60,477,471)	46,547,593
NOLCO	**(29,820,842)**	(21,179,834)	(10,891,790)
Net lease liabilities	**(13,573,240)**	(12,160,455)	(11,017,733)
MCIT	**(934,875)**	(327,169)	-
Employee stock options	**(528,997)**	(115,908)	-
Post-employment defined benefit obligation	**413,731**	1,724,845	(153,402)
Amortization of past service cost	**(287,887)**	272,146	888,899
Allowance for impairment	**(95,967)**	(314,425)	(30,610)
	P 1,287,346,374	P 981,479,199	P 362,107,113
Reported in other comprehensive income:			
Post-employment defined benefit obligation	**(P 1,459,241)**	(P 144,343)	P 1,029,189

NOLCO can be claimed as deduction from future taxable income within three years from the year the taxable loss was incurred except for NOLCO incurred in 2022 and 2021 by certain subsidiaries, which can be claimed as deduction from gross income until 2026 and 2025, respectively, in accordance with RA 11494, *Bayanihan to Recover as One Act*. Details of the Group's NOLCO are shown below.

Inception Year	**Amount**	**Utilized**	**Balance**	**Expiry Year**
2023	P 99,701,640	P -	P 99,701,640	2026
2022	104,742,663	(6,054,747)	98,687,916	2025
2021	84,017,743	(18,257,985)	65,759,758	2026
2020	24,135,885	(2,085,519)	22,050,366	2025
	P 312,597,931	**(P 26,398,251)**	**P 286,199,680**	

The Group has deferred tax assets related to NOLCO of P7,684,221 and P17,463,815 as at December 31, 2023 and 2022, respectively, which were not recognized because the subsidiaries to which such are attributable may not be able to generate enough taxable profit yet within the validity period of NOLCO for the assets to be recovered. As at December 31, 2023, only the Parent Company, CCPH, YHES and SPE are subject to MCIT, which is computed at the applicable rate (1% before July 1, 2023 and 2% thereafter) of gross income net of allowable deductions, as defined under the tax regulations or to RCIT, whichever is higher. Other components of the Group are not yet subject to MCIT as those have not operated beyond four taxable years. The Group reported MCIT amounting to P1,385,046 and P2,061,395 in 2023 and 2022, respectively.

The Group opted to treat the capitalized borrowing costs as capital expenditure in accordance with Section 34(b) of the NIRC; hence, there are no deferred taxes related to the transaction. Furthermore, it opted to claim itemized deductions in computing its income tax due for the years ended December 31, 2023, 2022 and 2021.

26. RELATED PARTY TRANSACTIONS

The Group's related parties include its ultimate parent or ABS, entities under common ownership, associates, shareholders, the Group's key management personnel, its retirement fund. A summary of the Group's transactions and outstanding balances with related parties is presented below.

	Notes	Amount of Transaction 2023	Amount of Transaction 2022	Amount of Transaction 2021	Outstanding Balance 2023	Outstanding Balance 2022
Ultimate Parent Company						
Real estate sales	26.2	**P 4,363,528**	P 15,445,769	P 96,272,362	**P 685,584**	P 75,822,632
Cancellation of sales	26.2	**79,849,031**	-	-	**-**	-
Entities under Common Ownership						
Advances (collections)	26.1	**10,835,561**	(22,000,465)	35,500,674	**46,236,770**	35,401,209
Associates						
Advances (collections)	26.1	**1,958,865**	368,535	(16,907)	**2,359,997**	401,132
Key Management Personnel						
Real estate sales	26.3	**-**	34,868,415	52,101,000	**-**	53,973,659
Compensation	26.4	**209,130,536**	149,885,801	122,750,352	**-**	-

Based on management's assessment, no impairment loss is required to be provided on the Group's receivables from related parties as at December 31, 2023 and 2022. In respect of contract receivables, it is fully secured by the units purchased, expected to be settled in cash and due based on the contract terms.

Details of the foregoing transactions are discussed as follows:

26.1 Advances to Related Parties

The Group grants cash advances to shareholders, entities under common ownership and associates. An analysis of such advances in 2023 and 2022 is presented below.

	Entities Under Common Ownership	Associates	Total
Balance at January 1, 2023	**P 35,401,209**	**P 401,132**	**P 35,802,341**
Additional advances	**10,835,561**	**1,958,865**	**12,794,426**
Balance at December 31, 2023	**P 46,236,770**	**P 2,359,997**	**P 48,596,767**
Balance at January 1, 2022	P 57,401,674	P 32,597	P 57,434,271
Additional advances	-	368,535	368,535
Collections	(22,000,465)	-	(22,000,465)
Balance at December 31, 2022	P 35,401,209	P 401,132	P 35,802,341

The outstanding balances from these transactions, which are payable on demand, unsecured and noninterest-bearing, are presented as Due from related parties in the consolidated statements of financial position.

26.2 Real Estate Sales to Ultimate Parent Company

In 2023, 2022, and 2021, CLI sold condominium units to ABS. The outstanding balance related to these transactions are noninterest-bearing and due on demand, and is presented as part of Contract Receivables under the Receivables account in the consolidated statements of financial position (see Note 6).

In 2023, the Group cancelled the sale of a single floor at Baseline HQ made to ABS on December 2017.

26.3 Real Estate Sales to Key Management Personnel

In 2022 and 2021, CLI sold condominium units to key management personnel. The outstanding balance related to these transactions are noninterest-bearing, collectible similarly to the sale of real estate units to customers, is presented as part of Contract receivables under the Receivables account in the 2022 consolidated statement of financial position (see Note 6). There is no similar transaction in 2023.

26.4 Key Management Personnel Compensation

The composition of key management personnel compensation for the years ended December 31, 2023, 2022 and 2021 is shown below.

	2023	2022	2021
Short-term benefits	**P 159,664,014**	P 141,949,540	P 121,082,068
Post-employment benefits	**47,350,536**	4,930,421	1,668,284
Share options	**2,115,986**	3,005,840	-
	P 209,130,536	P 149,885,801	P 122,750,352

26.5 Retirement Fund

CLI's retirement fund for its defined post-employment plan is administered and managed by a trustee bank. The fair value of plan assets in 2023 and 2022 consists of the contributions to the plan and interest earned (see Note 24.3). The plan assets do not comprise investment in any of the Group's own financial instruments or any of its assets occupied and/or used in its operations.

27. EQUITY

27.1 Capital Stock

Details of the Parent Company's authorized capital stock as of December 31, 2023 and 2022 are as follows:

	Shares 2023	Shares 2022	Amount 2023	Amount 2022
Preferred shares				
Authorized				
Series A – P1.00 par value	**1,000,000,000**		**P 1,000,000,000**	
Series B – P0.10 par value	**1,000,000,000**		**100,000,000**	
Total	**2,000,000,000**	1,000,000,000	**P 1,100,000,000**	P 100,000,000
Common shares – P1.00 par value				
Authorized	**9,000,000,000**	10,000,000,000	**P 9,000,000,000**	P 10,000,000,000
Issued:				
Balance at beginning and end of year	**3,623,451,997**	3,623,451,997	**P 3,623,451,997**	P 3,623,451,997
Treasury shares	**(158,250,530)**	(158,250,530)	**(732,664,604)**	(732,664,604)
Issued and outstanding	**3,465,201,467**	3,465,201,467	**P 2,890,787,393**	P 2,890,787,393

The par value of the authorized preferred shares in 2022 is P0.10 per share. There is no issued preferred stock as at December 31, 2023 and 2022.

