IMPORTANT NOTICE

THIS PRELIMINARY PROSPECTUS ("PRELIMINARY PROSPECTUS") IS BEING DISPLAYED ON THIS WEBSITE TO MAKE THE PRELIMINARY PROSPECTUS ACCESSIBLE TO INVESTORS IN THE PHILIPPINES AND IS TO BE VIEWED EXCLUSIVELY WITHIN THE PHILIPPINES.

THE PHILIPPINE STOCK EXCHANGE, INC. (THE "PSE") ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF STATEMENTS MADE, OR THE OPINIONS OR REPORTS EXPRESSED IN THIS PRELIMINARY PROSPECTUS. THE PSE MAKES NO REPRESENTATION AS TO THE COMPLETENESS OF THE PRELIMINARY PROSPECTUS AND DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS ARISING FROM OR IN RELIANCE, IN FULL OR IN PART, OF THE CONTENTS OF THE PRELIMINARY PROSPECTUS.

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. THESE SECURITIES MAY NOT BE SOLD NOR OFFERS TO BUY THEM BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT IS RENDERED EFFECTIVE. THIS COMMUNICATION SHALL NOT CONSTITUTE AN OFFER TO SELL OR BE CONSIDERED A SOLICITATION OF AN OFFER TO BUY.

The offering information on this website is intended to be available only to Philippine and non-Philippine citizens residing in the Philippines or corporations or juridical entities organized and existing under Philippine law, and is not intended for distribution outside the Philippines and is not intended for distribution in the United States (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**")). The information contained in this website may not be published or distributed, directly or indirectly, in the United States and this information does not constitute an offer of shares for sale in the United States. The shares described in this website or the documents or information available on this website have not been, and will not be, registered under U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered or sold, directly or indirectly, into the United States unless the shares are so registered or an exemption from the U.S. registration requirements is available. There will be no public offer of the shares mentioned herein in the United States.

If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

You are responsible for protecting against viruses and other destructive items. Your receipt of this electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

DRAFT PRELIMINARY PROSPECTUS DATED AS OF MARCH 20, 2022
SUBJECT TO COMPLETION

This Preliminary Prospectus and the information contained herein are subject to completion or amendment without notice. The Offer Shares may not be sold nor may an offer to buy be accepted prior to the time that the Preliminary Prospectus is issued in final form. Under no circumstances shall this Preliminary Prospectus constitute an offer to sell or the solicitation of an offer to buy any Offer Shares nor shall there be any offer, solicitation or sale of the Offer Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

8990 HOLDINGS, INC.

(*incorporated in the Republic of the Philippines*)

Offer of up to [1,250,000,000] Common Shares
with an Overallotment Option of up to [150,000,000] Common Shares

The Selling Shareholders identified in this Prospectus are offering up to [1,250,000,000] existing common shares (the "**Firm Shares**") with an overallotment option of up to [150,000,000] common shares (the "**Option Shares**", together with the Firm Shares, the "**Offer Shares**") of 8990 Holdings, Inc. pursuant to a secondary offer.

The common shares are listed on The Philippine Stock Exchange, Inc. (the "**PSE**") under the symbol "**HOUSE**." On January 27, 2022 the closing price of the common shares on the PSE was ₱11.40 per common share.

Offer Price: Up to ₱[18.99] per Common Share

Investing in the Offer Shares involves risks. See "Risk Factors" beginning on page [32].

Joint Global Coordinators and Bookrunners

BofA Securities | **J.P. Morgan**

Joint Domestic Lead Underwriters and Joint Bookrunners

China Bank Capital Corporation | **PNB Capital and Investment Corporation**

Selling Agents

Trading Participants of The Philippine Stock Exchange, Inc.

THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION.

The date of this Prospectus is , 2022

8990 Holdings, Inc.
11th Floor, Liberty Center,
104 H.V. dela Costa Street,
Salcedo Village, Makati City, Metro Manila
Philippines
Telephone Number: (+632) 8478 9659
Fax Numbers: (+632) 8478 9659 and (+632) 8478 8987
Corporate Website: www.8990holdings.com

This Preliminary Prospectus (the "**Prospectus**") relates to the offer and sale to the public of up to [1,250,000,000] existing common shares (the "**Firm Shares**") with an Overallotment Option (as defined below) of up to [150,000,000] existing common shares (the "**Option Shares**" and together with the Firm Shares, the "**Offer Shares**"), each with a par value of ₱1.00 per share (the "**Common Shares**"), of 8990 Holdings, Inc. (the "**Company**" or "**8990**"), a corporation organized and existing under Philippine law.

Up to [300,000,000] Firm Shares and the Option Shares are being offered by IHoldings, Inc. ("**IHoldings**") (such Firm Shares to be offered by IHoldings, the "**IHoldings Offer Shares**"), up to [475,000,000] Firm Shares are being offered by Pasir Salak Investments Limited, a subsidiary of Khazanah Nasional Berhad ("**Pasir Salak**" and such Offer Shares, the "**Pasir Salak Offer Shares**") and up to [475,000,000] Firm Shares are being offered by TPG Rafter Holdings, Ltd. ("**TPG**", and together with IHoldings and Pasir Salak, the "**Selling Shareholders**" and each, a "**Selling Shareholder**") (such Offer Shares to be offered by TPG, the "**TPG Offer Shares**").

The offer of the Offer Shares is being made pursuant to a secondary offer and is referred to herein as the "**Offer**." The Company will not directly receive any proceeds from the sale of the IHoldings Offer Shares and the Option Shares. Subject to the terms of a subscription agreement dated [●] between IHoldings and the Company (the "**Subscription Agreement**"), IHoldings has agreed to subscribe for, and the Company has agreed to issue, new Common Shares in an amount equal to the aggregate number of (i) IHoldings Offer Shares sold in the Offer and (ii) Option Shares sold through the exercise of the Overallotment Option (as defined below), at a price equal to the Offer Price (the "**Subscription**", and such new Common Shares, the "**Subscription Shares**"). See "*Sale and Subscription of Common Shares by IHoldings*" on page [207] of this Prospectus. The Company will not, directly or indirectly, receive any proceeds from the sale of the Pasir Salak Offer Shares and the TPG Offer Shares.

8990 is a public company and the Common Shares are listed on The Philippine Stock Exchange, Inc. (the "**PSE**") under the symbol "HOUSE." The Company, operating through its Subsidiaries, is the leading Mass Housing developer in terms of home loan take-out by the Government's Mass Housing agency, the Home Development Mutual Fund ("**HDMF**", also known as "**Pag-IBIG**"). From 2017 to September 30, 2021, HDMF take-outs amounted to ₱15,307.1 million (U.S.$300.4 million). In addition, 8990 is the second largest developer in the affordable housing sector based on sales revenues for the year ended 2019, according to Frost & Sullivan.

8990 is focused on socially responsible growth, providing quality and affordable housing options to low-income Filipinos for whom basic home financing has traditionally been challenging to obtain, by offering innovating financing solutions through the Company's in-house financing program, and affordable home loan financing in coordination with the HDMF. The Company believes that it has established a unique business model that is highly profitable due to its operational and financing efficiencies. The Company has four strategic business units: (i) Low-Cost Mass Housing under the *DECA Homes* brand; (ii) Medium-Rise Condominiums ("**MRBs**") under the *Urban DECA Homes* brand; (iii) High-Rise Condominiums ("**HRBs**") under the *Urban DECA Towers* brand; and (iv) Others, which includes the sale of developed subdivision lots, hotel operations and lease of properties.

As of the date of this Prospectus, the total issued and outstanding capital stock of 8990 is 5,391,399,020 Common Shares, 50,000,000 series A preferred shares and 37,000,000 series B preferred shares. See "*Description of the Shares*" on page [184] of this Prospectus. The Subscription Shares will be issued from the Company's authorized but unissued capital stock.

The Offer Shares shall be offered at a price of up to ₱[18.99] per Common Share (the "**Offer Price**"). The determination of the Offer Price is described on page [71] of this Prospectus and was based on a book-building process and discussion among the Company, the Selling Shareholders, Merrill Lynch (Singapore) Pte. Ltd. ("**BofA Securities**") and J.P. Morgan Securities plc ("**J.P. Morgan**") as the joint global coordinators and bookrunners (the "**Joint Global Coordinators and Bookrunners**") and China Bank Capital Corporation ("**China Bank Capital**") and PNB Capital and Investment Corporation ("**PNB Capital**") as the joint domestic lead underwriters and joint bookrunners (the "**Joint Domestic Lead Underwriters and Joint Bookrunners**"). Investors should not rely on the historical market price of the Common Shares on the PSE as an indicator of the value of the Common Shares.

Pursuant to the approval of the Philippine SEC expected to be issued on or about [●], IHoldings has appointed [●] and its relevant affiliates to act as the stabilizing agent (the "**Stabilizing Agent**"). The Stabilizing Agent has an option exercisable in whole or in part for a period beginning on or after the Offer Shares are delivered in the PSE (the "**Closing Date**") and, if exercised, ending on a date no later than 30 days from and including the Closing Date (the "**Stabilization Period**"), to purchase the Option Shares at the Offer Price from IHoldings, on the same terms and conditions as the Firm Shares as set forth in this Prospectus (the "**Overallotment Option**"). In connection with the Offer, the Stabilizing Agent or any person acting on its behalf may effect stabilizing transactions with a view to supporting the market price of the Common Shares at a level higher than that which might otherwise prevail for a limited period after the Closing Date. Any stabilization activities may begin on or after the Closing Date and, if begun, may be ended at any time, but must end no later than 30 days from and including the Closing Date. Any stabilization activities shall be done in compliance with all applicable laws, rules and regulations. The total number of Common Shares which the Stabilizing Agent or any person acting in its behalf may purchase to undertake stabilization activities shall not exceed [12.0]% of the aggregate number of the Firm Shares. If the Stabilizing Agent commences any stabilization activities (which would include thereafter disposing of or selling the Common Shares purchased), it may discontinue them at any time. However, the Stabilizing Agent or any person acting on behalf of the Stabilizing Agent has the sole discretion whether to undertake stabilization activities, and there is no assurance that the same will be undertaken. There is also no assurance that the price of the Common Shares will not decline significantly before or after any such stabilizing activities end. See "*Plan of Distribution*" on page [208] for more information.

It is estimated that the gross proceeds from the sale of the Firm Shares assuming a final Offer Price of ₱[18.99] will be approximately ₱[23,737.5] million (U.S.$[465.8] million) and that the net proceeds from the sale of the Firm Shares, after deduction of fees and expenses expected to be incurred, will be approximately ₱[22,760.1] million (U.S.$[446.6] million). It is estimated that the gross proceeds from the sale of the IHoldings Offer Shares will be up to approximately ₱[5,697.0] million (U.S.$[111.8] million) and the gross proceeds from the sale of the IHoldings Offer Shares and the Option Shares will be up to approximately ₱[8,545.5] million (U.S.$[167.7] million) (assuming the full exercise of the Overallotment Option). The Company expects that the net proceeds it will receive upon the successful completion of the Subscription, after deduction of fees and expenses expected to be incurred for the Offer and Subscription, will be up to approximately ₱[8,188.6] million (U.S.$[160.7] million). The Company intends to use the net proceeds from the Subscription Shares for the repayment of loan obligations. These obligations may or may not be due and will make available credit lines for the Company, which may be used for working capital, land banking and expansion plans. For details on the Company's intended use of proceeds of the Subscription, see "*Use of Proceeds.*"

The Company will not, directly or indirectly, receive any proceeds from the sale of the Pasir Salak Offer Shares and the TPG Offer Shares. Assuming a final Offer Price of ₱[18.99] per Offer Share, it is estimated that (a) Pasir Salak's gross proceeds from the sale of the Pasir Salak Offer Shares will be approximately ₱[9,020.3] million (U.S.$[177.0] million), and (b) TPG's gross proceeds from the sale of the TPG Offer Shares will be approximately ₱[9,020.3] million (U.S.$[177.0] million).

The Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners will underwrite, on a firm commitment basis, the Firm Shares. The Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners will receive an underwriting fee equivalent to [2.0]% of the gross proceeds from the sale of the Offer Shares, inclusive of commissions and fees to be paid to the duly licensed securities brokers who are trading participants of the PSE ("**PSE Trading Participants**") as selling agents ("**Selling Agents**"). See "*Plan of Distribution*" on page [208] for further information on the distribution of the Firm Shares and the underwriting commitment and see "*Use of Proceeds*" on page [●] for further details on the underwriting fee.

Up to [250,000,000] Firm Shares (or about [20.0]% of the Firm Shares) (the "**Trading Participants Offer Shares**") are being offered in the Philippines through the PSE Trading Participants and up to [125,000,000] Firm Shares (or about [10.0]% of the Firm Shares) (the "**Retail Offer Shares**") are being offered for sale in the Philippines to local small investors ("**LSI**") under the Local Small Investors Program (subject to re-allocation as described below) (such shares, together, the "**Trading Participants and Retail Offer Shares**," and such offer of Trading Participants and Retail Offer Shares, the "**Trading Participants and Retail Offer**").

At least [875,000,000] Firm Shares, or about [70.0]% of the Firm Shares (the "**Institutional Offer Shares**"), are (subject to re-allocation as described below) being offered for sale (i) outside the United States by the Joint Global Coordinators and Bookrunners in offshore transactions in reliance on Regulation S of the U.S. Securities Act, (ii) within the United States through the Joint Global Coordinators and Bookrunners' U.S. registered broker-dealer affiliates to QIBs in reliance on Rule 144A under the U.S. Securities Act, and (iii) to certain qualified buyers and other investors in the Philippines, by the Joint Domestic Lead Underwriters and Joint Bookrunners (the "**Institutional Offer**"). The Option Shares will form part of the Institutional Offer. The allocation of the Offer Shares between the Trading Participants and Retail Offer and the Institutional Offer is subject to adjustment as agreed between the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners. In the event of an under-application in the Institutional Offer and a corresponding over-application in the Trading Participants and Retail Offer, Firm Shares in the Institutional Offer may be reallocated to the Trading Participants and Retail Offer. If there is an under-application in the Trading Participants and Retail Offer and if there is a corresponding over-application in the Institutional Offer, Firm Shares in the Trading Participants and Retail Offer may be reallocated to the Institutional Offer. The reallocation shall not apply in the event of over-application or under-application in both the Trading Participants and Retail Offer, on the one hand, and the Institutional Offer, on the other hand.

Upon completion of the Offer and the Subscription (assuming full exercise of the Overallotment Option), a total of [5,841,399,020] Common Shares will be issued and outstanding. The Offer Shares (assuming full exercise of the Overallotment Option) will represent [24.0]% of the Company's issued and outstanding capital stock following the Subscription and the Subscription Shares will represent [7.7]% of the Company's issued and outstanding capital stock following the Subscription. See "*Principal Shareholders and Security Ownership of Directors and Officers—The Selling Shareholders and the Offer*" for a summary of shareholdings before and after the completion of the Offer beginning on page [182].

All of the Offer Shares have identical rights and privileges to the Company's issued and outstanding Common Shares. For a detailed discussion of the rights and features of the Common Shares, see "*Description of the Shares*" on page [144]. The Board is authorized to declare dividends on the Common Shares. Dividends may be payable primarily in cash. However, the Board of Directors, in its discretion, may decide to declare dividends to be payable in property or shares, provided that any stock dividend declaration requires the approval of shareholders holding at least two-thirds of the Company's total outstanding capital stock. The declaration of dividends is subject to the requirements of applicable laws and regulations, and circumstances which restrict the payment of dividends. The Company's current dividend policy with respect to the Common Shares provides that subject to available cash and existence of unrestricted retained earnings, at least 50% of the net income of the Company for the preceding fiscal year will be declared as dividends. For further discussion, see "*Dividends and Dividend Policy*" beginning on page [67] of this Prospectus.

The Company filed a Registration Statement with the Philippine Securities and Exchange Commission (the "**Philippine SEC**") on February 3, 2022 in accordance with the provisions of the Securities Regulation Code of the Philippines (Republic Act No. 8799, the "**SRC**") for the registration and sale of the Offer Shares. On [●], the Philippine SEC approved the Registration Statement and issued a Pre-Effective Letter. Upon compliance with the requirements of the Pre-Effective Letter, it is expected that the Philippine SEC will issue the Order of Registration of Securities and Certificate of Permit to Offer Securities for Sale on or about [●].

Under the terms of the Subscription Agreement, the Company undertakes to secure the listing of the Subscription Shares on the PSE after the Closing Date, convert the Subscription Shares into scripless form and pay all taxes, costs and expenses related to the issuance, listing, and conversion into scripless form of the Subscription Shares. See "*Sale and Subscription of Common Shares by IHoldings*" on page [207] of this Prospectus.

The PSE assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Prospectus. Furthermore, the PSE makes no representation as to the completeness and expressly disclaims any liability whatsoever for any loss arising from, or in reliance upon, the whole or any part of the contents of this Prospectus.

8990 has exercised diligence to the effect that, and confirms that, after having taken reasonable care to ensure that such is the case, as of the date of this Prospectus, the information contained in this Prospectus relating to 8990 and its operations is true and there is no material misstatement or omission of fact which would make any statement in this Prospectus misleading in any material respect and 8990 hereby accepts responsibility under and in accordance with the SRC for the accuracy of the material information contained in this Prospectus relating to the Company and its operations.

The purchase of the Offer Shares in certain jurisdictions may be restricted by law. Foreign investors interested in purchasing the Offer Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, warrant that their purchase of the Offer Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase, and hold the Offer Shares.

The Offer Shares may be purchased and owned by any person or entity regardless of citizenship or nationality, subject to the nationality limits under Philippine law. The Company, through its subsidiaries (most of which are wholly-owned), owns land as described in "*Business—Land Bank*" on page [127]. Under the Philippine Constitution and Philippine statutes, such activities are reserved for Philippine Nationals. Considering the foregoing, for as long as the Company or any of its subsidiaries own land in the Philippines, or continues to conduct property development in the Philippines, foreign ownership in the Company shall be limited to a maximum of: (i) 40% of the capital stock of the Company which is outstanding and entitled to vote; and (ii) 40% of the total outstanding capital stock of the Company, whether or not entitled to vote.

Accordingly, the Company shall disallow the issuance or the transfer of Common Shares to persons other than Philippine Nationals and shall not record transfers in its books if such issuance or transfer would result in the Company ceasing to be a Philippine National for purposes of complying with the restrictions on foreign ownership discussed above. Philippine National, as defined under the Foreign Investment Act, means a citizen of the Philippines, or a domestic partnership or association wholly-owned by citizens of the Philippines, or a corporation organized under the laws of the Philippines of which at least 60% of the capital stock outstanding and the entitlement to vote is owned and held by citizens of the Philippines, or a corporation organized abroad and registered to do business in the Philippines under the Revised Corporation Code, of which 100% of the capital stock outstanding and the entitlement to vote is wholly-owned by Filipinos or a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine national and at least 60% of the fund will accrue to the benefit of Philippine nationals.

8990, together with the Selling Shareholders, reserve the right to withdraw the offer and sale of the Offer Shares at any time. In consultation with 8990 and the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners reserve the right to reject any commitment to purchase the Offer Shares in whole or in part and to allot to any prospective purchaser less than the full amount of the Offer Shares sought by such purchaser. If the Offer is withdrawn or discontinued, 8990 and/or the Selling Shareholders shall make the necessary disclosures to the Philippine SEC and the PSE.

Risks of Investing

Unless otherwise indicated, all information in this Prospectus is as of the date of this Prospectus. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstance, create any implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the Company's affairs since such date.

In making an investment decision, investors are advised to carefully consider all the information contained in this Prospectus, including risks associated with an investment in the Offer Shares.

These risks include:

- risks relating to the Company and its operations;
- risks relating to the Philippines;
- risks relating to the Offer and the Offer Shares; and
- risks relating to certain information in this Prospectus.

For a more detailed discussion on the risks in investing, see section on "*Risk Factors*" on page [32] of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with a purchase of the Offer Shares. The Offer Shares are offered solely on the basis of the information contained and the representations made in the Prospectus.

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

8990 HOLDINGS, INC.

By:

Mr. Anthony Vincent S. Sotto
President

REPUBLIC OF THE PHILIPPINES)
CITY OF ___________________) S.S

Before me, a notary public in and for the city named above, personally appeared Mr. Anthony Vincent S. Sotto, who was identified by me through competent evidence of identity to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Witness my hand and seal on this ______________ 2022 at ____________ City.

Doc. No. _____;
Page No. _____;
Book No._____;
Series of 2022.

NOTICE TO INVESTORS

No representation or warranty, express or implied, is made by the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners regarding the legality of an investment in the Offer Shares under any legal, investment or similar laws or regulations. No representation or warranty, express or implied, is made by the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners as to the accuracy or completeness of the information herein and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners. The contents of this Prospectus are not investment, legal or tax advice. Prospective investors should consult their own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of a purchase of the Offer Shares. In making any investment decision regarding the Offer Shares, prospective investors must rely on their own examination of the Company and the terms of the Offer, including the merits and risks involved. Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Offer Shares is prohibited.

THE OFFER SHARES ARE BEING OFFERED IN THE PHILIPPINES ON THE BASIS OF THIS PROSPECTUS ONLY. ANY DECISION TO PURCHASE THE OFFER SHARES IN THE PHILIPPINES MUST BE BASED ONLY ON THE INFORMATION CONTAINED HEREIN.

No person has been authorized to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners. This Prospectus does not constitute an offer to sell or the solicitation of an offer to purchase any securities other than the Offer Shares or an offer to sell or the solicitation of an offer to purchase such securities by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus nor any sale of the Offer Shares offered hereby shall, under any circumstances, create any implication that there has been no change in the Company’s affairs since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof.

In accordance with the requirements of applicable laws and regulations in the Philippines for the sale of securities in the Philippines, such as the Offer Shares, the Joint Domestic Lead Underwriters and Joint Bookrunners have exercised the required due diligence to the effect that, and the Joint Domestic Lead Underwriters and Joint Bookrunners and the Company confirm that to the best of their knowledge and belief after having taken reasonable care to ensure that such is the case, as of the date of this Prospectus, the information contained in this Prospectus relating to the Company and its operations is true and there is no material misstatement or omission of fact which would make any statement in this Prospectus misleading in any material respect. Each person contemplating an investment in the Offer Shares should make their own investigation and analysis of the creditworthiness of the Company and their own determination of the suitability of any such investment.

The distribution of this Prospectus and the offer and sale of the Offer Shares in certain jurisdictions may be restricted by law. The Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners require persons into whose possession this Prospectus comes to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. Each prospective purchaser of the Offer Shares must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers, sells or resells the Offer Shares or possesses and distributes this Prospectus and must obtain any consents, approvals or permissions required for the purchase, offer, sale or resale by it of the Offer Shares under the laws, rules and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or resales, and none of the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners shall have any responsibility therefor.

In connection with the Offer, the Stabilizing Agent or any person acting on its behalf may over-allot Option Shares or effect transactions with a view to supporting the market price of the Common Shares at a level higher than that which might otherwise prevail for a limited period after the Closing Date. Any stabilization activities may begin on or after the Closing Date and, if begun, may be ended at any time, but must end no later than 30 days from and including the Closing Date. Any stabilization activities shall be done in compliance with all applicable laws, rules and regulations. The total number of Common Shares which the Stabilizing Agent or any person acting in its behalf may purchase to undertake stabilization activities shall not exceed [12.0]% of the aggregate number of the Firm Shares. If the Stabilizing Agent commences any stabilization activities (which would include thereafter disposing of or selling the Common Shares purchased), it may discontinue them at any time. However, the Stabilizing Agent or any person acting on behalf of the Stabilizing Agent has the sole discretion whether to undertake stabilization activities, and there is no assurance that the same will be undertaken. There is also no assurance that the price of the Common Shares will not decline significantly before or after any such stabilizing activities end.

The Offer Shares are offered subject to the receipt and acceptance of any order by the Company. The Company, together with the Selling Shareholders, reserve the right to reject any commitment to purchase the Offer Shares in whole or in part and to allot to any prospective purchaser less than the full amount of the Offer Shares sought by such purchaser. If the Offer is withdrawn or discontinued, the Company shall subsequently notify the Philippine SEC and the PSE. The Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners and certain related entities may acquire for their own account a portion of the Offer Shares.

Each offeree of the Offer Shares, by accepting delivery of this Prospectus, agrees to the foregoing.

BASIS FOR CERTAIN MARKET DATA

Market data and certain industry data used throughout this Prospectus were obtained from market research, publicly available information, industry publications and on the Company's internal analysis and knowledge of the markets for its products. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information are not guaranteed. Similarly, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners makes any representation or warranty, express or implied, as to the accuracy or completeness of such information. Information in this Prospectus, particularly with respect to the real property market and real property developers in the Philippines, is from independent market research conducted by Frost & Sullivan commissioned by the Company and should not be relied upon in making, or refraining from making, any investment decision.

The operating information used throughout this Prospectus has been calculated by the Company on the basis of certain assumptions. As a result, this operating information may not be comparable to similar operating information reported by other companies.

See the section entitled "*Industry Overview*" on page [105] of this Prospectus for information relating to the industry in which the Company operates.

CONVENTIONS USED IN THIS PROSPECTUS

In this Prospectus, all references to the "**Company**" and "**8990**" are to 8990 Holdings, Inc. or 8990 Holdings, Inc. and its consolidated subsidiaries, as the context requires.

All references to the "**BSP**" are references to *Bangko Sentral ng Pilipinas*, the central bank of the Philippines. All references to the "**Government**" are references to the government of the Republic of the Philippines. All references to "**United States**" or "**U.S.**" are to the United States of America. All references to "**Philippine Pesos**" and "**₱**" are to the lawful currency of the Philippines, and all references to "**U.S. dollars**" or "**U.S.$**" are to the lawful currency of the United States.

References to the "third quarter of 2020" and "third quarter of 2021" are to the nine months ended September 30, 2020 and 2021, respectively. Unless otherwise specified in this Prospectus, a reference to a "**day**" or "**days**" is a reference to "calendar day" or "calendar days", respectively.

Certain terms used herein are defined in the "*Glossary*" contained elsewhere in this Prospectus. The items expressed in the Glossary may be defined otherwise by appropriate government agencies or regulations from time to time, or by conventional or industry usage.

EXCHANGE RATE INFORMATION

This Prospectus contains translations of certain Peso amounts into U.S. dollar amounts at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the Philippine Peso amounts represent such U.S. dollar amounts or could be, or could have been, converted into U.S. dollars at the rates indicated or at all. Unless otherwise indicated, all translations from Philippine Pesos to U.S. dollars have been made at a rate of ₱50.959=U.S.$1.00, being the rate for the conversion Philippine Pesos per U.S. Dollar quoted in the BSP Daily Reference Exchange Rate Bulletin on September 30, 2021. See "*Exchange Rates*" on page [70] of this Prospectus for further information regarding the rates of exchange between the Philippine Peso and the U.S. dollar.

PRESENTATION OF FINANCIAL INFORMATION

This Prospectus includes 8990's audited consolidated financial statements. The Company's financial statements are reported in Philippine Pesos and are prepared based on its accounting policies, which are in accordance with the Philippine Financial Reporting Standards ("**PFRS**") issued by the Financial Reporting Standards Council of the Philippines.

The financial information included in this Prospectus has been derived from 8990's audited consolidated financial statements. Unless otherwise indicated, financial information relating to the Company in this Prospectus is stated in accordance with PFRS.

Figures in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown in the same item of information may vary, and figures which are totals may not be an arithmetic aggregate of their components.

The Company's fiscal year begins on January 1 and ends on December 31 of each year. Punongbayan & Araullo ("**P&A**"), a Philippine partnership and a member firm of Grant Thornton International Limited, has audited the consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019, in accordance with Philippine Standards on Auditing ("**PSA**").

Ramon F. Garcia & Company ("**RFG**"), a Philippine partnership and a member firm of Crowe Global, has audited the consolidated financial statements as of and for the year ended December 31, 2020, in accordance with PSA. The consolidated financial statements as of and for the year ended December 31, 2020 reflect certain restatements and reclassifications of accounts for the years ended 2018 and 2019 to conform with the presentation of financial statements for the year ended December 31, 2020 and to recognize certain adjustments and reclassifications made by certain subsidiaries. For further information, see Note 32.4 to the audited financial statements.

RFG has reviewed the unaudited interim condensed consolidated financial statements as of September 30, 2021 and for the nine months ended September 30, 2021 and 2020, in accordance with Philippine Standard on Review Engagements 2410, Review of Interim Financial Information ("**PSRE 2410**"). A review conducted in accordance with PSRE 2410 is substantially less in scope than an audit conducted in accordance with PSA. Accordingly, the degree of reliance on RFG's review report on such information should be restricted in light of the limited nature of the review procedures applied.

For more information, please refer to the audited financial statements as of and for the years ended December 31, 2017, 2018, 2019 and 2020 and as of and for the nine months ended September 30, 2020 and 2021 contained elsewhere in this Prospectus.

PRESENTATION OF NON-PFRS FINANCIAL MEASURES

This Prospectus includes certain non-PFRS financial measures, including EBITDA and Adjusted EBITDA. EBITDA is calculated as net income before deductions for finance costs, tax expense (benefit) and depreciation and amortization and Adjusted EBITDA is EBITDA as adjusted for interest income, gain or loss on repossession (net), loss from assets written-off and allowance for expected credit loss and impairment losses.

These non-PFRS financial measures are supplemental measures of the Company's performance that are not required by, or presented in accordance with, and should not be considered as an alternative to net profit, revenues or any other measure of financial performance derived in accordance with PFRS or as an alternative to cash flows from operations or as a measure of liquidity. Non-PFRS financial measures have limitations as analytical tools, and you should not consider them in isolation from, or as a substitute for, your own analysis of the Company's financial condition or results of operations, as reported under PFRS. These non-PFRS financial measures are not standardized terms and other companies may calculate measures bearing the same titles differently, hence a direct comparison between companies using such terms may not be possible, which limits the usefulness of these non-PFRS financial measures.

FORWARD-LOOKING STATEMENTS

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

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

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

- the Company's ability to successfully manage its in-house financing activities;
- the Company's ability to successfully implement its current and future strategies;
- the Company's ability to successfully manage aggressive growth;
- changes in the Philippine housing market and the demand for the Company's housing and land developments;
- the Company's ability to maintain its reputation for on-time project completion;
- any future political instability in the Philippines;
- the condition of and changes in the Philippine, Asian or global economies;
- changes in interest rates, inflation rates and the value of the Peso against the U.S. dollar and other currencies;
- changes to the laws, including tax laws, regulations, policies and licenses applicable to or affecting the Company; and
- competition in the Philippine housing industry.

Additional factors that could cause the Company's actual results, performance or achievements to differ materially from forward-looking statements include, but are not limited to, those disclosed under "*Risk Factors*" and elsewhere in this Prospectus. These forward-looking statements speak only as of the date of this Prospectus. In particular, in light of the ongoing COVID-19 pandemic and associated uncertainties in the global financial markets and their contagion effect on the real economy, any forward-looking statements and forward-looking financial information contained in this Prospectus must be considered with caution and reservation. The Company, the Selling Shareholders, Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

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

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GLOSSARY

This Glossary of includes certain technical terms used in this Prospectus as they relate to the Company's business. As such, these terms and their meanings may not always correspond to the standard industry meaning or usage of these terms.

8990 Davao	8990 Davao Housing Development Corporation
8990 Housing	8990 Housing Development Corporation
8990 Leisure	8990 Leisure and Resorts Corporation
8990 Luzon	8990 Luzon Housing Development Corporation
8990 Mindanao	8990 Mindanao Housing Development Corporation
Application	An application to purchase Offer Shares pursuant to the Offer
BIR	Bureau of Internal Revenue of the Philippines
BofA Securities	Merrill Lynch (Singapore) Pte. Ltd.
Board of Directors or Board	8990's board of directors
BSP	*Bangko Sentral ng Pilipinas*, the central bank of the Philippines
CAGR	Compound annual growth rate
CAR	Certificate Authorizing Registration, issued by the BIR
China Bank Capital	China Bank Capital Corporation
Common Shares	The common shares of 8990, par value of ₱1.00 per share
CTS	Contract to sell, a contract generally entered into by the Company and its customers for the sale and purchase of a Mass Housing unit, the ownership of which remains with the Company until the full purchase price is paid by the customer
CTS Financing Program	Refers to the Company's in-house financing solution
DAR	The Philippine Department of Agrarian Reform
DENR	The Philippine Department of Environment and Natural Resources
DHSUD	Department of Human Settlements and Urban Development, created through the consolidation of the HLURB and the HUDCC pursuant to Republic Act No. 11201
ECQ	Enhanced community quarantine, a COVID-19 measure imposed by the Government or local government units from time to time in certain areas that significantly reduce movement
Economic Housing	Refers to a category of housing and land units priced above the Socialized Housing category threshold up to ₱1,700,000, as provided in HUDCC Resolution No. 2, Series of 2015

Firm Shares	Up to [1,250,000,000] existing Common Shares to be offered by the Selling Shareholders
Fog Horn	Fog Horn, Inc.
GSIS	Government Service Insurance System
HDMF	Home Development Mutual Fund; *see* Pag-IBIG below
HLURB	Housing and Land Use Regulatory Board, a Government agency which has been absorbed into the DHSUD effective January 1, 2020 pursuant to Republic Act No. 11201
HUDCC	Housing and Urban Development Coordinating Council, a Government agency which has been absorbed into the DHSUD effective January 1, 2020 pursuant to Republic Act No. 11201
IHoldings	IHoldings, Inc.
IHoldings Offer Shares	Up to [300,000,000] Firm Shares to be offered by IHoldings
Institutional Offer	Offer (i) outside the United States by the [Joint Global Coordinators and Bookrunners] in offshore transactions in reliance on Regulation S of the U.S. Securities Act, (ii) within the United States through the Joint Global Coordinators and Bookrunners' U.S. registered broker-dealer affiliates to QIBs in reliance on Rule 144A under the U.S. Securities Act, and (iii) to certain qualified buyers and other investors in the Philippines, by the Joint Domestic Lead Underwriters and Joint Bookrunners
Institutional Offer Shares	At least [875,000,000] Offer Shares being offered pursuant to the Institutional Offer
Joint Domestic Lead Underwriters and Joint Bookrunners	China Bank Capital Corporation and PNB Capital and Investment Corporation
Joint Global Coordinators and Joint Bookrunners	BofA Securities and J.P. Morgan
J.P. Morgan	J.P. Morgan Securities plc
Labor Code	Labor Code of the Philippines
Local small investors or LSIs	Local small investors under the PSE's Local Small Investors program
Low-cost Housing	Refers to a category of housing and land units priced above the the Economic Housing category threshold up to ₱3,000,000, as presented by the SHDA in cooperation with the Center for Research and Communication, University of Asia and the Pacific in their presentation "The Philippine Housing Industry Roadmap: 2012-2030"
Maceda Law	Republic Act No. 6552, or An Act to Provide Protection to Buyers of Real Estate on Installment Payments
Mass Housing	Refers to housing units and land priced up to ₱3,000,000 comprising the Socialized Housing, Economic Housing and Low-cost Housing categories, as presented by the SHDA in cooperation with the Center for Research and Communication, University of Asia and the Pacific

	in their presentation "The Philippine Housing Industry Roadmap: 2012-2030"
MRB	Medium-rise building, a walk-up building generally four to five stories or an elevator-equipped building of eight to 12 stories
Metro Manila	The metropolitan area comprising the capital city Manila and the surrounding cities of Caloocan, Las Piñas, Navotas, Makati, Malabon, Mandaluyong, Marikina, Muntinlupa, Parañaque, Pasay, Pasig, Quezon, San Juan, Taguig and Valenzuela and the municipality of Pateros
OFs	OFWs and Filipino expatriates
OFWs	Overseas Filipino workers
Offer	The offer and sale of the Offer Shares pursuant to a secondary offer, on, and subject to, the terms and conditions stated herein
Offer Price	Up to ₱[18.99] per Offer Share
Offer Shares	The Firm Shares and the Option Shares
Option Shares	Up to [150,000,000] existing Common Shares to be sold by IHoldings
Overallotment Option	An option granted by the IHoldings to the Stabilizing Agent
Pag-IBIG	Refers to the HDMF, also known as the Pag-IBIG Fund, the primary government housing financial assistance program in the Philippines, with a statutory mandate to provide Government assistance for the housing requirements of its members and allot not less than 70% of its available funding for deployment of housing loans to its qualified buyers
Pasir Salak	Pasir Salak Investments Limited
Pasir Salak Offer Shares	Up to [475,000,000] Firm Shares to be offered by Pasir Salak
PCD	Philippine Central Depository
PCD Nominee	PCD Nominee Corporation, a corporation wholly owned by the PDTC
P.D. 957	Presidential Decree No. 957, a Philippine statute regulating the sale of subdivision lots and condominiums, providing penalties for violations thereof
PDS	Philippine Dealing System
PDTC	The Philippine Depository & Trust Corp.
Philippine National	As defined under the Foreign Investments Act of 1991, means a citizen of the Philippines, or a domestic partnership or association wholly owned by citizens of the Philippines, or a corporation organized under the laws of the Philippines of which at least 60% of the capital stock outstanding and the entitlement to vote is owned and held by citizens of the Philippines, or a corporation organized abroad and registered to do business in the Philippines under the Revised Corporation Code, of which 100% of the capital stock outstanding and the entitlement to vote is wholly owned by Filipinos or a trustee of funds for pension or other employee retirement or separation benefits,

	where the trustee is a Philippine national and at least 60% of the fund will accrue to the benefit of Philippine nationals. Pursuant to Philippine SEC Memorandum Circular No. 8, Series of 2013, which generally applies to all corporations engaged in identified areas of activities or enterprises specifically reserved, wholly or partly, to Philippine nationals by the Philippine Constitution, the Foreign Investments Act of 1991 and other existing laws, amendments thereto, and implementing rules and regulations of compliance with the constitutional or statutory ownership requirement, the required percentage of Filipino ownership shall be applied to both: (i) the total number of outstanding shares of stock entitled to vote in the election of directors; and (ii) the total number of outstanding shares of stock, whether or not entitled to vote in the election of directors.
Philippine SEC	Securities and Exchange Commission of the Philippines
PNB Capital..	PNB Capital and Investment Corporation
Pricing Date	On or about [●]
Principal Shareholders	The principal shareholders of 8990, collectively IHoldings, Inc.; Kwantlen Development Corporation; Luis. N. Yu, Jr.; and Mariano D. Martinez, Jr.
PSE	The Philippine Stock Exchange, Inc.
PSE Trading Participants	Duly licensed securities brokers who are trading participants of the PSE
QIB	Qualified institutional buyer, as such term is defined in Rule 144A of the U.S. Securities Act
Receiving Agent	[●]
Regulation S	Regulation S under the U.S. Securities Act
REM	Real estate mortgage
Republic Act No. 11201	The DHSUD Act, a Philippine statue creating the DHSUD, the central housing authority in the Philippines which has absorbed the duties and functions of the HLURB and the HUDCC
Revised Corporation Code.........................	Republic Act No. 11232, the Revised Corporation Code of the Philippines
Rule 144A...	Rule 144A under the U.S. Securities Act
SCCP	Securities Clearing Corporation of the Philippines
Selling Agents	PSE Trading Participants
Selling Shareholders	IHoldings, Pasir Salak and TPG
SHDA	Subdivision and Housing Developers Association, the largest industry organization of subdivision and housing developers in the Philippines with over 200 members
Socialized Housing	Refers to housing and land units priced up to ₱580,000.00 as provided in HLURB Board Resolution No. 973, Series of 2018

SSS	The Republic of the Philippines Social Security System
SRC	The Securities Regulation Code of the Philippines (Republic Act No. 8799)
Subscription	Subscription by IHoldings to the Subscription Shares pursuant to the Subscription Agreement
Subscription Agreement	Agreement between IHoldings and the Company dated on or about [●], 2022, for the issue, sale and delivery of the Subscription Shares
Subscription Shares	Up to [450,000,000] new Common Shares to be issued to IHoldings by the Company and to be subscribed for by IHoldings using the proceeds from the sale of the IHoldings Offer Shares and the Option Shares sold pursuant to the exercise of the Overallotment Option, at the Offer Price
Subsidiary/ies	With respect to the Company, 8990 Davao, 8990 Housing, 8990 Leisure, 8990 Luzon, 8990 Mindanao, and Fog Horn
Stabilizing Agent	[●] and its relevant affiliates
Stabilization Period	The period beginning on or after the Closing Date and ending on a date no later than 30 days from and including the Closing Date during which the Stabilizing Agent has an option exercisable in whole or in part for the conduct of stabilization activities
Take-out	Refers to the release by Pag-IBIG of housing loan proceeds to either the Pag-IBIG member or developer for third-party processing
Tax Code	Philippine National Internal Revenue Code of 1997, as amended
TPG	TPG Rafter Holdings, Ltd.
TPG Offer Shares	Up to [475,000,000] Firm Shares to be offered by TPG
Trading Participants and Retail Offer	The offer for sale of the Trading Participants and Retail Offer Shares to be made in the Philippines
Trading Participants and Retail Offer Shares	Up to [●] Firm Shares being offered pursuant to the Trading Participants and Retail Offer
Trading Participants and Retail Offer Settlement Date	The date on which settlement of Offer Shares is to be made, expected to be on or about [●]
U.S. Securities Act	The United States Securities Act of 1933, as amended
VAT	Value-added tax

SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information presented in this Prospectus, including the Company's audited financial statements and the notes thereto, appearing elsewhere in this Prospectus.

OVERVIEW

8990 Holdings, Inc. ("**8990**" or the "**Company**"), operating through its Subsidiaries, is the leading Mass Housing developer in terms of home loan take-out by the Government's Mass Housing agency, the Home Development Mutual Fund ("**HDMF**", also known as "**Pag-IBIG**"). From 2017 to September 30, 2021, HDMF take-outs amounted to ₱15,307.1 million (U.S.$300.4 million). In addition, 8990 is the second largest developer in the affordable housing sector based on sales revenues for the year ended 2019, according to Frost & Sullivan. The Company has been listed on the PSE since 2010 under the stock symbol "HOUSE" and is among the fastest growing publicly listed real estate companies in the Philippines with a market capitalization of ₱63,079.4 million (U.S.$1,237.8 million) as of January 21, 2022.

8990 is focused on socially responsible growth, providing quality and affordable housing options to low-income Filipinos for whom basic home financing has traditionally been challenging to obtain, by offering innovating financing solutions through the Company's in-house financing program, the "**CTS Financing Program**" and affordable home loan financing in coordination with the HDMF. The Company believes that it has established a unique business model that is highly profitable due to its operational and financing efficiencies.

The Company has four strategic business units: (i) Low-Cost Mass Housing under the *DECA Homes* brand; (ii) Medium-Rise Condominiums ("**MRBs**") under the *Urban DECA Homes* brand; (iii) High-Rise Condominiums ("**HRBs**") under the *Urban DECA Towers* brand; and (iv) Others, which includes the sale of developed subdivision lots, hotel operations and lease of properties. The Company has completed 65 Mass Housing projects across the Philippines and has 17 ongoing Mass Housing, MRB and HRB projects as of September 30, 2021. The Company has grown its footprint significantly since 2007, delivering approximately 81,700 units across completed and ongoing projects, with an estimated 327,000 residents and approximately 89% occupancy rate, as of September 30, 2021.[1] Moreover, the Company has an immediate inventory of approximately 52,240 additional units from ongoing projects (net of units already delivered from ongoing projects) as of September 30, 2021. The Company's land bank of 602.4 hectares has an estimated market value of ₱40,029.0 million (U.S.$785.5 million) based primarily on certain appraisals completed by Jones Lang Lasalle Philippines ("**JLL**") in the fourth quarter of 2021, among others. See "*Business—Land Bank*."

For the years ended December 31, 2018, 2019 and 2020, the Company recorded consolidated revenues amounting to ₱11,525.6 million, ₱15,400.5 million, and ₱14,233.5 million (U.S.$279.3 million), respectively and net income of ₱4,810.4 million, ₱5,862.8 million, and ₱4,831.9 million (U.S.$94.8 million), respectively.

For the nine months ended September 30, 2020 and 2021, the Company recorded consolidated revenues amounting to ₱9,737.4 million and ₱15,351.8 million (U.S.$301.3 million), respectively and net income of ₱3,307.7 million and ₱5,429.2 million (U.S.$106.5 million), respectively.

Unique Business Model

The Company's unique business model emphasizes efficient construction periods using pre-cast system manufacturing construction technology, offers an accessible and innovative financing solution through the CTS Financing Program and utilizes loan factoring options for rapid capital recycling through a combination of loan migrations to HDMF, sales of receivables to financial institutions (without recourse) and partnerships with banks for loan migration.

The CTS Financing Program is an affordable pricing and payment model designed to cater to customers who do not have the accumulated savings to pay a substantial down payment but have sufficient recurring income to support monthly amortization payments. Under the CTS Financing Program, customers can move into their chosen home after a minimal down payment ranging from 3% to 5% of the total contract price, compared to

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[1] Total number of residents is based on the Company's estimate of four persons in each of the approximately 81,700 units delivered as of September 30, 2021. The occupancy rate is based on units purchased for residential use and excludes units sold for investment or vacation purposes.

approximately 10% to 20% equity down payment generally required by other developers. The Company retains ownership of the housing unit until full payment is completed by the buyer. This innovative in-house financing program allows buyers to purchase a property with a small upfront payment, thereby providing accessible housing to demographic groups for which home ownership has traditionally been challenging to attain.

The CTS Financing Program is strengthened by the Company's strong relationship with the HDMF and its Pag-IBIG Fund, the Government's established housing financial assistance program with a statutory mandate to provide assistance for the housing requirements of its members and allot not less than 70% of its investible funds for the deployment of housing loans to qualified buyers. The Company has structured the CTS Financing Program such that the requirements to participate in such in-house financing program generally mirrors the requirements for availing of a Pag-IBIG home loan. This mirroring of requirements facilitates the take-out by Pag-IBIG of such loans when applied for by 8990 buyers, thereby converting the receivables of the Company into cash and reducing the financing and other risks relating to potential buyer defaults. For the years ended December 31, 2018, 2019 and 2020 and for the nine months ended September 30, 2021, the amount of Pag-IBIG take-outs of Company loans was ₱4,009.2 million, ₱1,642.5 million, ₱1,316.1 million (U.S.$25.8 million) and ₱2,896.3 million (U.S.$56.8 million), respectively.

Industry Experience and Strategic Shareholder Support

The Company has been developing Mass Housing projects in high-growth areas across the Philippines since 2003. In doing so, the Company has benefited significantly from the industry experience of its principals who, prior to the establishment of the Company's Subsidiaries and through certain related companies of 8990, developed their first Mass Housing project in 1991 in Cagayan de Oro.

The Company believes that its industry experience has equipped it with the ability to understand the needs, preferences, means and circumstances of consumers in the Philippine Mass Housing market for which it has gained a reputation of providing quality and affordable homes. Awards recognizing the Company's achievements include the following: PropertyGuru 2021 Best Affordable Condo Development (Metro Manila), PropertyGuru 2021 Best Affordable Condo Development (Southern Luzon), PropertyGuru 2021 Best Affordable Housing Development (Metro Davao), Pag-IBIG Top Property Developer (Visayas and Mindanao) in the first half of 2021 in terms of take-out value from Pag-IBIG, Top Property Developer in the Philippines from 2017 to 2019 in terms of take-out value from Pag-IBIG Best Low Cost Housing Developer (National) in March 2017 by Q Asia's Seal of Product and Quality Service, Top 10 Developers in the Philippines in 2015 & 2016 by BCI Asia, 2016 Outstanding Developer Low Rise Mass Housing by FIABCI-Philippines, 2015 Best Mid-Cap Firm in the Philippines by Finance Asia, and 2015 Prestigious Seal Awardee for Best Developer in Low-Cost Housing by Gawad Sulo Foundation.

In addition, the Company enjoys the support of its strategic shareholders, TPG and Pasir Salak, a subsidiary of Khazanah Nasional Berhad. TPG and Pasir Salak have provided strategic support to the Company through their extensive experience in investing in housing and real property companies across the Asia-Pacific region and their long-term and growth-oriented investment approach. They have provided guidance and insights on strategic planning, financing and capital market planning and business optimization, among others.

Mission and Vision

The Company's mission is to be the most admired Mass Housing developer in terms of industry leadership, price and quality. In providing quality and affordable housing to the Filipino family, the Company conducts its business with integrity, fairness and competence towards its vision to maximize the value it provides to customers, suppliers, investors, shareholders and Philippine society in general.

STRENGTHS AND STRATEGIES

Competitive Strengths

The Company considers the following to be its principal competitive strengths:

Operation in a large, underserved market with significant growth potential

Robust macroeconomic fundamentals in the Philippines is expected to drive demand for the Philippine Mass Housing market. According to Frost & Sullivan, the Philippines' GDP is expected to grow at a compounded annual growth rate ("**CAGR**") of 5.2% from 2015 to 2025F, driven by sustained public projects, especially under the Government's "Build, Build, Build" initiative, a comprehensive infrastructure development program, private consumption and spending and innovative projects. Prior to the pandemic, the Philippines was one of the fastest-growing economies in Southeast Asia due to its strong household consumption, remittances, and government's extensive spending on infrastructure. The pandemic upended the economy as the country went into a strict lockdown. Growth stalled, and the GDP contracted by (4.1%) in 2020 per the IMF. Recovery was slow in the first three quarters of 2021 as the country continued implementing restrictions and controlling business activities. Only in the fourth quarter of 2021 did the Philippines recover and hit a 7.7% GDP quarterly growth. The Government is optimistic about hitting 6.3% GDP growth in 2022 as it moves to lift restrictions and allow more businesses to open and operate in higher capacity. In addition, a growing and increasingly urbanized population will bolster demand for housing in the long term, especially in large cities such as Metro Manila, Davao City and Cebu City. According to Frost & Sullivan, the urban population amounted to 47% of the total Philippines' population of 110 million in 2020 and is expected to grow 10% from 52 million to 57 million from 2020 to 2025F.

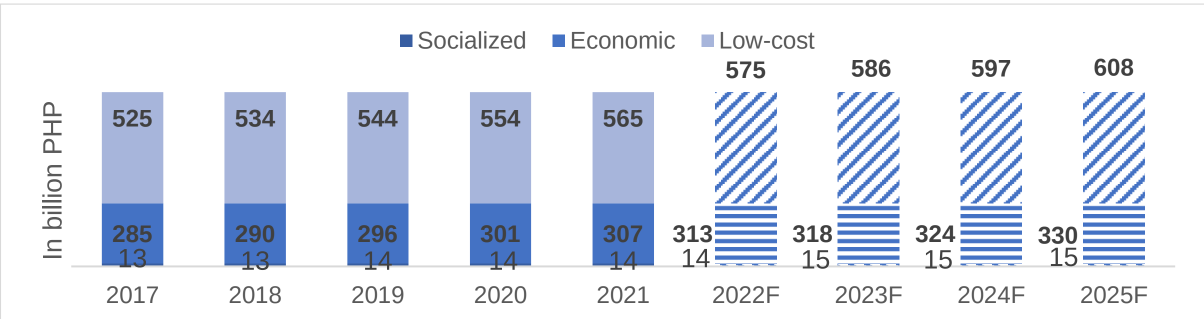
By 2022, total housing need (i.e., the supply-demand gap in the housing market) in the Philippines is expected to reach 6.8 million units, of which 80% is estimated to be within the Mass Housing segment. Frost & Sullivan estimated that, if such housing need is not addressed sooner, total housing needs may reach almost 12.3 million by 2030, of which approximately 85% are in the Mass Housing market (2.7 million are socialized, 6.2 million are economic and 1.5 million are low-cost housing units). Moreover, it was estimated by BSP's Consumer Financial Survey in 2018 that around 71% of the middle-income to low-income Filipino families are renting their houses, signifying a large underserved housing need especially in the affordable housing market.

Figure 1: Combined Housing Segmentation as defined by law and industry

Classification	DHSUD Definition (in ₱)
Socialized Tier 1	₱480,000 below
Socialized Tier 2	₱480,001 – 530,000
Socialized Tier 3	₱530,001 – 580,000
Economic	₱580,001 - 1.75 million
Low Cost	Up to ₱3 million
Mid End	Above ₱3 million to ₱4 million
High End / Open Market	₱4 million and up

Source: DHSUD, 2021; Frost & Sullivan Expert Interviews

Figure 2: Estimated Gross Value of Economic, Low-cost and Socialized Housing Segment, 2017–2025F



Source: Frost & Sullivan

Affordable housing also forms one of the key national priorities of the Government, who has rolled out various initiatives to accelerate the sector's growth across all dimensions. According to Frost & Sullivan, the Government is expected to invest ₱8.4 trillion (US$165 billion) across 2016 to 2022 into various infrastructure projects, benefitting the housing sector by enhancing connectivity to current projects and opening new areas for residential development. The Government has further demonstrated its unwavering commitment towards affordable housing through the rollout of the 20-year National Housing and Urban Development Sector Plan by the National Human Settlements Board ("**NHSB**") set up by the Department of Human Settlements and Urban Development ("**DHSUD**") in 2021 to consolidate strategies, plans and programs of the DHSUD, the key shelter agencies, partner-developers and other stakeholders to address the provision of adequate and affordable housing to all Filipinos. According to DHSUB official publication "The Shelter" in December 2020, the DHSUD will be looking into (a) policy reviews and reforms targeting to expedite financing services to the poor and low-income households, (b) exploring Public Rental Housing Policy ("**PRHP**"), (c) reviewing the price ceiling of socialized subdivision and condominiums, (d) reviewing loan ceiling for economic, low-cost, and medium cost housing, and (e) assessing whether to extend the Rent Control Act of 2020, all of which would likely benefit the affordable housing market.

The Government addresses the affordability of housing for homebuyers through the Pag-IBIG fund, which provides attractive and affordable loans for homebuyers with low interest rate (averaging 5% in 2020), low-income requirement and longer loan term (up to 30 years), according to Frost & Sullivan. They also incentivize private housing developers to provide socialized and economic housing projects through (a) five-year income tax holiday, (b) exemption from capital gains tax and (c) the availment of Pag-IBIG's Developer's Loan Program. Pag-IBIG provides credit facilities to accredited private developers to help them recover its investments and develop housing projects faster while waiting for take-outs of delivered and completed housing loan applications. In 2020, Pag-IBIG has released ₱64 billion (US$1.3 billion) of housing loan proceeds to 63,750 members, wherein 75% were developer-assisted and 25% were retail accounts.

According to Frost & Sullivan, the ongoing COVID-19 pandemic has resulted in a slowdown in the Philippine housing industry as buyers became wary of the uncertainties. Notably, while investment purchases from the up-tier market slowed down, the demand for low-cost housing proved to be more robust. Given that low-cost housing is seen less as an investment and more as a necessity, the market tends to be less prone to market, financial and economic slowdown and more impacted by consumer preferences and trends.

The Company believes that it is well-positioned to capitalize on the growing demand and unmet need for Mass Housing, as well as supportive Government policies in the Philippines, given its leading and differentiated market position in the Mass Housing market, the strong nationwide brand equity of its DECA Homes, Urban DECA Homes, and Urban DECA Towers lines, its working relationship with governmental agencies and its commitment to focus on environmentally sustainable and socially responsible growth.

Market leader with an established track record and well-recognized brands for the underserved Mass Housing segment

The Company is the top Mass Housing developer in the Philippines by Pag-IBIG takeout from 2017 to September 30, 2021, which amounted to ₱15.3 billion (US$300 million).

Its leadership in the Mass Housing market is further cemented by its achievement of a CAGR of 23.9% in its revenue from 2011 to the first half of 2021 (annualized), positioning the Company as one of the fastest growing listed real estate companies in the Philippines.

The Company has been developing Mass Housing Projects in high-growth areas across the Philippines since 2003 and has built a strong reputation of providing a full suite of quality and affordable homes to consumers in the fast-growing Philippine Mass Housing market, through the Company's DECA Homes, Urban DECA Homes, and Urban DECA Towers brands. The Company has also placed an extensive focus on providing affordable housing to demographic groups for which home ownership has been traditionally challenging to attain, as well as creating a sustainable community through amenities that allows residents to live in a safe, healthy and vibrant community.