On April 25, 2023, the BOD approved the amendment of the Articles of Incorporation (AOI) of CLI to reallocate the authorized capital stock of P10,100,000,000 to be divided as follows:

(a) 9,000,000,000 common shares with a par value of P1 per share;
(b) 1,000,000,000 Series A preferred shares with a par value of P1 per share; and,
(c) 1,000,000,000 Series B preferred shares with a par value of P0.10 per share.

The amendment to the AOI was later approved by the stockholders on June 1, 2023. On October 18, 2023, the SEC officially accepted CLI's application for the amendment of its AOI, which was later approved on December 29, 2023.

The share price of the Parent Company's common stock closed at P2.47 and P2.80 per share on December 29, 2023 and 2022, respectively, the last trading day in the PSE for 2023 and 2022.

The Company has no other listed equity securities as at December 31, 2023 and 2022.

27.2 Additional Paid-in Capital

On June 2, 2017, the Parent Company made an initial public offering (IPO) of 430,000,000 unissued common shares at an offer price of P5 per share, which is equivalent to P2,150,000,000. Accordingly, the Parent Company recognized additional paid-in capital of P1,608,917,974 in the consolidated statements of financial position after deducting the related share issuance costs of P111,082,026.

27.3 Treasury Shares

An analysis of treasury shares as of December 31, 2023 and 2022, respectively is shown below.

	Shares		Amount	
	2023	2022	**2023**	2022
Balance at beginning of year	**158,250,530**	161,600,000	**P 732,664,604**	P 748,171,901
Re-issuance of shares	-	(3,349,470)	-	(15,507,297)
Balance at end of year	**158,250,530**	158,250,530	**P 732,664,604**	P 732,664,604

On February 27, 2018, the BOD of the Parent Company approved a P250,000,000 budget for a share buy-back program and employee stock option plan. On March 2022, qualified employees started exercising their stock options (see Note 27.4).

On March 27, 2020, the BOD of the Parent Company approved an additional P500,000,000 stock buy-back program over the next two years.

In relation to this program, the Parent Company reacquired 2,599,600 shares and 104,180,400 shares of its common stock in 2021 and 2020, respectively, for P15,320,885 and P485,657,205, respectively, and presented them as Treasury Stock in the consolidated statement of financial position. No additional shares were reacquired in 2022.

In 2022, the Parent Company has reissued 3,349,470 shares of treasury shares as a result of exercise of the same number of stock options (Note 27.4).

The common stock of the Parent Company that is held under nominee accounts totaled 1,285,302,905 shares and 1,307,052,405 shares as of December 31, 2023 and 2022, respectively. This represents 35% and 36% of the Parent Company's outstanding shares as of December 31, 2023 and 2022, respectively.

27.4 Employee Share Option

On October 6, 2021, the BOD of the Parent Company approved the Executive Stock Option Plan (ESOP) for its qualified officers. The ESOP grants options to purchase the shares of the Parent Company at a price of P2.25 or current market price with a 15% discount, whichever is higher. Shares bought under the ESOP cannot be sold, assigned, or transferred in any manner for at least six months from the exercise date. Voting and dividend rights vest upon the issuance of the shares to the employees.

Pursuant to this ESOP, on January 5, 2022, the Parent Company granted share options to qualified officers to subscribe to 31,016,200 common shares of the Parent Company, with the following vesting period.

- The 1st 25% of the options granted can be exercised immediately upon the year of grant;
- The 2nd 25% of the options granted can be exercised one year after the options were granted;
- The 3rd 25% of the options granted can be exercised two years after the options were granted; and,
- The last 25% of the options granted can be exercised three years after the options were granted.

In 2022, a total of 3,349,470 share options were exercised at a price of P2.40 per share using the Parent Company treasury shares (see Note 27.3).

The fair value of the option granted was estimated using a variation of the Black-Scholes valuation model that takes into account factors specific to the ESOP. The following principal assumptions were used in the valuation:

Average option life	2.5 years
Average share price at grant date	P2.86
Average exercise price at grant date	P2.43
Average fair value at grant date	P0.15
Average standard deviation of share price returns	20.17%
Average dividend yield	14.95%
Average risk-free investment rate	2.59%

The underlying expected volatility was determined by reference to historical prices of the Parent Company's shares.

Share option benefits expense, which is included as part of Salaries and employee benefits under the Operating Expenses account, amounting to P2,115,986 and P3,005,840 was recognized in 2023 and 2022, respectively (see Note 24.1), while the corresponding credit to Share Options Outstanding account is presented as part of Equity Attributable to Owners of the Parent Company under the Equity section of the consolidated statements of financial position.

27.5 Revaluation Reserves

The components and reconciliation of items of other comprehensive income (loss) presented in the consolidated statement of changes in equity at their aggregate amount under the Revaluation Reserves account are shown below.

	Notes	2023	2022	2021
Balance at beginning of year		**(P 13,910,501)**	(P 13,477,472)	(P 12,883,375)
Other comprehensive income:				
Gain (loss) on remeasurement of post-employment defined benefit obligation	24.3	**(5,836,964)**	(577,372)	435,092
Tax income (expense)	25	**1,459,241**	144,343	(1,029,189)
		(4,377,723)	(433,029)	(594,097)
Balance at end of year		**(P 18,288,224)**	(P 13,910,501)	(P 13,477,472)

27.6 Retained Earnings

(a) Cash Dividends

On March 15, 2021, the Parent Company's BOD declared cash dividend of P0.25 per share totaling P388,749,900 to stockholders on record as of April 16, 2021 and was paid on May 10, 2021.

On March 15, 2022, the Parent Company's BOD declared regular and special cash dividends of P0.112 and P0.038 per share, respectively, totaling P519,780,221 to stockholders on record as of April 22, 2022 and were paid on May 17, 2022.

On March 20, 2023, the BOD declared regular and special cash dividends of P0.15 and P0.03 per share, respectively, totaling P623,736,265 to stockholders on record as of April 18, 2023. Such dividends were paid on April 28, 2023.

(b) Appropriations

On November 23, 2023 and December 6, 2022, the Parent Company's BOD approved the appropriation of P6,324,658,043 and P3,931,475,893, respectively, from its retained earnings for the construction of various real estate projects. The real estate projects are expected to be completed from dates ranging from the first quarter of 2023 until the second quarter of 2030.

The Parent Company released the appropriated retained earnings in 2022 amounting to P3,341,330,930 in 2023 and appropriated retained earnings in 2021 amounting to P172,049,912 in 2022 to unrestricted retained earnings after partial fulfillment of its intended purpose.

A portion of the Group's retained earnings, equivalent of the cost of treasury shares is legally restricted in accordance with Section 40 of the Revised Corporation Code.

In 2021, no appropriation has been made by the Parent Company and a release of P3,777,454,711 from previous appropriations was made.

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27.7 Non-controlling Interests

The subsidiaries of the Group with significant NCI as at December 31, 2023, 2022 and 2021 are as follows:

	NCI Ownership %			NCI Equity in Subsidiaries		
Subsidiaries	**2023**	2022	2021	**2023**	2022	2021
YHEST	**50%**	50%	50%	**P 4,361,054,926**	P 3,875,590,923	P 3,706,027,295
CHDI	**50%**	50%	50%	**1,548,403,514**	786,666,552	672,519,752
El Camino	**65%**	65%	65%	**1,086,949,888**	1,122,368,628	1,113,400,062
YHES	**50%**	50%	50%	**907,960,322**	686,512,645	605,533,074
CBLRV	**50%**	50%	50%	**416,435,594**	105,222,808	98,733,293
GGTT	**50%**	50%	50%	**393,007,824**	267,015,020	90,043,506
CCLI	**50%**	50%	50%	**158,489,937**	91,485,695	96,831,317
CLI-LITE	**12%**	12%	12%	**152,524,190**	124,588,359	124,729,968
YES	**50%**	50%	50%	**95,705,218**	181,981,225	243,297,814
MDC	**22%**	22%	22%	**79,728,192**	79,813,515	59,453,985
MGR	**55%**	55%	55%	**69,697,228**	101,114,684	172,090,942
SPE	**36%**	36%	36%	**46,960,280**	14,296,286	(18,518,426)
BL Ventures	**50%**	50%	50%	**28,437,150**	74,395,398	128,164,739
				P 9,345,354,263	P 7,511,051,738	P 7,092,307,321

The analysis of the movement of NCI as at December 31, 2023, 2022 and 2021 are as follows:

	2023	2022	2021
Balance at beginning of year	**P 7,511,051,738**	P 7,092,307,321	P 6,895,639,697
Share in net profit during the year	**1,067,182,525**	437,003,407	57,934,293
New and additional investments	**879,500,000**	61,641,010	226,733,331
Dividends	**(112,380,000)**	(79,900,000)	(88,000,000)
Balance at end of year	**P9,345,354,263**	P 7,511,051,738	P 7,092,307,321

The new and additional investments came from the non-controlling shareholders of CHDI, CBLRV, CCLI and SPE in 2023, from the non-controlling shareholders of SPE and MDC in 2022, and from the non-controlling shareholders of CLI-LITE in 2021.

The dividends came from MGR and BL Ventures and YES in 2023, from MGR and BL Ventures, and only from MGR in 2021.

The summarized balance sheets of the subsidiaries with significant NCI before intragroup eliminations for the years ended December 31, 2023 and 2022 are shown below and in the succeeding page.

	Current Assets	**Non-current Assets**	**Current Liabilities**	**Non-current Liabilities**	**Equity**
December 31, 2023					
YHEST	**P 7,734,595,875**	**P 3,546,876,031**	**P 1,859,479,842**	**P 699,882,212**	**P 8,722,109,852**
CHDI	**4,599,085,997**	**754,108,027**	**1,421,802,775**	**834,584,221**	**3,096,807,028**
El Camino	**3,356,543,217**	**1,905,626,745**	**2,128,113,784**	**1,461,825,581**	**1,672,230,597**
YHES	**2,269,517,130**	**3,448,370,957**	**2,088,005,396**	**1,813,962,047**	**1,815,920,644**
CBLRV	**681,079,710**	**1,360,702,524**	**892,598,764**	**316,312,282**	**832,871,188**
GGTT	**469,201,653**	**1,417,731,748**	**725,244,756**	**375,672,997**	**786,015,648**
CCLI	**147,574,518**	**1,385,762,580**	**282,662,087**	**933,695,137**	**316,979,874**
CLI-LITE	**695,597,554**	**1,473,557,615**	**703,143,944**	**245,817,705**	**1,220,193,520**
YES	**379,897,473**	**165,518,020**	**263,099,988**	**90,905,069**	**191,410,436**
MDC	**364,415,785**	**-**	**2,014,912**	**-**	**362,400,873**
MGR	**181,224,979**	**642,056**	**42,574,704**	**12,570,098**	**126,722,233**
SPE	**56,236,350**	**420,821,441**	**80,356,451**	**266,256,118**	**130,445,222**
BL Ventures	**76,490,553**	**668,892,636**	**369,764,081**	**318,744,808**	**56,874,300**

	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity
December 31, 2022					
YHEST	P 4,123,628,226	P 3,372,951,634	P 930,337,608	P 91,670,042	P 6,474,572,210
El Camino	3,265,465,140	2,368,266,476	1,437,453,690	2,469,023,658	1,727,254,268
CHDI	3,619,552,664	682,792,917	2,090,465,890	638,546,595	1,573,333,096
YHES	1,486,953,404	2,939,090,975	1,865,621,402	1,187,137,129	1,373,285,848
CLI-LITE	410,122,908	740,515,353	390,783,076	3,296,816	756,558,369
GGTT	383,824,261	1,055,346,456	533,367,538	244,043,137	661,760,042
YES	951,126,375	26,757,666	478,859,125	135,062,460	363,962,456
CBLRV	629,852,008	276,739,032	624,205,689	69,113,940	213,271,411
MGR	260,752,902	861,935	53,427,339	20,967,617	187,219,881
CCLI	218,137,796	716,187,814	86,343,000	665,011,219	182,971,391
MDC	178,469,710	-	1,865,870	-	176,603,840
BL Ventures	152,023,688	694,170,706	294,560,741	402,863,601	148,770,052
SPE	54,658,372	396,273,145	55,767,420	253,537,865	141,626,232

The summarized comprehensive income of the subsidiaries with significant NCI before intragroup eliminations for the years ended December 31, 2023, 2022 and 2021 is shown below.

	Revenues	**Net Profit (Loss)**	**Other Comprehensive Income (Loss)**
2023			
YHEST	**P 2,865,787,323**	**P 970,928,006**	**P -**
YHES	**987,027,818**	**442,895,354**	**-**
CBLRV	**954,184,151**	**337,425,572**	**-**
CHDI	**1,012,029,844**	**289,473,924**	**-**
GGTT	**604,200,731**	**251,985,607**	**-**
CLI-LITE	**637,386,548**	**223,486,648**	**-**
BL Ventures	**50,452,086**	**(75,116,496)**	**-**
El Camino	**249,507,623**	**(59,490,369)**	**-**
YES	**22,310,048**	**(32,352,014)**	**-**
SPE	**-**	**(20,377,794)**	**-**
CCLI	**-**	**(25,991,516)**	**-**
MGR	**61,948,129**	**4,477,353**	**-**
MDC	**-**	**(381,832)**	**-**
2022			
GGTT	P 820,847,579	P 354,846,240	P -
YHEST	868,396,211	339,127,564	-
CHDI	844,564,708	228,293,599	-
YHES	622,016,164	162,027,169	-
YES	166,545,780	(122,633,178)	-
BL Ventures	(4,367,243)	(90,732,683)	-
SPE	-	(24,517,493)	-
El Camino	408,514,109	13,797,794	-
CBLRV	34,842,825	12,979,029	-
CCLI	-	(10,691,245)	-
CLI-LITE	-	(1,156,876)	-
MGR	(26,999,881)	952,259	-
MDC	-	(413,395)	-
2021			
YHES	P 342,152,332	P 129,664,463	P -
YES	27,963,542	(102,856,292)	-
El Camino	726,343,098	81,621,893	-
GGTT	221,930,052	80,087,011	-
CHDI	176,756,441	35,869,739	-
MGR	(12,991,772)	(35,069,128)	-
BL Ventures	39,771,377	(35,002,671)	-
SPE	-	(24,179,468)	-
YHEST	-	(19,396,226)	-
CCLI	-	(16,440,305)	-
CLI-LITE	-	(13,060,257)	-
MDC	-	(3,274,357)	-
CBLRV	-	(1,398,623)	-

The allocation of profit or loss between the Parent Company and NCI as follows:

	Parent Company's Shareholders	**NCI**	**Net profit**
2023			
YHEST	**P 485,464,003**	**P 485,464,003**	**P 970,928,006**
YHES	**221,447,677**	**221,447,677**	**442,895,354**
CBLRV	**168,712,786**	**168,712,786**	**337,425,572**
CHDI	**144,736,962**	**144,736,962**	**289,473,924**
GGTT	**125,992,803**	**125,992,804**	**251,985,607**
CLI-LITE	**195,550,817**	**27,935,831**	**223,486,648**
BL Ventures	**(37,558,248)**	**(37,558,248)**	**(75,116,496)**
El Camino	**(19,071,629)**	**(35,418,740)**	**(54,490,369)**
YES	**(16,176,007)**	**(16,176,007)**	**(32,352,014)**
SPE	**(13,041,788)**	**(7,336,006)**	**(20,377,794)**
CCLI	**(12,995,758)**	**(12,995,758)**	**(25,991,516)**
MGR	**2,014,809**	**2,462,544**	**4,477,353**
MDC	**(302,509)**	**(85,323)**	**(387,832)**
2022			
GGTT	P 177,423,120	P 177,423,120	P 354,846,240
YHEST	169,563,782	169,563,782	339,127,564
CHDI	114,146,799	114,146,800	228,293,599
YHES	81,013,584	81,013,585	162,027,169
YES	(61,316,589)	(61,316,589)	(122,633,178)
BL Ventures	(45,466,342)	(45,366,341)	(90,732,683)
SPE	(15,691,196)	(8,826,297)	(24,517,493)
El Camino	4,829,228	8,968,566	13,797,794
CBLRV	6,489,514	6,489,515	12,979,029
CCLI	(5,345,623)	(5,345,622)	(10,691,245)
CLI-LITE	(1,012,266)	(144,609)	(1,156,876)
MGR	428,517	523,742	952,259
MDC	(321,167)	(92,228)	(413,395)

28. EARNINGS PER SHARE

EPS is computed as follows:

	2023	2022	2021
Income available to common stockholders	**P3,575,837,120**	P 3,170,887,739	P 2,612,937,324
Divided by weighted average number of outstanding common shares	**3,465,201,467**	3,464,364,100	2,507,833,165
Basic and diluted EPS	**P 1.03**	P 0.92	P 1.04

The Parent Company granted share options to qualified officers (see Note 27.4). The basic and diluted earnings per share in 2023 and 2022 are the same because the dilutive effects of potential common shares from the employee share options are negligible for the periods presented. The maximum increase in the weighted average number of outstanding shares from the exercise of employee shares options in 2023 and 2022 amounting to 10,876,872 shares and 4,773,547 shares, respectively, which results in the same EPS amounts.

Aside from the employee share options, there were no instruments that could potentially dilute basic earnings per share in 2023, 2022, and 2021; hence, basic EPS is the same as diluted EPS.

29. COMMITMENTS AND CONTINGENCIES

29.1 Operating Lease Commitments – Group as Lessor

The Group is a lessor under several operating leases covering certain condominium and parking units and retail building space (see Note 13). To manage its risks over these operating leases, the Group retains its legal title over the underlying assets and requires its lessee to pay security deposits at the start of the lease, which are forfeited in case a lessee pre-terminates without prior notice or before the expiry of the lease term without cause. The leases have terms ranging from one to 15 years, with renewal options, and include annual escalation from 5% to 10%.

The future minimum lease receivables under these agreements are presented below.

	2023	2022	2021
Within one year	**P 90,163,930**	P 65,807,376	P 59,212,971
Within one to two years	**107,102,709**	38,881,603	41,589,378
Within two to three years	**71,458,255**	25,941,561	27,748,172
Within three to four years	**23,406,711**	8,497,362	9,089,131
Within four to five years	**45,565,584**	66,269,406	70,884,510
More than five years	**136,979,178**	92,651,746	105,840,163
	P 474,676,367	P 298,049,054	P 314,364,325

None of the rental income in 2023, 2022 and 2021 are relating to variable lease payments.

29.2 Operating Lease Commitments – Group as Lessee

The Group entered into several short-term cancellable leases for its billboards, warehouse and staff house. Rent expense incurred from the short-term cancellable leases are shown as rent under Operating Expenses in the consolidated statements of profit or loss (see Notes 20).

As at December 31, 2023 and 2022, the expected future rentals is expected to be more or less the same with the annual rent expense recognized because of the terms of the leases, which are less than 12 months.

29.3 Completion of Sold Units

The Group is obligated to finish the sold units that are at a certain stage of completion at the time of sale. The Group recognized a contract liability, which amounts to P449,338,207 and P598,391,867 as at December 31, 2023 and 2022, respectively, when it collects more than it is entitled to based on the stage of completion of the project development (see Note 18.2).

29.4 Purchase of Land

In 2023 and 2022, the Group had agreed in principle with multiple sellers of real estate properties in various locations in Visayas and Mindanao for the acquisition of parcels of land amounting to P349,502,459 and P129,996,729, respectively and transferred to raw land inventory amounting to P464,499,188 and nil in 2023 and 2022, respectively (see Note 8). There were no such commitments as at December 31, 2021.

29.5 Capital Commitments for Construction Cost

As at December 31, 2023 and 2022, the Group has capital commitments of about P7,869,502,871 and P8,812,246,977, respectively, for the construction of real estate inventories, property and equipment and investment properties.

29.6 Others

There are other commitments and contingent liabilities that arise in the normal course of the Group's operations that are not reflected in the consolidated financial statements because the possible outflow of economic resource as a result of present obligations is considered improbable or remote or the amount to be provided cannot be measured reliably. As at December 31, 2023 and 2022, management is of the opinion that losses, if any, from these items will not have a material effect on the Group's consolidated financial statements.

30. EVENTS AFTER THE REPORTING PERIOD

30.1 Public Offering of Preferred Shares

On January 8, 2024, the BOD approved the proposed registration with the SEC of the Parent Company's perpetual, cumulative, non-voting, non-participating, non-convertible, and redeemable Philippine Peso-denominated Series "A" Preferred Shares with a firm offer of up to 3,000,000 Series "A" Preferred Shares with an oversubscription option up to 2,000,000 Series "A" Preferred Shares by way of a follow-on public offering. The Registration Statement covering the IPO was filed with the SEC and PSE on January 25, 2024 and January 26, 2024, respectively.

30.2 Declaration of Cash Dividends

On March 18, 2024, the Board approved the declaration of regular cash dividends amounting to P0.15 per share and special cash dividends amounting to P0.03 per share with record date on April 17, 2024 which will be paid on May 3, 2024.

31. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to certain financial risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarized in Note 32. The main types of risks are market risk, credit risk and liquidity risk. The Group's risk management focuses on actively securing the Group's short-to-medium term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

It does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described as follows:

31.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk and interest rate risk which result from its operating, investing, and financing activities.

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It has no significant foreign currency exposure risks as most of its transactions are carried out in Philippine pesos, its functional currency.

31.2 Credit Risk

Credit risk is the risk of financial loss to the Group if the counterparty to a financial instrument fails to meet its contractual obligation. To manage credit risk, the Group maintains credit policies and monitors its exposure to credit risk on a continuous basis. Receivables balances are being monitored on a regular basis to ensure timely execution of necessary collection intervention efforts. In addition, the credit risk for trade receivables is mitigated as the Group transfers the corresponding title of the subdivision lots, house and lot units, condominium units and parking spaces only upon full payment of the contract price.

(a) *Maximum exposure to credit risk*

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets (including contract assets), as summarized below.

	Notes	2023	2022
Cash and cash equivalents	5	**P 913,841,206**	P 1,434,559,762
Receivables*	6	**2,211,305,404**	3,657,261,050
Contract assets	18.2	**45,093,986,410**	31,979,063,534
Due from related parties	26.1	**48,596,767**	35,802,341
Short-term investments	9	**200,838,362**	204,836,249
Refundable deposits	14	**152,741,454**	128,384,996
		P48,621,309,603	P 37,439,907,932

* *Receivables excludes advances to officers and employees.*

The estimated fair value of collateral and other security enhancements held against contract receivables and contract assets are presented below.