In recognition of the Company's contribution to the Mass Housing market in the Philippines, the Company has also won numerous prestigious awards such as:

- Best Affordable Condo Development (Metro Manila and Southern Luzon) and Housing Development (Metro Davao) in 2021 by PropertyGuru
- Top Housing Developer in the Philippines from 2017 to 2019 and Top Property Developer in the Visayas and Mindanao regions in the first half of 2021 in terms of take-out value from the Pag-IBIG fund
- Best Low Cost Housing Developer (National) awarded in March 2017 by Q Asia's Seal of Product and Quality Service
- Outstanding Developer Low Rise Mass Housing in 2016 by the International Real Estate Federation in the Philippines ("FIABCI-Philippines")
- BCI Asia Top 10 Developers in 2015 and 2016
- Best Mid-Cap Firm in the Philippines in 2015 by Finance Asia
- Prestigious Seal Awardee for Best Developer in Low-Cost Housing in 2015 by Gawad Sulo Foundation

Driven by its strong commitment to deliver, the Company has completed 65 Mass Housing projects and has 17 ongoing Mass Housing, MRB and HRB projects as of September 30, 2021. The Company has grown its footprint significantly since 2007, delivering 81,700 units across completed and ongoing projects, with an estimated 327,000 residents and approximately 89% occupancy rate,[2] as of September 30, 2021. Moreover, the Company has an immediate inventory of approximately 52,240 additional units from ongoing projects (net of units already delivered from ongoing projects). The Company also has an identified pipeline of 21 projects for its present land bank of 602.4 hectares, which has an estimated market value of ₱40,029.0 million (US$785.5 million), based primarily on certain appraisals completed by JLL in the fourth quarter of 2021 by JLL, which is estimated to provide 78,352 units within the next eight years, based on the Company's current plans and subject to market conditions and other circumstances. This could provide potential sales of approximately ₱164,304 million (US$3,224 million) to drive future growth. See "*Business—Land Bank*."

Unique business model positions the Company for long-term leadership in a fragmented and under-penetrated market

The Company believes that it is one of the few scaled, nationwide developers with customer offerings uniquely dedicated to serving the housing needs of the Mass Housing segment. The Company's focus in the socialized, economic and low-cost housing segment in the Philippines allows it to target the large addressable housing market opportunity for lower income groups, with an estimated market size of ₱887 billion (US$17.4 billion) in 2021 by gross value, according to Frost & Sullivan.

Figure 3: Competitor Positioning in the Market

Developers	Housing Segments				
	Socialized	Economic	Low Cost	Mid-end	High-end
Ayala Land Premier					√
Century Properties					√
Federal Land					√
Megaworld					√
Alveo				√	√
Filinvest				√	√
RLC Residences				√	√
Robinsons Land Corporation				√	√
SMDC				√	√
Vista Land				√	√
Vista Residences				√	√
BluHomes				√	
Damosa Land				√	
Aboitiz Land	√	√	√	√	√
DMCI Homes	√	√	√	√	√
Suntrust		√	√	√	√
Amaia		√	√	√	
Avida		√	√	√	
Camella		√	√	√	
CHMI		√	√	√	
Homeowners Development Corp		√	√	√	
Philomena Properties		√	√	√	
PRO-Friends		√	√	√	
Robinsons Homes		√	√	√	
Ruby Sapphire		√	√	√	
HomeSmart		√	√		

[2] Total number of residents is based on the Company's estimate of four persons in each of the approximately 81,700 units delivered as of September 30, 2021. The occupancy rate is based on units purchased for residential use and excludes units sold for investment or vacation purposes.

Developers	Housing Segments				
	Socialized	Economic	Low Cost	Mid-end	High-end
SMDC Cheerful Homes		√	√		
8990 Holdings	√	√	√		
Bria Homes	√	√	√		
A.J. Mark Realty & Development Corp	√	√	√		
BellaVita	√	√	√		
Borland	√	√	√		
DuraVille Realty & Dev't Corp	√	√	√		
Futura by Filinvest	√	√	√		
HomeMark Inc.	√	√	√		
Imperial Homes	√	√	√		
Lumina Homes	√	√	√		
My Citi Homes	√	√	√		

Source: Frost & Sullivan Analysis

The Mass Housing market in the Philippines is highly fragmented, with about 3,000 entities engaged in the housing sector and hundreds of developers, according to Frost & Sullivan. Within the ₱450,000 to ₱2.0 million housing segment specifically, competitors with offerings in this segment include Robinsons Homes (brand under Robinsons Land), Avida (subsidiary of Ayala Land Corporation), Camella (subsidiary of Vista Land) and PRO-FRIENDS and Bria Homes. According to Frost and Sullivan, gross sales of players competing in this bracket that are in the top 20 affordable housing players range widely from ₱250 million to ₱31.1 billion. Most competitors, however have significantly smaller operations than the Company with only three other players with revenues of at least ₱10 billion. Unlike the Company, Frost and Sullivan's research indicates that a number of scaled competitors also offer projects larger than the ₱450,000 to ₱2.0 million segment. As such, the Company believes that most of its direct competitors are smaller regional developers, with much smaller scale and limited geographical coverage, hence its nationwide scope has allowed it to achieve economies of scale from its operations, thereby offering housing units at more attractive price points compared to its direct competitors.

Further differentiating 8990 is its ability to provide the full value chain required by the Mass Housing market:

- **Land Acquisition**: Actively evaluates attractive land acquisition opportunities nationwide. Key criteria include proximity to areas close to the Company's target customers, including Pag-IBIG members, and its sources of livelihood
- **Customer Screening**: Focus on gainfully employed customers who have significant lifetime earnings potential and are acquiring the Company's developments as their primary residence
- **Construction Technology**: Pre-cast system manufacturing construction technology that allows rapid construction of quality houses
- **In-House Financing**: Accessible in-house financing with a unique combination of attractive upfront equity and affordable monthly payments
- **Strong Pag-IBIG relationship**: Status, track-record and customer screening synchronization with Pag-IBIG allows for continuous and seamless Pag-IBIG take up
- **Credit Collection**: Emphasis on incentivizing a strong repayment behavior through required financial literacy seminars
- **Property Design and Management**: Focused on creating "communities" within each development such as through sports facilities, churches, parks and meeting areas. In addition, the Company provides comprehensive and ongoing support for properties

Pre-cast system manufacturing construction technology driving efficiencies and cost-savings

The Company has continually invested in innovation to update its building processes and minimize waste of materials while at the same time maintaining the quality of its products and rapid completion of housing units. To this end, the Company has developed its own unique building system that makes use of a pre-cast construction process, enabling the Company to construct and complete housing units and MRBs in a cost- and time-efficient manner without compromising the quality and standards of the housing units being turned over to its customers. The utilization of this pre-cast construction process on-site, as opposed to traditional building methods, likewise results in significant cost reduction for the Company, particularly on labor costs. The Company believes that these factors help it to achieve and maintain healthy profit margins. Since pre-cast is manufactured in a controlled casting environment, it is easier to control the mix, placement, and curing; hence, quality can be monitored easily and wastage, typically a large cost for those still utilizing traditional construction methods, is significantly reduced. The Company sources cement from the largest cement manufacturers in the Philippines, which it then blends in-house, together with other additives in specific proportions, to create its proprietary concrete blend. This concrete mix has a faster curing time than standard concrete mixes, which allows for faster setting of pre-cast molds, resulting in panels that can withstand approximately four times as much pressure per square inch than traditional cinder block structures. For instance, the 2013 7.2 magnitude earthquake which affected Cebu and Bohol tested the structural strength and quality of the Company's projects in the area. The Company commissioned an independent structural engineer to inspect the units in its affected projects and the inspection indicated that there was only minor superficial damage and that the units remained structurally stable and fit for occupancy. Through the use of this process, the Company is able to construct townhouses and single attached units in just eight to 15 days with an additional five days for single-storey houses with lofts.

The Company continuously improves and refines this process and has mastered its efficient implementation in the field, allowing for quick turnover and re-deployment of capacity. This construction process is highly scalable leading to highly efficient use of capital and industry-leading returns.

Customer-focused product and payment scheme complemented by effective collection, risk management policies and loan factoring for a rapid capital recycling cycle

The Company believes that its industry experience has equipped it and its management with in-depth knowledge and understanding of the needs, preferences, means and constraints of the Mass Housing segment customer base. The Company continuously undertakes demographic analysis of its customer base, which helps in developing products and payment schemes that are in line with the needs and lifestyles of its target customers. The Company believes that sustainable affordability is critical in serving the Mass Housing segment. Accordingly, the Company tailors the house area, lot area and locations of its developments to deliver housing products where the monthly amortization payments are affordable for its target customers when compared to monthly rental payments for comparable housing units, hence allowing a smooth transition from home rental to ownership.

For illustration, the Company's housing portfolio includes the following products.

Figure 4: 8990's Product Portfolio

Micro Living Units –
URBAN DECA TOWERS

- Typical floor area: ~13 sqm
- Location: Highest density urban areas of Metro Manila
- Walking distance to place of work
- Target unit price range: **c.PHP1.0-1.8mm (c.US$ 19.6-35.3k)**


Urban Deca Towers

Horizontal Residential Subdivisions –
DECA HOMES

- Typical floor area: 35 sqm to 60 sqm
- Typical lot area: 35 sqm to 120 sqm
- Location: Outskirts of major metropolitan areas nationwide (excludes Metro Manila)
- Unit price range: **c.PHP450k-2.0mm (c.US$ 8.8-39.2k)**

Single-storey

Townhouse

Medium-rise Residential Buildings –
URBAN DECA HOMES

- Typical floor area: 25 sqm to 36 sqm
- Location: Central areas of highly urban locations (i.e., Metro Manila, Metro Cebu, Davao) within walking distance of major public transportation routes
- 4 to 5-storey low-rise or 8 to 12-storey with lifts
- Unit price range: **c.PHP800k-2.0mm (c.US$ 15.7-39.2k)**

Medium-rise Building

Source: Company Information

Furthermore, the Company's innovative CTS Financing Program typically requires a relatively small upfront payment (normally 3% to 5% of the purchase price of the unit, compared to approximately 10% to 20% equity down payment generally required by other developers). This allows customers to purchase and move into a housing unit without material effect on their savings. Fast and efficient processing under the CTS Financing Program, combined with the Company's pre-cast construction process, translates into the ability to deliver units to customers within a short time frame. This combination of market knowledge, technical expertise and customer understanding results in a compelling proposition for the Company's target Mass Housing segment, which is primarily driven by end-user demand.

To support the CTS Financing Program, the Company has developed a comprehensive collection platform comprising policies, structures, systems, organizations and mechanisms focused on collection efficiency and the mitigation of payment delinquency. The Company proactively approaches customer credit management, beginning at the point prior to actual sale by conducting in-house seminars/lectures covering key topics related to purchasing a housing unit such as documentary requirements, payment structure and credit and legal obligations connected with the housing unit purchase. The Company has also implemented a comprehensive credit verification process for all potential buyers looking to purchase housing units under the in-house CTS Financing Program, which includes a rigorous and systematic documentation approval process. In addition, the Company is able to leverage on its previous experience as collection agent for Pag-IBIG in formulating and implementing highly effective collection processes, including discontinuing the supply of certain utilities to the unit and/or disallowing certain privileges with respect to use of the Company's facilities in the developments. The Company believes that its combination of industry experience, customer selection and comprehensive program to collect, educate and support its customers has resulted in the Company's estimated collection efficiency rate of 94% in the third quarter of 2021. The estimated collection efficiency rate is the amount collected out of the current amount due from a customer. Moreover, the Company believes that, in part as a result of its collection processes, of the customer accounts which become delinquent, approximately half become active again within three months of default. For the remaining half of the delinquencies that ultimately result in default, the Company is able to regain possession and typically resell the property in within a year from the time of default.

Further complementing the Company's in-house financing solutions are loan factoring options available that generate additional cash for the Company as follows:

Source	Amount
Migration to Pag-IBIG	₱15.3 billion (US$300 million) take-outs from 2017 to September 30, 2021
Sale of Receivables to Financial Institutions Without Recourse	₱25.0 billion (US$491 million) of receivables sold to financial institutions from 2017 to September 30, 2021
Partnership with banks after accreditation for loan migration	₱331 million (US$6.5 million) successfully migrated to banks by December 31, 2021[3]

In addition, the Company is expecting generate further cash from ongoing initiatives to securitize loans.

The Company believes that the combination of its rapid, proprietary construction process and its innovative in-house financing structure that is complemented by its loan factoring initiatives have resulted in the Company achieving among the highest Returns on Equity among its peers. From 2018 to the last twelve months ended September 30, 2021, the Company achieved an average Return on Equity of 15.8%, providing the Company with a substantial source of recycled capital to fuel its growth and expansion.

Strong relationships with key housing and shelter agencies

The Company, through its Subsidiaries and Principals, Mr. Luis Yu, Jr. (Chairman Emeritus and Founder), Mr. Mariano Martinez, Jr. (Chairman of the Board) ("the Principals"), has been recognized by key Government shelter agencies with respect to its success in the industry. In particular, the Company was recognized by HLURB as the developer with the most number of subdivision units licensed under B.P. 220 from 2011 to 2013. In addition, the accreditation of the Company's projects with the Board of Investment under the IPP allows each accredited project to enjoy certain tax incentives.

These recognitions demonstrate that the Company has a strong reputation and working relationship with key Government agencies that are essential to any success in the Mass Housing development industry. Pag-IBIG serves as the primary Government housing financial assistance program in the Philippines, with a statutory mandate to provide financial assistance for the housing requirements of its members and allot not less than 70% of its available funding for deployment of housing loans to qualified buyers. The Company closely coordinates with Pag-IBIG to increase the efficiency in Pag-IBIG's takeout of the Company's contracts-to-sell under its CTS Financing Program. The Company has also voluntarily submitted a proposal for it to be recognized as an authorized collection agent by Pag-IBIG for its home buyers, thus lessening the manpower needed by Pag-IBIG to follow up and keep accounts current.

Committed to integrating ESG-aligned practices across the Company and all projects

The Company places great value on Environmental, Social and Governance ("**ESG**") standards, as they take pride in conducting its business responsibly. They are committed to ESG standards that help in building a sustainable future for the communities they serve and creating long-term value for all its stakeholders. Accordingly, they have undertaken several initiatives toward this including providing affordable housing and basic infrastructure, promoting gender equality and social equality, pursuing inclusive growth, and maintaining sustainable community and environment.

The Company is also committed to contributing towards achieving the Sustainable Development Goals ("**SDGs**") adopted by the United Nations Member States in the year 2015. The Company benchmarks and integrates these SDGs with key areas of its business operations. The efforts undertaken by the Company ensure a positive contribution to at least 6 of the 17 SDGs, including: SDG #11: Sustainable Cities and Communities, SDG #10

[3] Migration to banks started from August 2021.

Reduce inequality, SDG #8 Decent work and Economic Growth, SDG #12 Responsible Consumption and Production, SDG #13 Climate Action, and SDG #15 Life on Land. They actively continue to work on further deepening its impact across these goals and expanding the scope of its influence across other goals, in the pursuit of a win-win for both its business as well as social ecosystem.

The Company provides affordable housing to demographic groups in Philippines for which home ownership is traditionally challenging to attain, by offering 3% equity versus 10 to 20% in the Mass Housing market. Monthly amortization is made more affordable by providing longer loan term that are not widely available for the majority of the population. As of September 30, 2021, an average of 63% of the 8990's home buyers have a maximum gross monthly income of ₱55,000 (US$1,100) and below and an average of 55% are women. For vast majority of them, it would have been significantly challenging for them to own homes, if not because of the affordable housing and innovative financing offered by the Company together with its partners.

The Company's housing development are not only affordable but provides access to infrastructure, including water, sanitation, transportation, and security features for residents to live in safe, healthy, vibrant communities that allow individual to access opportunities for economic mobility through proximity to job opportunities, and stable and safe living environments.

The Company is focused on environmental sustainability in its operations through a decade long commitment to low waste, smart design and resources efficient buildings. See "*Business—Environmental, Social and Governance Initiatives*."

In addition to the efforts undertaken towards Social and Environmental goals, the Company also incorporates high standards in its Corporate Governance through standard operating procedures / manuals detailing procedures to be followed for each and every function.

Experienced management team with extensive expertise in Mass Housing development

The Company prides itself in having an experienced management team under the leadership of Mr. Luis Yu, Jr. (Chairman Emeritus and Founder), Mr. Mariano Martinez, Jr. (Chairman of the Board), Attorney Anthony Vincent S. Sotto (President and CEO), Roan Buenventura-Torregoza (Chief Financial Officer) and Alexander Ace S. Sotto (Chief Operating Officer), who each have extensive experience and in-depth knowledge of the real estate business, particularly in the Mass Housing market, and span an aggregate of over 100 years in the industry.

Through their various business ventures (including 8990), the Principals have constructed housing units across multiple regions in Philippines across Visayas, Luzon and Mindanao, including major cities such as Cagayan de Oro, Cebu City, Davao City and Metro Manila. In addition, they have also developed, over the years, positive relationships with key market participants, including construction companies, regulatory agencies, local government agencies and banks.

Mr. Yu carries with him over 30 years of experience in the Mass Housing business. Mr. Martinez has over three decades of experience in the Mass Housing industry and was once the National President of the SHDA, the largest national organization of subdivision and housing developers in the Philippines with over 200 members.

Attorney Anthony Vincent S. Sotto has almost 18 years of experience with the Company, and has previously served as the capacities of Deputy Chief Executive Officer, General Manager and Assistant General Manager in the Company.

Alexander Ace S. Sotto's 18 years of experience in the real estate industry began when he joined 8990 Holdings Inc. in 2004. He is currently the Chief Operating Officer of the Company.

Meanwhile, Roan Buenaventura Torregoza assumed the position of Chief Financial Officer of the Company in September 2016. Prior to her current position, she served as Acting Chief Financial Officer, Deputy Chief Financial Officer, Assistant General Manager for Audit, and Management Services Manager for 8990 Holdings, Inc.

Key Strategies

The Company was founded to address the Mass Housing problem in the Philippines. By 2030, the total housing need in the Philippines could increase to approximately 12.3 million units, of which approximately 85% will be in the Mass Housing market, according to Frost & Sullivan. However, the supply of affordable housing is unable to catch up, given that most Mass Housing developers are small regional developers, with limited geographical coverage. At the same time, certain demographic groups, including the low- to middle-income Filipinos, often face difficulties accessing home financing solutions that meets its cash flow profile.

The Company's overall business strategy, and the key to its current and past success in the Mass Housing industry, is to address the Mass Housing problem in the Philippines by delivering affordable homes and innovative financing solutions with speed and quality to its target customers, mainly comprising low- to middle-income earners. This is achieved through:

1. Introduction of an innovative financing solution that allows Filipinos to own a housing unit by paying monthly amortization at the price equivalent to that of a monthly rental payment

2. Establishing a close partnership with the Government's Mass Housing agency to expedite the delivery of the Government's housing initiatives

3. Delivering fast, quality and affordable housing options near customers' source of livelihoods

4. Successful execution of a unique and superior business model addressing an underserved market, and is highly profitable due to the Company's operational and financing efficiencies

To further build on its competitive strengths and allow further expansion of its business, the Company plans to undertake the following:

Pursue growth by maintaining leadership with affordable and competitive pricing

The Company has a distinct leadership position in the Mass Housing segment

The Company believes that it is one of the few developers dedicated to serving the housing needs of the Mass Housing segment throughout the Philippines, uniquely positioning it vis-à-vis other major housing developers in the Philippines. The Company's focus in the socialized, economic and low-cost housing segment in the Philippines allows it to target the large addressable housing market opportunity for lower income groups, with an estimated market size of ₱887 billion (US$17.4 billion) in 2021 by gross value, according to Frost & Sullivan.

The housing market in the Philippines is highly fragmented, with about 3,000 entities engaged in the housing sector and hundreds of developers, according to Frost & Sullivan. The Company believes that most of its direct competitors are smaller regional developers, with much smaller scale and limited geographical coverage, hence its nationwide scope has allowed it to achieve economies of scale from its operations, thereby offering housing units at more attractive price points compared to its direct competitors.

The Company believes that its unique positioning and leadership in the underserved need-based Mass Housing market will continue to provide demand for its housing developments in the future.

The Company seeks to promote home ownership for its target customers by matching housing cost with their ability to pay

The Company seeks to promote home ownership in the Mass Housing segment in part by continuing to develop financing products tailored to the specific needs, requirements and financial situation of Mass Housing customers. In particular, the Company intends to seek ways to improve on and further provide flexibility through its CTS Financing Program, an innovative product developed using the Company's experience in the Mass Housing segment, which allows customers to move into their chosen housing unit after a significantly lower down payment of 3% to 5% of purchase price and pay down their housing loan across an average term of 25 years and at a fixed interest rate of 9.5% for the first four years.

The Company's financing program hence allows customers to break down the housing unit purchase price into affordable monthly amortizations, based on the cash flow they receive on a monthly basis from their employment and other sources of income. The Company also endeavors to keep monthly amortizations affordable at approximately 35% of their monthly income, as well as approximately matching these monthly amortization with monthly rental rates that its target customer would have otherwise paid for similar Mass Housing units, thereby encouraging the low- to middle-income customers to buy a house rather than continue renting.

For example, the Company offers a monthly amortization payment of approximately ₱3,900 (US$77) (the estimated amortization for a ₱450,000 (US$8,830) loan for a Socialized Housing unit, with 9.5% annual interest rate for the first four years and a 25-year amortization schedule) to approximately ₱17,500 (US$343) (the estimated amortization for a ₱2,000,000 (US$39,200) loan with 9.5% annual interest rate and a 25-year amortization schedule) under its in-house CTS Financing Program, at the right price range (₱450,000 to ₱2.0 million (US$8,830 to US$39,200) per housing/condominium unit).

The Company believes that the attractiveness of the CTS Financing Program is likely to continue driving demand for its housing developments into the future.

The Company has secured an attractive pipeline of projects over the mid-term to drive future growth

The Company has an immediate inventory of approximately 52,240 additional units from ongoing projects (net of units already delivered from ongoing projects). The Company also has an identified pipeline of 21 projects for its present land bank of 602.4 hectares, which has an estimated market value of ₱40,029.0 million (US$785.5 million), based primarily on certain appraisals completed by JLL in the fourth quarter of 2021 by JLL, which is estimated to provide 78,352 units within the next eight years, based on the Company's current plans and subject to market conditions and other circumstances. This could provide potential sales of approximately ₱164,304 million (US$3,224 million) to drive future growth. See "*Business—Land Bank*."

Continue to innovate and invest in maintaining the Company's competitive advantage

The Company intends to further leverage and invest into its CTS Financing Program and rapid construction technology to maintain its competitive strength.

The Company believes that the key success factor of its CTS Financing Program is not just in its innovative structure, but also in its ability to complement this with comprehensive and proactive customer engagements. This is done through consistent customer engagements through financial literacy programs to guide them through the documentary requirements for the loan application process and educate them on credit management to encourage strong loan repayment behavior. This has led to a successful track record with an estimated 94% collection efficiency ratio from 2015 to 2019 and third quarter of 2021. The Company intends to continue its efforts to optimize its financing program and financial literacy programs to deliver a comprehensive housing solution for its target customers and maintain its industry-leading profit margins.

The Company intends to continually invest in innovation to update its construction processes and minimize waste of materials, while at the same time delivering housing units with quality and speed. The utilization of an on-site pre-cast construction process has resulted in significant cost savings and healthy profit margins. The Company believes that similar innovations into highly scalable construction processes will further enhance efficiency of capital use, rapid recycling of cash flow and its industry-leading returns. Additionally, the Company intends to explore further ways to incorporate environmental sustainability into its construction process.

Continue with monetization of its receivables through various channels

The Company rapidly recycles its capital by migrating home loans offered or selling receivables from customers (via its in-house CTS Financing Program) through three main channels:

1. Sale of receivables to financial institutions

2. Migration to Pag-IBIG

3. Partnership with banks after accreditation to migrate these loans to them

For the period between 2016 to September 30, 2021, the Company has successfully sold ₱25.0 billion (US$491 million) of receivables to financial institutions and migrated ₱17.9 billion (US$351 million) of loans to Pag-IBIG. From August to December 2021, the Company has also migrated ₱331 million (US$6.5 million) of loans to partner banks (i.e. BPI and Security Bank). In addition to these three channels, the Company has initiated possible securitization transactions with respect to its receivables portfolio, which is expected to be completed in 2022 and targeted to generate net cash of ₱1.0 billion (US$20 million).

The Company's strong track record in the monetization of its receivables could be attributed to its strong relationship with financial institutions and its ability to structure its in-house CTS Financing Program to mirror the requirements of Pag-IBIG home loan. As a result, the Company believes that up to 99% of home loans offered by the Company are eligible for migration to Pag-IBIG.

The Company intends to continue to monetize its receivables in order to recycle its capital to fund future growth plans, as well as to de-risk its capital structure to maintain a net debt to equity ratio of 0.6x as of September 30, 2021, on par with the industry average.

Maintain appropriate financing, liquidity and risk management policies

The Company believes that its financing model is robust, through its ability to generate strong demand through providing attractive financing options for customers, and at the same time, preventing losses through appropriate financing, liquidity and risk management measures.

Measures undertaken include:

- financial literacy programs to maintain high collectability at an estimated 94% performing accounts ratio for the nine months ended September 30, 2021;
- de-risking its capital structure through monetization of receivables; and
- protecting its capital through retaining the home ownership until the loan amount is fully received from the homebuyers.

This has enabled the Company to achieve industry leading return on equity. The Company intends to continue implementing such measures to ensure adequate protection against financing risks.

Continue to grow land bank in strategic locations for development

The Company plans to continue to explore opportunities to replenish its land bank for future developments, selectively acquiring parcels and properties that meet its requirements for potential projects. The Company aims to seek out properties located in areas with high population growth rates and rental yield, close proximity to public transportation terminals and major thoroughfares in cities, and also seeks to locate suitable project sites near developing business centers and high growth communities, where there are underserved housing needs for its target customers across the Philippines. The Company also targets to commence development of new land bank properties within two to three years of purchase.

The Company intends to further grow its existing Mass Housing revenue base. To accomplish this, the Company intends to (a) increase the number and variety of projects in the cities in which it currently has existing developments, as well as to (b) geographically expand into new cities. For example, the Company has brought to Metro Manila the Urban DECA Homes high-rise building concept in Tondo, Manila, and Mandaluyong.

Driving further ESG initiatives across its business model

The Company founded on the vision to provide quality and affordable housing to the Filipino family and maximize the value that it provides to customers, suppliers, investors, shareholders and Philippine society in general, has integrated ESG initiatives in its business model. The Company believes that its unique and superior business and financing model allows it to address an underserved housing need in the society, while at the same time, maintaining its industry-leading profitability through operational and financing efficiencies.

The Company's ability to offer a full suite of housing projects at affordable price points provide accessible housing to demographic groups for which home ownership has traditionally been challenging to attain. Based on the Company's internal data on customer demographics, an average of 63% of its customers have a gross monthly income of ₱55,000 (US$1,100) and below, 60% are singles, 55% are females, 20% are OFWs and 15% are undergraduates, as of September 30, 2021.

The Company endeavors to go beyond providing basic housing infrastructure, but also to create sustainable communities through amenities offered in the housing developments, which includes security features to protect residents (e.g. gated entrance with security), social spaces to promote interaction (e.g. clubhouse, church) and recreational facilities to promote healthy lifestyle (e.g. swimming pool and wakeboarding park). The Company believes that these initiatives have contributed to high customer satisfaction, with approximately 100% sale rate for completed units and 89% of housing units sold for primary residences as of September 30, 2021.

The Company also actively seeks ways to be environmentally friendly. Since 2018, the Company has eliminated the use of wood products in the construction of houses. Since 2019, newly designed projects are installed with waste-water facilities and material recovery facilities to minimize wastage. At the same time, the Company also strategically locate its micro-living developments close to business districts to reduce carbon emissions from daily commute that would otherwise be necessary.

The Company believes that ESG is a crucial component of its business model and endeavors to drive and implement further ESG initiatives.

Maintain its working relationship with regulators

The Company has a track record of strict adherence to local rules, regulations and social responsibility requirements imposed on licensed housing developers.

Adherence to good corporate governance plays an integral role in the way in which the Company conduct their business. The Company has processes in place to help ensure that there is operational transparency, information sharing, accountability, and constant dialogue with all its stakeholders.

The Company has also been supportive in the national and local government initiatives in Mass Housing, including and not limited to:

- adhering to the government guidelines (e.g., loan moratorium during the COVID-19 pandemic);
- active participation with the various real estate groups (e.g., SHDA);
- active participation in community-based initiatives (e.g., shelter agencies, school, church programs)
- incorporating environmentally friendly practices into its operations such as tree planting (at a scale that is in compliance of Department of Environment and National Resources guidelines) and building waste water management systems; and
- facilitating the participation of middle- to low-income customers in Pag-IBIG home loan initiatives, through unique structuring of its in-house financing program to mirror the requirements of Pag-IBIG's home loan

The Company intends to continue its best practices and maintain an effective working relationship with regulators to conduct its business with integrity and competence, maximizing the value it provides to the Philippine society.

INVESTOR RELATIONS OFFICE AND COMPLIANCE OFFICE

The Investor Relations Office (the "**IRO**") is tasked with (a) the creation and implementation of an investor relations program that reaches out to all shareholders and informs them of corporate activities and (b) the formulation of a clear policy for accurately, effectively and sufficiently communicating and relating relevant information to the Company's stakeholders as well as to the broader investor community.

Ms. Patricia Victoria G. Ilagan, the Company's IRO, serves as the Company's designated investor relations manager and heads the Company's Investor Relations Office. The IRO is responsible for ensuring that Company's shareholders have timely and uniform access to official announcements, disclosures and market-sensitive information relating to the Company. As the Company's officially designated spokesperson, the IRO is responsible for receiving and responding to investor and shareholder queries. In addition, the IRO oversees most aspects of the Company's shareholder meetings, press conferences, investor briefings, management of the investor relations portion of the Company's website and the preparation of its annual reports. The IRO is also responsible for conveying information such as the Company's policy on corporate governance and corporate social responsibility, as well as other qualitative aspects of the Company's operations and performance.

Ms. Teresa C. Secuya currently serves as the Company's Compliance Officer to ensure that the Company complies with, and files on a timely basis, all required disclosures and continuing requirements of the Philippine SEC and the PSE.

The Company's IRO is located at 11th Floor, Liberty Center, 104 H.V. dela Costa Street, Salcedo Village, Makati City, Metro Manila.

CORPORATE INFORMATION

The Company is a Philippine corporation with its registered office and principal executive offices located at 11th Floor, Liberty Center, 104 H.V. dela Costa Street, Salcedo Village, Makati City, Metro Manila. The Company's telephone number is (+632) 8 478 9659 and its fax numbers are (+632) 8478 9659 and (+632) 8478 8987. Its corporate website is www.8990holdings.com. The information on the Company's website is not incorporated by reference into, and does not constitute part of, this Prospectus.

SUMMARY OF THE OFFER

The following does not purport to be a complete listing of all the rights, obligations, and privileges attaching to or arising from the Offer Shares. Some rights, obligations, or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective investors are enjoined to perform their own independent investigation and analysis of the Company and the Offer Shares. Each prospective investor must rely on its own appraisal of the Company and the Offer Shares and any other investigation it may deem appropriate for the purpose of determining whether to invest in the Common Shares and must not rely solely on any statement or the significance, adequacy, or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective investor's independent evaluation and analysis.

Company	8990 Holdings, Inc.
Selling Shareholders..................................	IHoldings, Inc. Pasir Salak Investments Limited TPG Rafter Holdings, Ltd.
Joint Global Coordinators and Bookrunners	Merrill Lynch (Singapore) Pte. Ltd and J.P. Morgan Securities plc
Joint Domestic Lead Underwriters and Joint Bookrunners.....................................	China Bank Capital Corporation and PNB Capital and Investment Corporation
Selling Agents...	PSE Trading Participants
The Offer...	Offer of (a) up to [1,250,000,000] Firm Shares (comprising of up to [300,000,000] existing Common Shares to be offered by IHoldings, up to [475,000,000] existing Common Shares to be offered by Pasir Salak and up to [475,000,000] existing Common Shares to be offered by TPG) pursuant to a secondary offer, and (b) up to [150,000,000] Option Shares to be offered by IHoldings pursuant to the Overallotment Option (as described below).
Offer Price..	Up to ₱[18.99] per Offer Share
Institutional Offer	At least [875,000,000] Firm Shares (about [70.0]% of the Firm Shares) are being offered for sale: (i) outside the United States by the Joint Global Coordinators and Bookrunners in offshore transactions in reliance on Regulation S of the U.S. Securities Act, (ii) within the United States through the Joint Global Coordinators and Bookrunners' U.S. registered broker-dealer affiliates to QIBs in reliance on Rule 144A under the U.S. Securities Act, and (iii) to certain qualified buyers and other investors in the Philippines, by the Joint Domestic Lead Underwriters and Joint Bookrunners. The Option Shares will form part of the Institutional Offer. The allocation of the Offer Shares between the Trading Participants and Retail Offer and the Institutional Offer is subject to adjustment as agreed between the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners, as well as oversubscription or undersubscription of either or both the Trading Participants

	and Retail Offer and the Institutional Offer. See "—*Reallocation*" below.
Trading Participants and Retail Offer	Up to [375,000,000] Firm Shares (about [30.0]% of the Firm Shares) (the "**Trading Participants and Retail Offer Shares**"). Up to [250,000,000] Trading Participants and Retail Offer Shares (about [20.0]% of the Firm Shares) are being allocated to all of the PSE Trading Participants at the Offer Price and up to [125,000,000] Trading Participants and Retail Offer Shares (about [10.0]% of the Firm Shares) are being allocated at the Offer Price to local small investors ("**LSIs**"). Each PSE Trading Participant shall initially be allocated [2,000,000] Firm Shares. Based on the initial allocation for each PSE Trading Participant, there will no residual Firm Shares. [LSIs shall subscribe through the PSE Electronic Allocation System ("**PSE EASy**"). An LSI is defined as a subscriber to a share offer who is willing to subscribe to a minimum board lot or whose subscription does not exceed ₱100,000.00 or such higher amount as may be approved by the PSE and the Philippine SEC. In the case of this Offer, the minimum subscription of LSIs shall be [500] Firm Shares or ₱[9,495.00], while the maximum subscription shall be [52,600] Firm Shares or up to ₱[998,874.00]. There will be no discount on the Offer Price. The procedure in subscribing to Offer Shares via PSE EASy is indicated in the Company's Implementing Guidelines for Local Small Investors to be announced through the PSE EDGE website. Should the total demand for the Offer Shares in the LSI program exceed the maximum allocation, the Joint Domestic Lead Underwriters and Joint Bookrunners shall prioritize the subscriptions of LSIs with amounts lower than the maximum subscription.] The Joint Domestic Lead Underwriters and Joint Bookrunners shall purchase the Trading Participants and Retail Offer Shares not reallocated to the Institutional Offer or otherwise not taken up by the PSE Trading Participants, LSIs, clients of the Joint Domestic Lead Underwriters and Joint Bookrunners or the general public in the Philippines pursuant to the terms and conditions of the Domestic Underwriting Agreement. The allocation of the Offer Shares between the Trading Participants and Retail Offer and the Institutional Offer is subject to adjustment as agreed between the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners, and the Joint Domestic Lead Underwriters and Joint Bookrunners, as well as oversubscription or undersubscription of either or both the Trading Participants and Retail Offer and the Institutional Offer. See "—*Reallocation*" below.
[Overallotment Option	Subject to the approval of the Philippine SEC, IHoldings has granted the Stabilizing Agent, [●] and its relevant affiliates, an option, exercisable in whole or in part, to purchase up to

	[150,000,000] Option Shares at the Offer Price, on the same terms and conditions as the Offer Shares as set out in this Prospectus and effect price stabilization transactions. The Overallotment Option is exercisable from time to time for a period which shall not exceed 30 days from and including the Closing Date. See "*Plan of Distribution—The Overallotment Option*" on page [212] of this Prospectus.]
The Subscription	Pursuant to a subscription agreement dated on or about [●], 2022 between the Company and IHoldings (the "**Subscription Agreement**"), IHoldings has, subject to the terms of the Subscription Agreement, agreed to concurrently subscribe for new Common Shares to be issued by the Company in an amount equal to the aggregate number (i) IHoldings Offer Shares sold in the Offer, and (ii) Option Shares sold through the exercise of the Overallotment Option, at a price equal to the Offer Price (the "**Subscription Shares**").
Use of Proceeds	Proceeds from the Offer will be for the account of the respective Selling Shareholders and the Company will not directly receive any proceeds from the Offer or the exercise of the Overallotment Option. Pursuant to the Subscription Agreement, IHoldings has, subject to the terms of the Subscription Agreement, agreed to concurrently subscribe for new Common Shares to be issued by the Company. The Company intends to use the net proceeds from the Subscription primarily for the repayment of loan obligations. See "*Use of Proceeds*" on page [63] of this Prospectus.
Minimum Subscription and Board Lot	Each application must be for a minimum of [500] Common Shares, and thereafter, in multiples of [100] Common Shares (the "**Board Lot**"). Applications for multiples of any other number of Common Shares may be rejected or adjusted to conform to the required multiple, at the Company's discretion.
Reallocation..	The allocation of the Offer Shares between the Trading Participants and Retail Offer and the Institutional Offer is subject to adjustment as agreed between the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and Joint Domestic Lead Underwriters and Joint Bookrunners. In the event of an under-application in the Institutional Offer and a corresponding over-application in the Trading Participants and Retail Offer, Firm Shares in the Institutional Offer may be reallocated to the Trading Participants and Retail Offer. If there is an under-application in the Trading Participants and Retail Offer and if there is a corresponding over-application in the Institutional Offer, Firm Shares in the Trading Participants and Retail Offer may be reallocated to the Institutional Offer. The reallocation shall not apply in the event of over-application or under-

	application in both the Trading Participants and Retail Offer, on the one hand, and the Institutional Offer, on the other hand.
Listing and Trading	The Offer Shares are listed on the PSE under the symbol "HOUSE." The Company filed an application with the Philippine SEC for the registration of the sale of the Offer Shares in the Philippines. The Philippine SEC is expected to issue the Order of Effectivity and Permit to Sell on or about [●], 2022. The Company will make an application for the Subscription Shares to be listed and traded on the PSE under the same symbol, after the issuance of the Subscription Shares.
Dividends and Dividend Policy	The Company is authorized to declare dividends. The Company's current dividend policy with respect to the Common Shares provides that subject to available cash and the existence of unrestricted retained earnings, at least 50% of the net income of the Company for the preceding fiscal year will be declared as dividends. The declaration and payment of dividends is subject to the discretion of the Board of Directors, the covenants (financial or otherwise) in the loans and credit agreements to which the Company is a party and the requirements under applicable laws and regulations. A stock dividend declaration requires the further approval of shareholders representing not less than two-thirds of the Company's outstanding capital stock. See "*Dividends and Dividend Policy*" on page [67] of this Prospectus.
Restrictions on Ownership	The Offer Shares will be in scripless form and may be purchased and owned by any person or entity regardless of citizenship or nationality, subject to the nationality limits under Philippine law. The Philippine Constitution and related statutes set forth restrictions on foreign ownership for companies engaged in certain activities. The Company, through its subsidiaries owns land as described in "*Business—Land Bank*" on page [127]. Under the Philippine Constitution and Philippine statutes, land ownership is reserved for Philippine Nationals. Considering the foregoing, for as long as the Company or any of its subsidiaries own land in the Philippines, or continue to conduct property development in the Philippines, foreign ownership in the Company shall be limited to a maximum of: (i) 40% of the capital stock of the Company which is outstanding and entitled to vote; and (ii) 40% of the total outstanding capital stock of the Company, whether or not entitled to vote. For more information relating to restrictions on the ownership of the Common Shares, please see ["*Description of the Shares*" and "*Regulatory and Environmental Matters—Nationality Restrictions*."]

Transfer Restrictions	The Institutional Offer Shares are being offered for sale: (i) outside the United States by the Joint Global Coordinators and Bookrunners in offshore transactions in reliance on Regulation S of the U.S. Securities Act, (ii) within the United States through the Joint Global Coordinators and Bookrunners' U.S. registered broker-dealer affiliates to QIBs in reliance on Rule 144A under the U.S. Securities Act, and (iii) to certain qualified buyers and other investors in the Philippines, by the Joint Domestic Lead Underwriters and Joint Bookrunners. The Offer Shares have not been and will not be registered under the U.S. Securities Act. The Offer Shares may be subject to certain transfer restrictions as described herein. See "*Plan of Distribution—The Institutional Offer*."
Registration of Foreign Investments.........	The BSP requires that investments in shares of stock funded by inward remittance of foreign currency be registered with the BSP only if the foreign exchange needed to service capital repatriation or dividend remittance will be sourced from the Philippine banking system. Upon registration of the investment, proceeds of divestments, or dividends of registered investments are repatriable or remittable immediately and in full through the Philippine banking system, net of applicable tax, without need of BSP approval. The registration with the BSP of all foreign investments in the Offer Shares shall be the responsibility of the foreign investor. See "*Regulatory and Environmental Matters—Registration of Foreign Investments and Exchange Controls*" on page [168] of this Prospectus.
Tax Considerations	The tax treatment of a prospective investor may vary depending on such investor's particular situation and certain investors may be subject to special rules, which may or may not be discussed in this Prospectus. See "*Philippine Taxation*" on page [199] for further information on the Philippine tax consequences of the purchase, ownership and disposal of the Offer Shares.
Procedure for Application for the Offer...	**For Trading Participants Offer** [Application forms and specimen signature cards (the "**Application**") may be obtained from any of the Joint Domestic Lead Underwriters and Joint Bookrunners and the participating Trading Participants, and shall be made available for download on the Company website. Applicants shall complete the application form, indicating all pertinent information such as the applicant's name, address, taxpayer's identification number, citizenship, and all other information as may be required in the application form. Applicants shall undertake to sign all documents and to do all necessary acts to enable them to be registered as holders

of the Offer Shares. Failure to complete the application form may result in the rejection of the Application.

All Applications shall be evidenced by the application to purchase form, in quadruplicate, duly executed by the applicants themselves or by the authorized signatory(ies) of the applicant (in the case of an applicant that is not a natural person), and accompanied by two completed specimen signature cards, which for applicants other than a natural person, should be authenticated by the corporate secretary (or its equivalent), and the corresponding payment for the Offer Shares covered by the Application and all other required documents.

If the applicant is an individual person, the Application must be accompanied by the following documents:

- Two duly executed specimen signature cards, duly authenticated by the Applicant's nominated PDTC Participant (as defined below) or the Joint Domestic Lead Underwriters and Joint Bookrunners (if the Applicant is a client of the Joint Domestic Lead Underwriters and Joint Bookrunners);

- Photocopy of two valid and current government-issued IDs (e.g., SSS, GSIS, Driver's License, Passport or PRC) OR photocopy of one (1) valid and current Primary ID and one (1) valid and current Secondary ID (Note: For joint applications (i.e. multiple Applicants in one Application), two (2) valid and current government-issued IDs of each applicant/investor will be required); and

- Such other documents as may be reasonably required by the Joint Domestic Lead Underwriters and Joint Bookrunners in compliance with their respective internal policies regarding "knowing your customer" and anti-money laundering.

If the applicant is a corporation, partnership, trust account, or any other legal person, the Application must be accompanied by the following documents:

- a certified true copy of the applicant's latest articles of incorporation and by-laws (or the equivalent documents) and other constitutive documents (each as amended to date) duly certified by its corporate secretary (or the equivalent corporate officer authorized to provide such certification);

- a certified true copy of the applicant's certificate of registration issued by the relevant regulating body of the applicant's country of incorporation or organization duly certified by its corporate secretary (or the equivalent corporate officer authorized to provide such certification);

- a duly notarized corporate secretary's certificate (or the equivalent document) setting forth the resolutions of the applicant's board of directors or equivalent body, namely: (i) authorizing the purchase of the Offer Shares indicated in the application, (ii) identifying the list of designated signatory(ies) authorized for the purpose mentioned in (i), including each signatory's specimen signature, and (iii) certifying the percentage of the applicant's capital or capital stock held by Philippine nationals;

- a photocopy of two valid and current government-issued IDs (e.g. SSS, GSIS, Driver's License, Passport or PRC ID) of (a) the authorized signatory(ies), duly certified as a true copy by the Corporate Secretary and (b) the Corporate Secretary, duly certified as true copy by an authorized officer of the corporation; and

- such other documents as may be reasonably required by the Joint Domestic Lead Underwriters and Joint Bookrunners in compliance with its internal policies regarding "knowing your customer" and anti-money laundering.

For foreign corporate and institutional Applicants, in addition to the foregoing documents, a certification, in quadruplicate, representing and warranting that their investing in the Offer Shares subject of the Application will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Offer Shares.

For Local Small Investors

For LSI applicants, applications to purchase the Retail Offer Shares shall be done via the PSE Electronic Allocation System or "PSE EASy" (https://easy.pse.com.ph/). LSI applications shall be allocated through a distribution mechanism wherein fully paid applications will be allocated in ascending order (i.e. from the lowest to the highest), and upon the Receiving Agent's validation or confirmation of complete payment of the purchased shares. Multiple applications (i.e. two or more applications by the same LSI applicant) will not be allowed.

With respect to the LSIs, the procedure in subscribing to the Offer Shares via "PSE EASy" shall be described in the Company's Implementing Guidelines for Local Small Investors to be announced through the PSE EDGE website. Should the total demand for the Offer Shares in the LSI program exceed the maximum allocation, the Joint Domestic

Lead Underwriters and Joint Bookrunners shall prioritize subscriptions of LSIs with amounts lower than the maximum subscription.

Applications may be rejected if (i) the purchase price is unpaid; (ii) payments are insufficient or where checks, as applicable, are dishonored upon first presentment; (iii) the Applications are not received by the Receiving Agent or any of the Joint Domestic Lead Underwriters and Joint Bookrunners or the Selling Agents on or before the end of the Offer Period; (iv) the number of Offer Shares purchase is less than the minimum amount of [purchase]; (v) the Applications do not comply with the terms of the Offer; or (vi) the Applications do not have sufficient information as required in the Application to Purchase or are not supported by the required documents.]

Payment Terms for the Offer ....

The purchase price must be paid in full in Philippine Pesos upon the submission of the duly completed and signed application form and specimen signature card together with the requisite attachments.

For the Institutional Offer, payment for the Offer Shares shall be made either by: (i) a personal or corporate check drawn against an account with a BSP authorized bank having a clearing period of no more than one (1) business day, (ii) a manager's or cashier's check issued by a BSP authorized bank having a clearing period of no more than one (1) business day; or (iii) a direct remittance via Real Time Gross Settlement ("**RTGS**") or any other remittance services, or an intrabank fund transfer.

For the Trading Participants Offer, payment for the Offer Shares shall be made through over-the-counter cash or check deposit payment in any [●] branches *via* the [[●] Bills Payment Facility].

For the Retail Offer, payment for the Offer Shares shall be made either by: (i) over-the-counter cash or check deposit payment in any [●] branches *via* the [[●] Bills Payment Facility], or (ii) online payment through [[●] Internet Banking] or [[●] Mobile Banking App]. Applicants participating in the Retail Offer may contact the Receiving Agent for alternative modes of payment.

For check payments, only personal or corporate checks, and manager's or cashier's checks with a clearing period of not more than one (1) business day and drawn against any BSP authorized agent bank will be accepted as a valid mode of payment. The check must be dated as of the date of submission of the Application, made payable to "[●]", and crossed "Payee's Account Only". Checks subject to clearing periods of over one (1) business day shall not be accepted.

	The applications and required documents (including proof of payments) shall be transmitted to the Receiving Agent by electronic mail at [●] on or before the end of the offer period, with the physical copies delivered to the Receiving Agent's address at [●] no later than two (2) business days after the end of the offer period.]
Acceptance or Rejection of Applications for the Trading Participants and Retail Offer	Applications for the Trading Participants and Retail Offer Shares are subject to the confirmation of the Joint Domestic Lead Underwriters and Joint Bookrunners, and the Company's final approval. The Company and the Selling Shareholders, in consultation with the Joint Domestic Lead Underwriters and Joint Bookrunners, reserves the right to accept, reject or scale down the number and amount of the Trading Participants and Retail Offer Shares covered by any Application. The Company, the Selling Shareholders and the Joint Domestic Lead Underwriters and Joint Bookrunners have the right to reallocate available Offer Shares in the event that the Trading Participants and Retail Offer Shares are insufficient to satisfy total applications received. The Trading Participants Offer Shares will be allocated in such a manner as the Company, the Selling Shareholders and the Joint Domestic Lead Underwriters and Joint Bookrunners may, in their sole discretion, deem appropriate, subject to the distribution guidelines of the PSE. Applications with the checks dishonored upon first presentment and application forms which do not comply with the terms of the Trading Participants and Retail Offer Shares will automatically be rejected. Notwithstanding the acceptance of any application, the actual acquisition of the Trading Participants and Retail Offer Shares by an applicant will be effective only upon the crossing of the Trading Participants and Retail Offer Shares on the PSE.
Refunds of the Trading Participants and Retail Offer	In the event that the number of Trading Participants and Retail Offer Shares to be received by an applicant, as confirmed by the Company, the Receiving Agent and the Joint Domestic Lead Underwriters and Joint Bookrunners, is less than the number covered by the application, or if an application is rejected, then the applicant is entitled to a refund, without interest, within five (5) banking days from the end of the offer period or on [●], of all or a portion of the applicant's payment corresponding to the number of Trading Participants and Retail Offer Shares wholly or partially rejected. The refund mechanics will be specified in the Implementing Guidelines which will be published on the PSE EDGE website prior to the start of the Trading Participants and Retail Offer.
Expected Timetable....................................	The timetable of the Offer is expected to be as follows:

	SEC en banc approval of the Registration Statement……..……	[●]
	Pricing	[●]
	Notice of final Offer Price and submission of Final Prospectus to the Philippine SEC and PSE.........	[●]
	Receipt of the Permit to Sell from the Philippine SEC	[●]
	Trading Participants and Retail Offer Period.................................	[●] to [●]
	PSE Trading Participants' Commitment Period	[●] to [●]
	Submission of Firm Order and Commitments by PSE Trading Participants...................................	[●]
	Trading Participants and Retail Offer Settlement Date..................	[●]
	Closing Date and Crossing of the Offer Shares	[●]

The dates included above are subject to the approval of the PSE and the Philippine SEC, market and other conditions, and may be changed.

Risks of Investing ....

In making an investment decision, investors are advised to carefully consider all the information contained in the Prospectus, including the risks associated with an investment in the Offer Shares. These risks include:

- risks relating to the Company and its operations;
- risks relating to the Philippines;
- risks relating to the Offer and the Offer Shares; and
- risks relating to certain information in this Prospectus.

For a more detailed discussion on certain of these risks, see "*Risk Factors*" beginning on page [●], which while not intended to be an exhaustive enumeration of all risks, must be considered in connection with a purchase of the Offer Shares. The Offer Shares are offered solely on the basis of the information contained in the Prospectus.

Receiving Agent..	[●]
Stock and Transfer Agent..........................	[Stock Transfer Service, Inc.]
Philippine Counsel for the Company........	Picazo Buyco Tan Fider & Santos
International Counsel for the Company...	Latham & Watkins LLP
Philippine Counsel for the Underwriters .	Romulo Mabanta Buenaventura Sayoc & de los Angeles
International Counsel for the Underwriters...	Milbank LLP
Independent Auditors	Ramon F. Garcia & Company, a member firm of Crowe Global

SUMMARY FINANCIAL INFORMATION

The following tables present the summary of financial information and should be read in conjunction with the independent auditors' reports and the Company's financial statements, including the notes thereto, included elsewhere in this Prospectus, and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations." The summary financial information as of and for the years ended December 31, 2018 and 2019 were derived from the Company's audited financial statements, which were prepared in accordance with PFRS and were audited by P&A in accordance with the PSA. The summary financial information as of and for the year ended December 31, 2020 was prepared in accordance with PFRS and was audited by RFG in accordance with the PSA. The summary financial information as of September 30, 2021 and for the nine months ended September 30, 2020 and 2021 was derived from the Company's unaudited interim consolidated financial statements, which was reviewed in accordance with PSRE 2410 by RFG.

In accordance with the relevant accounting and financial reporting standards, certain information in the Company's financial statements as of and for the years ended December 31, 2018 and 2019 have been restated and reclassified, as discussed further in Note 32.4 to the financial statements as of and for the years ended December 31, 2018, 2019 and 2020 included elsewhere in this Prospectus.

The summary financial information below is not necessarily indicative of the results of future operations. Furthermore, the translation of Philippine Peso amounts into U.S. dollars is provided for convenience only and is unaudited. Amounts in Philippine Pesos were converted to U.S. dollars using the BSP Daily Reference Exchange Rate as of September 30, 2021 of ₱50.959=U.S.$1.00.

SUMMARY STATEMENTS OF COMPREHENSIVE INCOME

	For the years ended December 31,				For the nine-month period ended September 30,		
	2018 (restated)	**2019 (restated)**	**2020**	**2020 (unaudited)**	**2020**	**2021**	**2021 (unaudited)**
	(₱ millions)			(U.S.$ millions)	(₱ millions)		(U.S.$ millions)
Real Estate Operations							
Real estate sales....................	11,457.9	14,997.3	14,169.0	278.0	9,676.5	15,267.0	299.6
Rental income.......................	12.2	16.5	8.1	0.2	4.5	84.7	1.7
Hotel operations	55.5	386.7	56.4	1.1	56.4	-	-
Revenues	**11,525.6**	**15,400.5**	**14,233.5**	**279.3**	**9,737.4**	**15,351.7**	**301.3**
Real Estate Operations							
Cost of real estate sales	4,847.9	6,343.5	7,366.6	144.6	4,648.5	7,590.0	148.9
Cost of rental services	1.7	0.3	0.9	0.0	-	46.4	0.9
Hotel Operations	17.0	198.2	43.0	0.8	33.6	-	-
Cost of Sales and Services..	**4,866.6**	**6,542.0**	**7,410.5**	**145.4**	**4,682.1**	**7,636.4**	**149.8**
Gross Income/Profit for the Year/Period	**6,659.0**	**8,858.5**	**6,823.0**	**133.9**	**5,055.3**	**7,715.3**	**151.5**
Operating Expenses	1,895.5	2,675.8	1,821.8	35.8	1,417.0	1,719.4	33.7
Other Operating Income (Expenses)	1,294.2	1,594.0	1,637.3	32.1	965.5	973.8	19.1
Finance Costs	1,268.9	1,616.7	1,692.0	33.2	1,272.0	1,313.1	25.8
Operating Income/Profit ...	4,788.8	6,160.0	4,946.5	97.0	3,331.8	5,656.6	111.1
Other Income	-	-	3.3	0.1	-	-	-
Income/Profit Before Income Tax from Continuing	4,788.8	6,160.0	4,949.8	97.1	3,331.8	5,656.6	111.1
Tax Expense (Benefit).......	(21.6)	297.2	117.9	2.3	24.1	227.4	4.5
Net Income/Profit for the Year/Period	**4,810.4**	**5,862.8**	**4,831.9**	**94.8**	**3,307.7**	**5,429.2**	**106.5**
Basic Diluted Earnings per Share	0.87	1.08	0.90	0.02	0.61	1.01	0.02

SUMMARY STATEMENTS OF FINANCIAL POSITION

	As of December 31,				As of September 30,	
	2018 (restated)	2019 (restated)	2020	2020 (unaudited)	2021	2021 (unaudited)
		(₱ millions)		(U.S.$ millions)	(₱ millions)	(U.S.$ millions)
Assets						
Current assets:						
Cash and cash equivalents....	2,318.6	1,043.4	1,209.3	23.7	1,317.2	25.8
Trade and other receivables..	4,094.2	3,685.4	3,064.8	60.1	9,070.9	178.0
Inventories...........................	29,201.9	37,045.9	39,812.0	781.3	40,776.8	800.2
Due from related parties.......	904.4	996.5	1,194.6	23.5	1,485.6	29.2
Other current assets.............	3,998.4	4,014.2	4,117.3	80.8	4,811.2	94.4
Total current assets...........	**40,517.5**	**46,785.4**	**49,398.0**	**969.4**	**57,461.7**	**1,127.6**
Non-current assets:						
Trade and other receivables, net of current portion	15,734.4	18,179.9	25,838.7	507.1	26,806.2	526.0
Investment securities at fair value through other comprehensive income	1,349.5	1,212.9	1,211.7	23.8	1,211.7	23.8
Property and equipment, net.	814.5	796.5	739.3	14.5	732.5	14.4
Investment properties...........	247.6	353.7	348.0	6.8	343.1	6.7
Available for sale securities						
Goodwill	-	526.5	526.5	10.3	526.5	10.3
Other noncurrent assets....	252.0	368.8	419.8	8.2	497.0	9.8
Total non-current assets....	**18,398.0**	**21,438.3**	**29,084.0**	**570.7**	**30,117.0**	**591.0**
Total assets.........................	**58,915.5**	**68,223.7**	**78,481.9**	**1,540.1**	**87,578.7**	**1,718.6**
Current liabilities:						
Trade and other payables......	4,818.4	5,488.8	5,362.2	105.2	8,409.6	165.0
Due to related parties...........	52.3	82.6	233.5	4.6	197.4	3.9
Loans payable.......................	5,855.5	11,503.3	19,742.4	387.4	17,600.3	345.4
Income tax payable..............	49.1	76.1	74.5	1.5	210.9	4.1
Bonds payable......................	-	8,385.7	-	-	375.5	7.4
Deposits from customers......	351.1	673.7	858.9	16.8	875.4	17.2
Total current liabilities......	**11,126.4**	**26,210.2**	**26,271.5**	**515.5**	**27,669.1**	**543.0**
Non-current liabilities:						
Trade and other payables, net of current portion	190.2	990.0	926.1	18.2	1,107.4	21.7
Loans payable, net of current portion.............................	9,525.6	6,461.1	11,470.5	225.1	11,233.5	220.4
Notes payable.......................	-	-	1,300.0	25.5	500.0	9.8
Bonds payable......................	8,951.5	590.4	591.5	11.6	216.9	4.3
Deferred tax liability	222.1	919.6	880.5	17.3	1,068.2	21.0
Total non-current liabilities..........................	**18,889.4**	**8,961.1**	**15,168.6**	**297.7**	**14,126.0**	**277.2**
Total liabilities...................	**30,015.8**	**35,171.3**	**41,440.1**	**813.2**	**41,795.1**	**820.2**
Equity						
Capital Stock........................	5,568.0	5,568.0	5,568.0	109.3	5,605.0	110.0
Additional paid-in capital.....	9,303.6	9,303.6	9,303.6	182.6	12,907.1	253.3
Treasury Shares....................	-	(1,266.5)	(1,806.5)	(35.5)	(1,806.5)	(35.5)
Revaluation reserve.............	937.2	794.9	793.8	15.6	793.6	15.6
Retained earnings................	13,090.9	18,652.4	23,182.9	454.9	28,284.4	555.0
Total equity........................	**28,899.7**	**33,052.4**	**37,041.8**	**726.9**	**45,783.6**	**898.4**
Total liabilities and equity .	**58,915.5**	**68,223.7**	**78,481.9**	**1,540.1**	**87,578.7**	**1,718.6**

SUMMARY STATEMENTS OF CASH FLOWS INFORMATION

	For the years ended December 31,				For the nine-month period ended September 30,		
	2018 (restated)	2019 (restated)	2020	2020 (unaudited)	2020	2021	2021 (unaudited)
	(₱ millions)			(U.S.$ millions)	(₱ millions)		(U.S.$ millions)
Net cash provided by (used in) operating activities ...	5,411.0	792.3	(3,195.1)	(62.7)	(2,414.4)	1,848.7	(36.3)
Net cash used in investing activities.........................	(1,338.5)	(1,802.7)	(580.7)	(11.4)	(22.3)	(56.4)	(1.1)
Net cash provided by (used in) financing activities ...	(3,227.6)	(294.4)	3,941.7	77.3	2,305.2	(1,684.4)	(33.1)
Net increase (decrease) in cash on hand and in banks..............................	844.9	(1,304.8)	165.9	3.2	(131.5)	107.9	(2.1)
Cash and cash equivalents of newly acquired subsidiary......................	-	29.6	-	-	-	-	-
Cash and cash equivalents at beginning of year / period............................	1,473.7	2,318.6	1,043.4	20.5	853.9	1,209.3	23.7
Cash and cash equivalents at end of year / period.................	**2,318.6**	**1,043.4**	**1,209.3**	**23.7**	**722.4**	**1,317.2**	**25.8**

SUMMARY OF SELECTED OPERATING AND FINANCIAL INFORMATION

Key Performance Indicators

	As of and for the year ended December 31, 2018	As of and for the year ended December 31, 2019	As of and for the year ended December 31, 2020	As of and for the nine months ended September 30, 2020[16]	As of and for the nine months ended September 30, 2021[16]
	(Restated)	(Restated)	(Audited)	(Unaudited)	
Revenues (₱ millions)	11,525.6	15,400.5	14,233.5	9,737.4	15,351.8
Gross Income (₱ millions).	6,659.0	8,858.6	6,823.1	5,055.3	7,715.3
Current Ratio[1].................	3.64	1.79	1.88	1.43	2.08
Book Value Per Share[2]	4.34	5.18	5.95	5.64	6.89
Debt to Equity Ratio[3].......	0.84	0.82	0.89	0.88	0.65
Asset to Equity Ratio[4]......	2.04	2.06	2.12	2.22	1.91
Asset to Debt Ratio[5]	2.42	2.53	2.37	2.53	2.93
Gross Income Margin[6].....	57.8%	57.5%	47.9%	51.9%	50.3%
Net Profit Margin[7]...........	41.7%	38.1%	33.9%	34.0%	35.4%
Adjusted EBITDA[8]..........	5,123.4	6,733.0	5,747.3	3,746.3	6,108.7
NPAT[9]............................	4,810.4	5,862.8	4,831.9	3,307.7	5,429.2
NPAT Margin[10]	41.7%	38.1%	33.9%	34.0%	35.4%
Net Debt[11].......................	22,014.0	25,897.1	31,895.0	30,293.6	28,609.0
Net Debt to Equity[12]	0.8	0.8	0.9	0.9	0.6
Net Debt to Adjusted EBITDA[13].......................	4.3	3.8	5.5	6.06[16]	3.51 [16]
Return on Assets[14]	8.2%	8.6%	6.2%	5.6%[17]	8.3%[17]
Return on Equity[15]	16.7%	17.7%	13.0%	12.5%[18]	15.8%[18]

Notes:

(1) Calculated as Total Current Assets / Total Current Liabilities.

(2) Calculated as (Stockholders' Equity less preferred shares) / (Issued and outstanding Common Shares less treasury shares).

(3) Calculated as (Current and non-current loans payable + Current and non-current notes payable + Current and non-current bonds payable) / Total Equity.

(4) Calculated as Total Assets / Total Equity.

(5) Calculated as Total Assets / (Current and non-current loans payable + Current and non-current notes payable + Current and non-current bonds payable).

(6) Calculated as Gross Income / Total Revenues.
(7) Calculated as Net Profit / Total Revenues.
(8) Adjusted EBITDA is EBITDA as adjusted for Interest income, Gain or loss on repossession (net), Loss from assets written-off, and Allowance for expected credit loss (ECL) and impairment losses. EBITDA is Net income + Finance costs + Provision for income tax +Depreciation and Amortization.
(9) Net profit after tax.
(10) Calculated as NPAT / Total Revenues.
(11) Net Debt refers to Current and non-current loans payable + Current and non-current notes payable + Current and non-current bonds payable less Cash.
(12) Calculated as Net Debt / Stockholders' Equity.
(13) Calculated as Net Debt / Adjusted EBITDA.
(14) Calculated as NPAT / Total Assets.
(15) Calculated as NPAT / Stockholders' Equity.
(16) For the nine months ended September 30, 2020 and 2021, Adjusted EBITDA is presented on an annualized basis (i.e. divided by three, and then multiplied by four).
(17) For the nine months ended September 30, 2020 and 2021, NPAT is presented on an annualized basis (i.e. divided by three, and then multiplied by four).
(18) For the nine months ended September 30, 2020 and 2021, NPAT is presented on an annualized basis (i.e. divided by three, and then multiplied by four).

EBITDA and Adjusted EBITDA Reconciliation

	For the years ended December 31,				For the nine months ended September 30,		
	(Audited)			(Unaudited)	(Unaudited)		
	2018	**2019**	**2020**	**2020**	**2020**	**2021**	**2021**
		(₱ million)		(US$ million)	(₱ million)		(US$ million)
Net Income	4,810.4	5,862.8	4,831.9	94.8	3,307.7	5,429.2	106.5
Add:							
Finance Costs	1,268.9	1,616.7	1,692.1	33.2	1,272.0	1,313.1	25.8
Tax expense (benefit)	(21.6)	297.2	117.9	2.3	24.1	227.4	4.5
Depreciation and amortization	63.5	102.3	95.7	1.9	67.6	67.9	1.3
EBITDA	6,121.2	7,887.0	6,737.6	132.2	4,671.4	7,037.6	138.1
Add / (Deduct):							
Interest income	(1,193.8)	(1,229.4)	(850.8)	(16.7)	(684.5)	(944.1)	(18.5)
Gain or loss on repossession - net	93.9	(13.4)	(229.0)	(4.5)	(240.6)	15.2	0.3
Loss from assets written-off	0	66.7	0	0	0	0	0
Allowance for ECL and impairment losses	102.1	30.1	89.5	1.8	0	0	0
Adjusted EBITDA	5,123.4	6,733.0	5,747.3	112.8	3,746.3	6,108.7	119.9

Key Operating Information

The table below presents the components of the Company's consolidated revenue associated with its business segments for the periods indicated.

	For the year ended December 31,			For the nine months ended September 30,	
	2018	**2019**	**2020**	**2020**	**2021**
			(*₱ in millions*)		
Low-cost Mass Housing Units	5,306	3,869	6,023	3,943	5,453
MRB Units	2,730	2,397	2,334	1,492	2,108
HRB Units	3,422	8,214	5,725	4,188	6,732
Others	0	517	87	53	974
Total	**11,458**	**14,997**	**14,169**	**9,676**	**15,267**

The table below presents the number of units sold for the periods presented:

	For the year ended December 31,			For the nine months ended September 30,	
	2018	2019	2020	2020	2021
			(*No. of Units Sold*)		
Low-cost Mass Housing Units	4,667	3,596	5,096	3,610	4,672
MRB Units	1,761	1,527	1,641	939	1,273
HRB Units...............................	1,993	4,591	3,170	2,245	2,775
Others......................................	-	19	4	2	110
Total..	**8,431**	**9,733**	**9,911**	**6,796**	**8,830**

The table below summarizes the loan amounts migrated to HDMF and to accredited banks, and receivables sold to financial institutions on a without recourse basis for the periods presented:

	For the year ended December 31,			For the nine months ended September 30,
	2018	2019	2020	2021
		(*₱ millions*)		
HDMF (Pag-IBIG)	4,009.2	1,642.5	1,316.1	2,896.3
Financial Institutions without recourse	9,975.3	7,935.6	3,530.0	3,534.4
Accredited banks...........................	N/A	N/A	N/A	72.7
Total..	**13,984.5**	**9,578.1**	**4,846.1**	**6,503.4**

RISK FACTORS

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

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

The means by which we intend to address the risk factors discussed herein are principally presented under "Business" beginning on page [107], "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page [80], "Industry Overview" beginning on page [105] and "Directors and Management" beginning on page [170] of this Prospectus. In addition, certain risk factors discussed below provide references to specific sections elsewhere in this Prospectus describing the means by which the Company plans to address, manage or otherwise mitigate the relevant risk.

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

RISKS RELATING TO THE COMPANY'S BUSINESS

The ongoing COVID-19 global pandemic has adversely affected, and is expected to continue to have an adverse effect on, the Company's business and operations.

Coronavirus disease 2019 ("**COVID-19**"), an infectious disease that was first reported to have been transmitted to humans in late 2019, has spread globally over the course of 2020, and in March 2020 it was declared as a pandemic by the World Health Organization. As of December 31, 2021, there have been over 263 million confirmed cases worldwide. Countries have taken measures in varying degrees to contain the spread, including social distancing measures, community quarantine, suspension of operations of non-essential businesses and travel restrictions.

In response to the increasing number of COVID-19 cases in the Philippines, President Rodrigo Duterte declared the entire Luzon island under total lockdown (Enhanced Community Quarantine or "**ECQ**") on March 16, 2020, which restricted the movement of the population with certain exceptions. Among the lockdown measures implemented were the suspension of work or alternative working arrangements in the private sector except in establishments providing basic necessities, suspension of mass transport facilities, and travel restrictions.

ECQ was originally set to end by April 12, 2020 but was first extended to April 30, 2020 then to May 15, 2020. After the ECQ was lifted in certain areas, a modified ECQ ("**MECQ**"), general community quarantine ("**GCQ**") or modified GCQ ("**MGCQ**") was implemented. The graduated lockdown schemes from ECQ, MECQ, GCQ and MGCQ impose varying degrees of restrictions on travel and business operations in the Philippines. The Government continues to calibrate the imposition of lockdown or community quarantine measures across the country depending on the situation in specific localities. On March 27, 2021, following a spike in COVID-19 cases, the Government placed Metro Manila and certain neighboring provinces under ECQ from March 29, 2021 until April 11, 2021. From April 12, 2021 to May 14, 2021, the quarantine classification for these areas was downgraded to MECQ. Thereafter, beginning May 15, 2021, the Government further reclassified the quarantine classification for the same regions to GCQ. On July 30, 2021, the Government again placed Metro Manila under ECQ from August 6, 2021 to August 20, 2021. On August 20, 2021, the Government downgraded Metro Manila to MECQ from August 21, 2021 to September 15, 2021.

In September 2021, the Interagency Task Force for the Management of Emerging Infectious Diseases ("**IATF**") mandated new community quarantine classifications for dealing with COVID-19 covering entire cities and/or municipalities, by issuing the Guidelines on the Pilot Implementation of Alert Levels System for COVID-19 Response in the National Capital Region ("**NCR**"). In order to clarify the parameters of allowed and restricted activities in the different areas where community quarantine is declared, scattered provisions of the IATF resolutions were codified into the Omnibus Guidelines on the Implementation of Community Quarantine in the Philippines and released by the IATF on April 20, 2020 through Resolution No. 30. In the new classification framework, which focuses on the imposition of granular lockdown measures, community quarantine was reduced to either ECQ or GCQ, with the latter having an Alert Level System through Levels 1 to 4, with each alert level limiting restrictions only to identified high-risk activities. The current system was adopted through Executive Order 112 (s.2020) and has been regularly updated to respond to the prevailing situation.

A new variant of the COVID-19 virus, named "Omicron," emerged in the last week of November 2021. Considered as a highly contagious strain of COVID-19, Omicron has prompted a return to stricter quarantine measures and an increase in the IATF's alert levels to Alert Level 3.

The Philippine government has taken various steps to address the effects of COVID-19 on Philippine business and economy. On March 25, 2020, Republic Act No. 11469 or the "Bayanihan to Heal As One Act" which took effect, which granted the President the power to provide for a minimum of 30 days grace period on the payment of residential rents falling due during the ECQ. In relation thereto, the Department of Trade and Industry ("**DTI**") issued Memorandum Circular No. 20-12, which provided that residential rents and commercial rents for Micro, Small and medium Enterprises ("**MSMEs**") that have stopped operating during the ECQ shall be entitled to the said grace period. The cumulative amount of rents due during this period shall be spread out or equally amortized in the six months following the end of the ECQ and shall be added to the rent due on these succeeding months, without penalties, interest, fees, and charges.

The Bayanihan to Heal as One Act also provided the President the power to direct financial institutions, including the Pag-IBIG Fund, to implement a grace period for the payment of housing loans, among others. The implementing rules provide that the mandatory grace period should be at least 30 days, which is automatically extended if the ECQ period is extended. On June 25, 2020, the Bayanihan to Heal as One Act measures, which were implemented to address the COVID-19 pandemic in the Philippines, expired.

On September 11, 2020, the President Duterte signed into law the Bayanihan to Recover as One Act or also known as the "Bayanihan II", which extended the emergency powers of the President granted by its predecessor, the Bayanihan to Heal as One Act which lapsed on June 25, 2020. Bayanihan II aims to reduce the adverse impact of COVID-19 on the socioeconomic well-being of Filipinos and struggling businesses by providing assistance and other forms of socioeconomic and regulatory relief.

Section 4 of the Bayanihan II authorizes the President to exercise powers necessary and proper to undertake and implement the following recovery measures (among others): (a) direct banks, financing companies, lending companies, real estate developers, entities providing in-house financing, other financial institutions, private or public, among others, to implement a one-time 60-day grace period for the payment of all existing, current and outstanding loans falling due or any part thereof, on or before December 31, 2020; (b) direct institutions providing electric, water, telecommunications, and other similar utilities to implement a minimum 30-day grace period for the payment of utilities falling due within the period of ECQ, MECQ, without incurring interests, penalties, and other charges; (c) grant a minimum 30-day grace period on residential rents and commercial rents of lessees not permitted to work, and MSMEs and cooperatives ordered to temporarily cease operations within the period of the community quarantine, without incurring interests, penalties, fees and other charges; and (d) prohibit increasing rents during this period.

According to Frost & Sullivan, the COVID-19 pandemic has dramatically impacted the housing industry, resulting in a slowdown as buyers became wary of the uncertainties, even though the demand for low-cost housing proved to be more robust while investment purchases from the up-tier market slowed down. For example, according to Frost & Sullivan, in terms of gross value added, the Philippine real estate industry contributed ₱1.028 trillion in

2020, which was a 17% decline from 2019. According to Frost & Sullivan, the COVID-19 pandemic halted construction and created a feeling of uncertainty amongst investors and buyers, with many putting off any big investments or expense like buying or investing in real estate. This, in turn, affected and continues to affect the revenue targets of the Company and its Subsidiaries, particularly as a result of delays in collections as well as the construction of some of the Company's projects. The COVID-19 pandemic has also (i) disrupted the global supply chains of materials, facilities and other products through the effects of travel restrictions, quarantines, closure of factories and facilities, and political, social and economic instability; (ii) increased volatility or caused disruption of global financial markets and affected businesses' capabilities of accessing capital markets and other funding resources on favorable or acceptable terms; and (iii) resulted in social and political instability. The COVID-19 pandemic has also affected and continues to affect the employment of migrant Filipinos, who largely contribute to the demand for the Company's projects. As the situation evolves, these indirect impacts may become more significant and could also have a severe adverse impact on the Company's and its subsidiaries' operation and cash flow.

The Company recognizes the risks from emerging infectious diseases such as COVID-19 and has immediately addressed critical aspects of its operations, such as workforce health and safety, and supply chain disruption. In order to minimize disruptions to its operations, the Company has adopted either work from home arrangements or provided its staff with housing and shuttle services. Further, the Company attempts to minimize supply chain disruptions by ordering its supplies well in advance. Despite these measures, the extent to which the COVID-19 pandemic impacts the Company will depend on future developments, including the timeliness and effectiveness of actions taken or not taken to contain and mitigate the effects of COVID-19 both in the Philippines and internationally by governments, central banks, healthcare providers, health system participants, other businesses and individuals, which are highly uncertain and cannot be predicted. To the extent the COVID-19 pandemic adversely affects the business and financial results of the Company and its subsidiaries, it may also have the effect of heightening many of the other risks described in this Prospectus and thus adversely affecting the Company's operation and capabilities of paying dividends on the Offer Shares, and also the price and value of the Offer Shares. Currently, the constrained economic activities brought by the COVID-19 has resulted in mass layoffs and repatriation of thousands of overseas Filipino workers ("**OFWs**"). These events adversely affect demand for the Company's projects from OFWs, which could have a material adverse effect on the Company's business, financial condition and results of operations.

All of the Company's business activities are conducted in the Philippines, which exposes the Company to risks associated with the Philippines, including the performance of the Philippine economy.

Historically, the Company has derived primarily all of its revenue from the sale of real estate assets in the Philippines and its business is highly dependent on the state of the Philippine economy. Demand for, and prevailing prices of, real estate assets are directly related to the strength of the Philippine economy (including overall growth levels and interest rates), the overall levels of business activity in the Philippines, the overall employment levels in the Philippines and the amount of remittances received from overseas Filipinos ("**OFs**"). Historically, the Philippines has periodically experienced economic downturns. For example, the general slowdown of the global economy in 2008 and 2009 had a negative effect on the Philippine economy, which in turn had a negative effect on the Philippine property market as property sales declined.

There is no assurance that there will not be a recurrence of an economic slowdown in the Philippines. Factors that may adversely affect the Philippine economy include:

- decreases in business, industrial, manufacturing or financial activity in the Philippines or in the global market;
- decreases in the amount of remittances received from OFs;
- decreases in or changes in consumption habits in the Philippines;
- decreases in property values;
- scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the Philippines or in the global market;
- the sovereign credit ratings of the Philippines;
- exchange rate fluctuations;
- a prolonged period of inflation or increase in interest rates;
- changes in the Government's taxation policies;
- pandemics and natural disasters, including typhoons, earthquakes, fires, floods and similar events;
- political instability, terrorism or military conflict in the Philippines, other countries in the region or globally (such as the Russian invasion of Ukraine); and

- other regulatory, political or economic developments in or affecting the Philippines.

There is a degree of uncertainty regarding the economic and political situation in the Philippines. This uncertainty could have adverse effects on the revenues from the Company's business.

The Philippines has experienced an economic downturn following the COVID-19 pandemic and the resultant lockdown in 2020, with the country's gross domestic product contracting 9.5%. The Philippine gross domestic product posted a growth of 7.1% in the third quarter of 2021, and is forecasted by the Asian Development Bank to grow by 5.1% and 6.0% in 2021 and 2022, respectively. The Philippine economy has shown resilience and is expected to grow as public spending on infrastructure and expanded vaccination rollout continue to drive recovery in 2022. However, the country still faces key risks to the outlook, such as the spread of newer and more contagious COVID-19 variants, which may result in the return of stricter containment measures and stall economic activity.

Further, considerable economic and political uncertainties currently exist in the Philippines that could have adverse effects on consumer spending habits, construction costs, availability of labor and materials and other factors affecting the Company's business. See "*Risks Relating to the Philippines*."

The Company is exposed to risks associated with its in-house financing activities, including the risk of customer default, and it may not be able to sustain its in-house financing program.

The Company provides a substantial amount of in-house financing to its customers via its CTS program. As a result, and particularly during periods when the unemployment rate rises or when the overall level of overseas remittances decline, the Company faces the risk that a greater number of customers who utilize the Company's in-house financing facilities will default on their payment obligations, which would require the Company to incur expenses such as those relating to sales cancellations and eviction of occupants, additional expenses caused by delinquent accounts, a disruption in cash inflows, risk of holding additional inventory in its balance sheets and reduced finance income.

In addition, in instances where various customer receivables have been given as collateral for the Company's financing arrangements with banks or in instances where sales of receivables are made with recourse to the Company, a default in these receivables would require the Company to either pay down the corresponding balance on the loan, or replace the defaulting receivable with another from its portfolio. As of September 30, 2021, approximately 11.3% of the Company's outstanding loans are secured by customer receivables. There can be no guarantee that the Company will not be asked to pay cash for these defaulting obligations in the future. In such an event, the defaulting receivable would also be assigned back to the Company, and there can also be no guarantee that the Company will be able to resell the mass housing unit underlying the receivable easily or at all. If the number of and amount involved in any defaults are significant, the Company's financial position and liquidity may be adversely affected.

Moreover, other cheaper financing options may become available and if customers choose to obtain financing from other sources, such as banks and other financial institutions, this would result in a decline in the income the Company derives from interest due on in-house financing.

The inability of the Company to sustain its in-house financing activities could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company manages risks associated with in-house financing activities through establishing robust credit and collection processes and rigorous credit verification of potential buyers, among others. See "Business—Strengths and Strategies—Competitive Strengths—Customer-focused product and payment scheme complemented by effective collection, risk management policies and loan factoring for a rapid capital recycling cycle" on page [113], "—Credit and Collection" on page [132] and "—Marketing and Sales—CTS Financing Program Sales Process" on page [134] for further details.

The Company derives a portion of its revenues from its in-house financing activities.

The Company provides in-house financing to its customers. In order for the Company to fund its in-house financing program, it must be able to have the necessary cash flows from operating activities, investing activities and financing activities. While the Company takes a prudent and conservative approach in managing its cashflows. there can be no assurance that the Company will continue to be able to maintain the necessary cash flows from its operations or derive income from investing activities or arrange financing on acceptable terms, if at all, to fund its in-house financing activities. In the event the Company is unable to obtain adequate funds for its in-house financing programs, it may be compelled to scale back or even discontinue its in-house financing activities. This, in turn, could result in reduced sales as potential customers either may choose to purchase products from competitors who are able to provide in-house financing or may be unable to obtain mortgage financing from banks and other financial institutions. Further, if customers choose to obtain financing from other sources, such as banks and other financial institutions, this would result in a decline in the income the Company derives from interest due on in-house financing. While the Company closely monitors market behavior to ensure that its in-house financial programs are competitive, the inability of the Company to sustain its in-house financing activities could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's liquidity and financial results are affected by the willingness and efficiency of various financial institutions, including Pag-IBIG, to process loan take-outs and the expediency by which such financial institutions process these take-outs.

Under its business and operating model, the Company, through its subsidiaries, including 8990 Housing, 8990 Luzon, 8990 Davao, 8990 Mindanao, and Foghorn, typically provides in-house financing to its customers via its CTS Gold financing team upon the initial purchase of a housing unit. From time to time, the Company requires the prospective purchaser to apply with Pag-IBIG for take-out of the loan obligation. Pag-IBIG is the Government's Mass Housing agency. See "*Business—Financing and Receivables Management—Pag-IBIG Take-out and Transfer (Migration to Pag-IBIG).*" Given that Pag-IBIG is a government-owned and controlled corporation, its capacity to take-out the loan obligations of prospective buyers is generally subject to the general sovereign credit ratings and solvency of the Philippines and the financing capability of the Government. A downgrade of the Philippine's credit ratings and/or deterioration of the solvency of the Government could lead to a reduction and/or delay in the take-outs. See "*Risks Relating to the Philippines—The sovereign credit ratings of the Philippines may adversely affect the Company's business*." In addition, should Pag-IBIG grant the prospective buyer's application, it would then grant a home loan to the prospective buyer (to pay for the purchase price of the housing unit) and remit the loan proceeds to the Company or the subsequent owner of the relevant receivable. However, due to the number of applications pending with Pag-IBIG at any one time, there are often delays in the processing of these loan take-outs. Furthermore, Pag-IBIG may also deny loans for various reasons, such as incomplete documents and insufficient equity ownership (through prior payment of principal), among others. In addition, other factors, such as review of titles by banks that purchase receivables from the Company, may also delay the financing process. Furthermore, if the loans are held as collateral by banks, then the banks need time to pass the titles, which could cause delays. Depending on the degree of any such delays or denials, and the amounts of the loans and number of customers involved, these could have a material adverse effect on the Company's liquidity because the home buyer loans would be retained on the Company's books as receivables and delay its cashflow as receivables are payable up to a maximum of 25 years. Moreover, in the event that Pag-IBIG completely ceases the take-outs of these loans, the Company would have to keep these loans for a significant portion of time and may encounter difficulty in selling these loans to other financial institutions. Any of these events may have a material adverse effect on the Company's financial condition and results of operations. See *"—The Company is exposed to risks associated with its in-house financing activities, including the risk of customer default, and it may not be able to sustain its in-house financing program.*"

In addition to having its CTS loans taken up by Pag-IBIG and borrowing from banks using the CTS loans as collateral, the Company from time to time transfers its CTS loans to banks, typically going through a similar procedure as described above for Pag-IBIG. Similarly, there may be delays in the efficient and timely processing of these loan take-ups and the banks may also deny these loans for various reasons. Depending on the degree of any such delays or denials, and the amounts of the loans and number of customers involved, these could have a material adverse effect on the Company's liquidity because the home buyer loans would be retained on the Company's books as receivables and delay its cashflow.

The Company manages risks relating to loan take-outs by actively engaging with the relevant stakeholders and agencies, including obtaining and maintaining the relevant accreditations with financial institutions undertaking receivables take-outs and aligning the requirements of the CTS Financing Program with that of Pag-IBIG to facilitate migration to Pag-IBIG, among others. See "Business—Strengths and Strategies—Competitive Strengths—Customer-focused product and payment scheme complemented by effective collection, risk management policies and loan factoring for a rapid capital recycling cycle" on page [113], "—Strengths and Strategies—Competitive Strengths —Strong relationships with key housing and shelter agencies" on page [114], "—Financing and Receivables Management" on page [130] and "—Credit and Collection" on page [132] for further details.

The Company's liquidity and financial results are dependent on the implementation and success of various measures to manage its liquidity risk.

The Company adopts various measures to manage its liquidity risk. For example, the Company developed a comprehensive collection platform comprising policies, structures, systems, organizations and mechanisms focused on collection efficiency and the mitigation of payment delinquency. In addition, the Company accredits its projects with Pag-IBIG to provide its buyers the option to secure housing loans from the Fund to pay off their outstanding obligation under the Company's in-house financing scheme. For the full year ended December 31, 2020 and the nine months ended September 30, 2021, Pag-IBIG has taken out ₱1,316.1 million and ₱2,896.3 million of the Company's home buyer loans, respectively.

In 2018 and 2019, certain subsidiaries of the Company entered into various CTS Receivables Sale and Purchase Agreements ("**RSPAs**") with Dearborn Resources and Holdings, Inc. ("**Dearborn**") for the sale of CTS Receivables at face value (outstanding principal balance at the time of sale) by such subsidiaries to Dearborn in tranches and on a without recourse basis. Dearborn is an independent local financial holding firm. As of the date of this Prospectus, these RSPAs cover CTS Receivables with total principal or face value of approximately ₱15 billion which the 8990 subsidiaries have assigned to Dearborn, and which receivables constituted 16.9% and 7.3% of the consolidated assets of the Company in 2018 and 2019, respectively. The interest income that the Company would have otherwise received had such CTS receivables continued to full term is approximately ₱23.89 billion. In 2020 and in the nine months ended September 30, 2021, certain subsidiaries of the Company entered into various RSPAs with Fillmore Resources Holdings, Inc. ("**Fillmore**") for the sale of CTS Receivables at face value by such subsidiaries to Fillmore in tranches and on a without recourse basis. Fillmore is an independent local financial holding firm. As of the date of this Prospectus, these RSPAs cover CTS Receivables with total principal or face value of approximately ₱12,642.2 million, which the 8990 Subsidiaries have assigned to Fillmore, and which receivables constituted 4.3% and 4.5% of the consolidated assets of the Company in 2019 and 2020 (as of the date of the last sale), respectively. The interest income that the Company would have otherwise received had such CTS receivables continued to full term is approximately ₱20 billion. As of the date of this Prospectus, except for the loan facilities extended by the Company in favor of Dearborn, none of the Company, its directors, officers, or principal shareholders, have any interest, directly or indirectly, in Dearborn or Fillmore.

In addition, since 2016, the Company has engaged in the sale of its receivables to banks on a non-recourse basis. Failure to meet the obligations backed by receivables on a non-recourse basis will lead to the transfer of rights of the receivables to the banks. Furthermore, the Company has begun to explore possible securitization transactions with respect to a portion of its receivables portfolio. In a letter dated October 16, 2020, the SEC advised the Company that the SEC En Banc has conditionally approved the securitization plan of the Company covering approximately ₱2.13 billion in CTS receivables, subject to the submission of the final credit rating report. Under the securitization plan, the Company and certain subsidiaries (namely, 8990 Housing, 8990 Luzon, 8990 Davao, and Fog Horn) will sell to a special purpose corporation, CBC Assets One (SPC), Inc., CTS receivables from about 2,511 CTS accounts with an original term of up to 25 years. Concurrent with the sale of such receivables, CBC Assets One as issuer will issue asset-backed certificates worth about ₱2.13 billion (based on the face value of the CTS receivables acquired) backed by the CTS receivables. 8990 HDC will act as servicer of the CTS Receivables under the securitization plan. The asset-backed certificates will consist of Tranche A certificates with principal value of approximately ₱1.59 billion and Tranche B certificates with principal value of approximately ₱531.3 million to be sold at face value. The SEC has likewise confirmed that the issuance of the asset-backed certificates is considered an exempt transaction (and, thus, exempt from SEC registration) as the certificates will be issued to not more than 19 investors in the Philippines. As of the date of this Prospectus, the Company has yet to complete such securitization. The Company may be left with the riskiest tranche of its receivables portfolio due to this securitization. As the Company has not completed the aforementioned securitization transactions, there can be no guarantee that such transactions will materialize. The Company might not always successfully manage its receivables. The inability to manage its receivables portfolio could lead to a situation where the Company does not have sufficient cash to pay its obligations as they come due or have insufficient cash to meet its expansion strategy. If any of the Company's means of managing its liquidity risks is unsuccessful, the result could have a material adverse effect on the Company's business, financial condition and results of operations.

For further details on the meaures taken by the Company to manage its liquidity risk, among others, see "Management's Discussions and Analysis of Financial Condition and Results of Operations—Qualitative and Quantitative Disclosure of Market Risk—Liquidity Risk" on page [104]; "Business—Strengths and Strategies—Key Strategies—Continue with monetization of its receivables through various channels" on page [118] and "—Key Strategies—Maintain appropriate financing, liquidity and risk management policies" on page [118]. See also "Directors and Management—Corporate Governance" on page [175].

The real estate industry in the Philippines is capital intensive, and the Company may be unable to readily raise necessary amounts of funding to acquire new land or complete existing projects.

The real estate industry in the Philippines is capital intensive, and market players are required to incur significant expenditures to acquire land for development, complete existing projects and commence construction on new developments. For the years 2018, 2019 and 2020, the Company spent ₱1,063.8 million, ₱1,379.9 million and ₱619.3 million, respectively, for land banking expenditures for its real estate development projects. For the nine months ended September 30, 2020 and 2021, the Company spent ₱591.4 million and ₱554.7 million, respectively, for land banking expenditures for its real estate development projects.

Historically, the Company has funded a significant portion of its capital expenditure requirements as well as steady growth from external sources of financing; however, it may also fund such requirements through other means, such as equity sales, among others, in the future. There can be no assurance that, to complete its planned projects or satisfy its other liquidity and capital resources requirements, the Company will be able to obtain sufficient funds at acceptable rates to fund its capital expenditure requirements, or that it will not issue Common Shares that may cause dilution, or that it will be able to obtain sufficient funds at all. Failure to obtain the requisite funds could delay or prevent the acquisition of land, completion of old projects or commencement of new projects and materially and adversely affect the Company's business, financial condition and results of operations.

For further details on the measures taken by the Company to manage its funding and complete projects, see "Management's Discussions and Analysis of Financial Condition and Results of Operations—Qualitative and Quantitative Disclosure of Market Risk—Liquidity Risk" on page [104]; "Business—Strengths and Strategies—Competitive Strengths—Pre-cast manufacturing construction technology driving efficiencies and cost-savings" on page [112]; "—Strengths and Strategies—Key Strategies—Continue with monetization of its receivables through various channels" on page [118] and "—Strengths and Strategies—Key Strategies—Maintain appropriate financing, liquidity and risk management policies" on page [118].

A portion of demand for the Company's products is from OFs, which exposes the Company to risks relating to the performance of the economies of the countries where these potential customers are located.

Sales to OFs, including Filipino expatriates and OFWs, generate a portion of the demand for the Company's housing and land development projects. In addition, unnamed OFWs may provide financial support to named buyers who are located in the Philippines. A number of factors could lead to, among other effects, reduced remittances from OFWs, a reduction in the number of OFs or a reduction in the purchasing power of OFs. These include:

- an appreciation of the Philippine peso, which would result in decreased value of the other currencies transmitted by OFs;
- any difficulties in the repatriation of funds;
- a downturn in the economic performance of the countries and regions where a significant number of these potential customers and supporters are located, such as the United States, the Middle East, Italy, the United Kingdom, Singapore, Hong Kong and Japan;
- a change in Government regulations that currently exempt the income of OFWs from taxation in the Philippines;
- the imposition of restrictions by the Government on the deployment of OFWs to particular countries or regions, such as the Middle East; and
- restrictions imposed by other countries on the entry or the continued employment of foreign workers.

As an example, the Company believes that the global economic downturn of 2008 resulted in OFW remittances tending to be used for basic family expenses or savings and bank deposits rather than for investing in or purchasing real estate. In addition, turmoil in the Middle East and North Africa have resulted in OFs being repatriated from these regions and losing their steady sources of income. Currently, the constrained economic activities and the logistical difficulties brought by the COVID-19 pandemic has resulted in mass layoffs and repatriation of thousands of OFWs or the inability of OFWs to travel to their workplaces. These events adversely affect demand for the Company's projects from OFs, which could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company has a diversified customer demographic and does not rely on OFs or any single customer or group of customers. See "Business—Customers" on page [135] and "Business—Strengths and Strategies—Strategies—Pursue growth by maintaining leadership with affordable and competitive pricing" on page [116].

The Company's focus on residential housing and land development exposes it to sector-specific risks, including competition in the Philippine residential real estate industry.

The housing market involves significant risks distinct from those involved in the ownership and operation of established properties, including the risk that the Company may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales and which may not be commercially viable. The Company's results of operations are therefore dependent, and are expected to continue to be dependent, on the continued success of its residential and land development projects.

Additionally, the Philippine residential real estate industry is highly competitive. While the Company engages in research covering its target demographics, the Company's income from, and market values of, its real estate projects are largely dependent on these projects' popularity when compared to similar types of projects in their areas, as well as on the ability of the Company to correctly gauge the market for its projects. Important factors that could affect the Company's ability to effectively compete include a project's relative location versus that of its competitors, particularly to transportation facilities and commercial centers, the quality of the housing and related facilities offered by the Company, price and payment terms of the project, available financing for the homebuyer and the overall attractiveness of the project. The time and costs involved in commencing or completing the development and construction of residential projects can be affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, natural disasters, labor disputes with contractors and subcontractors, timing of required approvals and the occurrence of other unforeseeable circumstances. Any of these factors could result in project delays and cost overruns, which could negatively affect the Company's revenues and margins. Moreover, failure by the Company to complete construction of a project to its planned specification or schedule may result in contractual liabilities to purchasers and lower returns, all of which could have a material adverse effect on the Company's business, financial condition and results of operations.

Measures taken by the Company to address risks relating to the Philippine real estate industry include maintaining its differentiation through its unique business model, offering affordable and competitive pricing and implementing efficiencies and cost-saving strategies in construction, among others. See "Business—Strengths and Strategies—Competitive Strengths—Unique business model positions the Company for long-term leadership in a fragmented and under-penetrated market" on page [111], "—Strengths and Strategies—Competitive Strengths —Pre-cast system manufacturing technology driving efficienes and cost-savings" on page [112], "—Strengths and Strategies—Key Strategies—Pursue growth by maintaining leadership with affordable and competitive pricing" on page [116] and "—Strengths and Strategies—Key Strategies—Continue to innovate and invest in maintaining the Company's competitive advantage" on page [117].

The Company may not be able to successfully manage its growth or expansion strategies.

The Company intends to continue to pursue an aggressive growth strategy for its residential property business. To this end, the Company currently has 17 ongoing projects, as of September 30, 2021, and is expecting to launch two new projects in 2022. The License to Sell of one of these two projects for launching are secured to date. The Company's growth strategy for its housing and land development business may require the Company to manage additional relationships with a greater number of customers, suppliers, contractors, service providers, lenders and other third parties. This substantial growth in projects will also require significant capital expenditure, which may entail taking on additional debt or equity to finance housing and land development projects.

There can be no assurance that, in the course of implementing its growth strategy, the Company will not experience capital constraints, delays in obtaining relevant licenses and permits, construction delays, operational difficulties at new operational locations or difficulties in operating existing businesses and training personnel to manage and operate the expanded business. The Company may also experience delays resulting from its current strategy of engaging a limited number of contractors for its construction operations. See "—*Independent contractors may not always be available, and once hired by the Company, may not be able to meet the Company's quality standards or to complete projects on time and within budget.*" Any inability or failure to adapt effectively to growth, including strains on management and logistics, could result in losses or development costs that are not recovered as quickly as anticipated, if at all. These problems could have a material adverse effect on the Company's reputation and on its business, results of operations or financial condition.

Similarly, the Company intends to further pursue its strategy of expanding its MRB residential developments and high-rise building developments. To this end, the Company intends to construct more MRB developments and high-rise building developments. The Company's strategy to expand these businesses will require the Company to manage additional relationships with third parties such as potential retailers, suppliers and contractors.

Moreover, high-rise building development is a relatively new line of business to the Company. As a result, the Company could encounter various issues that it does not have extensive experience dealing with associated with this business, such as applicable laws relating to commercial rental/tenancy laws and condominium construction and different construction, operational and marketing requirements, among others. There can be no assurance that the Company's continued expansion into MRB developments and high-rise building developments will be successful. There can also be no assurance that there will be a market for the Company's high-rise building developments. As a result, the Company's decision to pursue such expansion could have a material adverse effect on the Company's reputation and its business.

See "Management's Discussions and Analysis of Financial Condition and Results of Operations—Qualitative and Quantitative Disclosure of Market Risk" on page [103]; "Business—Strengths and Strategies—Competitive Strengths—Operation in a large, underserved market with significant growth potential" on page [108]; "—Strengths and Strategies—Competitive Strengths—Market leader with an established track record and well-recognized brands for the underserved Mass Housing segment" on page [110], "—Strengths and Strategies—Competitive Strengths—Unique business model positions the Company for long-term leadership in a fragment and under-penetrated market" on page [111] "—Strengths and Strategies—Key Strategies—Maintain appropriate financing, liquidity and risk management policies" on page [118] and "—Project Development and Construction" on page [129] for the various measures taken by the Company that address risks relating to expansion, among others.

Competition for the acquisition of land for new projects and risks relating to the management of its land bank, including fluctuations in demand and prices, may adversely affect the Company's business.

The Company's future growth and development are dependent, in part, on its ability to acquire additional tracts of land suitable for the Company's future real estate projects. When the Company attempts to locate sites for development, it may experience difficulty locating parcels of land of suitable size in locations and at prices acceptable to the Company, particularly parcels of land located in areas surrounding Metro Manila and in other urban areas throughout the Philippines. Furthermore, land acquired by the Company may have pre-existing tenets or obligations that prevent immediate commencement of new developments. In the event the Company is unable to acquire suitable land at prices and in locations that could translate into reasonable returns, or at all, its growth prospects could be limited and its business and results of operations could be adversely affected.

In addition, the risks inherent in purchasing and developing land increase as consumer demand for residential real estate decreases. The market value of land, subdivision lots and housing inventories can fluctuate significantly as a result of changing market conditions. There can be no assurance that the measures the Company employs to manage land inventory risks will be successful. In the event of significant changes in economic, political, security or market conditions, the Company may have to sell subdivision lots and housing and condominium units at significantly lower margins or at a loss. Changes in economic or market conditions may also require the Company to defer the commencement of housing and land development projects. Any of the foregoing events would have a material adverse effect on the Company's business, financial condition and results of operations.

While the Company has no control over market forces affecting the price of land, the Company currently maintains a land bank for which it has identified a pipeline of 21 projects for implementation and construction thru 2031 and continues to seek properties to grow its land bank in strategic locations, among others. See "Business—Land Bank" on page [127] and "—Strengths and Strategies—Key Strategies—Continue to grow land bank in strategic locations for development" on page [118].

There can be no assurance that the Company will not suffer from substantial sales cancellations. The Company faces certain risks related to the cancellation of sales involving its residential projects and, if the Company were to experience a material number of sales cancellations, the Company's historical revenue would be overstated.

As a developer and seller of residential real estate, the Company's business, financial condition and results of operations could be adversely affected in the event a material number of horizontal subdivision, MRB unit or high-rise unit sales are cancelled.

The Company is subject to Republic Act No. 6552 (the "**Maceda Law**"), which applies to all transactions or contracts involving the sale or financing of real estate through installment payments, including residential condominium units and horizontal residential units. Under the Maceda Law, buyers who have paid at least two years of installments are granted a grace period of one month for every year of paid installments to cure any payment default. If the contract is cancelled by the Company, the buyer is entitled to receive a refund of at least 50% of the total payments made by the buyer, with an additional 5% per annum in cases where at least five years of installments have been paid (but with the total not to exceed 90% of the total payments). Buyers who have paid less than two years of installments and who default on installment payments are given a 60-day grace period to pay all unpaid installments before the sale can be cancelled, but without right of refund.

While the Company historically has not experienced a material number of cancellations to which the Maceda Law has applied, there can be no assurance that it will not experience a material number of cancellations in the future, particularly during slowdowns or downturns in the Philippine economy. In the event the Company does experience a material number of cancellations, it may not have enough funds on hand to pay the necessary cash refunds to buyers or it may have to incur indebtedness in order to pay such cash refunds, despite its prudent and conservative financial management. The Company may also experience losses relating to these cancellations. In addition, particularly during an economic slowdown or downturn, there can be no assurance that the Company would be able to re-sell the same property or re-sell it at an acceptable price or at all. Any of the foregoing events would have a material adverse effect on the Company's business, financial condition and results of operations.

Furthermore, in the event the Company experiences a material number of sales cancellations, the Company's historical revenues would have been overstated because such historical revenue would not have accurately reflected subsequent customer defaults or sales cancellations. As a result, the Company's historical income statements are not necessarily accurate indicators of the Company's future revenue or profits.

The Company manages risks relating potential sales cancellations by actively monitoring its credit and collection processes and reselling units in the event of default, among others. See "Business—Credit and Collection" on page [132] and "—Strengths and Strategies—Competitive Strengths—Customer-focused product and payment scheme complemented by effective collection, risk management policies and loan factoring for a rapid capital recycling cycle" on page [113].

The Company may not be able to successfully manage its land bank, which could adversely affect its margins.

The Company must acquire land for replacement and expansion of land inventory within the current markets in which it operates. The risks inherent in purchasing and developing land increase as consumer demand for residential real estate decreases. The market value of land, subdivision lots and housing inventories can fluctuate significantly as a result of changing market conditions. The Company cannot assure investors that the measures it employs to manage land inventory risks will be successful. In the event of significant changes in economic, political, security or market conditions, the Company may have to sell subdivision lots and housing and condominium units at significantly lower margins or at a loss. Changes in economic or market conditions may also require the Company to defer the commencement of housing and land development projects. This would require the Company to continue to carry the cost of acquired but undeveloped land on its statement of financial position, as well as reduce the amount of property available for sale. Any of the foregoing events would have a material adverse effect on the Company's business, financial condition and results of operations.

Measures taken by the Company to manage its land bank include maintaining its differentiation through its unique business model, offering affordable and competitive pricing and implementing efficiencies and cost-saving strategies in construction, among others. See "Business—Strengths and Strategies—Competitive Strengths—Unique business model positions the Company for long-term leadership in a fragmented and under-penetrated market" on page [111], "—Strengths and Strategies—Competitive Strengths —Pre-cast system manufacturing technology driving efficienes and cost-savings" on page [112], "—Strengths and Strategies—Key Strategies—Pursue growth by maintaining leadership with affordable and competitive pricing" on page [116] and "—Strengths and Strategies—Key Strategies—Continue to innovate and invest in maintaining the Company's competitive advantage" on page [117].

Increased inflation, fluctuations in interest rates, changes in Government borrowing patterns and Government regulations could have a material adverse effect on the Company's and its customers' ability to obtain financing.

Interest rates, and factors that affect interest rates, such as the Government's fiscal policy, could have a material adverse effect on the Company and on demand for its products. For example:

- Higher interest rates make it more expensive for the Company to borrow funds to finance ongoing projects or to obtain financing for new projects.

- Because the Company believes that a substantial portion of its customers procure financing (either using the Company's in-house financing program or through banks) to fund their property purchases, higher interest rates make financing, and therefore purchases of real estate, more expensive, which could adversely affect demand for the Company's residential projects.

- If Pag-IBIG increases the rates at which it lends to customers, the Company would also need to increase the rates of its in-house financing program due to the in-house financing program's mirroring of Pag-IBIG requirements as part of the Company's strategy for easier off-take by Pag-IBIG.

- If the Government significantly increases its borrowing levels in the domestic currency market, this could increase the interest rates charged by banks and other financial institutions and also effectively reduce the amount of bank financing available to both prospective property purchasers and real estate developers, including the Company.

- The Company's access to capital and its cost of financing are also affected by restrictions, such as single borrower limits, imposed by the Bangko Sentral ng Pilipinas ("**BSP**") on bank lending. If the Company were to reach the single borrower limit with respect to their current or preferred bank or banks, the Company may have difficulty-obtaining financing on the same or similar commercial terms from other banks.

- Increased inflation in the Philippines or ongoig geopolitical tensions or conflicts (such as the Russian invasion of Ukraine) could result in an increase in raw materials costs, which the Company may not be able to pass on to its customers as increased prices or to its contractors by having the Company's contractors absorb raw material cost increases.

The occurrence of any of the foregoing events, or any combination of them, or of any similar events could have a material adverse effect on the Company's business, financial condition and results of operations.

While the Company has no control over market forces influencing inflation and interest rate hikes, among others, the Company actively manages its financing and receivables to address such risks, among others. See "Management's Discussions and Analysis of Financial Condition and Results of Operations—Qualitative and Quantitative Disclosure of Market Risk" on page [103]; "Business—Strengths and Strategies—Competitive Strengths—Continue with monetization of its receivables through various channels" on page [118], "—Strengths and Strategies—Key Strategies—Maintain appropriate financing, liquidity and risk management policies" on page [118], "—Credit and Collection" on page [132] and "—Financing and Receivables Management" on page [130].

Historically low interest rates, expansion in overall liquidity, extensive construction of housing units and other factors could lead to the risk of formation of asset bubbles in real estate.

For the past several years, central banks globally, including the BSP, have kept overall interest rates at historically low levels for an extended period of time. This has occurred in conjunction with high levels of liquidity in the Philippines owing to strong and growing remittances from OFWs, the expansion of consumer credit provided by banks, the expiry of the BSP's requirement for banks to maintain special deposit accounts and strong inflows of foreign investments, among other factors. In addition, before the COVID-19 pandemic, the pace of real estate construction, particularly for housing in and surrounding Metro Manila and other urban areas, has likewise been strong by historical standards. All these have increased the risk that rising prices may not be sustainable, particularly in the real estate sector. If rising prices are not sustained, the result could have a material adverse effect on the Company's business, financial condition and results of operations.

While the Company has no control over market forces influencing interest rates and other factors that could lead to the formation of asset bubbles in real estate, the Company actively manages its liquidity to address such risks, among others. See "Management's Discussions and Analysis of Financial Condition and Results of Operations—Qualitative and Quantitative Disclosure of Market Risk" on page [103]; "Business—Strengths and Strategies—Competitive Strengths—Continue with monetization of its receivables through various channels" on page [118], "—Strengths and Strategies—Key Strategies—Maintain appropriate financing, liquidity and risk management policies" on page [118], "—Credit and Collection" on page [132] and "—Financing and Receivables Management" on page [130].

Titles over land owned by the Company may be contested by third parties.

The Philippines has adopted a system of land registration that issues certificates of title evidencing land ownership that is binding on all persons (including the Government). Under this system, any transfer or encumbrance of land must be registered in the system in order to bind third persons. Nevertheless, it is not uncommon for third parties to claim ownership of land that has already been registered and over which a title has been issued. There have also been cases where third parties have produced false or forged title certificates over land. The Company has occasionally had to defend itself against third parties who claim to be the rightful owners of land that has been either registered in the name of the persons selling the land to the Company or that has already been registered in the name of the Company. In the event a significant number of third-party claims are brought against the Company involving its registered properties or those in the process of registration, or any such claims involves land that is material to the Company's housing and land development projects, the Company's management may be required to devote significant time and resources to defend the Company's interests against such claims. In addition, if any such claims are successful, the Company may have to either incur additional costs to settle such third-party claims or relinquish title to land that may be material in the context of the Company's housing and land development projects. Any of the foregoing circumstances could have a material adverse effect on the Company's business, financial condition and results of operations, as well as on its business reputation.

See "Business—Project Development and Construction—Land Acquisition" on page [129] for further details on diligence procedures taken by the Company when evaluating potential land acquisitions.

The Company faces risks relating to project cost and completion.

Property development projects require substantial capital expenditures prior to and during the construction period for, among other things, land acquisition and construction. Construction of property projects may take as long as a year or longer before generating positive net cash flow through sales. As a result, the Company's cash flows and results of operations may be significantly affected by its project development schedules and any changes to those schedules. The schedules of the Company's projects depend on a number of factors, including the performance and efficiency of its third-party contractors and its ability to finance construction. Other factors that could adversely affect the time and the costs involved in completing the development and construction of the Company's projects include:

- the ongoing COVID-19 pandemic;
- natural catastrophes and adverse weather conditions;
- changes in market conditions, economic downturns, unemployment rate, and decreases in business and consumer sentiment in general;
- delays in obtaining government approvals and permits;
- delays in completion of its prior projects, which would create shortages of contractors and skilled labor due to the Company's regular use of a limited number of contractors (see "*—Independent contractors may not always be available, and once hired by the Company, may not be able to meet the Company's quality standards or to complete projects on time and within budget*.");
- changes in laws or in Government priorities;
- timing of commencement of the projects;
- relocation of existing residents and/or demolition of existing constructions;
- shortages of materials, equipment, contractors and skilled labor;
- labor disputes with contractors and subcontractors;
- construction accidents;
- errors in judgment on the selection and acquisition criteria for potential sites;
- lack of familiarity with high-rise projects; and
- other unforeseen problems or circumstances.

Construction delays or failure to complete the construction of a project according to its planned specifications, schedule and budget may harm the Company's reputation as a property developer or lead to cost overruns or loss of or delay in recognizing revenues and lower margins. This may also result in sales and resulting profits from a particular development not being recognized in the year in which it was originally expected to be recognized, which could adversely affect the Company's results of operations for that year. Furthermore, the failure by the Company to complete construction of a project to its planned specifications or schedule may result in contractual liabilities to purchasers and lower returns. While the Company closely monitors its ongoing projects and has contingency plans in place to avoid prolonged delays in completion, there can be no assurance that it will not experience any significant delays in completion or delivery of its projects in the future or that it will not be subject to any liabilities for any such delays.

The Company's reputation will be adversely affected if projects are not completed on time or if projects do not meet customers' requirements.

If any of the Company's projects experience construction or infrastructure failures, design flaws, significant project delays, quality control issues or otherwise, this could have a negative effect on the Company's reputation and make it more difficult to attract new customers to its new and existing housing and land development projects. Any negative effect on the Company's reputation or its brand could also affect the Company's ability to sell its housing and land development projects. This would impair the Company's ability to reduce its inventory and working capital requirements. The Company cannot provide any assurance that such events will not occur in a manner that would adversely affect its results of operations or financial condition.

The Company has developed processes for the efficient and cost-effective construction of its projects, trains its independent contractors on these processes and sends its engineers to oversee critical functions in project construction as well as provides customer warranties, among others, to address these concerns. See "Business—Strengths and Strategies—Competitive Strengths—Pre-cast system manufacturing technology driving efficienes and cost-savings" on page [112], "—Project Development and Construction—Site Development and Construction" on page [129] and "—Marketing and Sales—Customer Service and Warranties" on page [134].

Independent contractors may not always be available, and once hired by the Company, may not be able to meet the Company's quality standards or to complete projects on time and within budget.