	Gross Maximum Exposure	Fair Value of Collaterals	Net Exposure
2023			
Contract receivables	P 1,549,074,563	P 11,060,916,251	P -
Contract assets	45,093,986,410	78,168,084,114	-
	P 46,643,060,973	**P 89,229,000,365**	**P -**
2022			
Contract receivables	P 3,030,230,127	P 6,632,550,849	P -
Contract assets	31,979,063,534	58,301,956,960	-
	P 35,009,293,661	P 64,934,507,809	P -

(b) *Credit risk concentration*

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

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An analysis of concentration of credit risk by location of the Group's contract receivables and contract assets, net of allowance for impairment, is shown below.

	2023	2022
Cebu	**P 21,835,148,629**	P 16,921,619,068
Visayas	**2,545,817,311**	7,230,845,939
Mindanao	**15,398,918,372**	10,856,726,305
Luzon	**6,863,176,661**	102,349
	P46,643,060,973	P 35,009,293,661

(c) *Credit Quality*

The Group classifies cash in banks as high grade as these are deposited with reputable banks.

Other receivables and refundable deposits are considered to be unrated and are neither past due nor impaired. For trade receivables, standard grade pertains to receivables with no default in payments and are effectively collateralized by the real estate inventories which can be subject to repossession upon non-payment of customers after reasonable collection effort has been exerted by the Group.

The quality of the Group's financial assets as of December 31, 2023 and 2022 is shown below.

	Neither past due not impaired			Past due but not impaired	Individually impaired	Total
	High grade	Standard grade	Unrated			
2023						
Cash	P 913,841,206	P -	P -	P -	P -	P 913,841,206
Receivables						
Contract	-	1,178,231,296	-	370,843,267	-	1,549,074,563
Others	-	-	659,988,579	-	2,242,262	662,230,841
Contract assets	-	45,093,986,410	-	-	-	45,093,986,410
Due from related parties	-	-	45,596,767	-	-	48,596,767
Short-term investments	200,838,362	-	-	-	-	200,838,362
Refundable deposits	-	-	152,741,454	-	-	152,741,454
	P 1,114,679,568	**P 46,272,217,706**	**P 858,326,800**	**P 370,843,267**	**P 2,242,262**	**P 48,621,309,603**
2022						
Cash	P 1,434,559,762	P -	P -	P -	P -	P 1,434,559,762
Receivables						
Contract	-	2,246,422,576	-	783,807,551	-	3,030,230,127
Others	-	-	625,221,454	-	1,809,469	627,030,923
Contract assets	-	31,979,063,534	-	-	-	31,979,063,534
Due from related parties	-	-	35,802,341	-	-	35,802,341
Short-term investments	204,836,249	-	-	-	-	204,836,249
Refundable deposits	-	-	128,384,996	-	-	128,384,996
	P 1,639,396,011	P 34,225,486,110	P 789,408,791	P 783,807,551	P 1,809,469	P 37,439,907,932

31.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored on a week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a six-month and one-year period are identified monthly. It maintains cash to meet its liquidity. Excess cash are invested in short-term placements.

As at December 31, 2023 and 2022, the Group's financial liabilities have contractual maturities which are presented below.

	Current		Non-current	
	Within Six Months	Six to 12 Months	One to Five Years	More than Five Years
December 31, 2023				
Interest-bearing loans and borrowings	P 9,445,312,066	P 4,952,650,498	P 29,024,476,051	P 7,153,781,014
Bonds payable	168,742,525	168,742,525	4,872,277,006	1,062,987,665
Trade and other payables*	18,062,302,871	274,654,434	4,801,971,020	-
	P 26,019,437,410	**P 3,924,517,266**	**P 34,573,391,066**	**P 6,113,144,735**
December 31, 2022				
Interest-bearing loans and borrowings	P 6,173,740,948	P 2,374,903,037	P 21,006,645,481	P 9,462,451,360
Bonds payable	168,742,525	168,742,525	3,849,718,073	2,423,031,648
Trade and other payables*	11,863,581,836	3,807,034,840	3,135,384,424	-
	P 18,206,065,309	P 6,350,680,402	P 27,991,747,978	P 11,885,483,008

** Trade and other payables excludes output VAT, government-related obligations and advance rental.*

The contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of the reporting periods.

32. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND FAIR VALUE MEASUREMENTS AND DISCLOSURES

32.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the consolidated statements of financial position are shown below.

		2023		2022	
	Notes	**Carrying Amount**	**Fair Value**	Carrying Amount	Fair Value
Financial Assets					
At amortized cost:					
Cash and cash equivalents	5	**P 913,841,206**	**P 913,841,206**	P 1,434,559,762	P 1,434,559,762
Receivables - net[1]	6	**2,211,305,404**	**2,211,305,404**	3,657,261,050	3,657,261,050
Due from related parties	26.1	**48,596,767**	**48,596,767**	35,802,341	35,802,341
Short-term investments	9	**200,838,362**	**200,838,362**	204,836,249	204,836,249
Refundable deposits	14	**152,741,454**	**152,741,454**	128,384,996	128,384,996
		P 3,527,323,193	**P 3,527,323,193**	P 5,460,844,398	P 5,460,844,398
Financial Liabilities					
At amortized cost:					
Interest-bearing loans and borrowings	15	**P 42,188,845,736**	**P 43,660,634,271**	P 35,062,290,611	P 32,892,943,912
Bonds payable	16	**5,000,000,000**	**5,159,876,668**	4,930,582,631	5,074,171,211
Trade and other payables[2]	17	**22,771,317,468**	**22,771,317,468**	18,806,001,100	18,806,001,100
		P 69,960,163,204	**P 71,591,828,407**	P 58,798,874,342	P 56,773,116,223

1 Receivables - net excludes advances to officers and employees.
2 Trade and other payables excludes output VAT, government-related obligations and advance rental.

A description of the Group's risk management objectives and policies for financial instruments is provided in Note 31.

32.2 Offsetting of Financial Assets and Financial Liabilities

The following financial assets with net amounts presented in the consolidated statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

	Gross amounts recognized in the consolidated statements of financial position		Net amount presented in the consolidated statements of financial position	Related amounts set-off in the consolidated statements of financial position		
	Financial liabilities	**Financial assets set off**		**Financial instruments**	**Cash collateral received**	**Net amount**
December 31, 2023						
Cash and cash equivalents	**P 913,841,206**	**P -**	**P 913,841,206**	**P 909,475,471**	**P -**	**P 4,365,735**
December 31, 2022						
Cash and cash equivalents	P 1,434,559,762	P -	P 1,434,559,762	P 554,474,038	P -	P 880,085,724

The following financial liabilities with net amounts presented in the consolidated statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

	Gross amounts recognized in the consolidated statements of financial position		Net amount presented in the consolidated statements of financial position	Related amounts set-off in the consolidated statements of financial position		
	Financial liabilities	**Financial assets set off**		**Financial instruments**	**Cash collateral received**	**Net amount**
December 31, 2023						
Interest-bearing loans	**P 42,188,845,736**	**P -**	**P 42,188,845,736**	**P 909,475,471**	**P -**	**P 41,279,370,265**
December 31, 2022						
Interest-bearing loans	P 35,062,290,611	P -	P 35,062,290,611	P 554,474,038	P -	P 34,507,816,573

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements above, each agreement between the Group and counterparties (i.e., banks) allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis, however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

32.3 Fair Value Measurements and Disclosures

(a) Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value.