The Company relies on independent contractors to provide various services, including land clearing, infrastructure development and various construction projects. In particular, the Company relies mainly on AGS Contek and Development, Inc., Ronen Construction, Creoterra, Inc., NN and N Realty and Panico Construction and Development Corporation to complete its horizontal projects; and Megawide Construction Corporation and Scheirman Construction Consolidated, Inc. to complete its vertical projects. Should any of the contractors mentioned above become unable to perform with respect to their contracted scope of work, or are unable to expand at a sufficiently quick pace needed to meet the Company's demands, there can be no assurance that the Company will be able to find or engage an independent contractor for any particular project or find a contractor that is willing to undertake a particular project within the Company's budget and schedule, which could result in costs increases or project delays.

Furthermore, although the Company's personnel actively supervise the work of such independent contractors, there can be no assurance that the services rendered by any of its independent contractors will always be satisfactory or match the Company's requirements for quality and timing. Contractors may also experience financial or other difficulties up to insolvency, and shortages or increases in the price of construction materials or labor may occur, any of which could delay the completion or increase the cost of certain housing and land development projects, and the Company may incur additional costs as a result thereof. Any of these factors could have a material adverse effect on the Company's business, financial condition and results of operations.

In addition to actively supervising the work of its independent contractors, the Company does not rely on any single independent contractor for the construction of its projects, maintains insurance including all-risks insurance during project construction stage and offers ceretain customer service and warranties, among others. See "Business—Insurance" on page [141], ""—Project Development and Construction—Site Development and Construction" on page [129] and "—Marketing and Sales—Customer Service and Warranties" on page [134].

The Company uses exclusive external third-party brokers to sell all of its residential housing and land development projects.

The Company uses exclusive external third-party brokers to market and sell all of its residential housing and land development projects to potential customers. If these brokers do not meet their requisite sales targets, the Company's business, financial condition and results of operations could be adversely affected. Moreover, there is competition for the services of third-party brokers in the Philippines and many of the Company's competitors may attempt to recruit brokers away from the Company. If a large number of these third-party brokers were to cease selling for the Company, the Company would be required to seek other external brokers, and there can be no assurance that the Company could do so quickly or in sufficient numbers. Also, negative publicity on the Company's exclusive third-party brokers may spill over and have a negative effect on the Company's reputation. In addition, under R.A. No. 9646 or The Real Estate Service Act of the Philippines and its implementing rules, there are stringent requirements in respect of the practice of real estate service, as well as the qualifications and licensing of real estate service practitioners. There can be no assurance that the imposition of these requirements will not affect the real estate service practice of the Company, or its ability to retain its existing third-party brokers or identify new third party brokers. These factors could disrupt the Company's business and negatively affect its financial condition, results of operations and prospects.

The Company maintains an extensive marketing network comprising over 3,000 active agents as of September 30, 2021 who are offered commissions and incentive schemes as well as administrative support to retain its existing brokers and attract new brokers. See "Business—Marketing and Sales—Marketing" on page [133].

The Company operates in a highly-regulated environment and it is affected by the development and application of regulations in the Philippines.

The Philippines' housing market is highly regulated. The development of subdivision and other residential projects is subject to a wide range of government regulations, which, while varying from one locality to another, typically include zoning considerations as well as the requirement to procure a variety of environmental and construction-related permits. In addition, projects that are to be located on agricultural land must get clearance from the Philippine Department of Agrarian Reform ("**DAR**") so that the land can be re-classified as non-agricultural land and, in certain cases, tenants occupying agricultural land may have to be relocated at the Company's expense.

In July 2019, Senate Bill No. 256 or the Agricultural Land Conversion Ban Bill was filed which seeks to prohibit the conversion of irrigated and irrigable agricultural lands for non-agricultural uses. If passed into law, the ban may delay the implementation of the Company's proposed projects because the supply of land available for development may be limited. This may further lead to an increase in the acquisition cost of land and the development cost of the Company's projects. The bill remains pending before Senate Committees on Local Agriculture, Food, and Agrarian Reform.

Meanwhile, Presidential Decree No. 957, as amended, ("**P.D. 957**") and B.P. 220 are the principal statutes which regulate the development and sale of real property as part of a condominium project or subdivision. P.D. 957 and B.P. 220 cover subdivision projects for residential, commercial, industrial or recreational purposes and condominium projects for residential or commercial purposes. The Department of Human Settlements and Urban Development ("**DHSUD**"), formerly the HLURB, is the administrative agency of the Government which enforces these statutes. Regulations applicable to the Company's operations include standards regarding:

- the suitability of the site;
- road access;
- necessary community facilities;
- open spaces;
- water supply;
- sewage disposal systems;
- electricity supply;
- lot sizes;
- the length of the housing blocks; and
- house construction.

All subdivision development plans are required to be filed with and approved by the local government unit with jurisdiction over the area where the project is located. Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and the developer's financial, technical and administrative capabilities and donation of roadways to and other easements in favor of the relevant government agencies. Alterations of approved plans that affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the relevant government unit. There can be no assurance that the Company, its Subsidiaries or associates or partners will be able to obtain governmental approvals for its projects or that when given, such approvals will be in accordance with the Company's planned timing for the relevant project and will not be later revoked. Any non-receipt or delay in receipt of approvals could affect the Company's ability to complete projects on time or at all.

In addition, owners of or dealers in real estate projects are required to obtain licenses to sell before making sales or other dispositions of subdivision lots and housing and condominium units. Project permits and any license to sell may be suspended, cancelled or revoked by the DHSUD based on its own findings or upon complaint from an interested party and there can be no assurance that the Company, its Subsidiaries, associates or partners will in all circumstances, receive the requisite approvals, permits or licenses or that such permits, approvals or licenses will not be cancelled or suspended. Any of the foregoing circumstances or events could affect the Company's ability to complete projects on time, within budget or at all, and could have a material adverse effect on its financial condition and results of operations.

The Company has adopted processes to manage and ensure licenses, permits and approvals are obtained in a timely manner and retains legal counsel to ensure continued compliance with applicable laws and regulations affecting its operations. See "Description of Permits and Licenses" on page [144] and "Regulatory and Environmental Matters" on page [154] for further information on compliance with regulation.

The loss of certain tax exemptions and incentives will increase the Company's tax liability and decrease any profits the Company might have in the future.

The Company benefits from provisions under Philippine law and regulations which exempt sales of residential lots with a gross selling price of ₱1.5 million or less and sales of residential houses and lots with a gross selling price of ₱2.5 million or less from the VAT of 12.0%. However, under the Tax Reform for Acceleration for Inclusion (TRAIN) Law and the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE) Law, which amended certain provisions of the Tax Code, beginning January 1, 2021, through Revenue Regulations No 4-2021 and 8-2021, the VAT exemption shall only apply to (i) sale of real estate property not primarily held for sale to customers or held for lease in the ordinary course of business; (ii) sale of real property utilized for socialized housing as defined by Republic Act No. 7279; and (iii) sale of house and lot, and other residential dwellings with selling price of not more than ₱2 million.

There is no assurance that laws and regulations removing the VAT exemption for socialized housing will be passed and enacted in the future. If the VAT exemptions are removed, the selling prices for the Company's subdivision lots and housing and condominium units may increase, which increase could adversely affect the Company's sales. Because taxes such as VAT are expected to have indirect effects on the Company's results of operations by affecting general levels of spending in the Philippines and the prices of subdivision lots and houses, any adverse change in the Government's VAT-exemption policy could have an adverse effect on the Company's results of operations.

Furthermore, the accreditation of the Company's projects outside of Metro Manila with unit price between ₱450,000 and ₱3,000,000 with the BOI as under the IPP allows each accredited project to enjoy certain tax incentives. For each accredited project outside of Metro Manila, the Company's sales of low cost subdivision lots and housing units are currently not subject to corporate income tax. Also, the Company's projects with unit price of ₱450,000 and under are considered socialized housing projects and enjoy income tax free status by virtue of R.A. 7279. However, there is no guarantee that the Company's future development projects will be able to benefit from the income tax holiday described above, or that accreditation to receive such benefit will not be delayed. In the event of delays, sales prior to receipt of approval may be taxed. The delay or absence of this income tax holiday on any of the Company's future development projects could have an adverse effect on the Company's results of operations.

Under R.A. 7279, the Company is required to construct a certain number of Socialized Housing units for each project that intends to receive BOI accreditation. This requirement is measured in the form of a ratio test between the number of Socialized Housing units for the project and the number of Economic Housing units for that same project. The Company does not have the same experience with developing Socialized Housing units as it does with developing Economic Housing units and may incur greater costs and/or not achieve comparable levels of success in its development of Socialized Housing units. Furthermore, Socialized Housing units have lower profit margins for the Company than Economic Housing units. If, due to regulatory changes, the Company is required to increase its ratio of Socialized Housing unit construction, then the Company's business, financial condition and results of operations may be adversely affected.

The Company closely monitors changes in Government regulations and retains legal counsel to ensure continued compliance with applicable laws and regulations affecting its operations. See also "Business—Strengths and Strategies—Key Strategies—Maintain its working relationship with regulators" on page [119], "Regulatory and Environmental Matters" on page [154] for further information on compliance with regulation.

Natural or other catastrophes, including severe weather conditions, may materially disrupt the Company's operations, affect its ability to complete projects and result in losses not covered by its insurance.

The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, droughts, volcanic eruptions and earthquakes.

Significant calamities that hit the country were Typhoon Ondoy in 2009, Typhoon Yolanda in 2013, the Bohol and Cebu Earthquake in 2013, the Cotabato and Batangas Earthquakes in 2019, and Typhoon Odette in 2021.

On January 12, 2020, the Taal Volcano erupted causing ash falls and earthquakes in Southern Luzon, some parts of Central Luzon and Pangasinan in Ilocos Region, including Metro Manila. The Philippine Institute of Volcanology and Seismology ("**PHIVOLCS**") issued an Alert Level 4, which means a hazardous explosive eruption may happen at any given moment. The explosion resulted in the suspension of classes, work schedules, and flights.

On January 26, 2020, PHIVOLCS downgraded the classification to Alert Level 3, which means a decreased tendency towards hazardous eruption. The danger zone was likewise reduced from a 14-kilometer radius from the volcano's main crater, to a 7-kilometer radius.

On February 14, 2020, PHIVOLCS further downgraded the classification to Alert Level 2, which means that there was a decreased unrest of the Taal Volcano given the less frequent volcanic earthquake activity, stabilizing ground deformation and weak steam and gas emissions at the main crater. In October 2021, Severe Tropical Storm Kompasu resulted in cancellation of school and suspension of work in government offices. 15 national roads and highways nationwide were impassable due to the flooding.

In November 2020, Typhoon Goni, locally known as Typhoon Rolly, brought severe flash floods and displaced thousands in the areas affected. Natural catastrophes will continue to affect the Philippines. More recently, certain of the Company's projects located in the province of Cebu were impacted by Typhoon Rai, locally known as Typhoon Odette, in December 2021. The Company may incur losses for such catastrophic events, which could materially and adversely affect its business, financial condition and results of operations.

There can be no assurance that the occurrence of such natural catastrophes will not materially disrupt the Company's operations. These factors, which are not within the Company's control, could potentially have significant effects on the Company's housing and land development projects, many of which are large, complex estates with infrastructure, such as buildings, roads and perimeter walls, which are susceptible to damage. Damage to these structures resulting from such natural catastrophes could also give rise to claims against the Company from third parties or from customers for physical injuries or loss of property. As a result, the occurrence of natural or other catastrophes or severe weather conditions may adversely affect the Company's business, financial condition and results of operations.

While the Company carries all-risks insurance during the project construction stage, property insurance covering natural events, and requires all of its purchasers to carry fire insurance, the Company does not carry any insurance for certain catastrophic events, and there are losses for which the Company cannot obtain insurance at a reasonable cost or at all. Neither does the Company carry any business interruption insurance. Should an uninsured loss or a loss in excess of insured limits occur, the Company could lose all or a portion of the capital invested in a property, as well as the anticipated future turnover from such property, while remaining liable for any project construction costs or other financial obligations related to the property. Any material uninsured loss could materially and adversely affect the Company's business, financial condition and results of operations.

Construction defects and other building-related claims may be asserted against the Company, and the Company may be subject to liability for such claims.

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

There can be no assurance that the Company will not be held liable for damages, the cost of repairs, and/or the expense of litigation surrounding possible claims or that claims will not arise out of uninsurable events, such as landslides or earthquakes, or circumstances not covered by the Company's insurance and not subject to effective indemnification agreements with the Company's contractors. Neither can there be any assurance that the contractors hired by the Company will be able to either correct any such defects or indemnify the Company for costs incurred by the Company to correct such defects. In the event a substantial number of claims arising from structural or construction defects arise, this could have a material adverse effect on the Company's reputation and on its business, financial condition and results of operations.

The Company maintains insurance and provides customer services and warranties to address such concerns. See "Business—Insurance" on page [141], ""—Project Development and Construction—Site Development and Construction" on page [129] and "—Marketing and Sales—Customer Service and Warranties" on page [134].

The Company faces litigation risks and regulatory disputes in the course of its business.

In the ordinary course of business, claims and disputes involving the customers, business partners and regulatory authorities may be brought against the Company and the Company. Claims may be brought against the Company for breach of contract, law, or regulation, as well as claims relating to taxes, among others. If found to be liable, the Company would have to incur a charge against earnings to the extent a reserve had not been established for the matter in its accounts, or to the extent the claims were not sufficiently covered by insurance. The Company may also engage in disputes with regulatory authorities, including the Bureau of Internal Revenue, on tax-related matters in connection with its business and operations.

As a policy and to manage such concerns, the Company seeks to maintain good relationships with its customers, business partners, regulators and other parties with whom it regularly deals with and to resolve disputes early and amicably, when appropriate. If not resolved through negotiation, the Company could be subject to lengthy and expensive litigation or arbitration proceedings such that the amounts ultimately realized from claims by the Company could differ from the balances included in its financial statements. Such claims could therefore have an adverse impact on the Company's business, financial condition and results of operations. As of the date of this Prospectus, the Company is not involved in any material litigation, nor, to the Company's knowledge, is any material litigation currently threatened against it.

As of the date of this Prospectus, the Company is not involved in any material litigation, nor, to the Company's knowledge, is any material litigation currently threatened against it. See "Business—Legal Proceedings" on page [143].

The Company may, from time to time, be involved in legal and other proceedings arising out of its operations.

The Company may, from time to time, be involved in disputes with various parties involved in the construction and operation of its properties, including contractual disputes with contractors, suppliers, construction workers and homeowners or property damage or personal liability claims. Regardless of the outcome, these disputes may lead to legal or other proceedings and may result in substantial costs, delays in the Company's development schedule, and the diversion of resources and management's attention. The Company may also have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavorable decisions that result in penalties and/or delay the development of its projects. In such cases, the Company's business, financial condition, results of operations and cash flows could be materially and adversely affected.

The Company has a number of related-party transactions with affiliated companies.

The companies controlled by the Principal Shareholders enter into a number of commercial transactions with the Company. The Company had entered into a number of transactions with its related parties, which primarily consist of advances and reimbursements of expenses and sale and purchase of real estate properties and development and installment contract receivables and related other assets and assumption of related liabilities.

The transactions referred to above are described under "*Related Party Transactions*" and the notes to the Company's consolidated financial statements appearing elsewhere in this Prospectus. The Company expects that it will continue to enter into transactions with companies directly or indirectly controlled by or associated with the Principal Shareholders. These transactions may involve potential conflicts of interest which could be detrimental to the Company and/or its stakeholders. Conflicts of interest may also arise between the Company and the Principal Shareholders in a number of other areas relating to its businesses, including:

- major business combinations involving the Company and/or its Subsidiaries;
- plans to develop the respective businesses of the Company and/or its Subsidiaries; and
- business opportunities that may be attractive to the Principal Shareholders and the Company.

Further, under Section 50 of the National Internal Revenue Code, in the case of two or more businesses owned or controlled directly or indirectly by the same interests, the BIR Commissioner is authorized to distribute, apportion, or allocate gross income or deductions between or among such businesses upon determination of the necessity to prevent evasion of taxes or to clearly reflect the income of any such business. On January 23, 2013, the Bureau of Internal Revenue of the Philippines ("**BIR**") issued Regulation No. 2-2013 on Transfer Pricing Regulations (the "**Transfer Pricing Regulations**") which adheres to the arm's length methodologies set out under the Organization for Economic Cooperation and Development Transfer Pricing Guidelines in addressing Base Erosion and Profit Shifting ("**BEPS**"). The Transfer Pricing Regulations are applicable to cross-border and domestic transactions between related parties and associated enterprises. The BIR Transfer Pricing Regulations defines related parties as two or more enterprises where one enterprise participates directly or indirectly in the management, control, or capital of the other; or if the same persons participate directly or indirectly in the management, control, or capital of the enterprises. The arm's length principle requires the transaction with a related party to be made under comparable conditions and circumstances as a transaction with an independent party such that if two related parties derive profits at levels above or below comparable market levels solely by reason of the special relationship between them, the profits will be deemed as non-arm's length. In such a case, the BIR, pursuant to the BIR Commissioner's authority to distribute, apportion or allocate gross income or deductions between or among two or more businesses owned or controlled directly or indirectly by the same interests (if such is necessary in order to clearly reflect the income of such business), may make the necessary transfer pricing adjustments to the taxable profits of the related parties to ensure that taxpayers clearly reflect income attributable to controlled transactions and to prevent the avoidance of taxes with respect to such transactions. While the Company believes that it enters into transactions with related parties on an arm's length basis and documented pursuant to the Transfer Pricing Regulations, there can be no assurance that the BIR will confirm these transactions as arm's length on the basis of the Transfer Pricing Regulations and there can be no assurance that any transfer pricing adjustments by the BIR will not have a material adverse effect on the Company's financial condition or results of operations.

Although the Company has instituted internal policies with respect to related party transactions and believes that all past related party transactions have been conducted at arm's length on commercially reasonable terms, these transactions may involve conflicts of interest, which, although not contrary to law, may negatively impact the Company and have an adverse effect on its business or results of operations. These transactions may involve potential conflicts of interest, which could be detrimental to the Company and/or its shareholders. The Company can provide no assurance that its related-party transactions will not have a material adverse effect on its business or results of operations.

The Company is a holding company that depends on dividends and distributions from the Subsidiaries.

The Company is a holding company and conducts no independent business operations other than providing certain corporate and other support services to the Subsidiaries. The Company conducts substantially all of its operations through the Subsidiaries. Substantially all of its assets are held by, and substantially all of its earnings and cash flows are attributable to, the Subsidiaries. The Company's liquidity, ability to pay interest and expense, meet obligations, provide funds to the Subsidiaries and distribute dividends are dependent upon the flow of funds from the Subsidiaries. While each of the Subsidiaries has adopted the same dividend policy whereby, subject to available cash and existence of unrestricted retained earnings, at least 50% of the net income of such Subsidiary for the preceding fiscal year will be declared as dividends, there can be no assurance that the Subsidiaries will generate sufficient earnings and cash flows to pay dividends or otherwise distribute sufficient funds to 8990 to enable it to meet its own financial obligations.

The ability of the Subsidiaries to pay dividends is subject to applicable laws and restrictions contained in debt instruments of such Subsidiaries and may also be subject to deduction of taxes. No assurance can be given that 8990 will have sufficient cash flow from dividends to satisfy its own financial obligations. Any shortfall would have to be made up from other sources of revenue, such as a sale of investments, or financing available to the

Company, which could materially and adversely affect the Company's business, financial condition and results of operations.

The Company is highly dependent on the continued service of its directors, members of senior management and other key officers.

The Company's directors, members of its senior management, and other key officers have been an integral part of its success, and the experience, knowledge, business relationships and expertise that would be lost should any such persons depart could be difficult to replace and may result in a decrease in the Company's operating efficiency and financial performance. Key executives and members of management of the Company include Luis N. Yu, Jr., and Mariano D. Martinez, Jr. If the Company loses the services of any such person and is unable to fill any vacant key executive or management positions with qualified candidates, or if the qualified individual takes time to learn the details of the Company, the Company's business and results of operations may be adversely affected.

The Company offers competitive salary and benefits packages. For leadership positions, the Company utilizes performance and potential evaluation tools to identify high-performing employees for promotion.

The Company may be unable to attract and retain skilled professionals, such as architects, engineers and third party contractors.

The Company's ability to plan, design and execute current and future projects depends on its ability to attract, train, motivate and retain highly skilled personnel, particularly architects, engineers and third party contractors. The Company believes that there is significant demand for such personnel not only from its competitors but also from companies outside the Philippines, particularly companies operating in the Middle East. Any inability on the part of the Company in hiring and, more importantly, retaining qualified personnel could impair its ability to undertake project design, planning and execution activities in-house and could require the Company to incur additional costs by having to engage third parties to perform these activities.

The Company believes it maintains a positive relationship with its architects, engineers and third party contractors. To attract and retain skilled professionals, the Company also strives to provide a competitive compensation and benefits package.

Any deterioration in the Company's employee relations could materially and adversely affect the Company's operations.

The Company's success depends partially on the ability of the Company, its contractors and its third party marketing agents to maintain a productive workforce. Any strikes, work stoppages, work slowdowns, grievances, complaints or claims of unfair practices or other deterioration in the Company's, its contractors' or its third party marketing agents' employee relations could have a material and adverse effect on the Company's financial condition and results of operations.

The Company believes it maintains a positive relationship with its employees through established organizational and employee policies and procedures that promote a good working environment and company culture.

Disruptions in the financial markets could adversely affect the Company's ability to refinance existing obligations or raise additional financing, including equity financing.

Disruptions in the global financial markets in 2008 and 2009 resulted in a tightening of credit markets worldwide, including in the Asia Pacific region. Liquidity in the global and regional credit markets severely contracted as a result of these market disruptions, making it difficult and costly to refinance existing obligations or raise additional financing, including equity financing. While liquidity has increased and credit markets have improved since then, there can be no assurance that such conditions will not reoccur. If such conditions reoccur, it may be difficult for the Company to obtain additional financing on acceptable terms or at all, which may prevent the Company from completing its existing projects and future development projects and have an adverse effect on the Company's results of operations and business plans. If due to general economic conditions, the Company is unable to obtain sufficient funding to complete its projects in a feasible manner, or if management decides to abandon certain projects, all or a portion of the Company's investments to date on its projects could be lost, which could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

The incurrence of additional debt to finance the Company's planned development projects could impair the Company's financial condition, results of operations and cash flows. The Company may need to incur additional debt to finance its expansion projects and future development projects. This indebtedness could have important consequences for the Company. For example, it could:

- make it more difficult for the Company to satisfy its debt obligations as they become due;
- increase the Company's vulnerability to general adverse economic and industry conditions;
- impair the Company's ability to obtain additional financing in the future for working capital needs, capital expenditures, development projects, acquisitions or general corporate purposes;
- require the Company to dedicate a significant portion of its cash flow from operations to the payment of principal and interest on its debt, which would reduce the funds available for the Company's working capital needs, capital expenditures or dividend payments;
- limit the Company's flexibility in planning for, or reacting to, changes in the business and the industry in which the Company operates;
- require the Company to comply with financial and other covenants that could impose significant restrictions on the Company's existing and future businesses and operations;
- place the Company at a competitive disadvantage compared to competitors that have less debt; and
- subject the Company to higher interest expense in the event of increases in interest rates as a significant portion of the Company's debt is and may continue to be at variable rates of interest.

Any of the above could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

While the Company has no control over developments in global financial markets, the Company actively manages its financing and obligations to address such risks, among others. See "Management's Discussions and Analysis of Financial Condition and Results of Operations—Qualitative and Quantitative Disclosure of Market Risk" on page [103]; "Business—Strengths and Strategies—Competitive Strengths—Continue with monetization of its receivables through various channels" on page [118], "—Strengths and Strategies—Key Strategies—Maintain appropriate financing, liquidity and risk management policies" on page [118], "—Credit and Collection" on page [132] and "—Financing and Receivables Management" on page [130]. See also "Directors and Management—Corporate Governance" on page [175].

Infringement of the Company's intellectual property rights would have a material adverse effect on the Company's business.

The Company has registered intellectual property rights for the "Deca Homes", "Urban Deca Homes", and "Urban Deca Towers" names, for the names of certain of its real estate products and for trademarks relating to the Company's brands. There can be no assurance that third parties will not assert rights in, or ownership of, the Company's name, trademarks and other intellectual property rights. Because the Company believes that the reputation and track record it has established under its brands is key to its future growth, the Company's business, financial condition and results of operations may be materially and adversely affected by the use of these names and of any associated trademarks by third parties or if the Company was restricted from using such trademarks. The Company continuously reviews and monitors its list of intellectual property rights.

Security and information technology risks and risks relating to maintaining the Company's information systems and technology, may disrupt the Company's business, result in losses or limit growth.

The Company is dependent on certain financial, accounting, communications and other data processing systems. Such systems may fail to operate properly or become disabled as a result of tampering or a breach of the network security systems or otherwise. Breaches of such network security systems could involve attacks that are intended to obtain unauthorized access to proprietary information, destroy data or disable, degrade or sabotage the Company's systems, often through the introduction of computer viruses and other malicious code, cyberattacks and other means and could originate from a wide variety of sources, including unknown third parties outside of the Company. If such systems are compromised, do not operate properly or become disabled, the Company could suffer financial loss, a disruption of business, liability to customers, regulatory intervention or reputational damage.

In addition, the Company is dependent on information systems and technology. The Company's information systems and technology may not continue to be able to accommodate the Company's growth, and the cost of maintaining such systems may increase from its current level. Such a failure to accommodate growth, or an increase in costs related to such information systems, could have a material adverse effect on the Company.

The Company has an IT department to oversee and maintain its IT systems and cybersecurity as well as a Data Privacy Policy to comply with statutory obligations in respect of data protection.

Adoption of new accounting rules on revenue on construction of real estate may result in a restatement of the Company's financial statements for prior fiscal years.

The consolidated financial statements of the Company as of December 31, 2018, 2019 and 2020 and the nine months ended September 30, 2020 and 2021 have been prepared in compliance with PFRS. PFRS includes Philippine Financial Reporting Standards, Philippine Accounting Standards and Interpretations issued by the Philippine Interpretations Committee ("**PIC**").

The audited consolidated financial statements and the unaudited interim condensed consolidated financial statements attached to this Prospectus include availment of the following reliefs granted by the Philippine SEC until December 31, 2020 under Memorandum Circular (MC) Nos. 3-2019 and 14-2018 addressing issues under PFRS 15 (Revenue from Contracts with Customers) affecting the real estate industry:

- PIC Q&A 2018-12, PFRS 15 implementing issues affecting the real estate industry: (i) assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04); (ii) treatment of uninstalled materials in the determination of the PIC (as amended by PIC Q&A 2020-02); and (iii) accounting for Common Usage Service Area (CUSA) charges.
- PIC Q&A 2018-14: Accounting for cancellation of real estate sales (as amended by PIC Q&A 2020-05);

In addition, the consolidated financial statements include the availment of relief under SEC MC No. 4-2020 to defer the adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods under PAS 23, Borrowing Cost (the IFRIC Agenda Decision on Borrowing Cost) until December 31, 2020. In December 2020, the Philippine SEC issued MC No.34-2020 allowing the further deferral of the adoption of provisions (i) and (ii) above of PIC Q&A 2018-12 and the IFRIC Agenda Decision on Borrowing Cost, for another three years or until December 31, 2023. See Note 2.2. of the audited financial statements elsewhere in this Prospectus for details of the impact of the adoption of the above financial reporting reliefs.

RISKS RELATING TO THE PHILIPPINES

All of the Company's business activities are conducted in the Philippines and all of its assets are located in the Philippines, which exposes the Company to risks associated with the Philippines, including the performance of the Philippine economy.

All of the Company's assets are located in the Philippines, the Company derives all of its revenues and operating profits from the Philippines, and its business is dependent on the state of the Philippine economy. Demand for the Company's services are directly related to the strength of the Philippine economy (including overall growth and income levels) and the overall levels of business activity in the Philippines.

In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of its currency and the imposition of exchange controls.

Other factors that may adversely affect the Philippine economy include:

- decreases in business, industrial, manufacturing or financial activities in the Philippines, Southeast Asia or globally;
- scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the Philippines, Southeast Asia or globally;
- exchange rate fluctuations and foreign exchange controls;
- rising inflation or increases in interest rates;
- levels of employment, consumer confidence and income;
- changes in the Government's fiscal and regulatory policies and regulations, including tax laws and regulations that impact or may impact inflation and consumer demand;
- Government budget deficits;
- adverse trends in the current accounts and balance of payments of the Philippine economy;

- public health epidemics or outbreaks of diseases, such as COVID-19, re-emergence of Middle East Respiratory Syndrome- Corona virus (MERS-CoV), SARS, avian influenza (commonly known as bird flu), or H1N1, or the emergence of another similar disease (such as Zika) in the Philippines or in other countries in Southeast Asia;
- natural disasters, including but not limited to tsunamis, typhoons, earthquakes, fires, floods and similar events;
- political instability, terrorism or military conflict in the Philippines, in other countries in the region or globally; and
- other regulatory, social, political or economic developments in or affecting the Philippines.

Any deterioration in economic conditions in the Philippines as a result of these or other factors could materially and adversely affect the Company or its customers and contractual counterparties. This, in turn, could materially and adversely affect the Company's business, financial condition and results of operations and its ability to implement its business strategy.

Volatility in the value of the Peso against the U.S. dollar and other currencies as well as in the global financial and capital markets could adversely affect the Company's business.

The Philippine economy has experienced volatility in the value of the Peso and also limitations to the availability of foreign exchange. In July 1997, the BSP announced that the Peso can be traded and valued freely on the market. As a result, the value of the Peso underwent significant fluctuations between July 1997 and December 2004 and the Peso depreciated from approximately ₱29.00 to US$1.00 in July 1997 to ₱56.18 to US$1.00 by December 2004. As of December 31, 2018, the Philippine Peso was at ₱52.72 per U.S.$1.00 and appreciated to ₱48.04 per U.S.$1.00 as of December 31, 2020, based on BSP data. As of January 21, 2022, the BSP reference rate was ₱51.43 per U.S.$1.00.

While the value of the Peso has recovered since 2010, its valuation may be adversely affected by certain events and circumstances such as the strengthening of the U.S. economy, the rise of the interest rates in the U.S. and other events affecting the global markets or the Philippines, causing investors to move their investment portfolios from the riskier emerging markets such as the Philippines. Consequently, an outflow of funds and capital from the Philippines may occur and may result in increasing volatility in the value of the Peso against the U.S. Dollar and other currencies.

In addition, fluctuations in the exchange rate between the Philippine Peso and other currencies will affect the foreign currency equivalent of the Peso price of the Shares listed on the PSE. Such fluctuations will also affect the amount of foreign currency received from any sale of the Offer Shares, and the conversion of cash dividends or other distributions paid by the Company in Pesos.

Any political instability in the Philippines may adversely affect the Company.

The Philippines has from time to time experienced severe political and social instability. The Philippine Constitution provides that, in times of national emergency, when the public interest so requires, the Government may take over and direct the operation of any privately owned public utility or business. In the last few years, there has been political instability in the Philippines, including impeachment proceedings against two former presidents, removal of two chief justices of the Supreme Court of the Philippines, hearings on graft and corruption issues against various government officials, and public and military protests arising from alleged misconduct by previous and current administrations.

There can be no assurance that political violence will not occur in the future, and any such events could negatively impact the Philippine economy. An unstable political environment, whether due to the impeachment of government officials, imposition of emergency executive rule, martial law or widespread popular demonstrations or rioting, could negatively affect the general economic conditions and operating environment in the Philippines, which could have a material adverse effect on the Company's business, financial condition and results of operations.

The Philippine general elections for national and local officials are scheduled to take place on May 9, 2022. As the general elections draw closer, there has been increased partisan political activity by potential candidates for national or local office, political parties, and their supporters. The 2022 general election may also take place against the backdrop of the COVID-19 pandemic and the Philippine Commission on Elections has cautioned the public that, while it is unlikely for the 2022 elections to be postponed, there may be politicians and interest groups who would push for such an agenda.

Furthermore, there can be no assurance that the current administration, or the new administration after the 2022 general elections, will continue to implement social and economic policies that promote a favorable and stable macroeconomic and business environment. Any major deviation from the previously established policies or a fundamental change of direction, including with respect to Philippine foreign policy, may lead to an increase in political or social uncertainty and instability. Any such instability could materially and adversely affect the Company's business, financial conditions, results of operations and prospects, reduce consumer demand or result in inconsistent or sudden changes in regulations and policies that affect the Company's business operations, which could adversely affect the Company's results of operations and financial condition.

Acts of terrorism, clashes with separatist groups and violent crimes could lead to possible destabilization of the country which could have a material adverse effect on the Company's business and financial condition and results of operation.

The Philippines has been subject to a number of terrorist attacks in the past several years. The Philippine army has been in conflict with various groups which have been identified as being responsible for kidnapping and terrorist activities in the Philippines as well as clashes with separatist groups. In addition, bombings have taken place in the Philippines, mainly in cities in the southern part of the country. For example, in January 2019, bombs were detonated in the Jolo Cathedral in the Municipality of Jolo, Sulu and a Mosque in Zamboanga City, Zamboanga del Sur. In May 2017, a clash erupted in Marawi, Lanao del Sur between government security forces and the ISIS-affiliated Maute group, following the Government's offensive to capture alleged ISIS leader in Southeast Asia, Isnilon Hapilon, who was believed to be in the city. President Duterte immediately declared Martial Law in Mindanao amid protests from the opposition and sectors of civil society. In a special joint session convened on July 22, 2017, both Houses of Congress voted to extend Martial Law until the end of 2017. On October 17, 2017, President Duterte declared the liberation of Marawi City. The clashes resulted in the loss of lives of civilians, soldiers and ISIS-inspired extremists, as well as damage to property and livelihood of Marawi residents. The reconstruction of the city is on-going. Martial Law in Mindanao was extended by both Houses of Congress until December 31, 2019. The martial law in Mindanao was lifted on January 1, 2020, however certain areas in Mindanao remain under a state of emergency and law enforcement groups are in heightened security as a measure against potential terror threats.

On July 3, 2020, Republic Act No. 11479, otherwise known as the Ant-Terrorism Act of 2020, was signed into law to replace Republic Act No. 9372, otherwise known as the Human Security Act of 2007. The law is currently being challenged in the Supreme Court by multiple groups.

An increase in the frequency, severity or geographic reach of these terrorist acts, violent crimes, bombings and similar events could have a material adverse effect on investment and confidence in, and the performance of, the Philippine economy. Any such destabilization could cause interruption to the Company's business and materially and adversely affect the Company's financial conditions, results of operations and prospects. For example, isolated security related incidents have in the past disrupted operations and transmission projects under construction, including in Mindanao.

Continued conflicts between the Government and separatist groups could lead to further injuries or deaths by civilians and members of the Armed Forces of the Philippines, which could destabilize parts of the Philippines and adversely affect the Philippine economy. There can be no assurance that the Philippines will not be subject to further acts of terrorism or violent crimes in the future, which could have a material adverse effect on the Company's business, financial condition, and results of operations.

Territorial and other disputes with China and a number of Southeast Asian countries may disrupt the Philippine economy and business environment.

The Philippines, China and several Southeast Asian nations have been engaged in a series of long standing territorial disputes over certain islands in the West Philippine Sea, also known as the South China Sea. The Philippines maintains that its claim over the disputed territories is supported by recognized principles of international law consistent with the United Nations Convention on the Law of the Sea ("**UNCLOS**"). The Philippines made several efforts during the course of 2011 and 2012 to establish a framework for resolving these disputes, calling for multilateral talks to delineate territorial rights and establish a framework for resolving disputes.

Despite efforts to reach a compromise, a dispute arose between the Philippines and China over a group of small islands and reefs known as the Scarborough Shoal. In April and May 2012, the Philippines and China accused one another of deploying vessels to the shoal in an attempt to take control of the area, and both sides unilaterally imposed fishing bans at the shoal during the late spring and summer of 2012. These actions threatened to disrupt trade and other ties between the two countries, including a temporary ban by China on Philippine banana imports, as well as a temporary suspension of tours to the Philippines by Chinese travel agencies. Since July 2012, Chinese vessels have reportedly turned away Philippine fishing boats attempting to enter the shoal, and the Philippines has continued to protest China's presence there. In January 2013, the Philippines sent notice to the Chinese embassy in Manila that it intended to seek international arbitration to resolve the dispute under UNCLOS. China has rejected and returned the notice sent by the Philippines requesting arbitral proceedings.

In July 2016, the UNCLOS tribunal rendered a decision stating that the Philippines has exclusive sovereign rights over the West Philippine Sea (in the South China Sea) and that China's claim over the same area is invalid. Despite the decision, the Chinese Government has maintained its position that the Tribunal has no jurisdiction over the dispute, and thus, the decision is not binding on the Chinese Government.

In March 2021, more than 180 Chinese military vessels were spotted on Julian Felipe Reef in the West Philippine Sea. The presence of the vessels defied a diplomatic protest and demand for the vessels to leave the area, issued by Philippine Defense Secretary Delfin Lorenzana.

Newly elected President Joe Biden has manifested that the United States would not be easing up its military operations in the West Philippine Sea. South Asian nations and claimants involved in the West Philippine Sea dispute also continue to enforce their sovereign rights against China as well as other South Asian nations.

Should these territorial disputes continue or escalate further, the Philippines and its economy may be disrupted and the Company's operations could be adversely affected as a result. In particular, this may lead both countries to impose trade restrictions on the other's imports. The Philippines' interests in fishing, trade and offshore drilling, the volume of trade between the Philippines and China, and the supply of steel available to the Philippines may be adversely affected, which in turn may affect, among other things, real estate development and general economic and business conditions in the Philippines.

Investors may face difficulties enforcing judgments against the Company.

Considering that the Company is organized under the laws of the Republic of the Philippines and a significant portion of its operating assets are located in the Philippines, it may be difficult for investors to enforce judgments against the Company obtained outside of the Philippines. In addition, most of the directors and officers of the Company are residents of the Philippines, and all or a substantial portion of the assets of such resident directors and officers are located in the Philippines. As a result, it may be difficult for investors to effect service of process upon such persons, or to enforce against them judgments obtained in courts or arbitral tribunals outside the Philippines predicated upon the laws of jurisdictions other than the Philippines.

The Philippines is party to the United Nations Convention on the Enforcement and Recognition of Arbitral Awards, though it is not party to any international treaty relating to the recognition or enforcement of foreign judgments. Nevertheless, the Philippine Rules of Civil Procedure provide that a judgment or final order of a foreign court is, through the institution of an independent action, enforceable in the Philippines as a general matter, unless there is evidence that: (i) the foreign court rendering judgment did not have jurisdiction; (ii) the judgment is contrary to the laws, public policy, customs or public order of the Philippines; (iii) the party against whom enforcement is sought did not receive notice; or (iv) the rendering of the judgment entailed collusion, fraud, or a clear mistake of law or fact.

The sovereign credit ratings of the Philippines may adversely affect the Company's business.

Historically, the Philippines' sovereign debt has been rated non-investment grade by international credit rating agencies. In 2019, the Philippines' long-term foreign currency-denominated debt was upgraded by S&P Global ("**S&P**"), to BBB+ with stable outlook, while Fitch Ratings ("**Fitch**"), and Moody's Investors Service ("**Moody's**"), affirmed the Philippines' long-term foreign currency-denominated debt to the investment-grade rating of BBB and Baa2, respectively, with a stable outlook. On February 28, 2020, Fitch revised its rating of Philippines long-term foreign currency-denominated debt to BBB, with a positive outlook, following its expectation that sound macroeconomic management will continue to support high growth rates with stable inflation while ongoing tax reforms were expected to improve fiscal finances. In May 2020, S&P and Moody's affirmed its rating of BBB+ and Baa2, with stable outlook, respectively, for the Philippines' long-term foreign currency-denominated debt. On May 7, 2020, Fitch affirmed its rating of Philippines long-term foreign currency-denominated debt to BBB, but revised the outlook to stable, to reflect the deterioration in the Philippines' near-term macroeconomic and fiscal outlook as a result of the impact of the COVID-19 pandemic and domestic lockdown to contain the spread of the virus. As of July 12, 2021, Fitch has affirmed its rating of Philippines long-term foreign currency-denominated debt at BBB, but revised the outlook to negative, to reflect the increased risks to the credit profile from the impact of the COVID-19 pandemic and its aftermath on policy-making as well as economic and fiscal out-turns.

There is no assurance that Fitch, S&P, Moody's or any other international credit rating agency will not, in the future, downgrade the credit ratings of the Philippines, which will affect Philippine companies including the Company. Any such downgrade could have an adverse impact on the liquidity of the Philippine financial market, the ability of the Government and Philippine companies to raise additional financing, and the interest rates and other commercial terms at which such additional financing will be made available. Additionally, there can be no assurance that the Philippines will maintain strong economic fundamentals in the future. Unforeseen economic shifts could lead to economic downturns, which may have an adverse effect on the Company's business or the Company's results of operations.

The Philippine real estate industry is subject to extensive regulation including those relating to environmental laws and regulations.

The Philippine real estate industry is subject to extensive government regulation. The Company is also subject to numerous environmental laws and regulations relating to the protection of the environment and human health and safety. These include laws and regulations governing air emissions, water and wastewater discharges, odor emissions, and the management of, disposal of and exposure to hazardous materials. See "*Regulatory and Environmental Matters*." The Company must comply with the various requirements of the Government, including local governmental authorities in the areas in which its properties are located, and the regulations of the Philippine Competition Commission.

The Government influences the property sector by imposing industry policies and economic measures, including those that affect the classification of land available for property development, foreign exchange restrictions, property financing, taxation, acquisition and development, and foreign investment. Property laws and regulations, including relevant judicial decisions, are at times ambiguous and may be subject to inconsistent and contradictory interpretations. Further, such laws and regulations are constantly evolving and therefore consistent interpretations of such regulations are difficult to anticipate. New laws and regulations or modifications may also be passed, which would impose more stringent and complex requirements on us, thereby adversely affecting the Company's business, financial condition, and results of operations.

In general, developers of real estate projects are required to submit project descriptions to regional offices of the DENR. For environmentally sensitive projects or at the discretion of the regional office of the DENR, a detailed Environmental Impact Assessment may be required and the developer will be required to obtain an Environmental Compliance Certificate to certify that the project will not have an unacceptable environmental impact. There can be no assurance that current environmental laws and regulations applicable to the Company will not increase the costs of operating its facilities above currently projected levels or require future capital expenditures. In addition, the Company cannot predict what environmental, health, safety or other legislation or regulations will be amended or enacted in the future, how existing or future laws or regulations will be enforced, administered or interpreted, or the amount of future expenditures that may be required to comply with these environmental laws or regulations or to respond to environmental claims. See "*Regulatory and Environmental Matters*." The introduction or inconsistent application of or changes in laws and regulations applicable to the Company's business could have a material adverse effect on its business, financial condition and results of operations. In addition, delays or other possible complications in obtaining the required regulatory and environmental permits could have a material adverse effect on the Company's business, financial condition and results of operations.

On August 8, 2015, Republic Act No. 10667, otherwise known as the Philippine Competition Act (the "**PCA**") became effective. The PCA prohibits and penalizes anti-competitive agreements and abuse of dominance. It likewise provides for mandatory notification for mergers and acquisitions meeting the set thresholds under the PCA and its Implementing Rules and Regulations. The mandatory process of notification may delay the consummation of the Company's transactions. Notably, however, the Bayanihan to Recover as One Act (the "**Bayanihan 2 Act**") exempts mergers or acquisitions with transaction values below ₱50,000,000,000 from mandatory review for a period of two years from the effectivity of the Bayanihan 2 Act or until September 14,

2022. Such transactions are likewise exempt from the PCC's motu proprio review for a period of one year from the effectivity of the Bayanihan 2 Act.

The Company is required to comply with various laws and regulations, and obtain licenses, permits and other authorizations.

The Company is subject to a wide range of laws and regulations administered by various branches of Government and regulatory organizations affecting its operations and for which the Company is required to obtain licenses, permits or other authorizations. These typically include laws and regulations related to the environment, land use, and occupational health and safety as well as regulatory compliance with Philippine SEC and PSE requirements. While the Company commits to comply with existing rules, regulations and laws governing its operations, it cannot foresee what laws or regulations will be amended or enacted in the future; how existing or future laws or regulations will be enforced, administered or interpreted; or the amount of future expenditures that may be required to comply with changes to these laws or regulations. New laws, rules or regulations, or revisions to existing laws, rules or regulations, could impose additional restrictions and requirements on the Company's business and operations and could result in additional compliance costs, capital expenditures or other costs.

In addition, the Company is required to maintain business licenses, permits and other authorizations, including those relating to certain construction activities for its properties, and is also required to obtain and renew various permits, including business permits and permits concerning, for example, health and safety, environmental standards. Its licenses, permits and other authorizations contain various requirements that must be complied with to keep such licenses, permits and other authorizations valid. If the Company fails to meet the terms and conditions of any of its licenses, permits or other authorizations necessary for its operations, these may be suspended or terminated, leading to temporary or potentially permanent closing of properties, suspension of construction activities or other adverse consequences.

In addition, the ability to comply with applicable laws and regulations can be affected by a variety of factors, including the effectiveness of the Company's compliance and risk management policies, the ability of management to adequately monitor our operations and intentional or unintentional misconduct or errors of officers, employees, affiliates or other parties with whom the Company conducts business. If the Company fails to comply with applicable laws and regulations, it may be subject to investigations, fines, penalties, sanctions and legal proceedings, which could adversely affect its business, results of operations or its reputation.

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

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

Other than COVID-19, other public health epidemics or outbreaks of diseases could have an adverse effect on economic activity in the Philippines, and could materially and adversely affect the Company's business, financial condition and results of operations.

In April 2009, an outbreak of the H1N1 virus, commonly referred to as "swine flu," occurred in Mexico and spread to other countries, including the Philippines. In August 2014, the World Health Organization ("**WHO**") declared the Ebola outbreak that originated in West Africa as an international health emergency in view of the rising death toll due to the disease. That month, a Filipino seaman in Togo was quarantined for exhibiting symptoms of Ebola virus infection but was later released after testing negative for the disease. In February 2015, a Filipina nurse who arrived from Saudi Arabia tested positive for the MERS-CoV (i.e., the Middle East Respiratory Syndrome-Corona virus). In March 2016, reports of an American woman who stayed in the Philippines for some weeks in January 2016, tested positive for the Zika virus upon returning home, indicating the local transmission of the disease through the Aedes aegypti mosquito. In May 2016, a South Korean national was reported to have acquired the infection while visiting the Philippines, following earlier reports of two other confirmed cases of the viral infection in the country.

In August 2017, an outbreak of bird flu from a poultry farm in Central Luzon was confirmed, and the avian influenza strain was later found to be transmissible to humans. In response to the outbreak, restrictions on the transport and sale of birds and poultry products outside a seven-kilometer radius control area surrounding the affected site were imposed.

In September 2019, the Department of Health confirmed that polio re-emerged in the Philippines, nineteen years after the country was declared polio-free by the WHO in 2000. As of November 25, 2019, the total number of confirmed polio cases is eight.

The Philippines remains vulnerable to exposure and spread of diseases for the following reasons: (a) the considerable number of overseas Filipino workers across the globe; (b) the impact of international travel which raises the probability of transmission; and (c) lack of the necessary infrastructure to contain the spread of diseases. In March 2016, the Director-General of WHO terminated the Public Health Emergency of International Concern on the Ebola Virus Disease outbreak.

If an outbreak of the Ebola virus, MERS-CoV, Zika virus, bird flu, polio, COVID-19 and any of its variants, or any public health epidemic becomes widespread in the Philippines or increases in severity, it could have an adverse effect on economic activity in the Philippines, and could materially and adversely affect the Company's business, financial condition and results of operations.

RISKS RELATING TO THE OFFER AND THE OFFER SHARES

The market price of the Common Shares may be volatile, which could cause the value of investors' investments in the Common Shares to decline.

The market price of Shares could be affected by several factors.

The Offer Price has been determined after taking into consideration a number of factors including and the price at which the Offer Shares will trade on the PSE at any point in time after the Offer will depend on many factors, including but not limited to:

- volatility in stock market prices and volume;
- fluctuations in the Company's revenue, cash flow, and earnings;
- perceived prospects of the Company's business and investments and the Philippines housing market;
- differences between the Company's actual financial and operating results and that expected by investors and analysts;
- changes in analysts' recommendations or projections;
- changes in general market, political, and economic conditions;
- the market value of the Company's assets;
- the perceived attractiveness of the Shares against those of other equity or debt securities, including those not in the real estate sector;
- the balance of buyers and sellers of the Shares;
- the size and liquidity of the Philippines equity market from time to time;
- any changes from time to time to the regulatory system, including the tax system;
- the ability on the Board's part to successfully implement its investment and growth strategies;
- broad fluctuations in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates, and weakness of the equity and debt markets; and
- general operational and business risks.

In addition, many of the risks described elsewhere in this Prospectus could adversely affect the market price of the Offer Shares. An increase in market interest rates may have an adverse impact on the market price of the Offer Shares if the annual yield on the price paid for the Offer Shares gives investors a lower return as compared to other investments.

In part as a result of recent global economic downturns, the global equity markets have historically experienced price and volume volatility that has affected the share prices of many companies. Share prices for many companies have experienced wide fluctuations that have often been unrelated to the operating performance of those companies. Fluctuations such as these could adversely affect the market price of the Offer Shares.

The Offer Shares may be traded at a price that is significantly different from the Offer Price. The Offer Shares are not capital-safe products, and there is no guarantee that investors can regain any investment losses in connection with their investments.

The Offer Shares may not be a suitable investment for all investors.

Each prospective investor in the Offer Shares must determine the suitability of that investment in light of their own circumstances. In particular, each prospective investor should: have sufficient knowledge and experience to make a meaningful evaluation of the Company and its businesses, the merits and risks of investing in the Offer Shares and the information contained in this Prospectus; have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Offer Shares and the impact the Offer Shares will have on its overall investment portfolio; have sufficient financial resources and liquidity to bear all of the risks of an investment in the Offer Shares, including where the currency for purchasing and receiving dividends on the Offer Shares is different from the potential investor's currency; understand and be familiar with the behavior of any relevant financial markets; and be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

In order to finance the expansion of its business and operations, the Board will consider the funding options available to them at the time, which may include the issuance of new Shares. While the Revised Corporation Code of the Philippines and the listing rules of the PSE provide for some degree of minority shareholders' protection, if additional funds are raised by the Company through the issuance of new equity or equity-linked securities other than on a *pro rata* basis to existing shareholders such as through a share rights offer, the percentage ownership of existing shareholders may be reduced, shareholders may experience subsequent dilution or such securities may have rights, preferences and privileges senior to those of the Offer Shares.

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

In addition, all shares issued or transferred (i.e., private placements, asset for shares swap or a similar transaction) or instruments which lead to the issuance of shares (i.e., convertible bonds, warrants or a similar instrument) completed and fully paid for within 180 days prior to the start of the Offer, where the transaction price is lower than that of the price per Offer Share, shall be subject to a lock-up period of at least 365 days from full payment of such shares.

To implement this lock-up requirement, the PSE requires the applicant company to lodge the shares with the PDTC through a PCD participant for the electronic lock-up of the shares or to enter into an escrow agreement with the trust department or custodian unit of an independent and reputable financial institution.

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

Investors may incur immediate and substantial dilution as a result of purchasing Common Shares in the Offer.

The Offer Price and the price per Common Share pursuant to the Offer may be substantially higher than the net tangible book value of net assets per share of the outstanding Common Shares. Therefore, purchasers of Offer Shares in the Offer may experience immediate and substantial dilution and the Company's existing shareholders may experience a material increase in the net tangible book value of net assets per share of the Common Shares they own. See "*Dilution*" on page [73] of this Prospectus.

Shareholders may be subject to limitations on minority shareholders' rights and regulations may differ from those in more developed countries.

The Company's corporate affairs are governed by its Articles of Incorporation and By-Laws and the Revised Corporation Code of the Philippines. The laws of the Philippines relating to the protection of interests of minority shareholders differ in some respects from those established under the laws of more developed countries. Such differences may mean that minority shareholders may have less protection than they would have under the laws of more developed countries. The obligation under Philippine law of majority shareholders and directors with respect to minority shareholders may be more limited than those in certain other countries such as the United States or the United Kingdom. Consequently, minority shareholders may not be able to protect their interests under current Philippine law to the same extent as in certain other countries.

The Revised Corporation Code of the Philippines, however, provides for minimum minority shareholders protection in certain instances wherein a vote by the shareholders representing at least two-thirds of the Company's outstanding capital stock is required. The Revised Corporation Code of the Philippines also grants shareholders an appraisal right allowing a dissenting shareholder to require the corporation to purchase his shares in certain instances. Derivative actions are rarely brought on behalf of companies in the Philippines. Accordingly, there can be no assurance that legal rights or remedies of minority shareholders will be the same, or as extensive, as those available in other jurisdictions or sufficient to protect the interests of minority shareholders.

There can be no assurance that the Company will be able to pay dividends or maintain any given level of dividends.

If the Company does not generate sufficient net operating profit, income and resulting ability to pay dividends will be adversely affected. Dividends shall be declared and paid out of the Company's unrestricted retained earnings, which shall be payable in cash, property or stock to all shareholders on the basis of outstanding stock held by them. However, the Board of Directors, in its discretion, may decide to declare dividends to be payable in property or shares. The declaration of dividends is subject to the requirements of applicable laws and regulations, and circumstances which restrict the payment of dividends.

While the Company has adopted a dividend policy whereby, subject to available cash and existence of unrestricted retained earnings, at least 50% of its net income for the preceding fiscal year will be declared as dividends, the Board may, at any time, modify any dividend policy taking into consideration various factors including: the level of cash earnings, return on equity and retained earnings; results for, and financial condition at the end of, the year in respect of which the dividend is to be paid and its expected financial performance; the projected levels of capital expenditure and other investment plans; restrictions of payment of dividends that may be imposed under any financing arrangements and current and prospective debt service requirements; and such other factors as the Board deems appropriate. See "*Dividends and Dividend Policy*" beginning on page [67] of this Prospectus.

Notwithstanding its dividend policy, no assurance can be given as to the Company's ability to make or maintain dividends. Nor is there any assurance that the level of dividends will increase over time, or that the Company will generate adequate income available for dividends to shareholders.

The Common Shares are subject to Philippine foreign ownership limitations.

The Common Shares are subject to Philippine foreign ownership limitations. The Philippine Constitution and related statutes set restrictions on foreign ownership in companies engaged in certain activities. Ownership of private lands in the Philippines is a nationalized activity reserved to Filipino citizens and corporations and associations at least 60% of whose capital is owned by Filipino citizens. The Company owns private lands in the Philippines. Given the foregoing, the Company cannot allow the issuance or the transfer of shares to persons other than Philippine Nationals and cannot record transfers in the Company's books if such issuance or transfer would result in the Company ceasing to be a Philippine National for purposes of complying with the restrictions on foreign ownership. These restrictions may adversely affect the liquidity and market price of the Common Shares to the extent international investors are not permitted to purchase Shares in normal secondary transactions. As of the date of this Prospectus, the Company is compliant with all conditions for foreign shareholder ownership under the prevailing provisions of applicable laws. *See "Regulatory and Environmental Matters—Nationality Restrictions*" on page [160] of this Prospectus.

The transfer of Offer Shares is restricted in certain jurisdictions which may adversely affect their liquidity and the price at which they may be sold.

The Offer Shares have not been registered under, and the Company is not obligated to register the Offer Shares under, the U.S. Securities Act or the securities laws of any other jurisdiction and, unless so registered, may not be offered or sold except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable laws. See "*Plan of Distribution—Selling Restrictions*". The Company has not agreed to or otherwise undertaken to register the Offer Shares in such other jurisdictions, and the Company has no intention of doing so.

Overseas shareholders may not be able to participate in future rights offerings or certain other equity issues.

If the Company offers or causes to be offered to holders of the Offer Shares rights to subscribe for Common Shares or any right of any other nature, the Company will have discretion as to the procedure to follow in making such rights available to holders of the Offer Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. For example, such rights may not be offered to holders of the Common Shares who are U.S. persons (as defined in Regulation S) or have a registered address in the U.S. unless: (i) a registration statement is in effect, if a registration statement under the U.S. Securities Act is required in order for the Company to offer such rights to holders and sell the securities represented by such rights; or (ii) the offer and sale of such rights or the underlying securities to such holders are exempt from registration under the provisions of the U.S. Securities Act.

The Company has no obligation to prepare or file any registration statement outside of the Philippines if the offer and sale of rights to subscribe for securities or the underlying securities are not exempted from the applicable registration requirements. Accordingly, shareholders who are subject to similar restrictions may be unable to participate in rights offerings and may experience a dilution in their holdings.

The intended use of the proceeds of the Subscription may be delayed or may not materialize.

The net proceeds from the completion of the Subscription are intended to be used for the purposes and in the manner set out in "*Use of Proceeds*". In particular, the net proceeds from the Subscription shall be used by the Company for the repayment of loan obligations. These obligations may or may not be due and will make available credit lines for the Company, which may be used for working capital, land banking and expansion plans. There is no guarantee that the Company will be able to deploy such proceeds within the expected time frame. As a result, the use of proceeds may be delayed or may vary from the current intentions and the failure to apply the proceeds in a timely manner or effectively could adversely affect the prevailing market price of the Common Shares, the Company's capital expenditure plans, and the Company's financial condition and results of operations.

The Company is required to maintain a minimum public ownership of 10%.

In accordance with the SEC Memorandum Circular No. 13 Series of 2017 and under the PSE Amended Rule on Minimum Public Ownership ("**MPO Rule**"), which took effect on December 5, 2017, the Company is required to maintain a minimum public ownership ("**MPO**") of 10.0% of its total issued and outstanding shares, since the Company's common shares were listed prior to January 1, 2013. Listed companies that become non-compliant with the MPO Rule will be suspended from trading for a period of not more than six months and will automatically be delisted if it remains non-compliant with the MPO Rule after the lapse of the suspension period. Suspended or delisted shares will not be traded on the PSE. In addition, the sale of shares of listed companies that do not maintain the MPO are not considered publicly listed for taxation purposes and should, therefore, be subjected to capital gains tax and documentary stamp tax. See "*The Philippine Stock Market—Amended Rule on Minimum Public Ownership*" on page [197] of the Prospectus. As of September 30, 2021, 28.7% of the Company's shares are held by the public.

RISKS RELATING TO CERTAIN INFORMATION IN THE PROSPECTUS

Certain information contained herein is derived from unofficial publications.

Certain information in this Prospectus relating to the Philippines, the real estate industry and market, including statistics relating to market size, is derived from various Government and private publications. This Prospectus also contains industry information which was prepared from available public sources, independent market research conducted by Frost & Sullivan (an independent market research agency) commissioned by the Company to provide an overview of the segments of the industry in which the Company operates and the competitiveness of the industry. The information contained in that section may not be consistent with other information regarding the industry. Similarly, industry forecasts and other market research data, including those contained or extracted herein, have not been independently verified by the Company, the Selling Shareholders, the Joint Global Coordinators and Joint Bookrunners, and the Joint Local Underwriters and Joint Bookrunners, nor any of their respective affiliates or advisors, and may not be accurate, complete, up to date or consistent with other information compiled within or outside the Philippines. Prospective investors are cautioned accordingly.

USE OF PROCEEDS

It is currently estimated that the Offer Shares shall be offered at an Offer Price of up to ₱[18.99]. The Selling Shareholders will receive all of the proceeds from the sale of the Offer Shares in the Offer. The Company will not directly receive any proceeds from the Offer, as the Offer comprises a secondary offer of existing Common Shares held by each of the Selling Shareholders. Subject to the terms of the Subscription Agreement, IHoldings has agreed to subscribe for, and the Company has agreed to issue, new Common Shares in an amount equal to the aggregate number of (i) IHoldings Offer Shares sold in the Offer, and (ii) Option Shares sold through the exercise of the Overallotment Option, at a price equal to the Offer Price. See "—*The Subscription*" below.

Costs and expenses for the Offer and the Subscription, including underwriting and selling fees, discretionary fees and certain other fees and expenses, including fees to PSE Trading Participants, will be paid by the Company from the proceeds of the Subscription, subject to reimbursement by TPG and Pasir Salak of their pro rata share in the costs and expenses of the Offer. Taxes on the sale of the TPG Offer Shares and the Pasir Salak Offer Shares shall be shouldered by TPG and Pasir Salak, respectively. Taxes on the sale of the IHoldings Offer Shares shall be paid by the Company from the proceeds of the Subscription.

ESTIMATED SELLING SHAREHOLDERS EXPENSES

It is estimated that the gross proceeds from the sale of the Firm Shares, assuming a final Offer Price of ₱[18.99], will be approximately ₱[23,737.5] million (U.S.$[465.8] million) and that the net proceeds from the sale of the Firm Shares and the Option Shares, after deduction of fees and expenses expected to be incurred, will be approximately ₱[22,760.1] million (U.S.$[446.6] million).

	Estimated Amounts from the Firm Shares (₱) (in millions)	**Estimated Amounts from the Firm Shares and the Option Shares (assuming full exercise of the Overallotment Option) (₱) (in millions)**
Estimated total proceeds from the offer of the Selling Shareholders' Shares	[23,737.5]	[26,586.0]
Estimated Expenses:		
SEC registration, filing and research fees	[7.3]	[7.3]
Underwriting and selling fees*	[434.8]	[492.6]
Discretionary fees**	[241.1]	[270.1]
Fees to be paid to the PSE Trading Participants (*Selling Agents)*	[47.5]	[47.5]
Professional fees (including legal, accounting, industry consultant, appraisal and agent fees)***	[62.6]	[62.6]
Other expenses (including printing, marketing, roadshow and other miscellaneous expenses)	[5.1]	[5.1]
Crossing charges****	[179.0]	[200.5]
Total estimated expenses from the offer of the Selling Shareholders' Shares	[977.4]	[1,085.6]
Estimated net proceeds from the offer of the Selling Shareholders' Shares	[22,760.1]	[25,500.4]

**Assuming aggregate underwriting and selling fees equivalent to up to [2.0]% of the gross proceeds, inclusive of the fees to be paid to the PSE Trading Participants. Applicable taxes on such underwriting and selling fees shall be for the account of the Selling Shareholders.*
***Assuming aggregate discretionary incentive fees (payable at the sole discretion of the Selling Shareholders) equivalent to up to [1.0]% of the gross proceeds. Applicable taxes on such discretionary fees shall be for the account of the Selling Shareholders.*
****Estimated Professional fees are further broken down as follows: legal fees (₱[55.0] million); accounting fees (₱[3.4] million); industry consultant fees (₱[3.1] million); appraisal fees (₱[0.6] million); and agent fees (₱[0.5] million).*

***** Crossing charges refer to [commissions, stock transaction tax, SCCP fees, Securities Investors Protection Fund, Philippine SEC fees and block sale fees].*

In particular, it is estimated that the gross proceeds from the sale of the IHoldings Offer Shares will be up to approximately ₱[5,697.0] million (U.S.$[111.8] million) and the gross proceeds from the sale of the IHoldings Offer Shares and the Option Shares will be up to approximately ₱[8,545.5] million (U.S.$[167.7] million) (assuming the full exercise of the Overallotment Option).

The Company will not, directly or indirectly, receive any proceeds from the sale of the Pasir Salak Offer Shares and the TPG Offer Shares. Assuming a final Offer Price of ₱[18.99] per Offer Share, it is estimated that (a) Pasir Salak's gross proceeds from the sale of the Pasir Salak Offer Shares will be approximately ₱[9,020.3] million (U.S.$[177.0] million), and (b) TPG's gross proceeds from the sale of the TPG Offer Shares will be approximately ₱[9,020.3] million (U.S.$[177.0] million.

The actual underwriting and selling fees, discretionary fees and other Offer-related expenses may vary from the estimated amounts.

THE SUBSCRIPTION

From the gross proceeds from the sale of the IHoldings Offer Shares, IHoldings has, subject to completion of and availability of the cash proceeds from the Offer, agreed to subscribe for, and the Company has, subject to the terms of the Subscription Agreement and the completion of the Offer, agreed to issue, new Common Shares in an amount equal to the aggregate number (i) IHoldings Offer Shares sold in the Offer, and (ii) Option Shares sold through the exercise of the Overallotment Option, at a price equal to the Offer Price. The estimated net proceeds to be received by the Company from the Subscription will be calculated by multiplying the aggregate number of IHoldings Offer Shares sold in the Offer and Option Shares sold pursuant to the exercise of the Overallotment Option by the Offer Price, and subtracting an estimated amount of underwriting and selling fees, market charges, costs and other expenses related to the Offer and Subscription and payable by the Company of ₱[356.9] million.

	Estimated Amounts from the IHoldings Offer Shares (₱) (in millions)	**Estimated Amounts from the IHoldings Offer Shares and the Option Shares (assuming full exercise of the Overallotment Option) (₱) (in millions)**
Estimated gross proceeds from the Subscription	[5,697.0]	[8,545.5]
Estimated Expenses:		
IHoldings' ratable share in the estimated expenses from the offer of Selling Shareholders' Shares	[234.6]*	[342.8]**
PSE Listing Fee	[6.4]	[9.6]
Documentary Stamp Tax	[3.0]	[4.5]
Total estimated expenses attributable to the Subscription	[244.0]	[356.9]
Estimated net proceeds from the Subscription	**[5,453.0]**	**[8,188.6]**

**Approximately [24]% ratable share in the total estimated expenses from the offer of Selling Shareholders' Firm Shares of ₱[977.4] million.*
***Approximately [32]% ratable share in the total estimated expenses from the offer of Selling Shareholders' Firm Shares and Option Shares (assuming full exercise of the Overallotment Option) of ₱[1,085.6] million.*

The Company expects that the net proceeds it will receive upon the successful completion of the Subscription, after deduction of fees and expenses expected to be incurred for the Offer and Subscription, will be up to approximately ₱[8,188.6] million (U.S.$[160.7] million).

The Company intends to use the net proceeds of the Subscription for the repayment of certain loan obligations represented by various promissory notes ("**PNs**"), which may include the following:

Bank	Aggregate Outstanding Balance Due	Maturity	Interest Rate	Amount to be Paid from Proceeds (₱)
Asia United Bank	974,000,000.00	PNs due from May 2022 to June 2022	5.25%	681,045,790.00
BDO Unibank	1,000,000,000.00	PNs due from May 2022 to June 2022	5.25%	1,000,000,000.00
Bank of Commerce	984,058,142.00	PNs due from June 2022 to July 2022	5.00%	984,058,142.00
China Banking Corporation*	2,169,118,541.50	PNs due from May 2024 to January 2026	5.25%	2,169,118,541.50
Development Bank of the Philippines	1,016,100,000.00	PNs due January 2023	5.00%	1,016,100,000.00
Philippine National Bank**	1,888,277,526.37	PNs due from July 2022 to May 2024	5.50%	1,888,277,526.37
Robinsons Bank Corporation	450,000,000.00	PN due June 2022	5.00%	450,000,000.00
Total	**8,481,554,209.87**			**8,188,599,999.87**

** China Bank Corporation is the parent of China Bank Capital Corporation, one of the Joint Domestic Lead Underwriters and Joint Bookrunners.*
***Philippine National Bank is the parent company of PNB Capital and Investment Corporation, one of the Joint Domestic Lead Underwriters and Joint Bookrunners.*

These obligations may or may not be due and will make available credit lines for the Company, which may be used for working capital, land banking and expansion plans. For those obligations that will become due and to the extent the proceeds from the Subscription would be insufficient for repayment, the Company intends to repay the difference between the loan balance and the net proceeds from internally generated funds from the following sources: (1) collection of monthly amortization from installment sales; (2) migration of receivables to HDMF; (3) end-buyer financing from partner banks; and (4) sales of receivables to financial institutions.

Pending the above use of proceeds, the Company shall invest the net proceeds from the Subscription in short-term liquid investments including but not limited to short-term government securities, bank deposits and money market placements which are expected to earn at prevailing market rates.

No amount of the proceeds is to be used to reimburse any officer, director, employee, or shareholder, for services rendered, assets previously transferred, money loaned or advanced, or otherwise.

Except for the underwriting and selling fees, and discretionary fees related to the Offer, no amount of the proceeds will be utilized to pay any outstanding financial obligations to the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners.

The foregoing discussion represents a best estimate of the use of proceeds of the Subscription based on the Company's current plans and anticipated expenditures and are presented for convenience only. In the event that there is any change in the Company's development plan, including force majeure, market conditions and other circumstances, the Company will carefully evaluate the situation and may reallocate the proceeds for future investments or other uses, and/or hold such funds in investments, whichever is more advantageous for the Company's and its shareholders' interest taken as a whole. The Company's cost estimates may also change as these plans are developed further, and actual costs may be different from budgeted costs. For these reasons, timing and actual use of the net proceeds may vary from the foregoing discussion and the Company's management may find it necessary or advisable to alter its plans.

In the event of any deviation, adjustment or reallocation in the planned use of proceeds from the Subscription, the Company shall inform the SEC and the PSE in writing at least 30 days before such deviation, adjustment or reallocation is implemented. Any material or substantial adjustments to the use of proceeds, as indicated above, should be approved by the Board of Directors and disclosed to the PSE. In addition, the Company shall submit via the PSE EDGE the following disclosures to ensure transparency in the use of proceeds:

(1) any material disbursements made in connection with the planned use of proceeds from the Subscription;

(2) quarterly progress report on the application of the proceeds from the Subscription on or before the first 15 days of the following quarter; the quarterly progress reports should be certified by the Company's Chief Financial Officer or Treasurer and external auditor;

(3) annual summary of the application of the proceeds on or before January 31 of the following year, which will be certified by the Company's Chief Financial Officer or Treasurer and external auditor; and

(4) approval by the Board of Directors of any reallocation on the planned use of proceeds. The actual disbursement or implementation of such reallocation must be disclosed by the Company at least 30 days prior to the said actual disbursement or implementation.

The quarterly and annual reports required in items (2) and (3) above must include a detailed explanation for any material variances between the actual disbursements and the planned use of proceeds in the Prospectus, if any. The detailed explanation must state the approval of the Board as required in item (4) above. The Company shall submit an external auditor's certification of the accuracy of the information reported by the Company to the PSE in its quarterly and annual reports.

DIVIDENDS AND DIVIDEND POLICY

LIMITATIONS AND REQUIREMENTS

Under Philippine law, a corporation can only declare dividends to the extent that it has unrestricted retained earnings that represent the undistributed earnings of the corporation which have not been allocated for any managerial, contractual or legal purpose and which are free for distribution to the shareholders as dividends. The amount of retained earnings available for declaration as dividends may be determined pursuant to regulations issued by the Philippine SEC. The Company is permitted under Philippine law to declare cash, property and stock dividends, subject to certain requirements. See "*Description of the Shares—Shareholders' Rights—Dividend Rights*" on page [186] of this Prospectus.

The approval of the board of directors is generally sufficient to approve the distribution of dividends, except in the case of stock dividends which requires the approval of stockholders representing at least two-thirds of the total outstanding capital stock (which refers to the total shares of stock subscribed by, under binding subscription agreements with, subscribers or stockholders, whether paid in full or in part, except treasury shares) at a regular or special meeting duly called for the purpose.

The Revised Corporation Code generally requires a Philippine corporation with retained earnings in excess of 100% of its paid-in capital to declare and distribute as dividends the amount of such surplus. Notwithstanding this general requirement, a Philippine corporation may retain all or any portion of such surplus in the following cases: (i) when justified by definite expansion plans approved by the board of directors of the corporation; (ii) when the required consent of any financing institution or creditor to such distribution has not been secured; or (iii) when retention is necessary under special circumstances, such as when there is a need for special reserves for probable contingencies.

RECORD DATE AND PAYMENT DATE

Pursuant to existing Philippine SEC rules, any declaration of cash dividends must have a record date not less than 10 nor more than 30 days from the date of declaration. For stock dividends, the record date should not be less than 10 nor more than 30 days from the date of the shareholders' approval. In either case, the set record date is not to be less than 10 trading days from receipt by the PSE of the notice of declaration of dividend. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date is to be fixed by the Philippine SEC. In case no record date is specified for the cash and stock dividend declaration, then the same shall be deemed fixed at 15 days from such declaration.

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

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

In accordance with the PSE Consolidated Listing and Disclosure Rules, for all cash and stock dividends accruing to shares lodged with the PDTC, whether from unissued capital or resulting from an increase in capital stock, the same shall be remitted/credited to the PDTC for immediate distribution to its participants not later than 18 trading days from the record date.

DIVIDEND POLICY

The declaration and payment of dividends are subject to certain conditions under the Company's existing loan agreements with various institutions. Under said loan agreements, the Company may declare and pay dividends provided: (a) all payments (including pre-payments) due on said loan and premiums on insurance of assets are current and updated; (b) all financial covenants set forth therein are satisfied; (c) certain financial ratios are met and such payment will not result in the violation of the required financial ratios under the loan agreements; and (d) no event of default as provided in the loan agreements shall exist or occur as a result of such payment.

The Company's current dividend policy with respect to the Common Shares provides that subject to available cash and existence of unrestricted retained earnings, at least 50% of the net income of 8990 for the preceding fiscal year will be declared as dividends. The Company intends to maintain a consistent dividend payout policy based on its consolidated net income for the preceding fiscal year, subject to the requirements of the applicable laws and regulations and the absence of circumstances which may restrict the payment of such dividends.

The Company is subject to the following financial covenants under its ₱9 Billion Corporate Bonds (Series B Bonds Due 2022 and Series C Bonds Due 2025):

(i) Maximum Debt-to-Equity Ratio of 1.50:1:00.

(ii) Minimum Current Ratio of 1:00:1:00.

(iii) Minimum Debt Service Coverage Ratio of 1.25:100

The Board, may, at any time, implement and modify the dividend policy depending upon the results of operations and future projects and plans and other considerations.

Dividends, if any, shall be declared and paid out of the Company's unrestricted retained earnings which shall be payable in cash, property or stock to all shareholders on the basis of the outstanding stock held by them. Unless otherwise required by law, the Board, has sole discretion to determine the amount, type and date of payment of the dividends to the shareholders, taking into account various factors, including:

- the level of earnings, cash flow, return on equity and retained earnings;
- results of operations and financial condition at the end of the year in respect of which the dividend is to be paid and expected financial performance;
- the projected levels of capital expenditures and other investment programs;
- restrictions on payments of dividends that may be imposed by any current or future financing arrangements and current or prospective debt service requirements; and
- such other factors as the Board deems appropriate.

The Company may also in the future enter into certain financing arrangements that would restrict its ability to pay dividends.

HISTORY OF DIVIDEND PAYMENT

The Company's dividend payment history for the Common Shares over the last two years is set out below:

	Dividend		
Date of Declaration	**Amount** (₱) per Common Share	**Type**	**Payment Date**
November 3, 2021	0.20	Cash	December 10, 2021

The Company's dividend payment history its preference shares over the last two years is set out below:

Series A Preferred Shares

	Dividend		
Date of Declaration	**Amount** (₱) per preference share	**Type**	**Payment Date**
February 16, 2021	1.506575	Cash	December 1, 2021
February 16, 2021	1.506575	Cash	September 1, 2021
February 16, 2021	1.506575	Cash	June 1, 2021
February 16, 2021	1.506575	Cash	March 1, 2021
February 1, 2020	1.506575	Cash	December 1, 2020

February 1, 2020	1.506575	Cash	September 1, 2020
February 1, 2020	1.506575	Cash	June 1, 2020
February 1, 2020	1.506575	Cash	March 2, 2020

Series B Preferred Shares

	Dividend		
Date of Declaration	**Amount** (₱) per preference share	**Type**	**Payment Date**
February 24, 2021	1.375 per quarter	Cash	February 10, 2022
February 24, 2021	1.375 per quarter	Cash	November 10, 2021
February 24, 2021	1.375 per quarter	Cash	August 10, 2021
February 24, 2021	1.375 per quarter	Cash	May 10, 2021

Each of the Subsidiaries has adopted the same dividend policy whereby, subject to available cash and existence of unrestricted retained earnings, at least 50% of the net income of such Subsidiary for the preceding fiscal year will be declared as dividends.

The Subsidiaries of the Company have declared the following dividends over the past two fiscal years:

Subsidiary	**2019**	**2020**
	(₱ millions)	
8990 Housing	2,059.2	1,056.7
8990 Luzon	0.0	0.0
8990 Mindanao	0.0	0.0
8990 Davao	0.0	0.0
Fog Horn	9.4	0.0
Total	2,068.6	1,056.7

EXCHANGE RATES

The following table sets forth certain information concerning the exchange rate as set out in the BSP Daily Reference Exchange Rate Bulletin, expressed in Philippine Pesos per U.S.$1.00:

	Philippine Peso/U.S. dollar exchange rate			
Year	**Period end**	**Average(1)**	**High(2)**	**Low(3)**
2017	49.92	50.40	51.80	49.40
2018	52.72	52.66	54.35	49.77
2019	50.74	51.80	52.89	50.49
2020	48.04	49.62	51.32	48.03
2021	50.77	49.25	50.96	47.67
2022				
January (as of January 28, 2022)	51.39	51.23	51.46	50.97

Notes:

(1) Average exchange rate quoted on BSP's Reference Exchange Rate Bulletin for the period.

(2) Highest daily exchange rate quoted on BSP's Reference Exchange Rate Bulletin for the period.

(3) Lowest daily exchange rate quoted on BSP's Reference Exchange Rate Bulletin for the period.

On January 27, 2022, the rate quoted on the BSP Daily Reference Exchange Rate Bulletin was ₱51.24 = U.S.$1.00.

DETERMINATION OF THE OFFER PRICE

It is currently estimated that the Offer Shares shall be offered at an Offer Price of up to ₱[18.99] per Offer Share. The Offer Price will be determined through a book-building process and discussion among the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners.

Investors should not rely on the historical market price of the Common Shares on the PSE as an indicator of the value of the Common Shares.

The factors to be considered in determining the Offer Price will be, among others, the Company's ability to generate and grow earnings and cash flows, short and long-term prospects, the level of demand from institutional investors, overall market conditions at the time of launch of the Offer, and the market valuation of comparable listed companies.

CAPITALIZATION

As of September 30, 2021, the Company's authorized capital stock was ₱7,000,000,000.00 divided into (i) 6,850,000,000 Common Shares, each with a par value of ₱1.00, (ii) 100,000,000 non-voting, non-convertible, non-participating, redeemable, perpetual preferred shares with a par value of ₱1.00 per share and (iii) 5,000,000,000 voting preferred shares with a par value of ₱0.01 per share. As of the date of this Prospectus, there are (i) 5,391,399,020 Common Shares; (ii) 50,000,000 Series A Preferred Shares; and (iii) 37,000,000 Series B Preferred Shares issued and outstanding.

The following table sets forth the Company's capitalization and indebtedness (i) as of September 30, 2021; (ii) as adjusted to give effect to the Offer; and (iii) as further adjusted to give effect to the Subscription and the issuance of the Subscription Price, assuming a final Offer Price of ₱[18.99].

This table should be read in conjunction with the Company's consolidated reviewed financial statements as of September 30, 2021 and notes thereto, included in the Prospectus.

	As of September 30, 2021		**As of September 30, 2021 as Adjusted After Giving Effect to the Offer**[(2)]		**As of September 30, 2021 as Further Adjusted After Giving Effect to the Subscription and the Issuance of the Subscription Shares**	
	₱	**U.S.$**	**₱**	**U.S.$**	**₱**	**U.S.$**
	(in millions, unaudited)					
Total Debt[(1)]	29,926.2	587.3	29,926.2	587.3	29,926.2	587.3
Equity						
Capital stock...........	5,605.0	110.0	5,605.0	110.0	[6,055.0]	[118.8]
Additional Paid-in Capital.................	12,907.1	253.3	12,907.1	253.3	[20,645.7]	[405.1]
Treasury Shares.......	(1,806.5)	(35.5)	(1,806.5)	(35.5)	(1,806.5)	(35.5)
Revaluation reserve .	793.6	15.6	793.6	15.6	793.6	15.6
Retained earnings ...	28,284.4	555.0	28,284.4	555.0	28,284.5	555.0
Total Equity	45,783.6	898.4	45,783.6	898.4	[53,972.3]	[1,059.1]
Total Capitalization	75,709.8	1,485.7	75,709.8	1,485.7	[83,898.5]	[1,646.4]

Notes:

(1) Total Debt refers to Company borrowings comprised ofloans current and non-current payable, notes payable and bonds payable.

(2) Prior to the implementation of the Subscription, the completion of the Offer will not result in a change in capitalization as all Offer Shares are being offered by the Selling Shareholders. No new shares will be issued by the Company and the Company will not directly receive any proceeds from the sale of the Offer Shares.

DILUTION

The Offer (prior to the implementation of the Subscription) will not result in dilution as all Offer Shares are being offered by the Selling Shareholders.

The following table sets forth the shareholdings, and percentage of Common Shares outstanding, of existing and new shareholders immediately after completion of the Offer, assuming the Overallotment Option is not exercised:

	Number of Shares	%
Existing shareholders	[4,141,399,020]	[76.8]
New investors	[1,250,000,000]	[23.2]
Total	**[5,391,399,020]**	**100.0**

The following table sets forth the shareholdings, and percentage of Common Shares outstanding, of existing and new shareholders immediately after completion of the Offer, assuming full exercise of the Overallotment Option:

	Number of Shares	%
Existing shareholders	[3,991,399,020]	[74.0]
New investors	[1,400,000,000]	[26.0]
Total	**[5,391,399,020]**	**100.0**

As of September 30, 2021, the net tangible book value per Common Share was ₱[6.80]. Net tangible book value per Common Share represents total assets (less goodwill) minus total liabilities and preferred shares divided by the total number of Common Shares outstanding.

It is currently estimated that the Offer Shares shall be offered at an Offer Price of up to ₱[18.99] per Common Share. After giving pro forma effect to the Subscription at the Offer Price, and after deducting estimated expenses of the Subscription, the pro forma net tangible book value per Common Share would be ₱[7.69] per Common Share. Assuming a final Offer Price of ₱[18.99], the Common Shares will be purchased at a premium of ₱[11.30] to net tangible book value per Common Share.

The following table illustrates dilution on a per Common Share basis based on an Offer Price of ₱[18.99] per Offer Share:

Offer Price per Offer Share	**₱[18.99]**
Net tangible book value per Common Share as of September 30, 2021	₱[6.80]
Pro Form Net tangible book value per Common Share as adjusted after the Subscription	₱[7.69]
Dilution to investors in the Offer	₱[11.30]

The following table sets forth the shareholdings, and percentage of Common Shares outstanding, of existing and new shareholders immediately after completion of the Offer and the Subscription, assuming the Overallotment Option is not exercised:

	Number of Shares	%
Existing shareholders	[4,441,399,020]	[78.0]
New investors	[1,250,000,000]	[22.0]
Total	**[5,691,399,020]**	**100.0**

The following table sets forth the shareholdings, and percentage of Common Shares outstanding, of existing and new shareholders immediately after completion of the Offer and the Subscription, assuming the full exercise of the Overallotment Option:

	Number of Shares	%
Existing shareholders	[4,441,399,020]	[76.0]
New investors	[1,400,000,000]	[24.0]
Total	**[5,841,399,020]**	**100.0**

See "*Risk Factors—Risks Relating to the Offer and the Offer Shares—Future sales of Common Shares in the public market could adversely affect the prevailing market price of the Common Shares and shareholders may experience dilution in their holdings" and "—Investors may incur immediate and substantial dilution as a result of purchasing Common Shares in the Offer*" on page [59] of this Prospectus.

SELECTED FINANCIAL INFORMATION

The following tables present selected financial information and should be read in conjunction with the independent auditors' reports and the Company's financial statements, including the notes thereto, included elsewhere in this Prospectus, and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations." The selected financial information as of and for the years ended December 31, 2018 and 2019 were derived from the Company's audited financial statements, which were prepared in accordance with PFRS and were audited by P&A in accordance with the PSA. The selected financial information as of and for the year ended December 31, 2020 was prepared in accordance with PFRS and was audited by RFG in accordance with the PSA. The selected financial information as of September 30, 2021 and for the nine months ended September 30, 2020 and 2021 was derived from the Company's unaudited interim consolidated financial statements, which was reviewed in accordance with PSRE 2410 by RFG.

In accordance with the relevant accounting and financial reporting standards, certain information in the Company's financial statements as of and for the years ended December 31, 2018 and 2019 have been restated and reclassified, as discussed further in Note 32.4 to the financial statements as of and for the years ended December 31, 2018, 2019 and 2020 included elsewhere in this Prospectus.

The selected financial information below is not necessarily indicative of the results of future operations. Furthermore, the translation of Philippine Peso amounts into U.S. dollars is provided for convenience only and is unaudited. Amounts in Philippine Pesos were converted to U.S. dollars using the BSP Daily Reference Exchange Rate as of September 30, 2021 of ₱50.959=U.S.$1.00.

STATEMENTS OF COMPREHENSIVE INCOME

	For the years ended December 31,				For the nine-month period ended September 30,		
	2018 (restated)	**2019 (restated)**	**2020**	**2020 (unaudited)**	**2020**	**2021**	**2021 (unaudited)**
	(₱ millions)			(U.S.$ millions)	(₱ millions)		(U.S.$ millions)
Real Estate Operations							
Real estate sales....................	11,457.9	14,997.3	14,169.0	278.0	9,676.5	15,267.0	299.6
Rental income.......................	12.2	16.5	8.1	0.2	4.5	84.7	1.7
Hotel operations	55.5	386.7	56.4	1.1	56.4	-	-
Revenues	**11,525.6**	**15,400.5**	**14,233.5**	**279.3**	**9,737.4**	**15,351.7**	**301.3**
Real Estate Operations							
Cost of real estate sales	4,847.9	6,343.5	7,366.6	144.6	4,648.5	7,590.0	148.9
Cost of rental services	1.7	0.3	0.9	0.0	-	46.4	0.9
Hotel Operations	17.0	198.2	43.0	0.8	33.6	-	-
Cost of Sales and Services..	**4,866.6**	**6,542.0**	**7,410.5**	**145.4**	**4,682.1**	**7,636.4**	**149.8**
Gross Income/Profit for the Year/Period	**6,659.0**	**8,858.5**	**6,823.0**	**133.9**	**5,055.3**	**7,715.3**	**151.5**
Operating Expenses	1,895.5	2,675.8	1,821.8	35.8	1,417.0	1,719.4	33.7
Other Operating Income (Expenses)	1,294.2	1,594.0	1,637.3	32.1	965.5	973.8	19.1
Finance Costs	1,268.9	1,616.7	1,692.0	33.2	1,272.0	1,313.1	25.8
Operating Income/Profit ...	4,788.8	6,160.0	4,946.5	97.0	3,331.8	5,656.6	111.1
Other Income	-	-	3.3	0.1	-	-	-
Income/Profit Before Income Tax from Continuing	4,788.8	6,160.0	4,949.8	97.1	3,331.8	5,656.6	111.1
Tax Expense (Benefit).......	(21.6)	297.2	117.9	2.3	24.1	227.4	4.5
Net Income/Profit for the Year/Period	**4,810.4**	**5,862.8**	**4,831.9**	**94.8**	**3,307.7**	**5,429.2**	**106.5**
Basic Diluted Earnings per Share	0.87	1.08	0.90	0.02	0.61	1.01	0.02

STATEMENTS OF FINANCIAL POSITION

	As of December 31,				As of September 30,	
	2018 (restated)	2019 (restated)	2020	2020 (unaudited)	2021	2021 (unaudited)
		(₱ millions)		(U.S.$ millions)	(₱ millions)	(U.S.$ millions)
Assets						
Current assets:						
Cash and cash equivalents	2,318.6	1,043.4	1,209.3	23.7	1,317.2	25.8
Trade and other receivables	4,094.2	3,685.4	3,064.8	60.1	9,070.9	178.0
Inventories	29,201.9	37,045.9	39,812.0	781.3	40,776.8	800.2
Due from related parties	904.4	996.5	1,194.6	23.5	1,485.6	29.2
Other current assets	3,998.4	4,014.2	4,117.3	80.8	4,811.2	94.4
Total current assets	**40,517.5**	**46,785.4**	**49,398.0**	**969.4**	**57,461.7**	**1,127.6**
Non-current assets:						
Trade and other receivables, net of current portion	15,734.4	18,179.9	25,838.7	507.1	26,806.2	526.0
Investment securities at fair value through other comprehensive income	1,349.5	1,212.9	1,211.7	23.8	1,211.7	23.8
Property and equipment, net.	814.5	796.5	739.3	14.5	732.5	14.4
Investment properties	247.6	353.7	348.0	6.8	343.1	6.7
Available for sale securities						
Goodwill	-	526.5	526.5	10.3	526.5	10.3
Other noncurrent assets	252.0	368.8	419.8	8.2	497.0	9.8
Total non-current assets	**18,398.0**	**21,438.3**	**29,084.0**	**570.7**	**30,117.0**	**591.0**
Total assets	**58,915.5**	**68,223.7**	**78,481.9**	**1,540.1**	**87,578.7**	**1,718.6**
Current liabilities:						
Trade and other payables	4,818.4	5,488.8	5,362.2	105.2	8,409.6	165.0
Due to related parties	52.3	82.6	233.5	4.6	197.4	3.9
Loans payable	5,855.5	11,503.3	19,742.4	387.4	17,600.3	345.4
Income tax payable	49.1	76.1	74.5	1.5	210.9	4.1
Bonds payable	-	8,385.7	-	-	375.5	7.4
Deposits from customers	351.1	673.7	858.9	16.8	875.4	17.2
Total current liabilities	**11,126.4**	**26,210.2**	**26,271.5**	**515.5**	**27,669.1**	**543.0**
Non-current liabilities:						
Trade and other payables, net of current portion	190.2	990.0	926.1	18.2	1,107.4	21.7
Loans payable, net of current portion	9,525.6	6,461.1	11,470.5	225.1	11,233.5	220.4
Notes payable	-	-	1,300.0	25.5	500.0	9.8
Bonds payable	8,951.5	590.4	591.5	11.6	216.9	4.3
Deferred tax liability	222.1	919.6	880.5	17.3	1,068.2	21.0
Total non-current liabilities	**18,889.4**	**8,961.1**	**15,168.6**	**297.7**	**14,126.0**	**277.2**
Total liabilities	**30,015.8**	**35,171.3**	**41,440.1**	**813.2**	**41,795.1**	**820.2**
Equity						
Capital Stock	5,568.0	5,568.0	5,568.0	109.3	5,605.0	110.0
Additional paid-in capital	9,303.6	9,303.6	9,303.6	182.6	12,907.1	253.3
Treasury Shares	-	(1,266.5)	(1,806.5)	(35.5)	(1,806.5)	(35.5)
Revaluation reserve	937.2	794.9	793.8	15.6	793.6	15.6
Retained earnings	13,090.9	18,652.4	23,182.9	454.9	28,284.4	555.0
Total equity	**28,899.7**	**33,052.4**	**37,041.8**	**726.9**	**45,783.6**	**898.4**
Total liabilities and equity	**58,915.5**	**68,223.7**	**78,481.9**	**1,540.1**	**87,578.7**	**1,718.6**

STATEMENTS OF CASH FLOWS INFORMATION

	For the years ended December 31,				For the nine-month period ended September 30,		
	2018 (restated)	2019 (restated)	2020	2020 (unaudited)	2020	2021	2021 (unaudited)
	(₱ millions)			(U.S.$ millions)	(₱ millions)		(U.S.$ millions)
Net cash provided by (used in) operating activities ...	5,411.0	792.3	(3,195.1)	(62.7)	(2,414.4)	1,848.7	(36.3)
Net cash used in investing activities........................	(1,338.5)	(1,802.7)	(580.7)	(11.4)	(22.3)	(56.4)	(1.1)
Net cash provided by (used in) financing activities ...	(3,227.6)	(294.4)	3,941.7	77.3	2,305.2	(1,684.4)	(33.1)
Net increase (decrease) in cash on hand and in banks.............................	844.9	(1,304.8)	165.9	3.2	(131.5)	107.9	(2.1)
Cash and cash equivalents of newly acquired subsidiary......................	-	29.6	-	-	-	-	-
Cash and cash equivalents at beginning of year / period............................	1,473.7	2,318.6	1,043.4	20.5	853.9	1,209.3	23.7
Cash and cash equivalents at end of year / period.................	**2,318.6**	**1,043.4**	**1,209.3**	**23.7**	**722.4**	**1,317.2**	**25.8**

SUMMARY OF SELECTED OPERATING AND FINANCIAL INFORMATION

Key Performance Indicators

	As of and for the year ended December 31, 2018	As of and for the year ended December 31, 2019	As of and for the year ended December 31, 2020	As of and for the nine months ended September 30, 2020[16]	As of and for the nine months ended September 30, 2021[16]
	(Restated)	(Restated)	(Audited)	(Unaudited)	
Revenues (₱ millions)	11,525.6	15,400.5	14,233.5	9,737.4	15,351.8
Gross Income (₱ millions).	6,659.0	8,858.6	6,823.1	5,055.3	7,715.3
Current Ratio[1].................	3.64	1.79	1.88	1.43	2.08
Book Value Per Share[2]	4.34	5.18	5.95	5.64	6.89
Debt to Equity Ratio[3].......	0.84	0.82	0.89	0.88	0.65
Asset to Equity Ratio[4]......	2.04	2.06	2.12	2.22	1.91
Asset to Debt Ratio[5]	2.42	2.53	2.37	2.53	2.93
Gross Income Margin[6].....	57.8%	57.5%	47.9%	51.9%	50.3%
Net Profit Margin[7]...........	41.7%	38.1%	33.9%	34.0%	35.4%
Adjusted EBITDA[8]..........	5,123.4	6,733.0	5,747.3	3,746.3	6,108.7
NPAT[9]............................	4,810.4	5,862.8	4,831.9	3,307.7	5,429.2
NPAT Margin[10]	41.7%	38.1%	33.9%	34.0%	35.4%
Net Debt[11].......................	22,014.0	25,897.1	31,895.0	30,293.6	28,609.0
Net Debt to Equity[12]	0.8	0.8	0.9	0.9	0.6
Net Debt to Adjusted EBITDA[13].......................	4.3	3.8	5.5	6.06[16]	3.51 [16]
Return on Assets[14]	8.2%	8.6%	6.2%	5.6%[17]	8.3%[17]
Return on Equity[15]	16.7%	17.7%	13.0%	12.5%[18]	15.8%[18]

Notes:
(1) Calculated as Total Current Assets / Total Current Liabilities.
(2) Calculated as (Stockholders' Equity less preferred shares) / (Issued and outstanding Common Shares less treasury shares).
(3) Calculated as (Current and non-current loans payable + Current and non-current notes payable + Current and non-current bonds payable) / Total Equity.
(4) Calculated as Total Assets / Total Equity.
(5) Calculated as Total Assets / (Current and non-current loans payable + Current and non-current notes payable + Current and non-current bonds payable).

(6) Calculated as Gross Income / Total Revenues.
(7) Calculated as Net Profit / Total Revenues.
(8) Adjusted EBITDA is EBITDA as adjusted for Interest income, Gain or loss on repossession (net), Loss from assets written-off, and Allowance for expected credit loss (ECL) and impairment losses. EBITDA is Net income + Finance costs + Provision for income tax +Depreciation and Amortization.
(9) Net profit after tax.
(10) Calculated as NPAT / Total Revenues.
(11) Net Debt refers to Current and non-current loans payable + Current and non-current notes payable + Current and non-current bonds payable less Cash.
(12) Calculated as Net Debt / Stockholders' Equity.
(13) Calculated as Net Debt / Adjusted EBITDA.
(14) Calculated as NPAT / Total Assets.
(15) Calculated as NPAT / Stockholders' Equit).
(16) For the nine months ended September 30, 2020 and 2021, Adjusted EBITDA is presented on an annualized basis (i.e. divided by three, and then multiplied by four).
(17) For the nine months ended September 30, 2020 and 2021, NPAT is presented on an annualized basis (i.e. divided by three, and then multiplied by four).
(18) For the nine months ended September 30, 2020 and 2021, NPAT is presented on an annualized basis (i.e. divided by three, and then multiplied by four).

EBITDA and Adjusted EBITDA Reconciliation

	For the years ended December 31,				**For the nine months ended September 30,**		
	(Audited)			**(Unaudited)**	**(Unaudited)**		
	2018	**2019**	**2020**	**2020**	**2020**	**2021**	**2021**
		(₱ million)		**(US$ million)**	**(₱ million)**		**(US$ million)**
Net Income	4,810.4	5,862.8	4,831.9	94.8	3,307.7	5,429.2	106.5
Add:							
Finance Costs	1,268.9	1,616.7	1,692.1	33.2	1,272.0	1,313.1	25.8
Tax expense (benefit)	(21.6)	297.2	117.9	2.3	24.1	227.4	4.5
Depreciation and amortization	63.5	102.3	95.7	1.9	67.6	67.9	1.3
EBITDA	6,121.2	7,887.0	6,737.6	132.2	4,671.4	7,037.6	138.1
Add / (Deduct):							
Interest income	(1,193.8)	(1,229.4)	(850.8)	(16.7)	(684.5)	(944.1)	(18.5)
Gain or loss on repossession - net	93.9	(13.4)	(229.0)	(4.5)	(240.6)	15.2	0.3
Loss from assets written-off	0	66.7	0	0	0	0	0
Allowance for ECL and impairment losses	102.1	30.1	89.5	1.8	0	0	0
Adjusted EBITDA	5,123.4	6,733.0	5,747.3	112.8	3,746.3	6,108.7	119.9

Key Operating Information

The table below presents the components of the Company's consolidated revenue associated with its business segments for the periods indicated.

	For the year ended December 31,			**For the nine months ended September 30,**	
	2018	**2019**	**2020**	**2020**	**2021**
			(₱ in millions)		
Low-cost Mass Housing Units	5,306	3,869	6,023	3,943	5,453
MRB Units	2,730	2,397	2,334	1,492	2,108
HRB Units	3,422	8,214	5,725	4,188	6,732
Others	0	517	87	53	974
Total	**11,458**	**14,997**	**14,169**	**9,676**	**15,267**

The table below presents the number of units sold for the periods presented:

	For the year ended December 31,			For the nine months ended September 30,	
	2018	**2019**	**2020**	**2020**	**2021**
			(*No. of Units Sold*)		
Low-cost Mass Housing Units	4,667	3,596	5,096	3,610	4,672
MRB Units	1,761	1,527	1,641	939	1,273
HRB Units	1,993	4,591	3,170	2,245	2,775
Others	-	19	4	2	110
Total	**8,431**	**9,733**	**9,911**	**6,796**	**8,830**

The table below summarizes the loan amounts migrated to HDMF and to accredited banks, and receivables sold to financial institutions on a without recourse basis for the periods presented:

	For the year ended December 31,			For the nine months ended September 30,
	2018	**2019**	**2020**	**2021**
		(*₱ millions*)		
HDMF (Pag-IBIG)	4,009.2	1,642.5	1,316.1	2,896.3
Financial Institutions without recourse	9,975.3	7,935.6	3,530.0	3,534.4
Accredited banks	N/A	N/A	N/A	72.7
Total	**13,984.5**	**9,578.1**	**4,846.1**	**6,503.4**

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

*Prospective investors should read this discussion and analysis of the Company's financial condition and results of operations in conjunction with the sections entitled "Summary Financial Information" and "Selected Financial Information" and with the audited financial statements as of and for the years ended December 31, 2017, 2018, 2019 and 2020 (the "**audited financial statements**") and the interim consolidated financial statements as of and for the nine months ended September 30, 2020 and 2021, in each case including the notes relating thereto, included elsewhere in this Prospectus. The Company's audited financial statements were prepared in compliance with PFRS. The audited financial statements reflect certain restatements and reclassifications of accounts to conform with the presentation of financial statements for the year ended December 31, 2020 and to recognize certain adjustments and reclassifications made by certain subsidiaries. For further information, see Note 32.4 to the audited financial statements.*

This discussion contains forward-looking statements and reflects the Company's current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of factors such as those set forth in the section entitled "Risk Factors" on page [32] and elsewhere in this Prospectus. See "Forward-Looking Statements" on page [x] of this Prospectus.

This section includes certain non-PFRS financial measures, which are supplemental measures of the Company's performance that are not required by, or presented in accordance with, and should not be considered as an alternative to net profit, revenues, or any other financial performance measure derived in accordance with PFRS or as an alternative to cash flow from operations or as a measure of the Company's liquidity. Non-PFRS financial measures have limitations as analytical tools, and you should not consider them in isolation from, or as a substitute for, your own analysis of the Company's financial condition or results of operations, as reported under PFRS. These non-PFRS financial measures are not standardized terms and other companies may calculate measures bearing the same titles differently, hence a direct comparison between companies using such terms may not be possible, which limits the usefulness of these non-PFRS financial measures.

The translation of Philippine Peso amounts into U.S. dollars is provided for convenience only and is unaudited. Amounts in Philippine Pesos were converted to U.S. dollars using the BSP rate as of September 30, 2021 of ₱50.959 = U.S.$1.00.

OVERVIEW

The Company, operating through its Subsidiaries, is the leading Mass Housing developer in terms of home loan take-out by the Government's Mass Housing agency, the HDMF, also known as Pag-IBIG. From 2017 to September 30, 2021, HDMF take-outs amounted to ₱15,307.1 million (U.S.$300.4 million). In addition, 8990 is the second largest developer in the affordable housing sector based on sales revenues for the year ended 2019, according to Frost & Sullivan. The Company has been listed on the PSE since 2010 under the stock symbol "HOUSE" and is among the fastest growing publicly listed real estate companies in the Philippines with a market capitalization of ₱63,079.4 million (U.S.$1,237.8 million) as of January 21, 2022.

8990 is focused on socially responsible growth, providing quality and affordable housing options to low-income Filipinos for whom basic home financing has traditionally been challenging to obtain, by offering innovating financing solutions through the Company's CTS Financing Program and affordable home loan financing in coordination with the HDMF. The Company believes that it has established a unique business model that is highly profitable due to its operational and financing efficiencies.

The Company has four strategic business units: (i) Low-Cost Mass Housing under the *DECA Homes* brand; (ii) Medium-Rise Condominiums (MRBs) under the *Urban DECA Homes* brand; (iii) High-Rise Condominiums (HRBs) under the *Urban DECA Towers* brand; and (iv) Others, which includes the sale of developed subdivision lots, hotel operations and lease of properties. The Company has completed 65 Mass Housing projects across the Philippines and has 17 ongoing Mass Housing, MRB and HRB projects as of September 30, 2021. The Company has grown its footprint significantly since 2007, delivering approximately 81,700 units across completed and ongoing projects, with an estimated 327,000 residents and approximately 89% occupancy rate, as of September

30, 2021.[4] Moreover, the Company has an immediate inventory of approximately 52,240 additional units from ongoing projects (net of units already delivered from ongoing projects) as of September 30, 2021. The Company's land bank of 602.4 hectares has an estimated market value of ₱40,029.0 million (U.S.$785.5 million) based primarily on certain appraisals completed by JLL in the fourth quarter of 2021, among others. See "*Business—Land Bank*."

For the years ended December 31, 2018, 2019 and 2020, the Company recorded consolidated revenues amounting to ₱11,525.6 million, ₱15,400.5 million, and ₱14,233.5 million (U.S.$279.3 million), respectively and net income of ₱4,810.4 million, ₱5,862.8 million, and ₱4,831.9 million (U.S.$94.8 million), respectively. For the nine months ended September 30, 2020 and 2021, the Company recorded consolidated revenues amounting to ₱9,737.4 million and ₱15,351.8 million (U.S.$301.3 million), respectively and net income of ₱3,307.7 million and ₱5,429.2 million (U.S.$106.5 million), respectively.

Unique Business Model

The Company's unique business model emphasizes efficient construction periods using pre-cast system manufacturing construction technology, offers an accessible and innovative financing solution through the CTS Financing Program and utilizes loan factoring options for rapid capital recycling through a combination of loan migrations to HDMF, sales of receivables to financial institutions (without recourse) and partnerships with banks for loan migration.

The CTS Financing Program is an affordable pricing and payment model designed to cater to customers who do not have the accumulated savings to pay a substantial down payment but have sufficient recurring income to support monthly amortization payments. Under the CTS Financing Program, customers can move into their chosen home after a minimal down payment ranging from 3% to 5% of the total contract price, compared to approximately 10% to 20% equity down payment generally required by other developers. The Company retains ownership of the housing unit until full payment is completed by the buyer. This innovative in-house financing program allows buyers to purchase a property with a small upfront payment, thereby providing accessible housing to demographic groups for which home ownership has traditionally been challenging to attain.

The CTS Financing Program is strengthened by the Company's strong relationship with the HDMF and its Pag-IBIG Fund, the Government's established housing financial assistance program with a statutory mandate to provide assistance for the housing requirements of its members and allot not less than 70% of its investible funds for the deployment of housing loans to qualified buyers. The Company has structured the CTS Financing Program such that the requirements to participate in such in-house financing program generally mirrors the requirements for availing of a Pag-IBIG home loan. This mirroring of requirements facilitates the take-out by Pag-IBIG of such loans when applied for by 8990 buyers, thereby converting the receivables of the Company into cash and reducing the financing and other risks relating to potential buyer defaults. For the years ended December 31, 2018, 2019 and 2020 and for the nine months ended September 30, 2021, the amount of Pag-IBIG take-outs of Company loans was ₱4,009.2 million, ₱1,642.5 million, ₱1,316.1 million (U.S.$25.8 million) and ₱2,896.3 million (U.S.$56.8 million), respectively.

FACTORS AFFECTING RESULTS OF OPERATIONS

The Company's results of operations are affected by various factors. Set out below is a discussion of the most significant factors that have affected the Company's results in the past and which the Company expects to affect its financial results in the future. Factors other than those set out below could also have a significant impact on the Company's results of operations and financial condition in the future. See "*Risk Factors—Risks Relating to the Company's Business*."

General Global and Philippine Economic Conditions and the Condition of the Philippine Real Estate and Residential Housing Markets

The Company derives substantially all of its revenue from its Mass Housing development activities in the Philippines. The Philippine real estate and housing markets have historically been affected by the prevailing economic conditions in the Philippines, which may also be affected by the economic conditions in other parts of the world. Accordingly, the Company's results of operations may be significantly affected by the state of the

[4] Total number of residents is based on the Company's estimate of four persons in each of the approximately 81,700 units delivered as of September 30, 2021. The occupancy rate is based on units purchased for residential use and excludes units sold for investment or vacation purposes.

global and Philippine economies generally and specifically the Philippine property and housing markets. The Philippine real estate and housing markets have historically been subject to cyclical trends, and property values have been affected by the supply of, and demand for, comparable properties, the rate of economic growth, the rate of unemployment, and political and social developments in the Philippines. Demand for new residential projects in the Philippines has historically also been affected by, among other things, prevailing political, social and economic conditions in the Philippines, including overall growth levels, the value of the Philippine peso and interest rates, as well as the strength of the economy in other parts of the world, given that a substantial portion of demand comes from overseas Filipino workers. Furthermore, as the Company continues expanding its business, these operations will also be increasingly affected by general conditions in the global and Philippine economies. As a result, the Company expects that its results of operations will continue to vary from period to period largely as a result of general global and Philippine economic conditions.

Collection of Receivables

The Company's results of operations are also affected to a significant degree by the success and efficiency of its collection of receivables from its customers. If the Company experiences any significant delays or defaults on its collection of receivables, it could experience liquidity issues. In addition, a significant number of defaults may result in the Company taking on a significant amount of inventory for the units it repossesses from customers. In such an instance, there can be no guarantee that the Company will be able to dispose of these units quickly and at acceptable prices. Any of these occurrences in relation to failure to collect receivables from its customers in a timely manner or at all may have a material adverse effect on the Company's liquidity, financial condition and results of operations.

Liquidity Risk Management

The Company accredits its projects with Pag-IBIG, allowing its buyers to apply for a housing loan with Pag-IBIG and subsequently fully pay their in-house financing loan with the Company from the loan proceeds from Pag-IBIG. For the period from 2016 to September 30, 2021, the Company successfully migrated ₱17.9 billion worth of receivables to Pag-IBIG via this program. In particular, in 2020 and as of the third quarter of 2021, 8990 buyers applied for housing loans with Pag-IBIG amounting to ₱1,316.1 million and ₱2,896.3 million, respectively, thereby liquidating the Company's receivables in such amount. Pag-IBIG released housing loans in these aggregate amounts to pay off the balance of the purchase price of the housing units sold by the Company to qualified Pag-IBIG members.

The acceptance or rejection of a CTS receivable by Pag-IBIG is based on certain guidelines such as employment, number of contributions made by the homeowner/ Pag-IBIG member and net disposable income, among other factors. As a result of the Company's CTS Financing Program requirements mirroring those of Pag-IBIG, the Company estimates that substantially all of its historic requests for take-outs have been accepted by Pag-IBIG. However, in the event that a material number of take-up applications are delayed or even denied, the Company's cash flow and recognized revenues could be materially affected. Moreover, the conversion into cash of the Company's CTS receivables as a result of take-outs by Pag-IBIG also affects the Company's results of operations. As a greater amount of CTS receivables are converted pursuant to the Company's take-up arrangements, the Company's finance income and receivables decrease while its cash balances correspondingly increase.

The Company also regularly adopts other measures to manage its level of receivables from its housing sales, as well as to generate cash necessary for operations. For example, from time to time, the Company sells its receivables to bank and/or financial institutions on a without recourse basis.

For the period from 2016 to September 30, 2021, the Company sold an aggregate of ₱25.0 billion of receivables to banks and other financial institutions on a non-recourse basis. In 2020 and as of the third quarter of 2021, a total of ₱3,530 million and ₱3,534 million worth of receivables on a non-recourse basis were sold to financing institutions. The success of any of these receivable management measures, depending on the amount involved and terms agreed, may affect the Company's results of operations in terms of its liquidity and the levels of its receivable assets.

In addition, the Company has initiated possible securitization transactions with respect to its receivables portfolio which is expected to be completed in 2022 and targeted to generate net cash of ₱1.0 billion. The Company has also introduced an end-buyer financing program in August 2021 where the Company partnered with BPI Family Savings Bank (subsequently renamed to Bank of the Philippine Islands on January 1, 2022 after its merger with the same) and later on Security Bank to provide home loans for its buyers, which has encouraging results. The program allows buyers to avail of a housing loan with these banks of up to 90.0% of total package price of the unit and payable up to 20 years.

Interest Rates

The Company generally charges its customers an annual interest rate of 9.5% on its housing loans under its CTS Financing Program. The Company's financing arrangements with commercial banks and other financial institutions are typically on a variable interest basis, with interest rates typically averaging approximately 5.0% to 7.0% per annum. As the Company typically only needs to borrow approximately half of the amount of loans it grants to its customers, the Company believes that it is substantially protected against fluctuations of interest rates in the market. However, in cases of extraordinary increases in interest rates, such as during the Asian financial crisis of the late 1990s or the global economic downturn of 2008, the Company's financial position and results of operations could be adversely affected.

Tax Incentives and Exemptions

As a developer of Low-cost housing with Mass Housing unit price points not exceeding ₱2.5 million (for lots only) or ₱4.2 million (for residential house and lots or other residential dwellings), the Company benefits from an exemption on VAT under current tax laws and regulations. Furthermore, the accreditation of the Company's projects located outside of Metro Manila with unit price between ₱450,000 and ₱3,000,000 with the BOI as under the Investment Priorities Plan ("**IPP**") allows each accredited project to enjoy certain tax incentives. For each accredited project outside of Metro Manila, the Company's sales of Low-cost subdivision lots and housing units are currently not subject to corporate income tax. Also, the Company's projects with unit price of ₱450,000.00 and under are considered socialized housing projects and enjoy income tax free status by virtue of Republic Act No. 7279. As such, the Company's sales of Low-cost subdivision lots and housing units are currently not subject to 12.0% VAT and corporate income tax. In the event that the Company loses these tax exemptions or incentives or its tax holiday lapses or is not renewed, these sales would become subject to VAT and corporate income tax. These prospective tax charges will directly affect the Company's net income, and the Company expects that any changes in regulatory and tax policy and applicable tax rates may affect its results of operations from time to time.