The fair value hierarchy has the following levels:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

(c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

(b) *Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed*

The table below summarizes the fair value hierarchy of the Group's financial assets and financial liabilities, which are not measured at fair value in the 2023 and 2022 consolidated statements of financial position, but for which fair value is disclosed (see Note 32.1).

	Level 1	Level 2	Level 3	Total
2023				
Financial assets:				
Cash and cash equivalents	P 913,841,206	P -	P -	P 913,841,206
Receivables – net[1]	-	-	2,211,305,405	2,211,305,404
Due from related parties	-	-	48,596,767	48,596,767
Short-term investments	200,838,362	-	-	200,838,362
Refundable deposits	-	-	152,741,454	152,741,454
	P 1,114,679,568	**P -**	**P 2,412,643,625**	**P 3,527,323,193**
Financial liabilities:				
Interest-bearing loans	P -	P -	P 43,660,634,271	P 43,660,634,271
Bonds payable	-	-	5,159,879,668	5,159,876,668
Trade and other payables	-	-	22,771,317,470	22,771,317,470
	P -	**P -**	**P 71,591,828,409**	**P 71,591,828,409**
2022				
Financial assets:				
Cash and cash equivalents	P 1,434,559,762	P -	P -	P 1,434,559,762
Receivables – net[1]	-	-	3,657,261,050	3,657,261,050
Due from related parties	-	-	35,802,341	35,802,341
Short-term investments	204,836,249	-	-	204,836,249
Refundable deposits	-	-	128,384,996	128,384,996
	P 1,639,396,011	P -	P 3,821,448,387	P 5,460,844,398
Financial liabilities:				
Interest-bearing loans and borrowings	P -	P -	P 32,892,943,912	P 32,892,943,912
Bonds payable	-	-	5,074,171,211	5,074,171,211
Trade and other payables[2]	-	-	18,806,001,100	18,806,001,100
	P -	P -	P 56,773,116,223	P 56,773,116,223

[1] *Receivables excludes advances to officers and employees.*
[2] *Trade and other payables excludes output VAT, government-related obligations and advance rental.*

For the Group's financial assets and financial liabilities, which are measured at amortized cost, management has determined that their carrying amounts are equal to or approximate their fair values, except for interest-bearing loans and borrowings, because of their short-term nature.

(c) *Fair Value Measurement for Non-financial Assets*

The Group has no non-financial assets measured at fair value as at December 31, 2023 and 2022.

The table below shows the Levels within the hierarchy of investment property, which are not carried at fair value but whose fair value are required to be disclosed on a recurring basis.

	Level 1	Level 2	Level 3	Total
December 31, 2023	**P -**	**P -**	**P 18,422,843,422**	**P 18,422,843,422**
December 31, 2022	P -	P -	P 20,627,177,086	P 20,627,177,086

In 2023 and 2022, the fair value of the Group's Investment Properties is determined on the basis of the appraisals performed by an independent external appraiser with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

To some extent, the valuation process was conducted by the appraiser in discussion with the Group's management with respect to the determination of the inputs such as the size, age, and condition of the parcels of land and buildings, and the comparable prices in the corresponding property location.

The fair value of these parcels of land, condominium units and retail building were determined based on the following approaches:

(i) *Fair Value Measurement for Land, Condominium Units and Retail Buildings*

The Level 3 fair value of the parcels of land, condominium units, retail building and parking slots under Investment Properties account was determined using the market approach, adjusted for differences in key attributes such as properties size, zoning and accessibility.

Under the market approach, when comparable lease offerings of similar properties and sales prices of comparable land properties in close proximity are used in the valuation of the subject property with insignificant adjustment on the price, fair value is included in Level 2. Consequently, if the observable recent prices of the reference properties were adjusted significantly for differences in key attributes such as properties size, zoning and accessibility, the fair value is included in Level 3. The most significant input into this valuation approach is the price per square foot; hence, the higher the price per square foot, the higher the fair value.

(ii) Fair Value Measurement for Improvements under Retail Buildings

The Level 3 fair value of building improvements presented as part of retail buildings under Investment Properties account was determined using the cost approach that reflects the cost to a market participant to construct an asset of comparable usage, construction standards, design and layout, adjusted for obsolescence. The more significant inputs used in the valuation include direct and indirect costs of construction such as but not limited to, labor and contractor's profit, materials and equipment, surveying and permit costs, electricity and utility costs, architectural and engineering fees, insurance and legal fees. These inputs were derived from various suppliers and contractor's quotes, price catalogues, and construction price indices. Under this approach, higher estimated costs used in the valuation will result in higher fair value of the properties.

There has been no change on the valuation techniques used by the Group, except as indicated above, during the period for its investment properties. Also, there were no transfers into or out of Level 2 fair value hierarchy for the years ended December 31, 2023 and 2022.

33. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity as presented in the consolidated statements of financial position. Capital for the reporting periods under review is summarized as follows:

	2023	2022
Total interest-bearing loans and borrowings and bonds payable	**P47,136,668,257**	P 39,992,873,242
Total equity	**25,796,756,536**	21,012,614,893
Debt-to-equity ratio	**1:83:1.00**	1.90:1.00

The Group's goal in capital management is to limit a maximum debt-to-equity structure ratio of 75:25 on a monthly basis. The Parent Company is required to maintain certain financial ratios in relation with its borrowings (see Note 15.2). The Group has complied with its covenant obligations for both years ended December 31, 2023 and 2022.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below is the reconciliation of the Group's liabilities arising from financing activities, which includes both cash and non-cash changes.

	Bank Loans (see Note 15)	**Lease Liabilities** (see Note 12.2)	**Bonds Payable** (see Note 16)	**Total**
Balance as of January 1, 2023	P 35,062,290,611	P 1,237,059,483	P 4,930,582,631	P41,229,932,725
Cash flows from financing activities:				
Additional borrowings - net	12,943,572,215	-	-	12,943,572,215
Repayments	(5,791,848,745)	(54,646,634)	-	(5,846,495,379)
Reclassifications	(154,500,000)	-	-	(154,500,000)
Non-cash financing activities:				
Amortization of debt issue cost	129,331,655	-	17,239,890	146,571,545
Interest amortization on lease obligation	-	80,167,300	-	80,167,300
Amendment of lease contract	-	275,906	-	275,908
Balance at December 31, 2023	**P 42,188,845,736**	**P 1,262,856,055**	**P 4,947,822,521**	**P 48,399,524,312**
Balance as of January 1, 2022	P 32,021,719,390	P 1,126,130,301	P -	P 33,147,849,691
Cash flows from financing activities:				
Additional borrowings - net	11,749,374,715	-	4,926,627,631	16,676,002,346
Repayments	(8,807,422,731)	(17,574,742)	-	(8,824,997,473)
Non-cash financing activities:				
Amortization of debt issue cost	98,619,237	-	3,955,000	102,574,237
Interest amortization on lease obligation	-	75,629,879	-	75,629,879
Additional lease liabilities	-	52,874,045	-	52,874,045
Balance at December 31, 2022	P 35,062,290,611	P 1,237,059,483	P 4,930,582,631	P 41,229,932,725
Balance as of January 1, 2021	P 23,793,983,711	P 834,733,975	P -	P 24,628,717,686
Cash flows from financing activities:				
Additional borrowings - net	14,448,015,997	-	-	14,448,015,997
Repayments	(6,288,347,939)	(57,537,727)	-	(6,345,885,666)
Non-cash financing activities:				
Additional lease liabilities	-	290,015,132	-	290,015,132
Amortization of debt issue cost	68,067,621	-	-	68,067,621
Interest amortization on lease obligation	-	67,139,552	-	67,139,552
Amendment of lease contract	-	(8,220,631)	-	(8,220,631)
Balance at December 31, 2021	P 32,021,719,390	P 1,126,130,301	P -	P33,147,849,691

35. SUPPLEMENTAL INFORMATION ON NON-CASH ACTIVITIES

Discussed below are the supplemental information on non-cash investing and financing activities relative to the consolidated statements of cash flows of the Group.