Price Volatility of Construction Materials and Other Development Costs

The Company's cost of sales is affected by the price of construction materials such as steel, tiles and cement, as well as fluctuations in electricity and energy prices. While the Company, as a matter of policy, attempts to fix the cost of materials components in its agreements with contractors, in cases where demand for steel, tiles and cement are high or when there are shortages in supply, the contractors the Company hires for construction or development work may be compelled to raise their contract prices. With respect to electricity, higher prices generally result in a corresponding increase in the Company's overall development costs. As a result, rising costs for any construction materials or in the price of electricity will impact the Company's construction costs, cost of sales and the price for its products. Any increase in prices resulting from higher construction costs could adversely affect demand for the Company's products and the relative affordability of such products, particularly as a Mass Housing developer. This could reduce the Company's profitability.

With regard to sales of subdivision house and lots, if the actual cost of completing the development of a particular project exceeds the Company's estimates, any increase in cost is recorded as part of the cost of sales of subdivision house and lots in the same project. This means that the cost of sales for future sales in the same project will be higher.

Availability of Suitable Land for Development

The Company meticulously selects the sites for its Mass Housing development projects, typically undergoing a research process of anywhere from six months to one year before deciding to acquire land for its contemplated developments. After initializing projects in the Visayas and Mindanao, the Company is currently looking to expand its footprint in Luzon. To this end, the Company is currently examining its options for the acquisition of parcels of land in these areas. The Company selects the location of its developments based on numerous factors, such as proximity to public transportation hubs and employment areas, as well as vicinity to retail and other commercial establishments, among others. That said, properties which meet all these criteria may not be available for the price the Company is willing to pay, or the Company may encounter competing offers from other developers who may have more resources at their disposal. If the Company is unable to acquire or select the optimal parcels of land for its development projects and expansion plans or is unable to successfully grow and manage its land bank, its ability to meet its revenue and growth targets may be adversely affected.

Demand for Residential Properties

The Company has benefited from greater demand for residential properties resulting from, among other factors, growth of the Philippine economy, increasing number of Filipinos investing in the Philippine real estate market, strong levels of OFW remittances and increasing demand from expatriate Filipinos. In addition, the Company has also benefited specifically from the underserved backlog for Mass Housing in the Philippines in recent years. According to Frost & Sullivan, by 2022, total housing needs are expected to reach 6.8 million units of which 80% is estimated to be the portion of mass housing segment; moreover, the Government's current plan to address housing needs through key shelter agencies is inadequate with capacity to build only 200,000 units annually. The increased demand for residential properties has been a significant factor in the Company's increased revenues and profits over the last three years. In response to these developments, the Company has further increased the number of Mass Housing development projects. In 2014, the Company introduced its first high-rise condominium project to address potential demand from specific target markets. It is unclear whether the demand for housing in the Philippines will remain high or continue to grow, or whether the demand for the Company's products will reach the levels anticipated by the Company. Negative developments with respect to demand for housing in the Philippines would in turn have a negative effect on the Company's operational results. Conversely, positive developments in housing demand would likely positively contribute to the Company's operational results as observed in the past.

Seasonality

There is no significant seasonality in the Company's sales. Delinquencies on the Company's receivables from homebuyers tend to increase in the months of June and December. During these months, the Company's customers' cash flows are impacted by the need to make tuition payments in June for their children's schooling and by Christmas Holiday-related expenditures in December. The Company mitigates this seasonality in collections by instituting credit and collection policies that encourage homebuyers to prioritize their amortization payments to the Company over other expenditures. These include incentives (i.e. vouchers for school supplies or Christmas season shopping at local stores that are given to homebuyers who are timely in their amortization payments) and remedial measures (i.e. fines for late amortization payments). For the most part, any spikes in delinquencies in June and December normalize within the succeeding two months as homebuyers catch up on their payments.

SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Significant accounting policies and significant accounting judgments and estimates are those that are both (i) relevant to the presentation of the Company's financial condition and results of operations and (ii) require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. As the number of variables and assumptions affecting the possible future resolution of the uncertainties increase, those judgments become even more subjective and complex.

In order to provide an understanding of how the Company's management forms its judgments about future events, including the variables and assumptions underlying its estimates, and the sensitivity of those judgments to different circumstances, the Company has identified its significant accounting policies in Note 2 of its audited financial statements and Note 2 of its interim financial statements.

While the Company believes that all aspects of its financial statements should be studied and understood in assessing its current and expected financial condition and results of operations, the Company believes that the significant accounting judgments and estimates discussed in Note 3 of its audited financial statements and interim financial statements warrant particular attention.

The main items subject to significant accounting judgments by management include, among others:

- determining the existence of a contract with customer;
- evaluation of the timing of satisfaction of performance obligations and revenue recognition;
- determination of collection threshold for revenue recognition;
- determination of ECL on trade and other receivables and advances to related parties;
- fair value measurement for financial instruments;
- distinguishing between business combination and asset acquisition;

- distinction among real estate inventories, investment properties and owner-occupied properties;
- distinguishing between preferred shares held in club shares as financial instrument, inventories or intangible asset;
- distinction between operating and finance leases for contracts where the Group is the lessor;
- evaluation of business model of the financial assets; and
- recognition of provisions and contingencies.

The main items subject to key assumptions concerning the future and other key sources of estimation uncertainty include:

- estimation of allowance for ECL;
- estimating NRV of inventories;
- impairment of non-financial assets;
- determination of estimated useful life of property and equipment and investment properties;
- determination of realizable amount of deferred tax assets; and
- fair value measurement for investment properties.

DESCRIPTION OF SELECTED INCOME STATEMENT LINE ITEMS

The following table sets forth details for the Company's sales and other income line items for the periods indicated.

	For the years ended December 31,				For the nine months ended September 30,	
	2017	2018	2019	2020	2020	2021
		(Restated)	(Restated)			
			(Audited)		(Unaudited)	
				(₱ millions)		
Revenue	10,181.7	11,525.6	15,400.5	14,233.5	9,737.4	15,351.8
Cost of Sales and Services	4,523.3	4,866.6	6,542.0	7,410.5	4,682.1	7,636.5
Gross Income	**5,658.4**	**6,659.0**	**8,858.6**	**6,823.1**	**5,055.3**	**7,715.3**
Operating Expenses	1,684.3	1,895.5	2,675.8	1,821.8	1,417.0	1,719.4
Other Operating Income	1,576.0	1,294.2	1,594.0	1,637.3	965.5	973.7
Net Operating Income	**3,974.1**	**6,057.7**	**1,594.0**	**1,637.3**	**4,603.8**	**6,968.6**
Finance Costs	1,134.3	1,268.9	1,616.7	1,692.1	1,272.0	1,313.0
Other Income	1,597.3	-	-	3.3	-	-
Income before Income Tax	4,437.1	4,788.8	6,160.0	4,949.8	3,331.8	5,656.6
Tax Expense (Benefit)	298.3	(21.6)	297.2	117.9	24.1	227.4
Net Income	**4,138.8**	**4,810.4**	**5,862.8**	**4,831.9**	**3,307.7**	**5,429.2**

Revenue

The Company's revenue primarily comprises of those received from its sales of Low-cost Mass Housing units, subdivision lots, MRB units, HRB units and parking spaces. The Company also enters into transactions involving hotel accommodations, food and beverage operations and other incidental activities.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The transfer of control can occur over time or at a point in time. Generally, revenue is measured by reference to the fair value of consideration received or receivable by the Company for goods sold and services rendered, excluding VAT, and rebates and discounts, if any.

Starting 2019, the Company started offering sales of pre-completed real estate. As a result, the Company also recognizes revenue over time. Revenue from pre-completed real estate projects are recognized over time proportionate to progress of the development. The Company measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development. Revenue recognized from real estate sales is presented as part of Real Estate Sales under the Revenues section in the consolidated statement of profit or loss.

Cost of Sales and Services

Cost of sales and services comprise (i) the Company's costs of sales from its Low-cost Mass Housing sales of housing units, MRB condominium units, HRB units and developed subdivision lots; and (ii) the Company's cost of services from hotel operations and rental services.

Costs of real estate sales, including costs of land, land development costs, building costs, professional fees, permits and licenses and capitalized borrowing costs are recognized as these as incurred. Construction costs include contractors' costs, professional fees, permits and licenses and capitalized borrowing costs. Costs of hotel operations and operating expenses are recognized upon utilization of the goods or services or at the date the costs are incurred (i.e., when a decrease in future economic benefits related to a decreased in an asset or an increase of a liability has arisen that can be measured reliably). These are measured at the amount paid or payable.

Operating Expenses

Operating expenses generally include selling and administrative costs that are not directly attributable to the services rendered. Operating expenses of the Company comprise expenses related to marketing and selling (including commissions), documentation, taxes and licenses, salaries and employment benefits, write-off of assets, provisions for impairment losses, management and professional fees, communication, light and water, provisions for probable losses, security, messengerial and janitorial services, depreciation and amortization, transportation and travel, repairs and maintenance, rent, entertainment, amusement and representation, supplies, provisions for write-down, subscription dues and fees and miscellaneous expenses (such as extraordinary documentation expenses, liquidation and donation expenses, as well as other expenses).

Commissions are payments to real estate brokers and agents in connection with its real estate transactions. Documentation expenses consist of certification fees, registrations fees, tax clearances and other related expenses incurred in the processing of real estate inventories sales and transfer of titles to the buyers.

Finance Costs

Finance costs comprise costs associated with the Company's borrowings, accretion of interest, bank charges and net interest expense on its pension obligations.

Other Operating Income, Net

Other operating income, net comprises the Company's interest income from its installment contract and finance lease receivables, cash in bank and long-term placements, loans receivable, penalties, gain on repossession and miscellaneous income. Miscellaneous income mainly includes retrieval fee, commission fees received from an electric company, association dues, transfer fee, and rebates from an insurance company. It also includes revenues from the use of the rooms allocated to the unsold ALRC preferred shares.

Tax Expense (Benefit) / Provision for Income Tax

Tax expense recognized in consolidated profit or loss comprises the sum of current tax and deferred tax not recognized in consolidated other comprehensive income or directly in equity, if any. The components of income tax expenses reported in profit or loss consists of regular corporate income tax, minimum corporate income tax, final tax and deferred tax expense (income).

RESULTS OF OPERATIONS

Nine months ended September 30, 2021 compared to nine months ended September 30, 2020

Revenue

For the nine months ended September 30, 2021, the Company recorded consolidated revenue of ₱15,351.8 million (U.S.$301.3 million), a 57.7% increase from consolidated revenue of ₱9,737.4 million recorded for the nine months ended September 30, 2020. The increase was mainly attributable to the increase in sales of Low-cost Mass Housing, MRB and HRB units, which posted revenues of ₱5,452.9 million (U.S.$107.0 million), ₱2,107.5 million (U.S.$41.4 million), and ₱6,732.2 million (U.S.$132.1 million), respectively, in the nine months ended September 30, 2021.

Cost of Sales and Services

The Company's consolidated cost of sales and services for the nine months ended September 30, 2021 was ₱7,636.5 million (U.S.$149.9 million), an increase of 63.1% from consolidated cost of sales and services of ₱4,682.1 million recorded for the nine months ended September 30, 2020. The increase was mainly attributable to the increase in cost of real estate sales and cost of rental services recorded for the period.

Gross Income

The Company's consolidated gross income for the nine months ended September 30, 2021 was ₱7,715.3 million (U.S.$151.4 million), an increase of 52.6% from consolidated gross income of ₱5,055.3 million recorded for the nine months ended September 30, 2020. The Company's gross income margin for the nine months ended September 30, 2021 was 50.0% compared to a gross income margin of 52.0% recorded for the nine months ended September 30, 2020. The Company attributes maintaining its gross income margin to its sound internal financial planning policies with respect to land banking activities and project budgeting process.

Operating Expenses

For the nine months ended September 30, 2021, the Company recorded consolidated operating expenses of ₱1,719.4 million (U.S.$33.8 million), an increase of 21.3% from consolidated operating expenses of ₱1,417.0 million recorded for the nine months ended September 30, 2020. The increase was mainly attributable to increased marketing and selling expenses, documentation expenses, taxes and licenses and salaries and employee benefits mainly due to increased volume sales of the Company.

Finance Costs

The Company's consolidated finance costs for the nine months ended September 30, 2021 were ₱1,313.1 million (U.S.$25.7 million), an increase of 3.2% from consolidated finance costs of ₱1,272.0 million recorded for the nine months ended September 30, 2020. The increase was mainly attributable to increased levels of loans from the same period last year.

Other Operating Income

For the nine months ended September 30, 2021, the Company recorded consolidated other income of ₱973.8 million (U.S.$19.1 million), an increase of 0.9% from the consolidated other income of ₱965.5 million for the nine months ended September 30, 2020. Interest income on the Company's installment contract receivables under its CTS Financing Program contributed to the majority of the other income. The increase was mainly attributable to the higher level of receivables under the Company's in-house financing program for the nine months ended September 30, 2021.

Income before Income Tax

The Company's consolidated income before income tax for the nine months ended September 30, 2021 was ₱5,656.6 million (U.S.$111.0 million), an increase of 69.8% from consolidated income before income tax of ₱3,331.8 million recorded for the nine months ended September 30, 2020.

Provision for Income Tax

The Company's consolidated provision for income tax for the nine months ended September 30, 2021 was ₱227.4 million (U.S.$4.5 million), an increase of 843.2% from consolidated provision for income tax of ₱24.1 million recorded for the nine months ended September 30, 2020. The increase was mainly attributable to the Company's sales of projects with expired or no accreditation from Board of Investments such as Urban Deca Homes Manila and Urban Deca Homes Ortigas.

Net Income

As a result of the foregoing, the Company's consolidated net income for the nine months ended September 30, 2021 was ₱5,429.2 million (U.S.$106.5 million), a 64.1% increase from consolidated net income of ₱3,307.7 recorded for the nine months ended September 30, 2020. The Company's consolidated net income margin for the nine months ended September 30, 2021 was 35.0% compared to a consolidated net income margin of 34.0% for the nine months ended September 30, 2020.

Year ended December 31, 2020 compared to year ended December 31, 2019

Revenue

For the year ended December 31, 2020, the Company recorded consolidated revenue of ₱14,233.5 million (U.S.$279.3 million), a decrease of 7.6% from consolidated sales of ₱15,400.5 million recorded for the year ended December 31, 2019. The decrease was mainly attributable to decreased real estate sales. The Company's real estate sales generated ₱14,169.1 million (U.S.$278.0 million) in revenues for the year ended December 31, 2020, a decrease of 5.5% from the ₱14,997.3 million in revenues recorded for the year ended December 31, 2019.

Cost of Sales and Services

The Company's consolidated cost of sales and services for the year ended December 31, 2020 was ₱7,410.5 million (U.S.$145.4 million), an increase of 13.3% from consolidated cost of sales and services of ₱6,542.0 million for the year ended December 31, 2019. The increase was mainly attributable to increases in cost of real estate operations.

Gross Income

The Company's consolidated gross income for the year ended December 31, 2020 was ₱6,823.1 million (U.S.$133.9 million), a decrease of 23.0% from its consolidated gross income for the year ended December 31, 2019. The Company's gross income margin for the year ended December 31, 2020 was 48.0% compared to a gross income margin of 58.0% recorded for the year ended December 31, 2019. The decreases were mainly attributable to higher level of resales recorded for 2020, which yields lower margins.

Operating Expenses

For the year ended December 31, 2020, the Company recorded consolidated operating expenses of ₱1,821.8 million (U.S.$35.8 million), a decrease of 31.9% from consolidated operating expenses of ₱2,675.8 million recorded for the year ended December 31, 2019. The decrease was mainly attributable to decreased marketing and selling expenses, documentation expenses and taxes and licenses mainly due to lower volume of sales for the period. In addition, decreased salaries and employee benefits were a result of halted operations during the ECQ.

Other Operating Income (Expense)

The Company's consolidated other operating income (expense) for the year ended December 31, 2020 were ₱1,637.3 million (U.S.$32.1 million), an increase of 2.7% from consolidated other operating income (expense) of ₱1,594.0 million recorded for the year ended December 31, 2019. The increase was mainly attributable to increased gain on repossession as the market value of repossessed units are higher than their outstanding principal balance upon repossession.

Finance Costs

The Company's consolidated finance costs for the year ended December 31, 2020 were ₱1,692.1 million (U.S.$33.2 million), an increase of 4.7% from consolidated finance costs of ₱1,616.7 million recorded for the year ended December 31, 2019. The increase was mainly attributable to the higher level of loans for the period.

Income before Income Tax

The Company's consolidated income before income tax for the year ended December 31, 2020 was ₱4,949.8 million (U.S.$97.1 million), a decrease of 19.6% from consolidated income before income tax of ₱6,160.0 million recorded for the year ended December 31, 2019.

Tax Expense (Benefit)

The Company's consolidated tax expense for the year ended December 31, 2020 was ₱117.9 million (U.S.$2.3 million), a decrease of 60.3% from tax expense of ₱297.2 million recorded for the year ended December 31, 2019. The decrease was mainly attributable to the lower level of recognized revenue not eligible for income tax holiday granted by the BOI. Aside from projects in Metro Manila, all projects of the Company have secured accreditation from the BOI, which allows for an income tax holiday for the first three to four years of the relevant project.

Net Income

As a result of the foregoing, the Company's consolidated net income for the year ended December 31, 2020 was ₱4,831.9 million (U.S.$94.8 million), a decrease of 17.5% from consolidated net income of ₱5,862.8 million recorded for the year ended December 31, 2019. The Company's consolidated net income margin for the years ended December 31, 2020 and 2019 were 34.0% and 38.0%, respectively.

Year ended December 31, 2019 compared to year ended December 31, 2018

Revenue

For the year ended December 31, 2019, the Company recorded consolidated revenue of ₱15,400.5 million, an increase of 33.6% from consolidated sales of ₱11,525.6 million recorded for the year ended December 31, 2018. The increase was mainly attributable to increased real estate sales. The Company's real estate sales generated ₱14,997.3 million in revenues for the year ended December 31, 2019, an increase of 30.9% from the ₱11,457.9 million in revenues recorded for the year ended December 31, 2018. The improvement was mainly due to an increase in average selling price of units sold for the year, supported by the growing nationwide market acceptance of the Company's CTS Financing Program. The Company's rental income generated ₱16.5 million in revenues for the year ended December 31, 2019, an increase from the ₱12.2 million rental income for the year ended December 31, 2018. The increase was mainly attributable to increased real estate sales for the period. The Company's rental income consists of the rent from the commercial units in the Company's offices in Cebu and Davao.

Cost of Sales and Services

The Company's consolidated cost of sales and services for the year ended December 31, 2019 was ₱6,542.0 million, an increase of 34.4% from consolidated cost of sales and services of ₱4,866.6 million recorded for the year ended December 31, 2018. The increase was mainly attributable to increases in costs of real estate operations, consistent with the sales growth of these segments.

Gross Income

The Company's consolidated gross income for the year ended December 31, 2019 was ₱8,858.6 million, an increase of 33.0% from consolidated gross income of ₱6,659.0 million recorded for the year ended December 31, 2018. The Company's gross income margin for the year ended December 31, 2019 was 58.0%, which was the same as the gross income margin recorded for the year ended December 31, 2018. The Company attributes its strong and steady gross income margin to its sound internal financial planning policies with respect to landbank acquisition and project budgeting process.

Operating Expenses

For the year ended December 31, 2019, the Company recorded consolidated operating expenses of ₱2,675.8 million, an increase of 41.2% from consolidated operating expenses of ₱1,895.5 million recorded for the year ended December 31, 2018. The increase was mainly attributable to increased marketing and selling expense, documentation expense, taxes and licenses and salaries and employee benefits as a result of increased sales volume.

Finance Costs

The Company's consolidated finance costs for the year ended December 31, 2019 were ₱1,616.7 million, an increase of 27.4% from consolidated finance costs of ₱1,268.9 million recorded for the year ended December 31, 2018. The increase was mainly attributable to higher interest rate for the Company's loans from creditor banks, and high interest for bonds payable as it is long term in nature.

Other Operating Income

For the year ended December 31, 2019, the Company recorded consolidated other income of ₱1,594.0 million, an increase of 23.2% from ₱1,294.2 million recorded for the year ended December 31, 2018. The increase was mainly attributable to increased interest income on the Company's cash in banks and short-term placements and loans receivable.

Income before Income Tax

The Company's consolidated income before income tax for the year ended December 31, 2019 was ₱6,160.0 million, an increase of 28.6% from consolidated income before income tax of ₱4,788.8 million recorded for the year ended December 31, 2018.

Tax Expense (Benefit)

The Company's consolidated tax expense for the year ended December 31, 2019 was ₱297.2 million compared to tax benefit of ₱21.6 million recorded for the year ended December 31, 2018. The increase in tax expense was mainly attributable to an increase in real estate hotel sales, which are subject to income tax.

Net Income

As a result of the foregoing, the Company's consolidated net income for the year ended December 31, 2019 was ₱5,862.8 million, an increase of 21.9% from consolidated net income of ₱4,810.4 million recorded for the year ended December 31, 2018. The Company's consolidated net income margin for the year ended December 31, 2019 was 38.0% while its consolidated net income margin for 2018 was 42.0%.

[Year ended December 31, 2018 compared to year ended December 31, 2017

Revenue

For the year ended December 31, 2018, the Company recorded consolidated revenue of ₱11,525.6 million, an increase of 13.2% from consolidated sales of ₱10,181.8 million recorded for the year ended December 31, 2017. The increase was mainly attributable to increased real estate sales. The Company's real estate sales generated ₱11,457.8 million in revenues for the year ended December 31, 2018, an increase of 12.7% from the ₱10,170.8 million in revenues recorded for the year ended December 31, 2017. The improvement was mainly due to an increase in average selling price of units sold for the year, supported by the growing nationwide market acceptance of the Company's CTS Financing Program. The Company's rental income generated ₱12.2 million in revenues for the year ended December 31, 2018, an increase from the ₱10.9 million rental income for the year ended December 31, 2017.

Cost of Sales and Services

The Company's consolidated cost of sales and services for the year ended December 31, 2018 was ₱4,866.6 million, an increase of 7.6% from consolidated cost of sales and services of ₱4,523.3 million recorded for the year ended December 31, 2017. The increase was mainly attributable to increases in costs of real estate operations, consistent with the sales growth of these segments.

Gross Income

The Company's consolidated gross income for the year ended December 31, 2018 was ₱6,659.0 million, an increase of 17.7% from consolidated gross income of ₱5,658.4 million recorded for the year ended December 31, 2017. The Company's gross income margin for the year ended December 31, 2018 was 58.0%, compared to a gross income margin of 56.0% recorded for the year ended December 31, 2017. The Company attributes its strong and steady gross income margin to its sound internal financial planning policies with respect to landbank acquisition and project budgeting process.

Operating Expenses

For the year ended December 31, 2018, the Company recorded consolidated operating expenses of ₱1,895.5 million, an increase of 12.5% from consolidated operating expenses of ₱1,684.3 million recorded for the year ended December 31, 2017.

Finance Costs

The Company's consolidated finance costs for the year ended December 31, 2018 were ₱1,268.9 million, an increase of 11.9% from consolidated finance costs of ₱1,134.3 million recorded for the year ended December 31, 2017. The increase was mainly attributable to higher interest rate for the Company's loan from creditor banks, and high interest for bonds payable as it is long term in nature.

Other Operating Income

For the year ended December 31, 2018, the Company recorded consolidated other income of ₱1,294.2 million, a decrease of 17.9% from ₱1,576.0 million recorded for the year ended December 31, 2017. The decrease was mainly attributable to decreased interest income on the Company's lower level of installment contract receivables under its CTS Financing Program during the year, consistent with its higher sales volumes.

Income before Income Tax

The Company's consolidated income before income tax for the year ended December 31, 2018 was ₱4,788.8 million, an increase of 7.9% from consolidated income before income tax of ₱4,437.1 million recorded for the year ended December 31, 2017.

Provision for Income Tax

The Company's consolidated tax benefit for the year ended December 31, 2018 was ₱21.6 million, a decrease of 107.2% from consolidated provision for income tax of ₱298.4 million recorded for the year ended December 31, 2017.

Net Income

As a result of the foregoing, the Company's consolidated net income for the year ended December 31, 2018 was ₱4,810.4 million, an increase of 16.2% from consolidated net income of ₱4,138.8 million recorded for the year ended December 31, 2017. The Company's consolidated net income margin for the year ended December 31, 2018 was 42.0% and while its consolidated net income margin for 2017 was 40.0%.]

FINANCIAL POSITION

As of September 30, 2021 compared to as of September 30, 2020

Assets

Cash on Hand and in Banks

The Company's consolidated cash on hand and in banks were ₱1,317.2 million (U.S.$25.8 million) as of September 30, 2021, an increase of 82.3% from consolidated cash on hand and in banks of ₱722.4 million as of September 30, 2020. The increase was mainly attributable to quarter-end take outs from Pag-IBIG and banks.

Current portion of trade and other receivables

The Company's consolidated current portion of trade and other receivables were ₱9,070.8 million (U.S.$178.0 million) as of September 30, 2021, an increase of 165.1% from consolidated current portion of trade and other receivables of ₱3,421.9 million as of September 30, 2020. The increase was mainly attributable to increased installment sales for the period.

Inventories

The Company's consolidated inventories were ₱40,776.8 million (U.S.$800.2 million) as of September 30, 2021, an increase of 9.0% from consolidated inventories of ₱37,414.5 million as of September 30, 2020. The increase is due to an increase in inventory for Low-cost Mass Housing projects.

Due from Related Parties

The Company's consolidated due from related parties were ₱1,485.6 million (U.S.$29.2 million) as of September 30, 2021, an increase of 10.5% from consolidated due from related parties of ₱1,344.6 million as of September 30, 2020. The increase was mainly attributable to increased advances to its sister companies and other related parties for purposes of working capital requirements.

Other current assets

The Company's consolidated other current assets were ₱4,811.2 million (U.S.$94.4 million) as of September 30, 2021, a decrease of 2.0% from consolidated other current assets of ₱4,906.9 million as of September 30, 2020, primarily due to a decrease in advances to contractors in relation to construction on the Company's development projects, and prepaid expenses.

Trade and other receivables – net of current portion

The Company's consolidated trade and other receivables net of current portion were ₱26,806.2 million (U.S.$526.0 million) as of September 30, 2021, a 2.6% decrease from consolidated trade and other receivables – net of current portion of ₱27,519.9 million as of September 30, 2020. The decrease was due to sales of seasoned receivables to bank and financial institutions. For the nine months ended September 30, 2021, the Company migrated ₱2,896.3 million (U.S.$56.8 million) to Pag-IBIG and sold ₱3,534.4 million (U.S.$69.4 million) to banks and other financial institutions, as compared migration of ₱609.5 million (U.S.$12.0 million) to Pag-IBIG and nil sales to banks and other financial institutions for the nine months ended September 30, 2020.

Investment Securities

The Company's consolidated investment securities were ₱1,211.7 million (U.S.$23.8 million) as of September 30, 2021, a decrease of 0.1% from consolidated investment securities of ₱1,212.9 million as of September 30, 2020.

Property and Equipment

The Company's consolidated property and equipment was ₱732.5 million (U.S.$14.4 million) as of September 30, 2021, a decrease of 5.4% from consolidated property and equipment of ₱774.7 million as of September 30, 2020. The decrease was mainly attributable to recognized depreciation of the assets.

Other noncurrent assets

The Company's other noncurrent assets were ₱497.2 million (U.S.$9.8 million) as of September 30, 2021, an increase of 21.0% from consolidated other noncurrent assets of ₱411.0 million as of September 30, 2020. The increase was mainly attributable to increased deposits to utility companies and software costs related to the Company's transition to SAP software solutions.

Liabilities

Current portion of trade and accounts payable

The Company's consolidated current portion of trade and accounts payables were ₱8,409.6 million (U.S.$165.0 million) as of September 30, 2021, a decrease of 11.0% from consolidated current portion of trade and other payables of ₱9,445.7 million as of September 30, 2020. The decrease was mainly due to decreases in accrued expenses and interest payable.

Current portion of loans payable

The Company's consolidated current portion of loans payable were ₱17,600.3 million (U.S.$345.4 million) as of September 30, 2021, an increase of 18.8% from consolidated current portion of loans payable of ₱14,811.6 million as of September 30, 2020. The increase was mainly due to the increased levels of loans for the period.

Current portion of bonds payable

The Company's consolidated current portion of bonds payable were ₱375.5 million (U.S.$7.4 million) as of September 30, 2021, a decrease of 95.5% from consolidated current portion of bonds payable of ₱8,404.5 million as of September 30, 2020. The decrease was mainly attributable to the payment of five-year bonds in October 2020.

Deposits from customers

The Company's consolidated deposits from customers were ₱875.4 million (U.S.$17.2 million) as of September 30, 2021, an increase of 64.4% from consolidated deposits from customers of ₱532.6 million as of September 30,

2020. The increase was mainly attributable to increased sales reservations for the period not yet realized as revenue.

Due to related parties

The Company's consolidated due to related parties were ₱197.4 million (U.S.$3.9 million) as of September 30, 2021, an increase of 129.8% from consolidated due to related parties of ₱85.9 million as of September 30, 2020. The increase was mainly attributable to advances arising from transactions related to operational requirements of its associates and other related parties.

Income tax payable

The Company's consolidated income tax payable was ₱210.9 million (U.S.$4.1 million) as of September 30, 2021, an increase of 101.6% from consolidated income tax payable of ₱104.6 million as of September 30, 2020. The increase was mainly attributable to increased income tax from new sales but not yet due. Payment of tax is based on actual collections received from installment buyers. Those which are not yet due for payment are recorded in the deferred tax account.

Trade and other payables – net of current portion

The Company's consolidated trade and other payables – net of current portion were ₱1,107.5 million (U.S.$21.7 million) as of September 30, 2021, an increase of 4.3% from consolidated trade and other payables – net of current portion of ₱1,061.8 million as of September 30, 2020. The increase was due to the increase in pension liability, contract liabilities and lease liabilities.

Loans payable – net of current portion

The Company's consolidated loans payable – net of current portion was ₱11,233.5 million (U.S.$220.4 million) as of September 30, 2021, an increase of 55.8% from consolidated loans payable – net of current portion of ₱7,208.7 million as of September 30, 2020. The increase was mainly attributable to additional loans for the period.

Notes payable

The Company's consolidated notes payable was ₱500 million (U.S.$9.8 million) as of September 30, 2021. This was due to the issuance of enrolled corporate notes during the 4th quarter of 2020.

Bonds payable

The Company's consolidated bonds payable was ₱216.9 million (U.S.$4.2 million) as of September 30, 2021, a decrease of 63.3% from consolidated bonds payable of ₱591.2 million as of September 30, 2020. The decrease was mainly attributable to reclassification of 7-year bonds to current.

Deferred tax liability

The Company's consolidated deferred tax liability was ₱1,068.2 million (U.S.$21.0 million) as of September 30, 2021, an increase of 12.5% from consolidated deferred tax liability of ₱949.7 million as of September 30, 2020. The deferred tax liability is attributable to uncollected revenue as most of the revenue recognition were under the in-house financing scheme.

As of December 31, 2020 compared to as of December 31, 2019

Assets

Cash on Hand and in Banks

The Company's consolidated cash on hand and in banks were ₱1,209.3 million (U.S.$23.7 million) as of December 31, 2020, an increase of 15.9% from consolidated cash on hand and in banks of ₱1,043.4 million as of December 31, 2019. The increase was mainly attributable to year-end take-outs with Pag-IBIG.

Current portion of trade and other receivables

The Company's consolidated current portion of trade and other receivables were ₱3,064.8 million (U.S.$60.1 million) as of December 31, 2020, a 16.8% decrease from consolidated current portion of trade and other receivables of ₱3,685.4 million as of December 31, 2019. The decrease was mainly attributable to decreased installment sales for the period.

Inventories

The Company's consolidated inventories were ₱39,812.0 million (U.S.$781.3 million) as of December 31, 2020, an increase of 7.5% from consolidated inventories of ₱37,046 million as of December 31, 2019. The increase was due mainly to the reclassification of lands previously classified as held for future development to inventories subsequent to the commencement of construction of development projects on such land, and work in progress inventories related to high rise building projects in Urban Deca Homes Manila and Urban Deca Homes Ortigas.

Due from related parties

The Company's consolidated due from related parties were ₱1,194.6 million (U.S.$23.4 million) as of December 31, 2020, an increase of 19.9% from consolidated due from related parties of ₱996.5 million as of December 31, 2019. The increase was mainly attributable to increased advances to its sister companies for purposes of working capital requirements.

Other current assets

The Company's consolidated other current assets were ₱4,117.3 million (U.S.$80.8 million) as of December 31, 2020, an increase of 2.6% from consolidated other current assets of ₱4,014.2 million as of December 31, 2019, primarily due to increased advances to contractors in relation to construction of the Company's development projects.

Trade and other receivables – net of current portion

The Company's consolidated trade and other receivables – net of current portion were ₱25,838.7 million (U.S.$507.0 million) as of December 31, 2020, an increase of 42.1% from consolidated trade and other receivables – net of current portion of ₱18,179.9 million as of December 31, 2019. The increase was mainly attributable to additional installment sales for the period. For the year ended December 31, 2020, the Company migrated ₱1,316.1 million (U.S.$25.8 million) to Pag-IBIG and sold ₱3,530.0 million (U.S.$69.3 million) to banks and other financial institutions, as compared to migration of ₱1,642.5 million to Pag-IBIG and sales of ₱7,935.6 million to banks and other financial institutions for the year ended December 31, 2019.

Property and equipment

The Company's consolidated property and equipment was ₱739.3 million (U.S.$14.5 million) as of December 31, 2020, a decrease of 7.2% from consolidated property and equipment of ₱796.5 million as of December 31, 2019. The decrease was mainly attributable to depreciation of assets for the period.

Investment properties

The Company's consolidated investment properties were ₱348.0 million (U.S.$6.8 million) as of December 31, 2020, a decrease of 1.6% from consolidated investment properties of ₱353.7 million as of December 31, 2019. The decrease was mainly attributable to depreciation of assets for the period.

Other noncurrent assets

The Company's consolidated other noncurrent assets were ₱419.8 million (U.S.$8.2 million) as of December 31, 2020, an increase of 13.8% from consolidated other noncurrent assets of ₱368.8 million as of December 31, 2019. The increase was mainly attributable to increased deposits to utilities companies and additional software costs.

Liabilities

Current portion of trade and other payables

The Company's consolidated current portion of trade and other payables were ₱5,362.3 million (U.S.$105.2 million) as of December 31, 2020, a decrease of 2.3% from consolidated current portion of trade and other payables of ₱5,488.8 million as of December 31, 2019. The decrease was mainly attributable to decreased payables to suppliers and contractors.

Current portion of loans payable

The Company's consolidated current portion of loans payable were ₱19,742.4 million (U.S.$387.4 million) as of December 31, 2020, an increase of 71.6% from the consolidated current portion of loans payable of ₱11,503.3 million as of December 31, 2019. The increase was mainly attributable to increased borrowing for the period.

Deposits from customers

The Company's consolidated deposits from customers were ₱858.9 million (U.S.$16.8 million) as of December 31, 2020, an increase of 27.5% from consolidated deposits from customers of ₱673.7 million as of December 31, 2019. The increase was mainly attributable to increased sales reservations for the period not yet recognized as revenue.

Due to related parties

The Company's consolidated due to related parties were ₱233.5 million (U.S.$4.6 million) as of December 31, 2020, an increase of 182.7% from consolidated due to related parties of ₱82.6 million as of December 31, 2019. The increase was mainly attributable to increased advances arising from transactions related to operational requirements of its associates and other related parties.

Income tax payable

The Company's consolidated income tax payable was ₱74.5 million (U.S.$1.5 million) as of December 31, 2020, a decrease of 2.1% from consolidated income tax payable of ₱76.1 million as of December 31, 2019. The decrease was mainly attributable to decreased revenue for the period which are subject to income tax.

Trade and other payables - net of current portion

The Company's consolidated trade and other payables – net of current portion were ₱926.1 million (U.S.$18.2 million) as of December 31, 2020, a decrease of 6.5% from consolidated trade and other payables – net of current portion of ₱990.0 million as of December 31, 2019. The decrease was mainly attributable to decrease in retention payables, as these were already paid out to contractors upon confirmation of completion of the relevant transaction.

Loans payable - net of current portion

The Company's consolidated loans payable – net of current portion was ₱11,470.5 million (U.S.$225.1 million) as of December 31, 2020, an increase of 77.5% from consolidated loans payable – net of current portion of ₱6,461.1 million as of December 31, 2019. The Company entered into additional loan transactions during the course of the year to fund its installment contract receivables under the CTS Financing Program as well as construction of its high rise projects.

Deferred tax liability

The Company's consolidated deferred tax liability was ₱880.5 million (U.S.$17.3 million) as of December 31, 2020, a decrease of 4.3% from consolidated deferred tax liability of ₱919.6 million as of December 31, 2019. This deferred tax liability was attributable to provision for income tax resulting from the delay in the income tax holiday accreditation for certain Company projects. Accreditation for these projects have since been obtained.

As of December 31, 2019 compared to as of December 31, 2018

Assets

Cash on Hand and in Banks

The Company's consolidated cash on hand and in banks were ₱1,043.4 million as of December 31, 2019, a decrease of 55.0% from consolidated cash on hand and in banks of ₱2,318.6 million as of December 31, 2018. The decrease was mainly attributable to managed cash level for the period.

Current portion of trade and other receivables

The Company's consolidated current portion of trade and other receivables were ₱3,685.4 million as of December 31, 2019, a 10.0% decrease from consolidated current portion of trade and other receivables of ₱4,094.2 million as of December 31, 2018. The decrease was mainly attributable the sale of receivables to third party financial institutions of relatively new installment sales for the period, which was partially offset by additional installment sales for the period.

Inventories

The Company's consolidated inventories were ₱37,045.9 million as of December 31, 2019, an increase of 26.9% from consolidated inventories of ₱29,201.9 million as of December 31, 2018. The increase was due mainly to the additional work in progress inventories relating to high rise building project in Urban Deca Homes Manila and Urban Deca Homes Ortigas.

Due from related parties

The Company's consolidated due from related parties were ₱996.5 million as of December 31, 2019, an increase of 10.2% from consolidated due from related parties of ₱904.5 million as of December 31, 2018. The increase was mainly attributable to additional advances arising from transactions related to operational requirements of its associates and other related parties.

Other current assets

The Company's consolidated other current assets were ₱4,014.2 million as of December 31, 2019, an increase of 0.4% from consolidated other current assets of ₱3,998.4 million as of December 31, 2018, primarily due to increased prepaid expenses for the period.

Trade and other receivables – net of current portion

The Company's consolidated trade and other receivables-net of current portion were ₱18,179.9 million as of December 31, 2019, an increase of 15.5% from consolidated trade and other receivables-net of current portion of ₱15,734.4 million as of December 31, 2018. The increase was mainly attributable to additional installment sales for the period. For the year ended December 31, 2019, the Company migrated ₱1,642.5 million to Pag-IBIG and sold ₱7,935.6 million to banks and other financial institutions, as compared to migration of ₱4,009.2 million to Pag-IBIG and sales of ₱9,975.3 million to banks and other financial institutions for the year ended December 31, 2018.

Property and equipment

The Company's consolidated property and equipment was ₱796.5 million as of December 31, 2019, a decrease of 2.2% from consolidated property and equipment of ₱814.5 million as of December 31, 2018. The decrease was mainly attributable to depreciation expense recognized for the period.

Investment properties

The Company's consolidated investment properties were ₱353.7 million as of December 31, 2019, an increase of 42.9% from consolidated investment properties of ₱247.6 million as of December 31, 2018. The increase was mainly attributable to additional spending for the Azalea Boracay development.

Other noncurrent assets

The Company's consolidated other noncurrent assets were ₱368.8 million as of December 31, 2019, an increase of 46.3% from consolidated other noncurrent assets of ₱252.0 million as of December 31, 2018. The increase was mainly attributable to goodwill recognized in relation to the acquisition of Genvi Development Corp.

Liabilities

Current portion of trade and other payables

The Company's consolidated current portion of trade and other payables were ₱5,488.8 million as of December 31, 2019, an increase of 13.9% from consolidated current portion of trade and other payables of ₱4,818.4 million as of December 31, 2018. The increase was mainly attributable to increased payables to contractors and suppliers as well as increased accruals.

Current portion of loans payable

The Company's consolidated current portion of loans payable were ₱11,503.3 million as of December 31, 2019, an increase of 96.5% from the consolidated current portion of loans payable of ₱5,855.5 million as of December 31, 2018. The increase was mainly attributable to additional loans availed for the period.

Deposits from customers

The Company's consolidated deposits from customers were ₱673.7 million as of December 31, 2019, an increase of 91.9% from consolidated deposits from customers of ₱351.1 million as of December 31, 2018. The increase was mainly attributable to additional sales of units from Urban Deca Homes Ortigas, a project which is yet to be completed and delivered.

Due to related parties

The Company's consolidated due to related parties were ₱82.6 million as of December 31, 2019, an increase of 57.9% from consolidated due to related parties of ₱52.3 million as of December 31, 2018. The increase was mainly attributable to additional advances arising from transactions related to operational requirements of its associates and other related parties.

Income tax payable

The Company's consolidated income tax payable was ₱76.1 million as of December 31, 2019, an increase of 55.0% from consolidated income tax payable of ₱49.1 million as of December 31, 2018. The increase was mainly attributable to increase in sales which are subject to income tax for the period.

Trade and other payables – net of current portion

The Company's consolidated trade and other payables - net of current portion were ₱990.0 million as of December 31, 2019, an increase of 420.5% from consolidated trade and other payables - net of current portion of ₱190.2 million as of December 31, 2018. The increase was mainly attributable to recognition of contract liabilities which were absorbed from the purchase of Genvi Development Corp.

Loans payable - net of current portion

The Company's consolidated loans payable - net of current portion was ₱6,461.1 million as of December 31, 2019, a decrease of 32.2% from consolidated loans payable - net of current portion of ₱9,525.6 million as of December 31, 2018. The decrease was mainly attributable to payment of loans from the proceeds of sale of receivables on without recourse basis.

Deferred tax liability

The Company's consolidated deferred tax liability was ₱919.6 million as of December 31, 2019, an increase of 314.2% from consolidated deferred tax liability of ₱222.0 million as of December 31, 2018. This deferred tax liability was attributable to provision for income tax resulting from the delay in the income tax holiday accreditation for certain Company projects. Accreditation for these projects have since been obtained.

As of December 31, 2018 compared to as of December 31, 2017

Assets

Cash on Hand and in Banks

The Company's consolidated cash on hand and in banks were ₱2,318.6 million as of December 31, 2018, an increase of 68.3% from consolidated cash on hand and in banks of ₱1,377.4 million as of December 31, 2017. The increase was mainly attributable to cash received from Pag-IBIG take-outs during year-end.

Current portion of trade and other receivables

The Company's consolidated current portion of trade and other receivables were ₱4,094.2 million as of December 31, 2018, a 71.3% increase from consolidated current portion of trade and other receivables of ₱2,390.5 million as of December 31, 2017. The increase was mainly attributable to additional sales recognized for the period.

Inventories

The Company's consolidated inventories were ₱29,201.9 million as of December 31, 2018, an increase of 13.4% from consolidated inventories of ₱25,741.3 million as of December 31, 2017. The increase was due mainly to the additional work in progress inventories relating to high rise building project in Urban Deca Homes Manila.

Due from related parties

The Company's consolidated due from related parties were ₱904.5 million as of December 31, 2018, an increase of 68.9% from consolidated due from related parties of ₱535.6 million as of December 31, 2017. The increase was mainly attributable to additional advances to its sister companies for working capital requirements.

Other current assets

The Company's consolidated other current assets were ₱3,998.4 million as of December 31, 2018, an increase of 73.4% from consolidated other current assets of ₱2,305.6 million as of December 31, 2017. The increase was mainly primarily due to increased advances to contractors in relation to construction of the Company's development projects.

Trade and other receivables – net of current portion

The Company's consolidated trade and other receivables-net of current portion were ₱15,734.4 million as of December 31, 2018, a decrease of 23.3% from consolidated trade and other receivables-net of current portion of ₱20,503.1 million as of December 31, 2017. The decrease is mainly due to sale of receivables to a financial institution in 2018. For the year ended December 31, 2018, the Company migrated ₱4,009.2 million to Pag-IBIG and sold ₱9,975.3 million to banks and other financial institutions, as compared to migration of ₱5,443.0 million to Pag-IBIG and sales of ₱1,302.7 million to banks and other financial institutions for the year ended December 31, 2017.

Property and equipment

The Company's consolidated property and equipment was ₱814.5 million as of December 31, 2018, an increase of 163.1% from consolidated property and equipment of ₱309.6 million as of December 31, 2017. The increase was mainly attributable to recognition of the cost of development of Azalea Boracay hotel.

Investment properties

The Company's consolidated investment properties were ₱247.6 million as of December 31, 2018, a decrease of 16.3% from consolidated investment properties of ₱295.8 million as of December 31, 2017. The decrease was mainly attributable to recognition of depreciation expense for the period.

Other noncurrent assets

The Company's consolidated other noncurrent assets were ₱252.0 million as of December 31, 2018, an increase of 17.0% from consolidated other noncurrent assets of ₱215.3 million as of December 31, 2017. The increase was mainly attributable to increased deposits to utilities companies.

Liabilities

Current portion of trade and other payables

The Company’s consolidated current portion of trade and other payables were ₱4,818.4 million as of December 31, 2018, an increase of 13.5% from consolidated current portion of trade and other payables of ₱4,245.3 million as of December 31, 2017. The increase was mainly attributable to increased payables to contractors and suppliers.

Current portion of loans payable

The Company’s consolidated current portion of loans payable were ₱5,855.5 million as of December 31, 2018, an decrease of 5.7% from the consolidated current portion of loans payable of ₱6,208.5 million as of December 31, 2017. The increase was mainly attributable to payment of loans from proceeds of sale of receivables on a without recourse basis.

Deposits from customers

The Company’s consolidated deposits from customers were ₱351.1 million as of December 31, 2018, a decrease of 20.5% from consolidated deposits from customers of ₱441.5 million as of December 31, 2017. The decrease was mainly attributable to recognition of sales related to these deposits.

Due to related parties

The Company’s consolidated due to related parties were ₱52.3 million as of December 31, 2018, a decrease of 60.3% from consolidated due to related parties of ₱131.7 million as of December 31, 2017. The decrease was mainly attributable to payment and/or offsetting of advances related to working capital requirements from its sister companies.

Income tax payable

The Company’s consolidated income tax payable was ₱49.1 million as of December 31, 2018, a decrease of 65.4% from consolidated income tax payable of ₱142.1 million as of December 31, 2017. The decrease was mainly attributable to reduction of interest tax due for the period.

Trade and other payables - net of current portion

The Company’s consolidated trade and other payables - net of current portion were ₱190.2 million as of December 31, 2018, an increase of 31.4% from consolidated trade and other payables - net of current portion of ₱144.8 million as of December 31, 2017. The increase was mainly attributable to increased payables to contractors and suppliers.

Loans payable - net of current portion

The Company’s consolidated loans payable - net of current portion was ₱9,525.6 million as of December 31, 2018, an increase of 28.3% from consolidated loans payable - net of current portion of ₱7,421.9 million as of December 31, 2017. The Company entered into additional loan transactions during the course of the year to fund its installment contract receivables under the CTS Financing Program as well as construction of its high-rise projects.

Deferred tax liability

The Company’s consolidated deferred tax liability was ₱222.0 million as of December 31, 2018, a decrease of 51.9% from consolidated deferred tax liability of ₱461.6 million as of December 31, 2017. This deferred tax liability was attributable to provision for income tax resulting from the delay in the income tax holiday accreditation for certain Company projects. Accreditation for these projects have since been obtained.

LIQUIDITY AND CAPITAL RESOURCES

The Company mainly relies on the following sources of liquidity: (1) cash flow from operations, (2) cash generated from the sale or transfer of receivables to private financial institutions such as banks or to government housing related institutions such as Pag-IBIG, and (3) financing lines provided by banks. The Company knows of no demands, commitments, events, or uncertainties that are reasonably likely to result in a material increase or decrease in liquidity. The Company is current on all of its loan accounts, and has not had any issues with banks to-date. The Company does not anticipate having any cash flow or liquidity problems over the next 12 months. The Company is not in breach or default on any loan or other form of indebtedness.

The Company expects to meet its operating assets and liabilities, capital expenditure, dividend payment and investment requirements for the next 12 months primarily from its operating cash flows, borrowings and the proceeds from the Subscription. It may also from time to time seek other sources of funding, which may include debt or equity financings, depending on its financing needs and market conditions.

Cash Flows

The following table sets forth selected information from the Company's consolidated statements of cash flows for the periods indicated:

	For the years ended December 31,				For the nine months ended September 30,	
	2017	2018	2019	2020	2020	2021
		(Restated)	(Restated)			
			(Audited)		(Unaudited)	
				(₱ millions)		
Net cash provided by (used in) operating activities	270.8	5,411.0	792.3	(3,195.1)	(2,414.4)	1,848.7
Net cash used in investing activities	(406.6)	(1,338.5)	(1,802.7)	(580.7)	(22.3)	(56.4)
Net cash provided by (used in) financing activities	809.4	(3,227.6)	(294.5)	3,941.7	2,305.2	(1,684.4)
Net increase (decrease) in cash on hand and in banks	673.6	844.9	(1,304.8)	165.9	(131.5)	107.9
Cash and Cash Equivalents of Newly Acquired Subsidiary	-	-	29.6	-	-	-
Cash on Hand and in Banks at Beginning of Year/ Period	703.8	1,473.7	2,318.6	1,043.4	853.9	1,209.3
Cash on Hand and in Banks at End of Year/Period	1,377.4	2,318.6	1,043.4	1,209.3	722.4	1,317.2

Cash flow from / (used in) operating activities

The Company's consolidated net cash used in operating activities is primarily affected by the revenues generated from its operations, primarily the sale of Low-cost Mass Housing, MRB and HRB units. The Company's consolidated net cash from operating activities were ₱270.8 million, ₱5,411.0 million and ₱792.3 million for the years ended December 31, 2017, 2018 and 2019, respectively, and the Company's consolidated net cash used in operating activities were ₱3,195.1 million for the year ended December 31, 2020. The Company's consolidated net cash used in operating activities were ₱2,414.4 million for the nine months ended September 30, 2020 and its consolidated net cash from operating activities were ₱1,848.7 million for the nine months ended September 30, 2021.

Cash flows used in investing activities

Consolidated net cash flow used in investing activities for the years ended December 31, 2017, 2018, 2019 and 2020 and for the nine months ended September 30, 2020 and 2021 were ₱406.6 million, ₱1,338.5 million, ₱1,802.7 million, ₱580.7 million, ₱22.3 million and ₱56.4 million, respectively.

For the year ended December 31, 2018, additional plant, property and equipment were acquired to set up the Ortigas and Ormoc branches; additional investment properties pertain to improvements and maintenance for Azalea Boracay property. For the year ended December 31, 2019, consolidated net cash flow used in investing activities reflected acquisitions of a new subsidiary and investment properties. For the year ended December 31, 2020 and for the nine months ended September 30, 2021, consolidated net cash flow used in investing activities reflected acquisitions of property and equipment and purchase of investment properties.

Cash flow provided by / (used in) financing activities

Consolidated net cash flow provided by financing activities for the year ended December 31, 2017 were ₱809.4 million. Consolidated net cash flow used in financing activities for the year ended December 31, 2018 and 2019 were ₱3,227.6 million and ₱294.4 million, respectively, and consolidated net cash flow provided by financing activities for the year ended December 31, 2020 were ₱3,941.7 million.

Consolidated net cash flow provided by financing activities for the nine months ended September 30, 2020 were ₱2,305.2 million, and consolidated net cash flow used in financing activities for the nine months ended September 30, 2021 were ₱1,684.4 million.

For the year ended December 31, 2017, additional loans were availed to fund the Company's day-to-day operations. For the year ended December 31, 2018, loans were paid from proceeds from sale of receivables to financing institutions on without recourse basis. For the year ended December 31, 2019, consolidated net cash flow used in financing activities was attributable mainly from the Company's payment of loans and acquisition of treasury shares. For the year ended December 31, 2020, consolidated net cash flow provided by financing activities was attributable mainly to the proceeds from the Company's availment of loans during the year and an issuance of bonds, as offset by certain loan repayments. For the nine months ended September 30, 2021, consolidated net cash flow used in financing activities reflected payment of loans payable, interest on loans and bonds, and repayment of advances from related parties.

CAPITAL EXPENDITURES

The Company's capital expenditures for the years ended December 31, 2018, 2019 and 2020 and for the nine months ended September 30, 2020 and 2021 were ₱10,487.8 million, ₱10,404.9 million, ₱6,820.4 million (U.S.$133.8 million), ₱5,611.3 million and ₱7,500.1 million (U.S.$147.2 million), respectively. The table below sets forth the primary capital expenditures of the Company over the same periods.

	For the years ended December 31,			For the nine months ended September 30,	
	2018	2019	2020	2020	2021
	(Restated)	(Restated)			
	(Audited)			(Unaudited)	
			(₱ millions)		
Land	1,063.8	1,379.9	619.3	591.4	554.7
Building	543.1	1.0	1.5	1.5	0.0
Land improvements	0.0	0.0	0.8	0.8	0.0
Leasehold improvements	8.3	2.2	1.6	1.9	1.9
Furniture and fixtures	18.7	25.5	16.8	6.0	2.3
Machineries and equipment	8.7	33.9	3.7	6.9	4.5
Transportation vehicles	6.3	10.3	6.7	5.1	1.8
Construction-in-progress	8,838.9	8,952.1	6,170.0	4,997.7	6,934.9
Total capital expenditures	10,487.8	10,404.9	6,820.4	5,611.3	7,500.1

Other than the items described above, the Company has no other material commitments for capital expenditure.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth the Company's consolidated contractual obligations and commitments as of September 30, 2021:

	Contractual Obligations and Commitments			
	Principal Payments Due by Period *(₱ millions)*			
	Total	**2021**	**2022-2025**	**After 2025**

Long-term debt obligations	17,912.3	1,205.1	15,672.2	1,035.0
Short-term debt obligations	10,921.5	1,043.2	9,878.3	0.0
Operating leases[1]	35.5	13.8	21.7	0.0
Total	28,869.3	2,262.1	25,572.2	1,035.0

Note:

(1) Lease obligation only pertains to the Company on a standalone basis. Lease contracts of other entities are cancellable.

KEY PERFORMANCE INDICATORS

The table below sets forth key performance indicators for the Company as of and for the years ended December 31, 2018, 2019 and 2020 and as of and for the nine months ended September 30, 2020 and 2021.

	As of and for the year ended December 31, 2018	**As of and for the year ended December 31, 2019**	**As of and for the year ended December 31, 2020**	**As of and for the nine months ended September 30, 2020[16]**	**As of and for the nine months ended September 30, 2021[16]**
	(Restated)	**(Restated)**	**(Audited)**	**(Unaudited)**	
Revenues (₱ millions)	11,525.6	15,400.5	14,233.5	9,737.4	15,351.8
Gross Income (₱ millions)	6,659.0	8,858.6	6,823.1	5,055.3	7,715.3
Current Ratio[1]	3.64	1.79	1.88	1.43	2.08
Book Value Per Share[2]	4.34	5.18	5.95	5.64	6.89
Debt to Equity Ratio[3]	0.84	0.82	0.89	0.88	0.65
Asset to Equity Ratio[4]	2.04	2.06	2.12	2.22	1.91
Asset to Debt Ratio[5]	2.42	2.53	2.37	2.53	2.93
Gross Income Margin[6]	57.8%	57.5%	47.9%	51.9%	50.3%
Net Profit Margin[7]	41.7%	38.1%	33.9%	34.0%	35.4%
Adjusted EBITDA[8]	5,123.4	6,733.0	5,747.3	3,746.3	6,108.7
NPAT[9]	4,810.4	5,862.8	4,831.9	3,307.7	5,429.2
NPAT Margin[10]	41.7%	38.1%	33.9%	34.0%	35.4%
Net Debt[11]	22,014.0	25,897.1	31,895.0	30,293.6	28,609.0
Net Debt to Equity[12]	0.8	0.8	0.9	0.9	0.6
Net Debt to Adjusted EBITDA[13]	4.3	3.8	5.5	6.06[16]	3.51 [16]
Return on Assets[14]	8.2%	8.6%	6.2%	5.6%[17]	8.3%[17]
Return on Equity[15]	16.7%	17.7%	13.0%	12.5%[18]	15.8%[18]

Notes:

(1) Calculated as Total Current Assets / Total Current Liabilities.

(2) Calculated as (Stockholders' Equity less preferred shares) / (Issued and outstanding Common Shares less treasury shares).

(3) Calculated as (Current and non-current loans payable + Current and non-current notes payable + Current and non-current bonds payable) / Total Equity.

(4) Calculated as Total Assets / Total Equity.

(5) Calculated as Total Assets / (Current and non-current loans payable + Current and non-current notes payable + Current and non-current bonds payable).

(6) Calculated as Gross Income / Total Revenues.

(7) Calculated as Net Profit / Total Revenues.

(8) Adjusted EBITDA is EBITDA as adjusted for Interest income, Gain or loss on repossession (net), Loss from assets written-off, and Allowance for expected credit loss (ECL) and impairment losses. EBITDA is Net income + Finance costs + Provision for income tax +Depreciation and Amortization.

(9) Net profit after tax.

(10) Calculated as NPAT / Total Revenues.

(11) Net Debt refers to Current and non-current loans payable + Current and non-current notes payable + Current and non-current bonds payable less Cash.

(12) Calculated as Net Debt / Stockholders' Equity.

(13) Calculated as Net Debt / Adjusted EBITDA.

(14) Calculated as NPAT / Total Assets.

(15) Calculated as NPAT / Stockholders' Equity.

(16) For the nine months ended September 30, 2020 and 2021, Adjusted EBITDA is presented on an annualized basis (i.e. divided by three, and then multiplied by four).

(17) For the nine months ended September 30, 2020 and 2021, NPAT is presented on an annualized basis (i.e. divided by three, and then multiplied by four).

(18) For the nine months ended September 30, 2020 and 2021, NPAT is presented on an annualized basis (i.e. divided by three, and then multiplied by four).

DEBT OBLIGATIONS AND FACILITIES

The Company's total outstanding indebtedness was ₱33,104.4 million (U.S.$649.6 million) and ₱29,926.2 million (U.S.$587.3 million) as of December 31, 2020 and September 30, 2021, respectively, comprised of various short-term and long-term loans mainly from local banks, bonds payable and notes payables. The Company's financing arrangements with commercial banks and other financial institutions are typically on a variable interest basis, with interest rates typically averaging approximately 5.0% to 7.0% per annum. The Company's loans payables have maturities ranging from three months to five years, and are typically secured by receivables under its CTS Financing Program, land held for future development, inventories and various properties of the Company.

ACCELERATION OF FINANCIAL OBLIGATIONS

There are no known events that could trigger a direct or contingent financial obligation that would have a material effect on the Company's liquidity, financial condition and results of operations.

OFF BALANCE SHEET ARRANGEMENTS

As of the date of this Prospectus, the Company has no material off-balance sheet transactions, arrangements, and obligations. The Company also has no unconsolidated subsidiaries.

INCOME OR LOSSES ARISING OUTSIDE OF CONTINUING OPERATIONS

The Company has no sources of income or loss coming from discontinued operations. All of its Subsidiaries are expected to continue to contribute to the Company's operating performance on an ongoing basis and/or in the future.

QUALITATIVE AND QUANTITATIVE DISCLOSURE OF MARKET RISK

The Company has various financial assets and financial liabilities such as cash in banks, trade and other receivables, investment securities at FVOCI, trade and other payables, loans payable, bonds payable and due to and from related parties which arise directly from its operations. Thus, exposure to credit, market and liquidity risks arise in the normal course of the Company's business activities.

Credit Risk

The Company is exposed to credit risk from its in-house financing program. Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligation. To manage credit risk, the Company maintains credit policies and monitors its exposure to credit risk on a continuous basis.

Trade 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 Company has only transferred the corresponding title of the subdivision lots, house and lot units, condominium units and parking spaces upon full payment of the contract price.

Market Risk

Market risk is the risk of loss to future earnings, to fair value or future cash flows of a financial instrument as a result of changes in its price, in turn caused by changes in interest rates, foreign currency exchange rates, equity prices and other market factors.

As of December 31, 2018, 2019 and 2020, and as of September 30, 2021, the Company has no financial instruments that are exposed to significant interest rate risk and foreign currency risk. However, the Company's investment securities measured at FVOCI is exposed to price risks. The Company manages exposures to price risk by monitoring the changes in the market price of the investments and at some extent, diversifying the investment portfolio in accordance with the limit set by management.

Liquidity Risk

The Company faces the risk that it will not have sufficient cash flows to meet its operating requirements and its financing obligations when they come due.

The Company 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 in various time bands, on a day-to-day and 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.

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits, mutual funds or short-term marketable securities. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

To better manage its liquidity risk as well as improve its cash conversion cycle, the Company currently has accredited projects with Pag-IBIG that allows buyers to avail of housing loan to fully pay their in-house financing obligations with the Company. For the nine months ended September 30, 2021, such Pag-IBIG take-outs amounted to ₱2,896.3 million.

In addition, the Company also pursues various sustainable strategies to better manage its liquidity profile. These include the sale to institutions (such as banks or government housing agencies) or the securitization of portions of the Company’s receivables portfolio.

INDUSTRY OVERVIEW

Certain information in this Prospectus has been extracted and directly quoted from the independent market research report prepared by Frost & Sullivan for inclusion in this Prospectus (which is attached as Annex A (Independent Market Research (IMR) on the Mass Housing Industry in the Philippines)), and such information including all data (actual, estimates and forecasts) reflects estimates of market conditions based on publicly available sources and trade opinion surveys, and is prepared primarily as a market research tool. References to Frost & Sullivan should not be considered as the opinion of Frost & Sullivan as to the value of any security or the advisability of investing in the Company.

The information prepared by Frost & Sullivan and set out in this Industry Overview has not been independently verified by the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners and none of them gives any representations as to its accuracy and the information should not be relied upon in making, or refraining from making, any investment decision.

The report includes forecasts and other forward-looking estimates. These forward-looking statements are necessarily based on various assumptions and estimates that are inherently subject to various risks and uncertainties relating to possible invalidity of the underlying assumptions and estimates and possible changes or development of social, economic, business, industry, market, legal, government, and regulatory circumstances and conditions and actions taken or omitted to be taken by others. Actual results and future events could differ materially from such forecasts. You should not place undue reliance on such statements, or on the ability of any party to accurately predict future industry trends or performance.

EXECUTIVE SUMMARY

The Philippines is one of the fastest growing economies and the 3rd-largest economy among the ten member countries that make up the Association of Southeast Asian Nations, representing 11.8% of the region's total gross domestic product in 2020. Following the declaration of the Corona Virus Disease pandemic, the economy is slowly recovering and is expected to positively contribute to its growing GDP per capita. By 2025, the Philippines' GDP will reach ₱25,821 billion (U.S.$506.7 billion), growing at a compound annual growth rate of 6% between 2015 and 2025, while GDP per capita is projected to reach ₱237,626 (U.S.$4,663) (+4.4% CAGR) over the same period.

Philippine rapid growth has naturally also fuelled an increase in housing need, which became the optic of government focus in 2016. Based on a nationwide assessment done in 2016, it was revealed that the Philippines has a long-standing and entrenched housing crisis imposing the country. With a staggering housing need of 6.7 million in 2021 and continuously exacerbating, the government and private developers are urged to act on the situation. In the years that followed, changes have been made and implemented, such as the creation of the Department of Human Settlements and Urban Development, which oversees the development of programs and reviews policies, issues, and concerns relating to the housing sector.

However, the COVID-19 pandemic in 2020 inhibited growth and brought uncertainties to the economy. It affected numerous businesses and government programs, including the housing sector. A strict lockdown, "Enhanced Community Quarantine," to control the spread of the virus was imposed starting in August 2021. Only essential businesses and services were allowed to open, negatively impacting retail sales for manufacturers, transportation, and housing services. In a recent study by the Asian Development Bank, approximately 70% of the Philippines' micro, small, and medium enterprises were temporarily forced to close due to the pandemic. The unemployment rises as follows, accounting for 10.4% of the labor force. It has since eased to 6.5% in November 2021 as the threat of pandemic wanes.

In response to the pandemic, the Philippine government has swiftly blunted the impact to housing sectors by enacting several financial measures and stimulus packages. The banking system also implemented programs to help the economy and Filipino households to meet payments of their mortgage. Stakeholders in the housing sectors executed several measures to protect the industry. Through all these concerted efforts, the housing sector recovered in 2021. Filipinos bought houses, acquired loans, and invested in the housing sector.

The lockdowns also highlighted the need to have a decent house for many families. One of the reasons why it has been too difficult for many Filipinos to follow the stay-at-home order is that they live in dilapidated/indigent housing conditions, especially those in the slums or tight communities. The need for decent, safe, and sustainable housing is more felt and observed during this time. It is a strategic imperative for the government to accelerate housing production and improve the housing condition in the country. The affordable housing industry will be the key enabler to meet these strategic needs.

By the second quarter of 2021, residential construction projects were at 27,375 with an equivalent value of ₱43.8 billion nationwide. Construction of single houses, including horizontal development, had the highest share at 22,563 (82%). Approximately 22% of these construction projects are in CALABARZON (Region IV-A), where the highest housing needs are identified. The market size for affordable housing is estimated at ₱887 billion in 2021, provided backlogs are addressed. By 2025, it is estimated to reach ₱953 billion. Economic and low-cost housing is seen to increase in the coming years, resulting from Build, Build, Build Program and other socio-economic and demographic factors.

Around 3,000 companies are engaged in the housing sector. Pag-IBIG has 500 accredited developers as of 2021. These developers concentrate on affordable housing or mid- to high-tier (open) housing segments. However, no developer specializes in socialized housing where needed the most. Private developers catering to the socialized housing are mainly engaged in economic and low-cost housing projects such as Bria Homes, Lumina (Vista Land), 8990, and BellaVita (Ayala). Several are subsidiaries of huge developers such as Ayala Land, Robinsons Land, and Megaworld. Based on 2019 gross revenue in the mass housing industry, the top developers are Robinsons Homes, 8990 Holdings, and Avida. Imperial Homes is the front runner in terms of innovation (i.e., use of renewable energy).

BUSINESS

OVERVIEW

8990 Holdings, Inc. ("**8990**" or the "**Company**"), operating through its Subsidiaries, is the leading Mass Housing developer in terms of home loan take-out by the Government's Mass Housing agency, the Home Development Mutual Fund ("**HDMF**", also known as "**Pag-IBIG**"). From 2017 to September 30, 2021, HDMF take-outs amounted to ₱15,307.1 million (U.S.$300.4 million). In addition, 8990 is the second largest developer in the affordable housing sector based on sales revenues for the year ended 2019, according to Frost & Sullivan. The Company has been listed on the PSE since 2010 under the stock symbol "HOUSE" and is among the fastest growing publicly listed real estate companies in the Philippines with a market capitalization of ₱63,079.4 million (U.S.$1,237.8 million) as of January 21, 2022.

8990 is focused on socially responsible growth, providing quality and affordable housing options to low-income Filipinos for whom basic home financing has traditionally been challenging to obtain, by offering innovating financing solutions through the Company's in-house financing program, the "**CTS Financing Program**" and affordable home loan financing in coordination with the HDMF. The Company believes that it has established a unique business model that is highly profitable due to its operational and financing efficiencies.

The Company has four strategic business units: (i) Low-Cost Mass Housing under the *DECA Homes* brand; (ii) Medium-Rise Condominiums ("**MRBs**") under the *Urban DECA Homes* brand; (iii) High-Rise Condominiums ("**HRBs**") under the *Urban DECA Towers* brand; and (iv) Others, which includes the sale of developed subdivision lots, hotel operations and lease of properties. The Company has completed 65 Mass Housing projects across the Philippines and has 17 ongoing Mass Housing, MRB and HRB projects as of September 30, 2021. The Company has grown its footprint significantly since 2007, delivering approximately 81,700 units across completed and ongoing projects, with an estimated 327,000 residents and approximately 89% occupancy rate, as of September 30, 2021.[5] Moreover, the Company has an immediate inventory of approximately 52,240 additional units from ongoing projects (net of units already delivered from ongoing projects) as of September 30, 2021. The Company's land bank of 602.4 hectares has an estimated market value of ₱40,029.0 million (U.S.$785.5 million) based primarily on certain appraisals completed by Jones Lang Lasalle Philippines ("**JLL**") in the fourth quarter of 2021, among others. See "*—Land Bank.*"

For the years ended December 31, 2018, 2019 and 2020, the Company recorded consolidated revenues amounting to ₱11,525.6 million, ₱15,400.5 million, and ₱14,233.5 million (U.S.$279.3 million), respectively and net income of ₱4,810.4 million, ₱5,862.8 million, and ₱4,831.9 million (U.S.$94.8 million), respectively. For the nine months ended September 30, 2020 and 2021, the Company recorded consolidated revenues amounting to ₱9,737.4 million and ₱15,351.8 million (U.S.$301.3 million), respectively and net income of ₱3,307.7 million and ₱5,429.2 million (U.S.$106.5 million), respectively.

Unique Business Model

The Company's unique business model emphasizes efficient construction periods using pre-cast system manufacturing construction technology, offers an accessible and innovative financing solution through the CTS Financing Program and utilizes loan factoring options for rapid capital recycling through a combination of loan migrations to HDMF, sales of receivables to financial institutions (without recourse) and partnerships with banks for loan migration.

The CTS Financing Program is an affordable pricing and payment model designed to cater to customers who do not have the accumulated savings to pay a substantial down payment but have sufficient recurring income to support monthly amortization payments. Under the CTS Financing Program, customers can move into their chosen home after a minimal down payment ranging from 3% to 5% of the total contract price, compared to approximately 10% to 20% equity down payment generally required by other developers. The Company retains ownership of the housing unit until full payment is completed by the buyer. This innovative in-house financing program allows buyers to purchase a property with a small upfront payment, thereby providing accessible housing to demographic groups for which home ownership has traditionally been challenging to attain.

[5] Total number of residents is based on the Company's estimate of four persons in each of the approximately 81,700 units delivered as of September 30, 2021. The occupancy rate is based on units purchased for residential use and excludes units sold for investment or vacation purposes.

The CTS Financing Program is strengthened by the Company's strong relationship with the HDMF and its Pag-IBIG Fund, the Government's established housing financial assistance program with a statutory mandate to provide assistance for the housing requirements of its members and allot not less than 70% of its investible funds for the deployment of housing loans to qualified buyers. The Company has structured the CTS Financing Program such that the requirements to participate in such in-house financing program generally mirrors the requirements for availing of a Pag-IBIG home loan. This mirroring of requirements facilitates the take-out by Pag-IBIG of such loans when applied for by 8990 buyers, thereby converting the receivables of the Company into cash and reducing the financing and other risks relating to potential buyer defaults. For the years ended December 31, 2018, 2019 and 2020 and for the nine months ended September 30, 2021, the amount of Pag-IBIG take-outs of Company loans was ₱4,009.2 million, ₱1,642.5 million, ₱1,316.1 million (U.S.$25.8 million) and ₱2,896.3 million (U.S.$56.8 million), respectively.

Industry Experience and Strategic Shareholder Support

The Company has been developing Mass Housing projects in high-growth areas across the Philippines since 2003. In doing so, the Company has benefited significantly from the industry experience of its principals who, prior to the establishment of the Company's Subsidiaries and through certain related companies of 8990, developed their first Mass Housing project in 1991 in Cagayan de Oro.

The Company believes that its industry experience has equipped it with the ability to understand the needs, preferences, means and circumstances of consumers in the Philippine Mass Housing market for which it has gained a reputation of providing quality and affordable homes. Awards recognizing the Company's achievements include the following: PropertyGuru 2021 Best Affordable Condo Development (Metro Manila), PropertyGuru 2021 Best Affordable Condo Development (Southern Luzon), PropertyGuru 2021 Best Affordable Housing Development (Metro Davao), Pag-IBIG Top Property Developer (Visayas and Mindanao) in the first half of 2021 in terms of take-out value from Pag-IBIG, Top Property Developer in the Philippines from 2017 to 2019 in terms of take-out value from Pag-IBIG Best Low Cost Housing Developer (National) in March 2017 by Q Asia's Seal of Product and Quality Service, Top 10 Developers in the Philippines in 2015 & 2016 by BCI Asia, 2016 Outstanding Developer Low Rise Mass Housing by FIABCI-Philippines, 2015 Best Mid-Cap Firm in the Philippines by Finance Asia, and 2015 Prestigious Seal Awardee for Best Developer in Low-Cost Housing by Gawad Sulo Foundation.

In addition, the Company enjoys the support of its strategic shareholders, TPG and Pasir Salak, a subsidiary of Khazanah Nasional Berhad. TPG and Pasir Salak have provided strategic support to the Company through their extensive experience in investing in housing and real property companies across the Asia-Pacific region and their long-term and growth-oriented investment approach. They have provided guidance and insights on strategic planning, financing and capital market planning and business optimization, among others.

Mission and Vision

The Company's mission is to be the most admired Mass Housing developer in terms of industry leadership, price and quality. In providing quality and affordable housing to the Filipino family, the Company conducts its business with integrity, fairness and competence towards its vision to maximize the value it provides to customers, suppliers, investors, shareholders and Philippine society in general.

STRENGTHS AND STRATEGIES

Competitive Strengths

The Company considers the following to be its principal competitive strengths:

Operation in a large, underserved market with significant growth potential

Robust macroeconomic fundamentals in the Philippines is expected to drive demand for the Philippine Mass Housing market. According to Frost & Sullivan, the Philippines' GDP is expected to grow at a compounded annual growth rate ("**CAGR**") of 5.2% from 2015 to 2025F, driven by sustained public projects, especially under the Government's "Build, Build, Build" initiative, a comprehensive infrastructure development program, private consumption and spending and innovative projects. Prior to the pandemic, the Philippines was one of the fastest-growing economies in Southeast Asia due to its strong household consumption, remittances, and government's extensive spending on infrastructure. The pandemic upended the economy as the country went into a strict lockdown. Growth stalled, and the GDP contracted by (4.1%) in 2020 per the IMF. Recovery was slow in the first three quarters of 2021 as the country continued implementing restrictions and controlling business activities. Only in the fourth quarter of 2021 did the Philippines recover and hit a 7.7% GDP quarterly growth. The Government is optimistic about hitting 6.3% GDP growth in 2022 as it moves to lift restrictions and allow more businesses to open and operate in higher capacityIn addition, a growing and increasingly urbanized population will bolster demand for housing in the long term, especially in large cities such as Metro Manila, Davao City and Cebu City. According to Frost & Sullivan, the urban population amounted to 47% of the total Philippines' population of 110 million in 2020 and is expected to grow 10% from 52 million to 57 million from 2020 to 2025F.

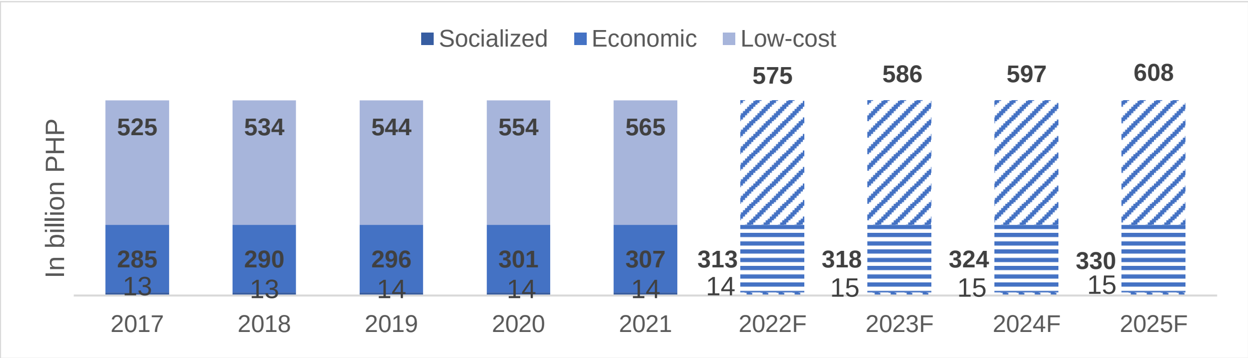
By 2022, total housing need (i.e., the supply-demand gap in the housing market) in the Philippines is expected to reach 6.8 million units, of which 80% is estimated to be within the Mass Housing segment. Frost & Sullivan estimated that, if such housing need is not addressed sooner, total housing needs may reach almost 12.3 million by 2030, of which approximately 85% are in the Mass Housing market (2.7 million are socialized, 6.2 million are economic and 1.5 million are low-cost housing units). Moreover, it was estimated by BSP's Consumer Financial Survey in 2018 that around 71% of the middle-income to low-income Filipino families are renting their houses, signifying a large underserved housing need especially in the affordable housing market.

Figure 1: Combined Housing Segmentation as defined by law and industry

Classification	DHSUD Definition (in ₱)
Socialized Tier 1	₱480,000 below
Socialized Tier 2	₱480,001 – 530,000
Socialized Tier 3	₱530,001 – 580,000
Economic	₱580,001 - 1.75 million
Low Cost	Up to ₱3 million
Mid End	Above ₱3 million to ₱4 million
High End / Open Market	₱4 million and up

Source: DHSUD, 2021; Frost & Sullivan Expert Interviews

Figure 2: Estimated Gross Value of Economic, Low-cost and Socialized Housing Segment, 2017–2025F



Source: Frost & Sullivan

Affordable housing also forms one of the key national priorities of the Government, who has rolled out various initiatives to accelerate the sector's growth across all dimensions. According to Frost & Sullivan, the Government is expected to invest ₱8.4 trillion (US$165 billion) across 2016 to 2022 into various infrastructure projects, benefitting the housing sector by enhancing connectivity to current projects and opening new areas for residential development. The Government has further demonstrated its unwavering commitment towards affordable housing through the rollout of the 20-year National Housing and Urban Development Sector Plan by the National Human Settlements Board ("**NHSB**") set up by the Department of Human Settlements and Urban Development ("**DHSUD**") in 2021 to consolidate strategies, plans and programs of the DHSUD, the key shelter agencies, partner-developers and other stakeholders to address the provision of adequate and affordable housing to all Filipinos. According to DHSUB official publication "The Shelter" in December 2020, the DHSUD will be looking into (a) policy reviews and reforms targeting to expedite financing services to the poor and low-income households, (b) exploring Public Rental Housing Policy ("**PRHP**"), (c) reviewing the price ceiling of socialized subdivision and condominiums, (d) reviewing loan ceiling for economic, low-cost, and medium cost housing, and (e) assessing whether to extend the Rent Control Act of 2020, all of which would likely benefit the affordable housing market.

The Government addresses the affordability of housing for homebuyers through the Pag-IBIG fund, which provides attractive and affordable loans for homebuyers with low interest rate (averaging 5% in 2020), low-income requirement and longer loan term (up to 30 years), according to Frost & Sullivan. They also incentivize private housing developers to provide socialized and economic housing projects through (a) five-year income tax holiday, (b) exemption from capital gains tax and (c) the availment of Pag-IBIG's Developer's Loan Program. Pag-IBIG provides credit facilities to accredited private developers to help them recover its investments and develop housing projects faster while waiting for take-outs of delivered and completed housing loan applications. In 2020, Pag-IBIG has released ₱64 billion (US$1.3 billion) of housing loan proceeds to 63,750 members, wherein 75% were developer-assisted and 25% were retail accounts.

According to Frost & Sullivan, the ongoing COVID-19 pandemic has resulted in a slowdown in the Philippine housing industry as buyers became wary of the uncertainties. Notably, while investment purchases from the up-tier market slowed down, the demand for low-cost housing proved to be more robust. Given that low-cost housing is seen less as an investment and more as a necessity, the market tends to be less prone to market, financial and economic slowdown and more impacted by consumer preferences and trends.

The Company believes that it is well-positioned to capitalize on the growing demand and unmet need for Mass Housing, as well as supportive Government policies in the Philippines, given its leading and differentiated market position in the Mass Housing market, the strong nationwide brand equity of its DECA Homes, Urban DECA Homes, and Urban DECA Towers lines, its working relationship with governmental agencies and its commitment to focus on environmentally sustainable and socially responsible growth.

Market leader with an established track record and well-recognized brands for the underserved Mass Housing segment

The Company is the top Mass Housing developer in the Philippines by Pag-IBIG takeout from 2017 to September 30, 2021, which amounted to ₱15.3 billion (US$300 million).

Its leadership in the Mass Housing market is further cemented by its achievement of a CAGR of 23.9% in its revenue from 2011 to the first half of 2021 (annualized), positioning the Company as one of the fastest growing listed real estate companies in the Philippines.

The Company has been developing Mass Housing Projects in high-growth areas across the Philippines since 2003 and has built a strong reputation of providing a full suite of quality and affordable homes to consumers in the fast-growing Philippine Mass Housing market, through the Company's DECA Homes, Urban DECA Homes, and Urban DECA Towers brands. The Company has also placed an extensive focus on providing affordable housing to demographic groups for which home ownership has been traditionally challenging to attain, as well as creating a sustainable community through amenities that allows residents to live in a safe, healthy and vibrant community.

In recognition of the Company's contribution to the Mass Housing market in the Philippines, the Company has also won numerous prestigious awards such as:

- Best Affordable Condo Development (Metro Manila and Southern Luzon) and Housing Development (Metro Davao) in 2021 by PropertyGuru
- Top Housing Developer in the Philippines from 2017 to 2019 and Top Property Developer in the Visayas and Mindanao regions in the first half of 2021 in terms of take-out value from the Pag-IBIG fund
- Best Low Cost Housing Developer (National) awarded in March 2017 by Q Asia's Seal of Product and Quality Service
- Outstanding Developer Low Rise Mass Housing in 2016 by the International Real Estate Federation in the Philippines ("FIABCI-Philippines")
- BCI Asia Top 10 Developers in 2015 and 2016
- Best Mid-Cap Firm in the Philippines in 2015 by Finance Asia
- Prestigious Seal Awardee for Best Developer in Low-Cost Housing in 2015 by Gawad Sulo Foundation

Driven by its strong commitment to deliver, the Company has completed 65 Mass Housing projects and has 17 ongoing Mass Housing, MRB and HRB projects as of September 30, 2021. The Company has grown its footprint significantly since 2007, delivering 81,700 units across completed and ongoing projects, with an estimated 327,000 residents and approximately 89% occupancy rate,[6] as of September 30, 2021. Moreover, the Company

[6] Total number of residents is based on the Company's estimate of four persons in each of the approximately 81,700 units delivered as of September 30, 2021. The occupancy rate is based on units purchased for residential use and excludes units sold for investment or vacation purposes.

has an immediate inventory of approximately 52,240 additional units from ongoing projects (net of units already delivered from ongoing projects). The Company also has an identified pipeline of 21 projects for its present land bank of 602.4 hectares, which has an estimated market value of ₱40,029.0 million (US$785.5 million), based primarily on certain appraisals completed by JLL in the fourth quarter of 2021 by JLL, which is estimated to provide 78,352 units within the next eight years, based on the Company's current plans and subject to market conditions and other circumstances. This could provide potential sales of approximately ₱164,304 million (US$3,224 million) to drive future growth. See "—*Land Bank*."

Unique business model positions the Company for long-term leadership in a fragmented and under-penetrated market

The Company believes that it is one of the few scaled, nationwide developers with customer offerings uniquely dedicated to serving the housing needs of the Mass Housing segment. The Company's focus in the socialized, economic and low-cost housing segment in the Philippines allows it to target the large addressable housing market opportunity for lower income groups, with an estimated market size of ₱887 billion (US$17.4 billion) in 2021 by gross value, according to Frost & Sullivan.

Figure 3: Competitor Positioning in the Market

Developers	Housing Segments				
	Socialized	Economic	Low Cost	Mid-end	High-end
Ayala Land Premier					√
Century Properties					√
Federal Land					√
Megaworld					√
Alveo				√	√
Filinvest				√	√
RLC Residences				√	√
Robinsons Land Corporation				√	√
SMDC				√	√
Vista Land				√	√
Vista Residences				√	√
BluHomes				√	
Damosa Land				√	
Aboitiz Land	√	√	√	√	√
DMCI Homes	√	√	√	√	√
Suntrust		√	√	√	√
Amaia		√	√	√	
Avida		√	√	√	
Camella		√	√	√	
CHMI		√	√	√	
Homeowners Development Corp		√	√	√	
Philomena Properties		√	√	√	
PRO-Friends		√	√	√	
Robinsons Homes		√	√	√	
Ruby Sapphire		√	√	√	
HomeSmart		√	√		
SMDC Cheerful Homes		√	√		
8990 Holdings	√	√	√		
Bria Homes	√	√	√		
A.J. Mark Realty & Development Corp	√	√	√		
BellaVita	√	√	√		
Borland	√	√	√		
DuraVille Realty & Dev't Corp	√	√	√		
Futura by Filinvest	√	√	√		

Developers	Housing Segments				
	Socialized	Economic	Low Cost	Mid-end	High-end
HomeMark Inc.	√	√	√		
Imperial Homes	√	√	√		
Lumina Homes	√	√	√		
My Citi Homes	√	√	√		

Source: Frost & Sullivan Analysis

The Mass Housing market in the Philippines is highly fragmented, with about 3,000 entities engaged in the housing sector and hundreds of developers, according to Frost & Sullivan. Within the ₱450,000 to ₱2.0 million housing segment specifically, competitors with offerings in this segment include Robinsons Homes (brand under Robinsons Land), Avida (subsidiary of Ayala Land Corporation), Camella (subsidiary of Vista Land) and PRO-FRIENDS and Bria Homes. According to Frost and Sullivan, gross sales of players competing in this bracket that are in the top 20 affordable housing players range widely from ₱250 million to ₱31.1 billion. Most competitors, however have significantly smaller operations than the Company with only three other players with revenues of at least ₱10 billion. Unlike the Company, Frost and Sullivan's research indicates that a number of scaled competitors also offer projects larger than the ₱450,000 to ₱2.0 million segment. As such, the Company believes that most of its direct competitors are smaller regional developers, with much smaller scale and limited geographical coverage, hence its nationwide scope has allowed it to achieve economies of scale from its operations, thereby offering housing units at more attractive price points compared to its direct competitors.

Further differentiating 8990 is its ability to provide the full value chain required by the Mass Housing market:

- **Land Acquisition**: Actively evaluates attractive land acquisition opportunities nationwide. Key criteria include proximity to areas close to the Company's target customers, including Pag-IBIG members, and its sources of livelihood
- **Customer Screening**: Focus on gainfully employed customers who have significant lifetime earnings potential and are acquiring the Company's developments as their primary residence
- **Construction Technology**: Pre-cast system manufacturing construction technology that allows rapid construction of quality houses
- **In-House Financing**: Accessible in-house financing with a unique combination of attractive upfront equity and affordable monthly payments
- **Strong Pag-IBIG relationship**: Status, track-record and customer screening synchronization with Pag-IBIG allows for continuous and seamless Pag-IBIG take up
- **Credit Collection**: Emphasis on incentivizing a strong repayment behavior through required financial literacy seminars
- **Property Design and Management**: Focused on creating "communities" within each development such as through sports facilities, churches, parks and meeting areas. In addition, the Company provides comprehensive and ongoing support for properties

Pre-cast system manufacturing construction technology driving efficiencies and cost-savings

The Company has continually invested in innovation to update its building processes and minimize waste of materials while at the same time maintaining the quality of its products and rapid completion of housing units. To this end, the Company has developed its own unique building system that makes use of a pre-cast construction process, enabling the Company to construct and complete housing units and MRBs in a cost- and time-efficient manner without compromising the quality and standards of the housing units being turned over to its customers. The utilization of this pre-cast construction process on-site, as opposed to traditional building methods, likewise results in significant cost reduction for the Company, particularly on labor costs. The Company believes that these factors help it to achieve and maintain healthy profit margins. Since pre-cast is manufactured in a controlled casting environment, it is easier to control the mix, placement, and curing; hence, quality can be monitored easily and wastage, typically a large cost for those still utilizing traditional construction methods, is significantly reduced. The Company sources cement from the largest cement manufacturers in the Philippines, which it then blends in-house, together with other additives in specific proportions, to create its proprietary concrete blend. This concrete mix has a faster curing time than standard concrete mixes, which allows for faster setting of pre-cast molds, resulting in panels that can withstand approximately four times as much pressure per square inch than traditional cinder block structures. For instance, the 2013 7.2 magnitude earthquake which affected Cebu and Bohol tested the structural strength and quality of the Company's projects in the area. The Company commissioned an independent structural engineer to inspect the units in its affected projects and the inspection indicated that there was only minor superficial damage and that the units remained structurally stable and fit for occupancy. Through the use of this process, the Company is able to construct townhouses and single attached units in just eight to 15 days with an additional five days for single-storey houses with lofts.

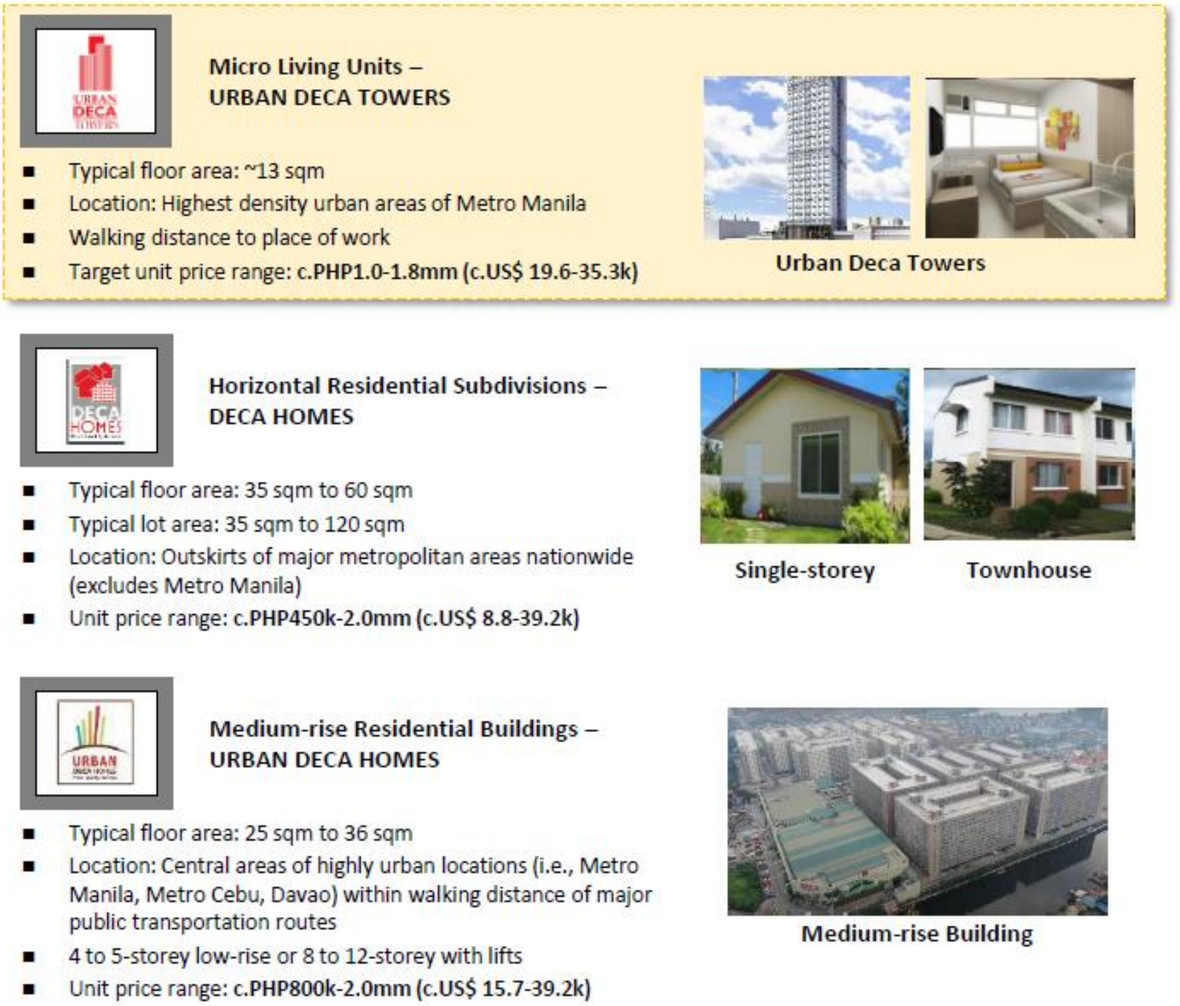
The Company continuously improves and refines this process and has mastered its efficient implementation in the field, allowing for quick turnover and re-deployment of capacity. This construction process is highly scalable leading to highly efficient use of capital and industry-leading returns.

Customer-focused product and payment scheme complemented by effective collection, risk management policies and loan factoring for a rapid capital recycling cycle

The Company believes that its industry experience has equipped it and its management with in-depth knowledge and understanding of the needs, preferences, means and constraints of the Mass Housing segment customer base. The Company continuously undertakes demographic analysis of its customer base, which helps in developing products and payment schemes that are in line with the needs and lifestyles of its target customers. The Company believes that sustainable affordability is critical in serving the Mass Housing segment. Accordingly, the Company tailors the house area, lot area and locations of its developments to deliver housing products where the monthly amortization payments are affordable for its target customers when compared to monthly rental payments for comparable housing units, hence allowing a smooth transition from home rental to ownership.

For illustration, the Company's housing portfolio includes the following products.

Figure 4: 8990's Product Portfolio



Source: Company Information

Furthermore, the Company's innovative CTS Financing Program typically requires a relatively small upfront payment (normally 3% to 5% of the purchase price of the unit, compared to approximately 10% to 20% equity down payment generally required by other developers). This allows customers to purchase and move into a housing unit without material effect on their savings. Fast and efficient processing under the CTS Financing Program, combined with the Company's pre-cast construction process, translates into the ability to deliver units to customers within a short time frame. This combination of market knowledge, technical expertise and customer understanding results in a compelling proposition for the Company's target Mass Housing segment, which is primarily driven by end-user demand.

To support the CTS Financing Program, the Company has developed a comprehensive collection platform comprising policies, structures, systems, organizations and mechanisms focused on collection efficiency and the mitigation of payment delinquency. The Company proactively approaches customer credit management, beginning at the point prior to actual sale by conducting in-house seminars/lectures covering key topics related to purchasing a housing unit such as documentary requirements, payment structure and credit and legal obligations connected with the housing unit purchase. The Company has also implemented a comprehensive credit verification process for all potential buyers looking to purchase housing units under the in-house CTS Financing Program, which includes a rigorous and systematic documentation approval process. In addition, the Company is able to leverage on its previous experience as collection agent for Pag-IBIG in formulating and implementing highly effective collection processes, including discontinuing the supply of certain utilities to the unit and/or disallowing certain privileges with respect to use of the Company's facilities in the developments. The Company believes that its combination of industry experience, customer selection and comprehensive program to collect, educate and support its customers has resulted in the Company's estimated collection efficiency rate of 94% in the third quarter of 2021. The estimated collection efficiency rate is the amount collected out of the current amount due from a customer. Moreover, the Company believes that, in part as a result of its collection processes, of the customer accounts which become delinquent, approximately half become active again within three months of default. For the remaining half of the delinquencies that ultimately result in default, the Company is able to regain possession and typically resell the property in within a year from the time of default.

Further complementing the Company's in-house financing solutions are loan factoring options available that generate additional cash for the Company as follows:

Source	Amount
Migration to Pag-IBIG	₱15.3 billion (US$300 million) take-outs from 2017 to September 30, 2021
Sale of Receivables to Financial Institutions Without Recourse	₱25.0 billion (US$491 million) of receivables sold to financial institutions from 2017 to September 30, 2021
Partnership with banks after accreditation for loan migration	₱331 million (US$6.5 million) successfully migrated to banks by December 31, 2021[7]

In addition, the Company is expecting generate further cash from ongoing initiatives to securitize loans.

The Company believes that the combination of its rapid, proprietary construction process and its innovative in-house financing structure that is complemented by its loan factoring initiatives have resulted in the Company achieving among the highest Returns on Equity among its peers. From 2018 to the last twelve months ended September 30, 2021, the Company achieved an average Return on Equity of 15.8%, providing the Company with a substantial source of recycled capital to fuel its growth and expansion.

Strong relationships with key housing and shelter agencies

The Company, through its Subsidiaries and Principals, Mr. Luis Yu, Jr. (Chairman Emeritus and Founder), Mr. Mariano Martinez, Jr. (Chairman of the Board) ("the Principals"), has been recognized by key Government shelter agencies with respect to its success in the industry. In particular, the Company was recognized by HLURB as the developer with the most number of subdivision units licensed under B.P. 220 from 2011 to 2013. In addition, the accreditation of the Company's projects with the Board of Investment under the IPP allows each accredited project to enjoy certain tax incentives.

[7] Migration to banks started from August 2021.

These recognitions demonstrate that the Company has a strong reputation and working relationship with key Government agencies that are essential to any success in the Mass Housing development industry. Pag-IBIG serves as the primary Government housing financial assistance program in the Philippines, with a statutory mandate to provide financial assistance for the housing requirements of its members and allot not less than 70% of its available funding for deployment of housing loans to qualified buyers. The Company closely coordinates with Pag-IBIG to increase the efficiency in Pag-IBIG's takeout of the Company's contracts-to-sell under its CTS Financing Program. The Company has also voluntarily submitted a proposal for it to be recognized as an authorized collection agent by Pag-IBIG for its home buyers, thus lessening the manpower needed by Pag-IBIG to follow up and keep accounts current.

Committed to integrating ESG-aligned practices across the Company and all projects

The Company places great value on Environmental, Social and Governance ("**ESG**") standards, as they take pride in conducting its business responsibly. They are committed to ESG standards that help in building a sustainable future for the communities they serve and creating long-term value for all its stakeholders. Accordingly, they have undertaken several initiatives toward this including providing affordable housing and basic infrastructure, promoting gender equality and social equality, pursuing inclusive growth, and maintaining sustainable community and environment.

The Company is also committed to contributing towards achieving the Sustainable Development Goals ("**SDGs**") adopted by the United Nations Member States in the year 2015. The Company benchmarks and integrates these SDGs with key areas of its business operations. The efforts undertaken by the Company ensure a positive contribution to at least 6 of the 17 SDGs, including: SDG #11: Sustainable Cities and Communities, SDG #10 Reduce inequality, SDG #8 Decent work and Economic Growth, SDG #12 Responsible Consumption and Production, SDG #13 Climate Action, and SDG #15 Life on Land. They actively continue to work on further deepening its impact across these goals and expanding the scope of its influence across other goals, in the pursuit of a win-win for both its business as well as social ecosystem.

The Company provides affordable housing to demographic groups in Philippines for which home ownership is traditionally challenging to attain, by offering 3% equity versus 10 to 20% in the Mass Housing market. Monthly amortization is made more affordable by providing longer loan term that are not widely available for the majority of the population. As of September 30, 2021, an average of 63% of the 8990's home buyers have a maximum gross monthly income of ₱55,000 (US$1,100) and below and an average of 55% are women. For vast majority of them, it would have been significantly challenging for them to own homes, if not because of the affordable housing and innovative financing offered by the Company together with its partners.

The Company's housing development are not only affordable but provides access to infrastructure, including water, sanitation, transportation, and security features for residents to live in safe, healthy, vibrant communities that allow individual to access opportunities for economic mobility through proximity to job opportunities, and stable and safe living environments.

The Company is focused on environmental sustainability in its operations through a decade long commitment to low waste, smart design and resources efficient buildings. See "*—Environmental, Social and Governance Initiatives*."

In addition to the efforts undertaken towards Social and Environmental goals, the Company also incorporates high standards in its Corporate Governance through standard operating procedures / manuals detailing procedures to be followed for each and every function.

Experienced management team with extensive expertise in Mass Housing development

The Company prides itself in having an experienced management team under the leadership of Mr. Luis Yu, Jr. (Chairman Emeritus and Founder), Mr. Mariano Martinez, Jr. (Chairman of the Board), Attorney Anthony Vincent S. Sotto (President and CEO), Roan Buenventura-Torregoza (Chief Financial Officer) and Alexander Ace S. Sotto (Chief Operating Officer), who each have extensive experience and in-depth knowledge of the real estate business, particularly in the Mass Housing market, and span an aggregate of over 100 years in the industry.

Through their various business ventures (including 8990), the Principals have constructed housing units across multiple regions in Philippines across Visayas, Luzon and Mindanao, including major cities such as Cagayan de Oro, Cebu City, Davao City and Metro Manila. In addition, they have also developed, over the years, positive relationships with key market participants, including construction companies, regulatory agencies, local government agencies and banks.

Mr. Yu carries with him over 30 years of experience in the Mass Housing business. Mr. Martinez has over three decades of experience in the Mass Housing industry and was once the National President of the SHDA, the largest national organization of subdivision and housing developers in the Philippines with over 200 members.

Attorney Anthony Vincent S. Sotto has almost 18 years of experience with the Company, and has previously served as the capacities of Deputy Chief Executive Officer, General Manager and Assistant General Manager in the Company.

Alexander Ace S. Sotto's 18 years of experience in the real estate industry began when he joined 8990 Holdings Inc. in 2004. He is currently the Chief Operating Officer of the Company.

Meanwhile, Roan Buenaventura Torregoza assumed the position of Chief Financial Officer of the Company in September 2016. Prior to her current position, she served as Acting Chief Financial Officer, Deputy Chief Financial Officer, Assistant General Manager for Audit, and Management Services Manager for 8990 Holdings, Inc.

Key Strategies

The Company was founded to address the Mass Housing problem in the Philippines. By 2030, the total housing need in the Philippines could increase to approximately 12.3 million units, of which approximately 85% will be in the Mass Housing market, according to Frost & Sullivan. However, the supply of affordable housing is unable to catch up, given that most Mass Housing developers are small regional developers, with limited geographical coverage. At the same time, certain demographic groups, including the low- to middle-income Filipinos, often face difficulties accessing home financing solutions that meets its cash flow profile.

The Company's overall business strategy, and the key to its current and past success in the Mass Housing industry, is to address the Mass Housing problem in the Philippines by delivering affordable homes and innovative financing solutions with speed and quality to its target customers, mainly comprising low- to middle-income earners. This is achieved through:

1. Introduction of an innovative financing solution that allows Filipinos to own a housing unit by paying monthly amortization at the price equivalent to that of a monthly rental payment

2. Establishing a close partnership with the Government's Mass Housing agency to expedite the delivery of the Government's housing initiatives

3. Delivering fast, quality and affordable housing options near customers' source of livelihoods

4. Successful execution of a unique and superior business model addressing an underserved market, and is highly profitable due to the Company's operational and financing efficiencies

To further build on its competitive strengths and allow further expansion of its business, the Company plans to undertake the following:

Pursue growth by maintaining leadership with affordable and competitive pricing

The Company has a distinct leadership position in the Mass Housing segment

The Company believes that it is one of the few developers dedicated to serving the housing needs of the Mass Housing segment throughout the Philippines, uniquely positioning it vis-à-vis other major housing developers in the Philippines. The Company's focus in the socialized, economic and low-cost housing segment in the Philippines allows it to target the large addressable housing market opportunity for lower income groups, with an estimated market size of ₱887 billion (US$17.4 billion) in 2021 by gross value, according to Frost & Sullivan.

The housing market in the Philippines is highly fragmented, with about 3,000 entities engaged in the housing sector and hundreds of developers, according to Frost & Sullivan. The Company believes that most of its direct competitors are smaller regional developers, with much smaller scale and limited geographical coverage, hence its nationwide scope has allowed it to achieve economies of scale from its operations, thereby offering housing units at more attractive price points compared to its direct competitors.

The Company believes that its unique positioning and leadership in the underserved need-based Mass Housing market will continue to provide demand for its housing developments in the future.

The Company seeks to promote home ownership for its target customers by matching housing cost with their ability to pay

The Company seeks to promote home ownership in the Mass Housing segment in part by continuing to develop financing products tailored to the specific needs, requirements and financial situation of Mass Housing customers. In particular, the Company intends to seek ways to improve on and further provide flexibility through its CTS Financing Program, an innovative product developed using the Company's experience in the Mass Housing segment, which allows customers to move into their chosen housing unit after a significantly lower down payment of 3% to 5% of purchase price and pay down their housing loan across an average term of 25 years and at a fixed interest rate of 9.5% for the first four years.

The Company's financing program hence allows customers to break down the housing unit purchase price into affordable monthly amortizations, based on the cash flow they receive on a monthly basis from their employment and other sources of income. The Company also endeavors to keep monthly amortizations affordable at approximately 35% of their monthly income, as well as approximately matching these monthly amortization with monthly rental rates that its target customer would have otherwise paid for similar Mass Housing units, thereby encouraging the low- to middle-income customers to buy a house rather than continue renting.

For example, the Company offers a monthly amortization payment of approximately ₱3,900 (US$77) (the estimated amortization for a ₱450,000 (US$8,830) loan for a Socialized Housing unit, with 9.5% annual interest rate for the first four years and a 25-year amortization schedule) to approximately ₱17,500 (US$343) (the estimated amortization for a ₱2,000,000 (US$39,200) loan with 9.5% annual interest rate and a 25-year amortization schedule) under its in-house CTS Financing Program, at the right price range (₱450,000 to ₱2.0 million (US$8,830 to US$39,200) per housing/condominium unit).

The Company believes that the attractiveness of the CTS Financing Program is likely to continue driving demand for its housing developments into the future.

The Company has secured an attractive pipeline of projects over the mid-term to drive future growth

The Company has an immediate inventory of approximately 52,240 additional units from ongoing projects (net of units already delivered from ongoing projects). The Company also has an identified pipeline of 21 projects for its present land bank of 602.4 hectares, which has an estimated market value of ₱40,029.0 million (US$785.5 million), based primarily on certain appraisals completed by JLL in the fourth quarter of 2021 by JLL, which is estimated to provide 78,352 units within the next eight years, based on the Company's current plans and subject to market conditions and other circumstances. This could provide potential sales of approximately ₱164,304 million (US$3,224 million) to drive future growth. See "—*Land Bank*."

Continue to innovate and invest in maintaining the Company's competitive advantage

The Company intends to further leverage and invest into its CTS Financing Program and rapid construction technology to maintain its competitive strength.

The Company believes that the key success factor of its CTS Financing Program is not just in its innovative structure, but also in its ability to complement this with comprehensive and proactive customer engagements. This is done through consistent customer engagements through financial literacy programs to guide them through the documentary requirements for the loan application process and educate them on credit management to encourage strong loan repayment behavior. This has led to a successful track record with an estimated 94% collection efficiency ratio from 2015 to 2019 and third quarter of 2021. The Company intends to continue its efforts to optimize its financing program and financial literacy programs to deliver a comprehensive housing solution for its target customers and maintain its industry-leading profit margins.

The Company intends to continually invest in innovation to update its construction processes and minimize waste of materials, while at the same time delivering housing units with quality and speed. The utilization of an on-site pre-cast construction process has resulted in significant cost savings and healthy profit margins. The Company believes that similar innovations into highly scalable construction processes will further enhance efficiency of capital use, rapid recycling of cash flow and its industry-leading returns. Additionally, the Company intends to explore further ways to incorporate environmental sustainability into its construction process.

Continue with monetization of its receivables through various channels

The Company rapidly recycles its capital by migrating home loans offered or selling receivables from customers (via its in-house CTS Financing Program) through three main channels:

1. Sale of receivables to financial institutions

2. Migration to Pag-IBIG

3. Partnership with banks after accreditation to migrate these loans to them

For the period between 2016 to September 30, 2021, the Company has successfully sold ₱25.0 billion (US$491 million) of receivables to financial institutions and migrated ₱17.9 billion (US$351 million) of loans to Pag-IBIG. From August to December 2021, the Company has also migrated ₱331 million (US$6.5 million) of loans to partner banks (i.e. BPI and Security Bank). In addition to these three channels, the Company has initiated possible securitization transactions with respect to its receivables portfolio, which is expected to be completed in 2022 and targeted to generate net cash of ₱1.0 billion (US$20 million).

The Company's strong track record in the monetization of its receivables could be attributed to its strong relationship with financial institutions and its ability to structure its in-house CTS Financing Program to mirror the requirements of Pag-IBIG home loan. As a result, the Company believes that up to 99% of home loans offered by the Company are eligible for migration to Pag-IBIG.

The Company intends to continue to monetize its receivables in order to recycle its capital to fund future growth plans, as well as to de-risk its capital structure to maintain a net debt to equity ratio of 0.6x as of September 30, 2021, on par with the industry average.

Maintain appropriate financing, liquidity and risk management policies

The Company believes that its financing model is robust, through its ability to generate strong demand through providing attractive financing options for customers, and at the same time, preventing losses through appropriate financing, liquidity and risk management measures.

Measures undertaken include:

- financial literacy programs to maintain high collectability at an estimated 94% performing accounts ratio for the nine months ended September 30, 2021;
- de-risking its capital structure through monetization of receivables; and
- protecting its capital through retaining the home ownership until the loan amount is fully received from the homebuyers.

This has enabled the Company to achieve industry leading return on equity. The Company intends to continue implementing such measures to ensure adequate protection against financing risks.

Continue to grow land bank in strategic locations for development

The Company plans to continue to explore opportunities to replenish its land bank for future developments, selectively acquiring parcels and properties that meet its requirements for potential projects. The Company aims to seek out properties located in areas with high population growth rates and rental yield, close proximity to public transportation terminals and major thoroughfares in cities, and also seeks to locate suitable project sites near developing business centers and high growth communities, where there are underserved housing needs for its target customers across the Philippines. The Company also targets to commence development of new land bank properties within two to three years of purchase.

The Company intends to further grow its existing Mass Housing revenue base. To accomplish this, the Company intends to (a) increase the number and variety of projects in the cities in which it currently has existing developments, as well as to (b) geographically expand into new cities. For example, the Company has brought to Metro Manila the Urban DECA Homes high-rise building concept in Tondo, Manila, and Mandaluyong.

Driving further ESG initiatives across its business model

The Company founded on the vision to provide quality and affordable housing to the Filipino family and maximize the value that it provides to customers, suppliers, investors, shareholders and Philippine society in general, has integrated ESG initiatives in its business model. The Company believes that its unique and superior business and financing model allows it to address an underserved housing need in the society, while at the same time, maintaining its industry-leading profitability through operational and financing efficiencies.

The Company's ability to offer a full suite of housing projects at affordable price points provide accessible housing to demographic groups for which home ownership has traditionally been challenging to attain. Based on the Company's internal data on customer demographics, an average of 63% of its customers have a gross monthly income of ₱55,000 (US$1,100) and below, 60% are singles, 55% are females, 20% are OFWs and 15% are undergraduates, as of September 30, 2021.

The Company endeavors to go beyond providing basic housing infrastructure, but also to create sustainable communities through amenities offered in the housing developments, which includes security features to protect residents (e.g. gated entrance with security), social spaces to promote interaction (e.g. clubhouse, church) and recreational facilities to promote healthy lifestyle (e.g. swimming pool and wakeboarding park). The Company believes that these initiatives have contributed to high customer satisfaction, with approximately 100% sale rate for completed units and 89% of housing units sold for primary residences as of September 30, 2021.

The Company also actively seeks ways to be environmentally friendly. Since 2018, the Company has eliminated the use of wood products in the construction of houses. Since 2019, newly designed projects are installed with waste-water facilities and material recovery facilities to minimize wastage. At the same time, the Company also strategically locate its micro-living developments close to business districts to reduce carbon emissions from daily commute that would otherwise be necessary.