(a) The Group recognized additional Right-of-Use assets and Lease Liabilities amounting to P275,906 due to amendment of a lease contract in 2023 and P52,874,045 due to new lease contracts in 2022 (see Notes 12 and 34).

(b) In 2023 and 2022, borrowing costs that were capitalized as part of Real Estate Inventories, Property and Equipment and Investment Properties totaled to P2,586,052,265 and P1,721,477,210, respectively (see Notes 7, 11, 13 and 15).

(c) In 2023 and 2022, the Group recognized unpaid construction costs of P2,126,087,766 and P2,339,738,833, respectively, in Property and Equipment and Investment Properties (see Notes 11 and 13).

(d) In 2023, the Group reclassified assets from Investment Properties totaling P1,220,235,831 and P502,646 to Real Estate Inventories and Property and equipment. In 2022, the group reclassified assets from Investment Properties totaling P729,713,956 and P1,301,034,975 to Real Estate Inventories and Property Equipment, respectively (see Notes 7, 11 and 13).

(e) In 2023, the Group reclassified Real estate inventories to Property and equipment totaling P13,080,557 (see Notes 7 and 11).

(f) In 2023, the Group reclassified interest-bearing loans obtained from co-venturer amounting to P154,500,000 from Interest-bearing loans and borrowings to Trade and other payables (see Notes 15 and 17).

(g) In 2023, BL Ventures declared dividends amounting to P16,800,000 of which P8,400,000 is still outstanding and payable to shareholders as at December 31, 2023.

P&A Grant Thornton

Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Consolidated Financial Statements

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The Board of Directors and Stockholders
Cebu Landmasters, Inc. and Subsidiaries
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10th Floor, Park Centrale Tower
Jose Ma. Del Mar St., B2 L3
Cebu I.T. Park, Brgy., Apas
Cebu City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Cebu Landmasters, Inc. and Subsidiaries (the Group) for the year ended December 31, 2023, on which we have rendered our report dated April 10, 2024. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of the Revised Securities Regulation Code Rule 68 and is not a required part of the basic financial statements prepared in accordance with Philippine Financial Reporting Standards. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

PUNONGBAYAN & ARAULLO

By: **Renan A. Piamonte**
Partner

CPA Reg. No. 0107805
TIN 221-843-037
PTR No. 10076150, January 3, 2024, Makati City
SEC Group A Accreditation
Partner - No. 107805-SEC (until financial period 2023)
Firm - No. 0002 (until financial period 2024)
BIR AN 08-002511-037-2022 (until Oct. 13, 2025)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Aug. 27, 2024)

April 10, 2024

Cebu Landmasters, Inc. and Subsidiaries
(A Subsidiary of A B Soberano Holdings Corp.)
List of Supplementary Information
December 31, 2023

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INTEGRATED REPORT 2023

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Schedule A - Financial Assets
December 31, 2023

Type of securities	*Amount Shown in the Statement of Financial Position*	*Income Received and Accrued*
Financial Assets at Amortized Cost		
Cash and Cash Equivalents		
Cash in banks	P 864,263,028	P 3,967,760
Short-term placements	45,212,443	1,159,382
Cash on hand	4,365,735	-
	913,841,206	5,127,142
Receivables		
Contract receivables	1,549,074,563	-
Retention receivable	132,973,570	-
Management fee receivables	111,340,567	-
Receivable from insurance	77,373,832	
Rent receivable	71,548,690	-
Other receivables	268,994,182	-
	2,211,305,404	-
Due from Related Parties	48,596,767	-
Prepayments and other current assets		
Short-term investments	200,838,362	8,747,555
Other Non-Current Assets		
Refundable deposits	152,741,454	-
Total	**P 3,527,323,193**	**P 13,874,697**

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Cebu Landmasters, Inc. and Subsidiaries
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Affiliates)
December 31, 2023

Name and designation of debtor	Balance at beginning of period	Additions	Reclassification	Deductions: Amounts collected	Deductions: Amounts Written off	Ending Balance: Current*	Ending Balance: Not-current**	Balance at end of period
Entities Under Common Ownership:								
Condominium Corporation								
Base Line Center Condo Corporation	P 15,507,686	P 425,355	P -	(P 196,418)	P -	P 15,736,623	P -	P 15,736,623
Casa Mira Towers Labangon	6,273,362	173,630	-	(155,710)	-	6,291,282	-	6,291,282
Mesatierra Garden Residences Condominium Corporation	59,501	5,158,086	-	-	-	5,217,587	-	5,217,587
Baseline Residences Condo Corporation	5,953,040	217,941	-	(3,421,323)	-	2,749,658	-	2,749,658
Latitude Corporate Center Condo Corp	1,404,876	263,200	-	937,671	-	2,605,747	-	2,605,747
Mivesa Garden Residences Condo Corporation	1,658,574	2,185,664	-	(2,033,854)	-	1,810,384	-	1,810,384
Mesaverte Residences Condominium Corporation	(1,278,800)	(5,462,388)	-	7,774,236	-	1,033,048	-	1,033,048
Midori Residences Condo Corporation	379,904	121,184	-	(177,184)	-	323,904	-	323,904
Asia Premier Condo Corporation	310,219	157,449	-	(165,622)	-	302,046	-	302,046
Mesavirre Garden Residences Condominium Corporation	33,954	166,479	-	(27,557)	-	172,876	-	172,876
38 Park Avenue Condominium Corporation	252,550	24,076	-	(201,408)	-	75,218	-	75,218
Casa Mira Towers Guadalupe Condominium Corp	-	42,000	-	-	-	42,000	-	42,000
Park Centrale Condo Corporation	(1,280,643)	(4,170,713)	-	4,676,018	-	(775,338)	-	(775,338)
	29,274,223	(698,037)	-	7,008,849	-	35,585,035	-	35,585,035
Homeowners' Associations								
Casa Mira South	2,213,785	(652,960)	-	2,046,618	-	3,607,443	-	3,607,443
Casa Mira Linao	1,545,268	2,661	-	(3,506)	-	1,544,423	-	1,544,423
Velmiro Heights	798,897	77,670	-	(198,520)	-	678,047	-	678,047
Midori Plains	346,592	241,700	-	(44,088)	-	544,204	-	544,204
Casa Mira Coast	103,878	166,876	-	-	-	270,754	-	270,754
San Josemaria Villages	315,916	15,339	-	(76,236)	-	255,019	-	255,019
Villa Casita North	48,382	-	-	(34,000)	-	14,382	-	14,382
Velmiro Uptown	-	(172,443)	-	-	-	(172,443)	-	(172,443)
	5,372,718	(321,157)	-	1,690,268	-	6,741,829	-	6,741,829
Others								
Regalos de Cebu	733,933	5,958,855		(4,498,490)	-	2,194,298	-	2,194,298
AB Soberano International Corp	-	1,687,466	-	-	-	1,687,466	-	1,687,466
Cebu Landmasters Foundation, Inc.	20,335	7,807	-	-	-	28,142	-	28,142
	754,268	7,654,128	-	(4,498,490)	-	3,909,906	-	3,909,906
	35,401,209	6,634,934	-	4,200,627	-	46,236,770	-	46,236,770
Associates								
Iloilo Global City Corporation	-	2,328,000	-	-		2,328,000	-	2,328,000
Magspeak Nature Park Inc	632,726	392,772	-	(953,367)	-	72,131	-	72,131
ICOM Air Corporation	(231,594)	8,000,000	-	(7,808,540)	-	(40,134)	-	(40,134)
	401,132	10,720,772	-	(8,761,907)	-	2,359,997	-	2,359,997
Ultimate Parent Company	75,822,632	-	-	(75,137,048)	-	685,584	-	685,584
Key Management Personnel	53,973,659	-	-	(53,973,659)	-	-	-	-
	P 165,598,632	**P 17,355,706**	**P -**	**(P 133,671,987)**	**P -**	**P 49,282,351**	**P -**	**P 49,282,351**

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**Due within one year*
***Due beyond one year*

INTEGRATED REPORT 2023

Cebu Landmasters, Inc. and Subsidiaries
Schedule C - Amounts Receivable from Related Parties which are eliminated during the consolidation of financial statements
December 31, 2023

Name and Designation of debtor	Balance at beginning of period	Additions	Reclassification	Deductions: Amounts collected	Deductions: Amounts written off	Current*	Non-current**	Balance at end of period
El Camino Developers Cebu, Inc.	P 214,178,112	P 209,845,349	P -	(P 40,311,715)	-	P 383,711,746	P -	P 383,711,746
Yuson Excellence Soberano, Inc.	413,325,300	13,794,906	-	(313,750,755)	-	113,369,451	-	113,369,451
Cebu Homegrown Developers, Inc.	497,308,642	87,559,072	(517,000,000)	(33,131,289)	-	34,736,425	-	34,736,425
Cebu Landmasters Property Management, Inc.	31,078,755	10,664,873	-	(12,586,715)	-	29,156,913	-	29,156,913
BL CBP Ventures, Inc.	19,841,675	9,821,882	-	(1,117,200)	-	28,546,357	-	28,546,357
CLI Premier Hotels Int'l. Inc.	18,712,707	22,203,334	-	(20,713,591)	-	20,202,450	-	20,202,450
Cebu BL-Ramos Ventures, Inc.	218,876,477	13,814,492	(142,000,000)	(78,334,751)	-	12,356,218	-	12,356,218
CCLI Premier Hotels Int'l. Inc.	2,606,774	21,820,799	-	(13,225,787)	-	11,201,786	-	11,201,786
YHEST Realty and Development Corporation	9,075,749	20,751,923	-	(19,841,001)	-	9,986,671	-	9,986,671
GGTT Realty Corporation	4,375,802	1,700,831	-	(544,284)	-	5,532,349	-	5,532,349
Sugbo Prime Estate, OPC.	1,461,685	7,165,559	-	(5,628,121)	-	2,999,123	-	2,999,123
Yuson Huang Excellence Soberano, Inc.	7,392,874	8,143,047	-	(12,874,137)	-	2,661,784	-	2,661,784
Mivesa Garden Residences, Inc.	1,790,866	8,654,777	-	(9,267,737)	-	1,177,906	-	1,177,906
CLI Hotels and Resorts, Inc.	227,310	50,500	-	-	-	277,810	-	277,810
CLI-LITE Panglao, Inc.	2,676,340	181,544	-	(2,805,776)	-	52,108	-	52,108
Ming-mori Development Corporation	-	70,000	-	(70,000)	-	-	-	-
	P 1,442,929,068	**P 436,242,888**	**(P 659,000,000)**	**(P 564,202,859)**	**P -**	**P 655,969,097**	**P -**	**P 655,969,097**

**Due within one year*
***Due beyond one year*

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Cebu Landmasters, Inc. and Subsidiaries
Schedule D - Long-Term Debt
December 31, 2023

Title of issue and type of obligation	*Amount shown under caption "Current portion of long-term debt" in related Statement of Financial Position*	*Amount shown under caption "Long-Term Debt" in related Statement of Financial Position*	*Interest Rate*	*No. of Periodic Installments*	*Maturity Date*
Promissory notes					
Bank of the Philippine Islands	P 2,135,541,671	P 7,969,697,864	3.75% to 8.25%	Various	1/13/24 to 7/26/34
Land Bank of the Philippines	1,249,946,183	936,861,706	5% to 7.50%	Various	2/5/24 to 8/30/29
BDO Unibank Inc.	308,333,332	294,476,245	6.38% to 8.37%	Various	1/3/24 to 7/25/2027
Bank of Commerce	293,750,000	650,828,136	7.23% to 8.75%	Various	1/20/24 to 3/3/29
Development Bank of the Philippines	2,119,173,032	2,326,007,733	5% to 8.5%	Various	1/24/24 to 5/30/34
China Banking Corporation	1,003,333,333	2,733,988,780	6.65% to 7.75%	Various	1/25/24 to 6/1/34
Rizal Commercial Banking Corporation	191,153,846	3,166,241,601	5.25% to 8.75%	Various	2/29/24 to 9/27/30
RCBC Capital Corporation	495,000,000	(1,368,332)	7.25% to 7.5%	Various	3/3/24 to 6/21/24
Philippine National Bank	1,342,740,029	1,400,346,582	4.75% to 7.96%	Various	1/25/24 to 7/12/24
Philippine Veterans Bank	600,000,000	(234,247)	6.18% to 6.26%	Various	2/17/2024
Robinsons Bank	277,777,778	319,600,054	5.5% to 8.5%	Various	1/8/24 to 5/13/27
Union Bank of the Philippines	-	407,743,027	7.24%	Various	4/26/2027
Asia United Bank	50,000,000	149,515,745	6.25% to 6.75%	Various	03/17/27 to 6/16/28
Sterling Bank of Asia	-	312,397,673	9% to 9.25%	Various	12/15/28 to 2/23/29
Security Bank	8,737,500	205,545,961	7.24% to 8.04%	Various	3/30.2029
	10,075,486,704	20,871,648,528			
Corporate notes					
Bank of the Philippine Islands	212,500,000	1,185,534,141	3.54% to 7.25%	Various	12/20/25 to 04/28/27
Land Bank of the Philippines	142,857,144	1,627,917,892	4.23% to 6.63%	Various	08/02/28 to 03/10/30
BDO Unibank Inc.	125,000,000	621,140,689	7.25%	Various	12/20/25
Development Bank of the Philippines	250,000,000	1,611,580,497	3.54% to 4.66%	Various	04/28/27
China Banking Corporation	440,476,190	2,998,847,245	3.46% to 7.25%	Various	09/04/25 to 10/10/28
Rizal Commercial Banking Corporation	270,833,333	1,518,831,323	3.46% to 4.66%	Various	09/04/25 to 04/28/27
Social Security System	50,000,000	186,192,050	3.460%	Various	09/04/25
	1,491,666,667	9,750,043,837			
Bonds					
Philippine Depository & Trust	-	4,947,822,521		1	4/7/26 to 10/7/29
Loans to partners					
IBC Holdings Co.	62,000,000	-	-	-	12/31/2024
Borromeo Bros Estate, Inc.	92,500,000	-	6.250%	Various	5/11/2024 to 7/29/2024
	154,500,000	-			
	P 11,721,653,371	**P 35,569,514,886**			

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INTEGRATED REPORT 2023

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