The Company believes that ESG is a crucial component of its business model and endeavors to drive and implement further ESG initiatives.

Maintain its working relationship with regulators

The Company has a track record of strict adherence to local rules, regulations and social responsibility requirements imposed on licensed housing developers.

Adherence to good corporate governance plays an integral role in the way in which the Company conduct their business. The Company has processes in place to help ensure that there is operational transparency, information sharing, accountability, and constant dialogue with all its stakeholders.

The Company has also been supportive in the national and local government initiatives in Mass Housing, including and not limited to:

- adhering to the government guidelines (e.g., loan moratorium during the COVID-19 pandemic);
- active participation with the various real estate groups (e.g., SHDA);
- active participation in community-based initiatives (e.g., shelter agencies, school, church programs)
- incorporating environmentally friendly practices into its operations such as tree planting (at a scale that is in compliance of Department of Environment and National Resources guidelines) and building waste water management systems; and
- facilitating the participation of middle- to low-income customers in Pag-IBIG home loan initiatives, through unique structuring of its in-house financing program to mirror the requirements of Pag-IBIG's home loan

The Company intends to continue its best practices and maintain an effective working relationship with regulators to conduct its business with integrity and competence, maximizing the value it provides to the Philippine society.

IMPACT OF COVID-19

COVID-19, an infectious disease that was first reported to have been transmitted to humans in late 2019, was declared a pandemic in March 2020 and has spread globally over the course of 2020, and continues to persist through 2022 having taken on various mutations that are sometimes more transmissible and resistant to available vaccines. As of the date of this Prospectus and since the beginning of the pandemic, there have been over 300 million confirmed cases worldwide and over 3 million confirmed cases in the Philippines. In response, countries have taken measures in varying degrees to contain the spread, including social distancing measures, lockdown, community quarantine, travel restrictions and suspension of operations of non-essential businesses, among others.

The Government issued a series of directives and social distancing measures as part of its efforts to contain the outbreak in the Philippines. On March 16, 2020, Presidential Proclamation No. 929 was issued, declaring a State of Calamity throughout the Philippines for a period of six months and an enhanced community quarantine ("**ECQ**") was imposed on the island of Luzon, including Metro Manila. Initially, the ECQ was set to end by April 12, 2020 but was subsequently extended for two-week periods until May 15, 2020 (the period from March 16, 2020 through May 15, 2020, the "**Initial ECQ Period**"). Under the ECQ guidelines, restrictions on movement outside of the residence were implemented (ranging from stay-at-home orders to total lockdowns), mass transport facilities were suspended, schools were closed and alternative work arrangements were implemented. The COVID-19 pandemic affected most daily activities and forced many businesses to suspend operations or shut down for the duration of the ECQ. Only essential businesses such as plants involved in manufacturing and processing basic food products, medicine, medical devices/equipment and essential products, and delivery services transporting food, medicine and essential goods, as well as essential sectors such as power and water utilities were allowed to operate, subject to certain conditions and limitations on operating capacity.

Since the time of the Initial ECQ Period, community quarantines with different levels of restrictions and permitted activities have been implemented across the Philippines by the relevant local governments. These include modified ECQ ("**MECQ**"), general community quarantine ("**GCQ**") or modified GCQ ("**MGCQ**"). The graduated lockdown schemes from ECQ, MECQ, GCQ, and MGCQ impose varying degrees of restrictions on travel and business operations. The Government continues to calibrate the imposition of lockdown or community quarantine measures across the country depending on the situation in specific localities. As of the date of this Prospectus, Metro Manila is under Alert Level 3, subject to further extensions to be announced by the IATF.

Due to the COVID-19 pandemic and the ensuing quarantine measures both within the Philippines and internationally and uncertainty surrounding future economic recovery, buyers were hesitant to commit to large purchases such as housing units. In spite of this, the Company's unit sales for the year ended December 31, 2020 increased 2% from the year 2019 and were 8% above its internal sales targets. The Company recalibrated its construction schedule to efficiently allocate its resources by focusing on the construction of residential projects that are expected to be more saleable rather than the development of hotel buildings while putting on hold all planned land acquisitions for future of development. Moreover, due to the impact of COVID-19 to the tourism industry, its Azalea Residences Baguio and Boracay were closed for an extended period and reopened in the second half of 2021, subject to compliance with capacity restrictions, among others. In terms of managing its liquidity, the Company continued to implement measures to ensure it would have sufficient cash to meet its capital working requirements, including continuing to migrate its buyers' contracts to sell to Pag-IBIG and sell its receivables to financial institutions. For the year ended December 31, 2020 and for the nine months ended September 30, 2021, the Company migrated ₱1,316.1 million (U.S.$25.8 million) and ₱2,896.3 million (U.S.$56.8 million) of receivables to Pag-IBIG, respectively, and sold ₱3,530.0 million (U.S.$69.3 million) and ₱3,534.4 million (U.S.$69.4 million) of receivables, respectively, to financial institutions.

The Company continues to closely monitor developments relating to the pandemic and related Government responses and requirements, and is taking appropriate action to optimize cash flows and minimize costs. The Company also activated business continuity plans, both at the corporate level and business operations level, and conducted scenario planning and analysis to activate contingency plans.

RECENT DEVELOPMENTS

On November 3, 2021, the Board approved the declaration of cash dividends in the amount of ₱0.20 per outstanding common share, which was paid on December 10, 2021 to shareholders of record as of November 17, 2021.

HISTORY AND CORPORATE STRUCTURE

History and Key Milestones

The Company was incorporated and registered with the Philippine SEC on July 8, 2005 and was originally engaged in the information technology and telecommunications business as a data services provider under the name "IP Converge Data Center, Inc." Its shares were initially listed on the PSE on October 20, 2010. Subsequent to the completion of a corporate reorganization in 2012, the Company ceased operating as a data services provider and began operating as a holding company. On October 1, 2013, the SEC approved the application for the change of corporate name of the Company to its current name, "8990 Holdings, Inc."

8990's primary purpose is to own, use, improve, develop, subdivide, sell, exchange, lease and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartments and other structures.

The table below sets out the Company's key milestones:

Year	Milestone
2003	• Establishment of 8990 Housing, the Company's flagship subsidiary • 8990 Housing developed the Group's first Mass Housing project in Minglanilla, Cebu
2005	• The Company entity was incorporated and registered with the Philippine SEC as "IP Converge Data Center, Inc."
2010	• The Company entity is listed on the PSE
2013	• Completion of Group reorganization resulting in the change of the Company's corporate name to "8990 Holdings, Inc."
2014	• Launch of first Urban Deca Towers project, Urban Deca Towers Edsa
2015	• Launch of first large scale vertical project in Metro Manila, Urban Deca Homes Manila
2017	• Launch of largest horizontal project in the Visayas, Deca Homes Sta Barbara in Iloilo
2018	• Launch of largest horizontal project in Mindanao, Deca Homes Talomo in Davao City
2019	• Completion of the acquisition of Genvi Development Corp. • Launch of largest vertical project to-date, Urban Deca Homes Ortigas in Metro Manila

Corporate Structure

The Company conducts its business through six wholly-owned Subsidiaries which are all incorporated in the Philippines: (i) 8990 Housing; (ii) 8990 Luzon; (iii) 8990 Mindanao; (iv) 8990 Davao; (v) 8990 Leisure; and (vi) Fog Horn.

The table below presents the contribution of each Subsidiary to net assets and net income for the year ended December 31, 2020 and for the nine months ended September 30, 2021.

	For the year ended December 31, 2020		For the nine months ended September 30, 2021	
Entity	**Total Assets[(1)]**	**Share in Net Income/ (Loss)[(2)]**	**Total Assets**	**Share in Net Income/ (Loss)**
		(*in ₱ millions*)		
8990 Housing	84,526.3	4,537.4	96,718.9	5,144.4
8990 Luzon	4,637.0	479.3	5,022.9	248.3
8990 Mindanao	229.7	1.1	229.7	(0.50)
8990 Davao	1,392.7	2.6	1,374.1	39.0
8990 Leisure	348.4	(18.4)	404.9	(14.1)
Fog Horn	4,203.8	(74.7)	4,472.9	96.1

Entity	For the year ended December 31, 2020		For the nine months ended September 30, 2021	
	Total Assets[(1)]	Share in Net Income/ (Loss)[(2)]	Total Assets	Share in Net Income/ (Loss)
		(*in ₱ millions*)		
Total..	95,337.9	5,076.7	108,223.4	5,513.2
8990 Holdings	46,110.5	1,020.1	49,813.1	1,267.5
Eliminating Entries on Consolidation	(62,966.5)	(1,264.90)	(70,457.80)	(1,351.5)
Total Consolidated	**78,481.90**	**4,831.90**	**87,578.70**	**5,429.20**

8990 Housing

Established on March 20, 2003, 8990 Housing is the flagship subsidiary of the Company. Its primary purpose is to own, use, improve, develop, subdivide, sell, exchange, lease and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartments and other structures. 8990 Housing registered with the Philippine SEC on March 20, 2003. Its principal office address is 8990 Bldg., Negros Street, Cebu Business Park, Cebu City.

8990 Housing has five subsidiary-project companies: (i) Euson Realty & Development Corp., (ii) Tondo Holdings, (iii) 8990 Coastal Estates, Inc., (iv) Primex Land, Inc. and (v) Genvi Development Corp.

8990 Luzon

8990 Luzon is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines and registered with the Philippine SEC on October 28, 2008. 8990 Luzon engages in acquiring by purchase, lease, donation or otherwise, and own, using, improving, developing, subdividing, selling, mortgaging, exchanging, leasing and holding for investment or otherwise, real estate of all kinds, whether improve, manage or otherwise dispose of buildings, houses, apartments, and other structures of whatever kind, together with their appurtenances. The registered principal office address of 8990 Luzon is 2nd floor PGMC Bldg., 76 Calbayog St. corner Libertad St., Mandaluyong City.

8990 Mindanao

8990 Mindanao is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines and registered with the Philippine SEC on September 17, 2009. 8990 Mindanao primarily engages in developing Mass Housing projects. Its registered principal office address is 8990 Corporation Center, Quirino Avenue, Davao City. 8990 Mindanao owns certain parcels of land used for the Company's development projects.

8990 Davao

8990 Davao is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines and registered with the Philippine SEC on September 17, 2009. 8990 Davao primarily engages in the Mass Housing development business. Its registered principal office address is 8990 Corporation Center, Quirino Avenue, Davao City. 8990 Davao owns certain parcels of land used for the Company's development projects.

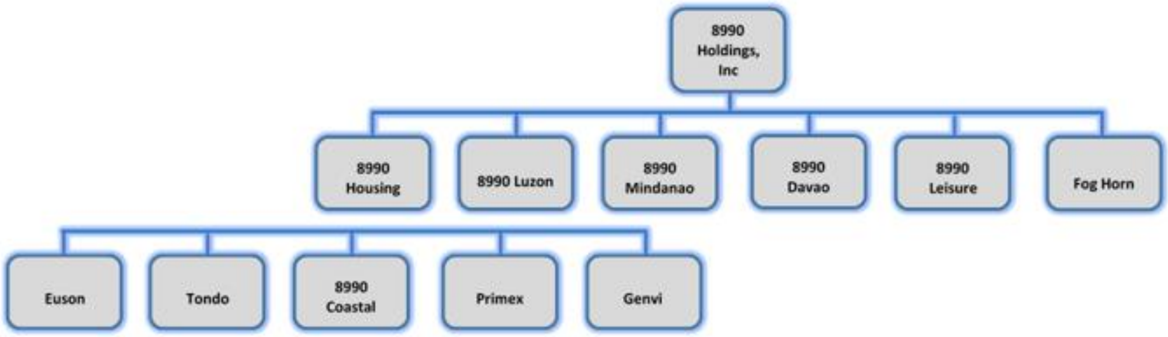
8990 Leisure

8990 Leisure is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines and registered with the Philippine SEC on November 24, 2009. 8990 Leisure engages in acquiring, purchasing, holding, managing, developing and selling land with or without buildings or improvements for such consideration and in such manner or form as the company may determine of as the law permits, erecting, constructing, altering, managing, operating, leasing in whole or in part, buildings and tenements of the company or other persons, engages in real estate consultation and management including identifying, purchasing, conceptualizing, preparing master plans and layouts for land and building developments, managing the properties of and advising clients, developing or executing plans, undertaking project management and overseeing construction, except for management of funds, portfolios, securities and other similar assets. 8990 Leisure owns certain parcels of land used for the Company's development projects. 8990 Leisure's principal office address is 2nd Floor PGMC Bldg., 76 Calbayog St. corner Libertad St., Mandaluyong City.

Fog Horn

Fog Horn is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines and registered with the Philippine SEC on January 14, 2004. Fog Horn engages in acquiring by purchase, lease, donation or otherwise, and own, using, improving, developing, subdividing, selling, mortgaging, exchanging, leasing and holding for investment or otherwise, real estate of all kinds, whether improve, manage or otherwise dispose of buildings, houses, apartments, and other structures of whatever kind, together with their appurtenances. Fog Horn's registered principal office address is located at the 2nd Floor PGMC Bldg., 76 Calbayog St. corner Libertad St., Mandaluyong City.

The chart below illustrates the Company's corporate structure as of September 30, 2021:



REAL ESTATE DEVELOPMENT

Through its Subsidiaries, the Company currently undertakes three types of real estate development projects: (i) Low-Cost Mass Housing under the *DECA Homes* brand; (ii) MRBs under the *Urban DECA Homes* brand; (iii) HRBs under the *Urban DECA Towers* brand.

The table below presents the components of the Company's consolidated revenue associated with its business segments for the periods indicated.

	For the year ended December 31,			**For the nine months ended September 30,**	
	2018	**2019**	**2020**	**2020**	**2021**
			(₱ *in millions*)		
Low-cost Mass Housing Units	5,306	3,869	6,023	3,943	5,453
MRB Units	2,730	2,397	2,334	1,492	2,108
HRB Units	3,422	8,214	5,725	4,188	6,732
Others	0	517	87	53	974
Total	**11,458**	**14,997**	**14,169**	**9,676**	**15,267**

The table below presents the number of units sold for the periods presented:

	For the year ended December 31,			**For the nine months ended September 30,**	
	2018	**2019**	**2020**	**2020**	**2021**
			(*No. of Units Sold*)		
Low-cost Mass Housing Units	4,667	3,596	5,096	3,610	4,672
MRB Units	1,761	1,527	1,641	939	1,273
HRB Units	1,993	4,591	3,170	2,245	2,775
Others	-	19	4	2	110
Total	**8,431**	**9,733**	**9,911**	**6,796**	**8,830**

The following table summarizes presales (unrealized sales) for the periods presented:

	For the year ended December 31,						For the nine months ended September 30,			
	2018		2019		2020		2020		2021	
	No. of Units	₱ millions	No. of Units	₱ millions	No. of Units	₱ millions	No. of Units	₱ millions	No. of Units	₱ millions
Low-cost Mass Housing Units.	389	462.9	884	963.7	839	946.2	1,115	1,106.1	950	1,173.7
MRB Units	89	126.1	104	145.3	266	431.8	443	741.0	567	1,242.3
HRB Units......	114	171	1,459	3,192.3	1,467	2,809.9	1,656	3,765.9	163	334.9
Total..............	**592**	**760.0**	**2,447**	**4,301.3**	**2,572**	**4,187.9**	**3,214**	**5,613.0**	**1,680**	**2,750.9**

As a policy, the Company undertakes pre-sales in respect of horizontal and MRB residential units that it expects to build within the next three months only. For HRBs, the Company launches pre-sales at least 18 months before the expected completion of the first building.

8990 Portfolio

Since 2011, the Company has completed 65 Mass Housing projects across Luzon, Visayas and Mindanao and has 17 ongoing Mass Housing, MRB and HRB projects as of September 30, 2021. The Company has grown its footprint significantly since 2007, delivering 81,700 units across completed and ongoing projects, with an estimated 327,000 residents and approximately 89% occupancy rate,[8] as of September 30, 2021. Moreover, the Company has an immediate inventory of approximately 52,240 additional units from ongoing projects (net of units already delivered from ongoing projects) as of September 30, 2021.

The table below presents an overview of completed units across the Philippines:

	As of September 30, 2021		
	No. of Units Delivered	% of Total Units	Year First Project Completed
Metro Manila..	13,182	16%	2017
Luzon (excluding Metro Manila)	19,019	23%	2015
Visayas	28,252	35%	2007
Mindanao..	21,247	26%	2011
Total..	**81,700**	**100%**	

The table below presents the units expected to be delivered in ongoing projects thru 2028.

	As of September 30, 2021		
	No. of Units to be Delivered	% of Total Units	Year of Target Completion
Metro Manila..	20,617	39%	2024
Luzon (excluding Metro Manila)	6,118	12%	2024
Visayas	20,031	38%	2028
Mindanao..	5,474	11%	2026
Total...	**52,240**	**100%**	

DECA Homes*: *Horizontal Residential Subdivisions

The Company sells housing unit models under its DECA Homes brand in horizontal Mass Housing development projects. These residential subdivisions are typically located in the outskirts of major metropolitan areas nationwide (apart from Metro Manila).

Within these subdivisions, the Company constructs three types of housing unit models:

- *Single-storey*: a single-floor residential unit built in a row of four of more units joined by common sidewalls;

[8] Total number of residents is based on the Company's estimate of four persons in each of the approximately 81,700 units delivered as of September 30, 2021. The occupancy rate is based on units purchased for residential use and excludes units sold for investment or vacation purposes.

- *Single-storey with loft*: a residential unit which is situated on its own or in a separate lot without sharing any walls with another home or building; it includes a loft; and
- *Townhouse*: a two-storey residential unit built in a row of four or more units joined by common sidewalls.

Floor areas typically range from 35 sqm to 60 sqm with lot areas ranging from 35 sqm to 120 sqm. Typical unit prices range from ₱450,000 to ₱2,000,000.

Developed subdivisions have the following common facilities: concrete roads, sidewalk with curbs and gutters, underground drainage system, centralized water system, power system, gated entrance with security personnel and perimeter fence. In addition to the foregoing facilities standard to all subdivisions, some projects feature one or more of the following leisure facilities: wakeboard park, swimming pool, basketball court, clubhouse/multi-purpose hall, church and commercial market. Certain larger projects have an area designated for commercial businesses.

As of September 30, 2021, the Company has completed 58 horizontal residential subdivisions comprising approximately 46,000 units.

Deca Homes South of Bacolod (Visayas)

Deca Homes Sta. Barbara (Visayas)

***Urban DECA Homes*: Medium-rise Residential Buildings (MRBs)**

The Company also develops low-cost residential complexes of MRBs under the Urban DECA Homes brand. An MRB is a walk-up building of four to five stories or an elevator-equipped building of eight to 12 stories. These MRBs are located in central areas of highly urban locations (e.g., Metro Manila, Metro Cebu, Davao) within walking distance of major public transportation routes. The Company developed its first MRB Mass Housing project in Mandaue City in the province of Cebu. The Company has also developed MRB projects in Cavite, Sucat, and Muntinlupa. Other MRB projects to be launched in NCR are in the pipeline.

The floor area for an MRB unit typically ranges from 25 sqm to 36 sqm. Unit prices range from ₱800,000 to ₱2,000,000.

MRB complexes have the following common facilities: concrete roads, sidewalk with curbs and gutters, underground drainage system, centralized water system (hooked up to public utility providers), power system, cable and telephone lines, gated entrance with security personnel and perimeter fence. In addition to the foregoing, MRB complexes have on-site leisure facilities such as a swimming pool, basketball court, clubhouse/multi-purpose hall and/or a park.

In 2016, Urban DECA Homes Manila, a 13-storey condominium building, was launched. Unlike the Urban Deca Tower concept, unit sizes are for first time residential home buyers ranging from 22 sqm to 35 sqm. This project is the first of its kind in Tondo, Manila and was positively received by the Company's customers with six buildings sold as of the date of this Prospectus. The average selling price of a unit at Urban Deca Homes Manila is ₱2,000,000.

A similar project launched in Ortigas in 2019, Urban Deca Homes Ortigas, caters to first time home buyers in Pasig City and nearby cities. With two to three bedroom units, homeowners are provided more space conducive for starting a family. The selling price per unit for Urban Deca Homes Ortigas ranges from ₱1,900,000 to ₱4,000,000.

As of September 30, 2021, the Company has completed six MRB projects and delivered an aggregate of 7,300 units. The Company currently has two ongoing MRB projects, with an aggregate 5,000 units for sale.

Urban Deca Homes Marilao (Luzon)

Urban Deca Homes Manila (Metro Manila)

Urban DECA Tower and Micro Living Units*: *High-rise Residential Buildings (HRBs)

The Company has ventured into high-rise condominium projects under the brand Urban DECA Tower in the highest density urban areas of Metro Manila. This concept involves the construction and sale of condominium units that are half the size (approximately 13 sqm) of typical studio apartments. A unit would have a bathroom and a combination sleeping/living/dining area suited for occupancy by a single person or a couple. Unit prices range from ₱1,000,000 to ₱1,800,000, which equates to initial monthly amortization payments of around ₱9,000 under the CTS Financing Program. The lower floors of the building would contain common areas (e.g., gym, living-room style lobby, function rooms, etc.) and commercial shopping/dining areas. The buildings are intended be situated in dense urban neighborhoods with easy access to major transportation routes/facilities and within easy distance of major white-collar employment centers (i.e., central business districts).

Making use of the "Micro Living" concept, Urban DECA Towers is envisioned to provide weekday accommodation for low- to mid-income commuters who typically have a two- to four-hour daily commute and spend up to ₱5,000 each month in transportation costs traveling between their places of work and homes in the outlying neighborhoods of Metro Manila. The Company believes that the key to the success of this concept is the ₱8,000 per month or lower amortization price point that has proven to work with the Company's low- to mid-income customers, coupled with the savings in transportation time and costs that would accrue to the condominium unit buyers.

Urban Deca Tower (Luzon)

Urban Deca Tower (model unit)

LAND BANK

As an integral part of its strategy, the Company believes that it maintains a land bank of sufficient size and nature to ensure that it has adequate land to cover its development requirements. The Company has invested in properties situated in what the Company believes are prime locations across the Philippines for existing and future Mass Housing projects and land development projects for the next seven to 10 years, most of which are located in areas with close proximity to major roads and primary infrastructure.

The Company's land bank of 602.4 hectares has an estimated market value of ₱40,029.0 million (U.S.$785.5 million) based on certain appraisals completed in the fourth quarter of 2021 by JLL in respect of 548.09 hectares and appraisals undertaken in previous years by JLL with respect to the remaining 58.87 hectares.

The Company has also identified a pipeline of 21 projects for its present land bank, which is expected to provide approximately 78,352 units within the next eight years and estimated to generate potential sales of approximately ₱164,304 million (U.S.$3,224 million), based on the Company's current plans and subject to market conditions and other circumstances, as follows:

	Appraised Market Value of Property (₱ millions)(1)	Appraised Market Value of Property (U.S.$ millions) (1)	Potential Sales (₱ millions) (2)	Potential Sales (U.S.$ millions) (2)	Contribution of Units (%)(3)
Metro Manila	26,096	512	71,029	1,394	21%
Luzon (ex. Metro Manila)	1,610	32	21,519	422	21%
Visayas	10,500	206	66,956	1,314	53%
Mindanao	1,823	36	4,800	94	5%
Total	**40,029**	**786**	**164,304**	**3,224**	**100%**

Notes: (1) Based on various JLL Reports from 2019 thru 2021. The JLL appraisal reports are based primarily on a "desktop" analysis of data obtained from sources believed and assumed to be reliable and accurate, and on information from JLL's files and prepared as closely as possible to comply with the guidelines set forth by the Philippine Valuation Standard in conformity with the International Valuation Standard and Royal Institute of Chartered Surveyor. A physical inspection of the properties have not been performed and the value assessed may change significantly and unexpectedly once an actual ocular inspection is conducted.

(2) The appraised values and potential sales estimates are based on multiple assumptions containing elements of subjectivity and uncertainty, including, among other things that: (i) the Company will complete its development projects on time, (ii) the Company will have obtained or will obtain on a timely basis all approvals from regulators necessary for the development of the projects, and (iii) the Company will have obtained or will retain valid land titles to the development projects (until the relevant sale thereof). As a result of these assumptions, the appraised value and estimated potential sales may differ materially from the price the Company could receive in an actual sale of the properties in the market and should not be taken as their actual realizable value or a forecast of their realizable or potential value. Unforeseeable changes to the Company's development of the property projects, as well as national and local economic conditions, may affect the value of the Company's properties. In particular, the valuation of the Company's properties could stagnate or even decrease if the market for comparable properties in the Philippines experiences a downturn, whether as a result of Government policies directed to the property sector, quarantine measures, emergence of new pandemics or calamities, other otherwise.

(3) As a percentage of planned 78,352 additional units in the pipeline as of September 30, 2021.

Details of the Company's raw land inventory available for sale as of September 30, 2021 are set out in the table below:

Location	Planned Project Type	Area (hectares)	Estimated Project Duration (in years)	Target Year of Development
Luzon (including Metro Manila)				
Cubao, Quezon City	Urban Deca Tower	0.43	5	2020-2025
Ortigas Extension, Pasig City	Nor for Sale	1.46		To be determined
San Mateo, Rizal	Deca Homes	31.20	6	2023-2029
Batasan, Quezon City	Deca Homes	17.04		To be determined
Balara, Quezon City	Urban Deca Homes	17.60	9	2024-2033

Location	Planned Project Type	Area (hectares)	Estimated Project Duration (in years)	Target Year of Development
Commonwealth, Quezon City	Urban Deca Homes	2.00	3	2021-2024
Alabang Zapote, Las Pinas City	Urban Deca Homes	4.80	7	2023-2028
Filinvest, Alabang, Muntinlupa City	Urban Deca Homes	0.12		To be determined
Otis, Mendiola, Manila City	Urban Deca Homes	2.80	5	2022-2025
Yakal, Makati City	Urban Deca Homes	0.14		To be determined
Juan Luna, Manila City	Urban Deca Homes	0.13	6	2023-2029
Taft, Manila City	Urban Deca Homes	0.08	6	2022-2028
Montecello, Baguio City	Urban Deca Homes	4.27	6	2023-2029
Teachers Camp, Baguio City	Urban Deca Homes	0.19		To be determined
Meycauayan, Bulacan Province	Deca Homes	2.26		To be determined
Angeles City, Pampanga Province	Deca Homes	44.07		To be determined
Subtotal		**128.59**		
Visayas				
AS Fortuna, Banilad, Cebu	Urban Deca Homes	1.80	5	2020-2025
Guadalupe, Cebu	Deca Homes	3.20		To be determined
Cebu Business Park, Cebu	Urban Deca Tower	0.31		To be determined
Vistamar, Cebu	Urban Deca Tower	0.18		To be determined
Mactan, Cebu	Deca Homes	45.33	20	2022-2047
Leganes, Iloilo	Deca Homes	25.40	5	2020-2025
San Miguel, Iloilo	Deca Homes	39.95	6	2025-2031
Santa Barbara, Iloilo	Deca Homes	32.58	8	2017-2025
Granada, Bacolod	Deca Homes	62.00	8	2023-2032
Talamban, Cebu	Urban Deca Homes	2.90	7	2023-2029
Monterazzas Cebu	Monterazzas de Cebu	175.82		To be determined
Monterazzas Cebu (portion)	Monterazzas de Cebu	4.8	5	2022-2027
Siquijor	Leisure	8.00		To be determined
Ormoc, Leyte	Deca Homes	5.70	4	2022-2025
Subtotal		**407.97**		
Mindanao				
Mulig, Davao	Deca Homes	15.30	5	2024-2029
Quirino, Davao	Hotel	0.71		To be determined
Tigatto, Davao	Deca Homes	24.83	5	2024-2029
Talomo, Davao	Deca Homes	25.00	6	2019-2025
Subtotal		**65.84**		
Grand Total		**602.4**		

Certain of the properties comprising the Company's land bank are subject to liens or encumbrances. Further, the titles to certain parcels of land comprising approximately a total of 77 hectares have not yet been registered in the name of the Company. In the ordinary course of business of the Company, particularly in respect of land banking, titles to the land acquired may not be immediately issued in the name of the Company as they may be: (a) subject of ongoing title transfer, after having procured eCARs from the BIR, (b) pending issuance of eCARs, having already executed a deed of sale, or (c) pending completion of transfer documentation. The Company intends to continue to look for land in various parts of the Philippines for future development.

PROJECT DEVELOPMENT AND CONSTRUCTION

Land Acquisition

Funding for future land acquisitions as well as for the development of those already acquired will be sourced primarily from bank financing and/or internally-generated funds.

The Company evaluates offers for land acquisition and/or joint ventures by conducting a feasibility study on the marketability of the proposed based on its location and intended project type. The Company has developed specific procedures to identify land that is suitable for its needs and performs market research to determine demand for housing in the markets it wishes to enter. These factors include:

- the general economic condition of the environment surrounding the property;
- suitable land must be located near areas with sufficient demand or that the anticipated demand can justify any development;
- the site's accessibility to nearby roads and major thoroughfares;
- the availability of utility infrastructure, such as electric transmission facilities, telephone lines and water systems; and
- the overall competitive landscape and the neighboring environment and amenities.

The Company also considers the feasibility of obtaining required governmental licenses, permits and authorizations, as well as adding necessary improvements and infrastructure including sewage, roads and electricity.

If the property passes the initial feasibility study procedure, the Company then conducts due diligence on the property. The evaluation process focuses on the following major factors:

- legal documents (e.g. title) related to the property;
- property valuation;
- geographic location (i.e. proximity to public transportation);
- technical characteristics of the property (e.g., location of fault lines); and
- other factors impacting the suitability and feasibility of developing future projects.

Before the Company acquires land, it conducts extensive checks on both the owner and the land itself, with a particular focus on the veracity or validity of the title covering the land and whether it can be traced back to the original judicial decree granting title over the land. As and when needed, the Company also engages third parties, such as surveyors and engineers, to verify that the land it seeks to acquire is consistent with the technical description of the title. The Company also conducts its own valuation of the property based on, among other factors, other similar properties in the market and an assessment of the potential income derivable from any development suitable for the property. The Company also conducts engineering and environmental assessments in order to determine if the land is suitable for construction. The land must be topographically amenable to housing development. There should not be any material third party claims to the land titles covering the project sites of the Company as identified above which would have a material adverse effect on the business and operations of the Company.

After the due diligence procedure is passed, the Company then determines the fair price and terms for the acquisition and then negotiates with the land owner for the purchase.

Site Development and Construction

Once the land for a project site has been acquired by the Company, site development and construction work for the Company's projects is contracted out to qualified and accredited independent contractors. The Company's accreditation procedure takes into consideration each contractor's experience, financial capability, resources and track record of adhering to quality, cost and time of completion commitments. The Company relies on independent contractors to provide various services, including land clearing, infrastructure development and various construction projects. In particular, the Company primarily contracts with AGS Contek and Development, Inc., Ronen Construction, Creoterra, Inc., NN and N Realty and Panico Construction and Development Corporation to complete its horizontal projects; and Megawide Construction Corporation and Scheirman Construction Consolidated, Inc. to complete its vertical projects. Typically, these contractors are paid approximately 20% to

25% initially as down payments, with 65% to 70% paid on a turnkey basis and the remaining 10% paid after three months, retained as coverage for any faults.

The Company builds its horizontal subdivision units in five steps: (1) casting, (2) foundation preparation, (3) assembly, (4) roofing and retouching, and (5) finishing and detailing:

(1) Construction begins with the casting process, which comprises setting molds and pre-casting the walls and ceiling slabs near the actual project site. The Company's pre-casting process utilizes the proprietary concrete mix developed by the Company internally, which produces concrete slabs that are approximately four times stronger than typical concrete slabs used in the Philippines and dry in approximately 22 hours (compared to 21 days for standard casting).

(2) Simultaneously, the foundation at the site is prepared and laid, comprising laying down reinforcing bars and allocations for wiring and pipes, setting hooks for the assembly stage and pouring the concrete mixture. This phase is completed in one day.

(3) At the assembly stage, cranes are used to lift the pre-cast components and erect the components in the foundation that is prepared while casting is still in progress. The ends of the components are welded together. This process also takes one day.

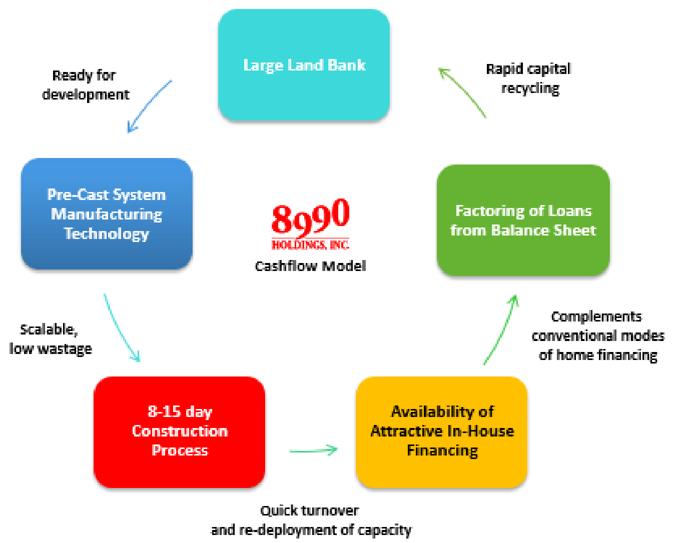
(4) Roofing and retouching involves the addition of steel beams to support the roof, installation of the roof, and the retouching of rough edges in the concrete structure. This stage takes two to three days to complete.

(5) Lastly, finishing and detailing takes four to five days to complete and involves smoothing out the walls, floors and ceilings of the unit, applying paint, and installing doors, windows, and electrical and plumbing fixtures.

The Company currently has capacity to develop up to 15,000 units annually. The Company can further expand its capacity by increasing the number of its pre-fabrication molds, without requiring significant additional investments in time or resources.

Having developed the processes used in the construction of its projects, the Company trains its contractors on these topics. The Company also sends its engineers to oversee critical functions in project construction to ensure the quality of work of its contractors.

FINANCING AND RECEIVABLES MANAGEMENT



In-House Financing

The Company, through its Subsidiaries including 8990 HDC, 8990 Luzon, 8990 Davao, 8990 Mindanao, and Foghorn, offers in-house financing to qualified borrowers who purchase housing units through its CTS Financing Program.

CTS Financing Program carries a fixed rate of 9.5% per annum. The 9.5% per annum interest rate is fixed for the first four years and is subject to re-pricing at the end of fourth year. The interest rate re-pricing shall be subject to review thereafter, taking into account factors such as inflation and the prevailing market rates. Borrowers are encouraged to obtain a loan from Pag-IBIG or through its accredited banks. The terms of its CTS Financing Program generally match Pag-IBIG and bank requirements for similar loans and as a result, the Company believes that up to 99% of home loans offered to its buyers are eligible for migration to Pag-IBIG.

Loan approval for the Company's in-house financing is based on capacity to pay. Anticipated amortization should constitute no more than 40% of the applicant's net disposable income during the same period. To substantiate claims of income (after statutory deductions and personal loans), the Company conducts a background investigation and examines other relevant documents such as certificate of employment and compensation, pay slips, other sources of income supported by bank account statements, contract of employment for OFWs, proof of remittance and income tax returns. Should any single individual applicant not meet this requirement, such applicant, together with up to three individuals, may apply as co-borrowers and their income is then determined on a combined basis.

Prospective buyers are required to attend three in-house seminars/lectures that cover topics such as the Company, its products and various projects, documentary requirements needed in purchasing a unit from the Company, manner of payment, repayment obligations, homeowners' responsibilities, among others

Buyers are expected to pay 3% to 5% of the purchase price as down payment, either immediately or within three months of signing.

Principal repayment occurs through monthly amortizations over a maximum of 25 years. The title over the property is transferred to the buyer only after full payment of the equity and principal amounts are made to the Company by either the buyer or by Pag-IBIG.

Pag-IBIG Take-out and Transfer (Migration to Pag-IBIG)

The Company accredits its projects with Pag-IBIG so that its buyers can apply for a housing loan and fully pay their in-house 8990 financing loan with the loan proceeds from Pag-IBIG. For the period from 2016 to September 30, 2021, the Company successfully migrated ₱17.9 billion worth of receivables to Pag-IBIG via this program. In particular, in 2020 and for the third quarter of 2021, Pag-IBIG approved the take-out of 8990 home buyer loans amounting to ₱1,316.1 million and ₱2,896.3 million, respectively, and Pag-IBIG released housing loans in these aggregate amounts to pay off the balance of the purchase price of the housing units sold by the Company to qualified Pag-IBIG members, thereby liquidating the Company's receivables in such amounts.

The acceptance or rejection of a CTS receivable by Pag-IBIG is based on certain guidelines such as employment, number of contributions made by the homeowner/Pag-IBIG member and net disposable income, among other factors. As a result of the Company's CTS Financing Program requirements mirroring those of Pag-IBIG's, the Company estimates that substantially all of its historic requests for take-outs have been accepted by Pag-IBIG. However, in the event that a material number of take-out applications are delayed or even denied, the Company's cash flow and recognized revenues could be materially affected. Moreover, the conversion into cash of the Company's CTS receivables as a result of take-outs by Pag-IBIG also affects the Company's results of operations. As a greater amount of CTS receivables are converted pursuant to the Company's take-out arrangements, the Company's finance income and receivables decrease while its cash balances correspondingly increase.

Other Receivables Management Options

In addition to its receivables take-out arrangements with institutions such as Pag-IBIG, the Company also regularly adopts other measures to manage its level of receivables from its housing sales, as well as to generate cash necessary for operations, including sales of receivables to bank and/or financial institutions on a without recourse basis and partnerships with accredited banks for loan migration.

For the period from 2016 to September 30, 2021, the Company sold an aggregate of ₱25.0 billion of receivables to banks and other financial institutions on a non-recourse basis. In 2020 and for the third quarter of 2021, a total of ₱3,530.0 million and ₱3,534.4 million worth of receivables on a non-recourse basis were sold to financing institutions. The success of any of these receivable management measures, depending on the amount involved and terms agreed, may affect the Company's results of operations in terms of its liquidity and the levels of its receivable assets. The Company has also introduced an end-buyer financing program from August 2021 where the Company partnered with BPI Family Savings Bank and subsequently, Security Bank, to provide home loans for its buyers, which has had encouraging results. The program allows buyers to avail of a housing loan with these banks of up to 90% of the total package price of the unit and payable up to 20 years.

In addition, the Company has initiated possible securitization transactions with respect to its receivables portfolio, which is expected to be completed in 2022 and targeted to generate net cash of ₱1.0 billion.

The table below summarizes the loan amounts migrated to HDMF and to accredited banks, and receivables sold to financial institutions on a without recourse basis for the periods presented:

	For the year ended December 31,			**For the nine months ended September 30,**
	2018	**2019**	**2020**	**2021**
		(₱ millions)		
HDMF (Pag-IBIG)	4,009.2	1,642.5	1,316.1	2,896.3
Financial Institutions without recourse	9,975.3	7,935.6	3,530.0	3,534.4
Accredited banks	N/A	N/A	N/A	72.7
Total	**13,984.5**	**9,578.1**	**4,846.1**	**6,503.4**

CREDIT AND COLLECTION

The Company has a credit and collection team which is in charge of handling the amortization payments of buyers. The team is responsible for the timely collection of payments, depositing of post-dated checks and the eventual remittance of payments to the Company's treasury group and undertaking remedial measures for delinquent accounts. The Company has also developed a comprehensive collection platform comprising policies, structures, systems, organizations and mechanisms focused on collection efficiency and the mitigation of payment delinquency.

The Company's credit and collection team is composed of 68 permanent employees organized per area of operation as of September 30, 2021. Of the 68 employees, eight are managers in charge of North Luzon, South Luzon, Cebu, Iloilo, and Davao, while the remaining 60 are employees functioning as remittance officers, frontline customer service officers and site collection officers. In addition, the services of five law firms have been retained by the Company as of September 30, 2021 to handle the legal side of collection, including the sending of demand letters, notices of cancellation and the eventual eviction of the delinquent borrower.

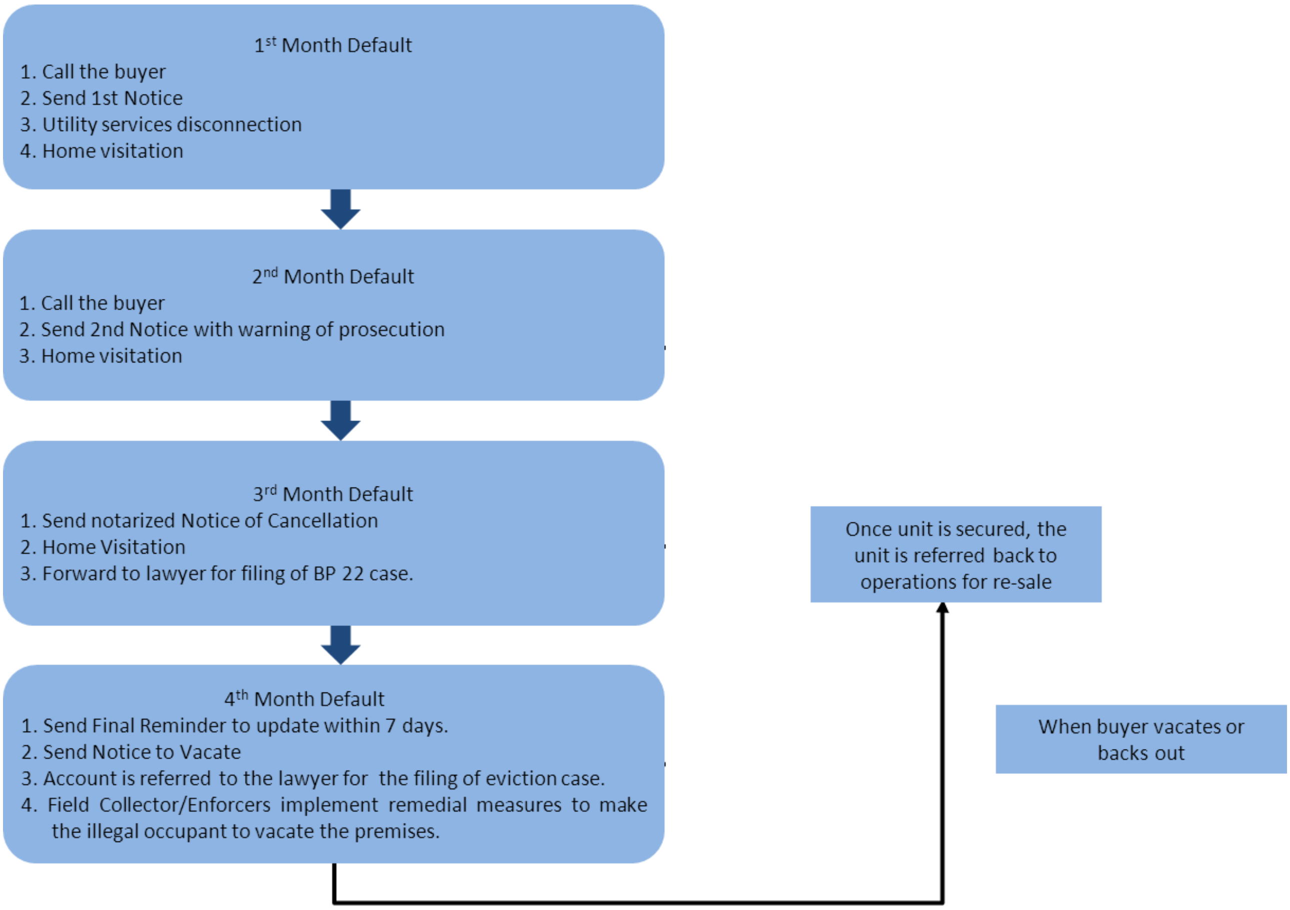
Submission of Check Payments

Potential homebuyers of the Company's housing units are required to submit 25 post-dated checks. The first 24 checks are equivalent to the first 24 monthly amortization payments, while the 25th check represents the outstanding principal balance as of the 25th month and serves as an assurance that the borrower will again submit another 24 post-dated checks (equivalent to the payments for months 25 to 48) plus another 25th check equivalent to the outstanding principal balance as of the 49th month. This cycle is repeated until the loan is fully paid at the end of the term. The excess of the 24 checks will be deposited if the borrower fails to submit the next set of 25 checks.

The Company imposes a ₱2,200 bank penalty fee and a ₱200 fee per bounced check as facilitation and retrieval fee. Likewise, a fee of ₱200 is charged if the buyer replaces the check with cash paid directly to the Company.

The Company's estimated performing accounts ratio ("**PAR**"), defined as accounts with no more than three months past due, have remained over 92% since 2011, with an estimated PAR of 83% for the year ended December 31, 2020 and 94% for the nine months ended September 30, 2021. The decrease in PAR for the year ended December 31, 2020 was primarily a result of the Government directive implementing a minimum 30-day mandatory grace period for the payment of housing loans, among others, at the onset of the COVID-19 pandemic. Despite the mandatory grace period, estimated PAR for the year was 83%. In the Company's experience, through remedial measures, approximately half of the defaulting accounts usually become current again after a one- to three-month payment lag, while the other half of the defaulting accounts result in the cancellation of the CTS and remarketing of the property. The Company was able to leverage on its experience and expertise in acting as Pag-IBIG's collection agent prior to 2011 in the formulation and execution of its credit and collection policies.

Collection Process in the Event of Default



Accounts are considered in default when the buyer fails to pay one monthly amortization, while payments are considered late if the buyer fails to pay their amortization on the due date.

MARKETING AND SALES

Marketing

The Company believes it has an extensive marketing network. The Company's marketing and distribution network consists of 67 teams, headed by unit managers and 564 licensed brokers and with a combined total of approximately 3,000 active agents as of September 30, 2021. All of the unit managers and the agents under them are exclusively contracted to the Company. Furthermore, all unit managers are accredited licensed realtors. The Company's commission structure and incentive schemes vary relative to the network's affiliation and sales structure. The Company's marketing teams are compensated through commission fees and are provided some administrative support by the Company. The Company trains its marketing teams monthly on topics including new Company policies, product information and terms and conditions of sale.

As a marketing strategy, the Company's sales and marketing teams regularly conduct presentations to potential clients to inform them of the Company's products. Mall exhibits have likewise provided the Company with an effective platform to introduce its product offerings and get leads on prospective buyers. Another strong source of sales relates to "repeat buyers," in the form of family members of those who already own a DECA Home unit.

The Company does not derive any sales or revenues from foreign sales.

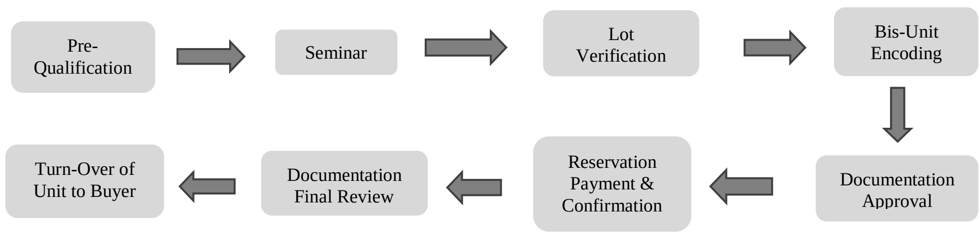
Moreover, promotional discounts are also offered by the Company to attract buyers and increase their interest. These include:

- Cash Discounts. The Company gives discounts upon full payment of the total contract price of the house and lot package (which price ranges from ₱450,000 to ₱2,000,000). For buyers who complete full payment within seven days of signing the contract, a 3.0% cash discount is extended.

- "LipatAgad." Buyers are allowed to move-in to the property upon full payment of the required down payment and pending take-out of the loan with Pag-IBIG.

CTS Financing Program Sales Process

The CTS Financing program product follows a rigorous process of credit verification for all potential buyers. The following diagram illustrates the process under the CTS Financing program:



- *Pre-Qualification* – The buyer provides basic requirements such as valid identification, proof of income (pay slips, certificate of employment and compensation, bank statements, income tax return, etc.), signed loan documents and complete post-dated checks.

- *Orientation Seminar* – The buyer is required to attend a seminar which includes topics on financial literacy (including understanding what a post-dated check is), documentary requirements and the role of Pag-IBIG as well as their obligations as homeowners and neighbors. We believe that we are the only housing developer that requires homeowners to attend such seminars.

- *Lot Verification* – The availability of the unit is verified.

- *Bis-Unit Encoding* – A unit manager assigns and encodes the buyer's identification into its system to avoid double reservation.

- *Approval of Documentation* – A documentation manager submits the buyer's information folder to a documentation account officer. The account officer verifies and screens the documents provided by the borrower. Physical appearance of the buyer is required to verify accuracy of all information provided. Incomplete documentation folders are sent back to the documentation manager for re-evaluation.

- *Reservation Payment and Confirmation* – Reservation payment is paid for by the buyer and documented by an account officer.

- *Documentation Final Review* – The documents are sent to a documentation manager for final review.

- *Turn-Over of Unit to Buyer* – Turn-over occurs only when construction of the unit is complete and the buyer accepts the unit. Attendance at a buyer orientation is required which will cover documentation, credit and legal obligations, construction and technical discussion.

Customer Service and Warranties

The Company believes it is important to ensure that quality service is afforded to homebuyers throughout and after the relevant sales period. Customer service employees oversee pre-delivery quality control inspections and respond to post-delivery customer needs. The Company responds to customer requests during the construction phase and coordinates the legal requirements that customers must comply with when making a purchase, including signing deeds, obtaining permits, and securing funding.

Under the terms of the Company's CTS contracts, buyers may seek repairs for patent (i.e., observable) defects in new homes prior to their acceptance of the residential unit. If the defect is latent (i.e., non-observable), buyers may seek repairs within one year from the date the unit was turned over to them for occupancy.

In addition to the foregoing contractual warranties, the Company may be subject to additional liabilities arising from construction defects under Philippine law. Historically, the amounts spent by the Company on claims for construction or other defects has not been material. See "*Risk Factors—Construction defects and other building-related claims may be asserted against the Company, and the Company may be subject to liability for such claims*."

CUSTOMERS

The Company is primarily focused on serving the needs of the Mass Housing market. The Company's target market consists of buyers for whom home ownership has traditionally been challenging to attain, and yet are gainfully employed (such as government employees, business processing operations (BPO) employees and workers in the manufacturing sector, among others). The Company also caters to OFWs, which, for many years, have played an important role in keeping the Philippine economy afloat through their remittances that help fuel consumption, specifically real estate purchases.

The following table summarizes the Company's customer demographics based on the Company's internal data as a percentage of the Company's customer base as of September 30, 2021:

Demographic	Horizontal	Vertical
Maximum ₱55,000 Gross Monthly Income	72%	48%
Female	54%	56%
Single	55%	67%
Aged 35 and below	87%	54%
College-Educated and Licensed Professionals	83%	88%
Gainfully Employed:		
Office and Government Employees	53%	68%
OFW	32%	15%
BPO	8%	10%
Undergraduate	17%	12%
Primary Residence Purpose	94%	80%

SUPPLIERS

All of the raw materials used by the Company are sourced from domestic Philippine suppliers. Suppliers are chosen based on a number of criteria, including the quality of the raw materials supplied, stability of supply in the past, delivery time, pricing of the raw materials as well as the financial and industrial strength of the supplier. The Company's sourcing strategy is to deal with reliable suppliers at the best available price, to prefer national over local suppliers and to encourage on-time delivery by its suppliers.

The Company maintains relationships with over 200 suppliers nationwide. For the year ended December 31, 2020 and for the nine months ended September 30, 2021, the Company's five largest raw materials suppliers accounted for 72.5% and 64.5%, in aggregate, of the Company's total amount of purchases for horizontal and four-storey MRBs, respectively. The Company is not dependent on any single supplier for raw materials.

For the nine months ended September 30, 2021, the Company's top five suppliers of raw materials AGS Contek and Development, Inc. for premix, Linton Incorporated for aggregates, Diamond Interior Industries Corp. for modular kitchen cabinets and roller blinds, Steelasia Manufacturing Corp for deformed steel bars and Omnicrete Corporation for readymix cement. For the year ended December 31, 2021, the Company's top five suppliers of raw materials were Steelasia Manufacturing Corp for deformed steel bars, R.G.C. de Jesus Gravel & Sand for backfill soil, Omnicrete Corporation for readymix, Readymix Concrete Davao for premix, and AIM Global Products, Inc. for electrical materials.

PROPERTY AND EQUIPMENT

In addition to the Company's land bank (see "—*Land Bank*"), the Company owns various real estate properties not intended for use as the site of future projects and leases certain properties in the ordinary course of business. The general asset description and locations of the various properties owned and leased by the Company are set out below. These properties are in good condition, ordinary wear and tear excepted. None of these properties are used as collateral for the Company liabilities.

Real estate properties owned by the Company not intended for use as the site of future projects as of September 30, 2021:

Subsidiary and Property Description	Location	Present Use	Mortgages
8990 Corporate Center	Negros St., Cebu Business Park, Cebu City	The three-storey building sits on a property owned by 8990 Housing, a subsidiary of the Company. It is used as the headquarters of 8990 Group. A portion of the ground floor and some areas of the 3rd floor are leased out.	None
8990 Corporate Center	E. Quirino Ave., Davao City	The four-storey building serves as the Company's Davao branch. Some portions of the ground floor, the 3rd floor and the 4th floor are leased out.	None
Three hectare resort with the following amenities: clubhouse, swimming pool, basketball courts, mini soccer field and fishing lake	Tacunan, Davao City	Serves as additional amenities for the subdivision residents.	None
Seven hectare Wakeboard Park	Mintal, Davao City	Wakeboard park with other amenities presently leased to Session Park	None
Twelve hectare wakeboard park	Margot, Pampanga	Wakeboard park with other amenities presently leased to Session Park	None

Real estate properties leased by the Company as of September 30, 2021:

Lessor	Monthly Rental (₱)	Term	Entity
LFM Properties Corporation	104,117.00	8/1/2021 to 7/31/2022	8990 Holdings
	110,364.00	8/1/2022 to 7/31/2023	8990 Holdings
	116,986.00	8/1/2023 to 7/31/2024	8990 Holdings
Philippine General Merchandise Corporation (2nd Floor)	198,352.00	9/1/2021 to 8/31/2023	8990 Housing / Fog Horn
Philippine General Merchandise Corporation (3rd Floor)	173,040.00	7/1/2020 to 6/30/2022	8990 Housing / Fog Horn
Philippine General Merchandise Corporation (5th Floor)	176,960.00	2/1/2020 to 3/31/2022	8990 Housing
Philippine General Merchandise Corporation (Mezzanine)	77,040.00	6/1/2021 to 6/1/2022	8990 Housing

Lessor	Monthly Rental (₱)	Term	Entity
Iloilo New Life Commercial Inc. (Mezzanine)	60,000.00	1/15/2021 to 1/15/2022	8990 Housing
	60,000.00	1/16/2022 to 1/15/2023	8990 Housing
Iloilo New Life Commercial Inc. (Door 2)	21,000.00	8/1/2021 to 7/31/2022	8990 Housing
Iloilo New Life Commercial Inc. (Door 3)	21,000.00	7/1/2021 to 6/30/2022	8990 Housing
Priscilla Mae Animas	30,208.00	4/1/2021 to 3/31/2023	8990 Housing
Otropunto Corp. (Ground Floor)	64,176.12	7/16/2021 to 7/16/2022	8990 Housing
Otropunto Corp. (2nd Floor)	15,736.49	7/14/2021 to 7/16/2022	8990 Housing
Calsado Enterprises	18,471.16	8/5/2021 to 8/4/2022	8990 Housing
Rosalinda M. Amit	13,000.00	11/11/2021 to 11/11/2022	8990 Housing
GREENCOVE ENTERPRISE, INC (Ground Floor)	104,500.00	3/20/2021 to 3/20/2026	8990 Housing
GREENCOVE ENTERPRISE, INC (3rd Floor)	84,000.00	4/19/2021 to 3/20/2026	8990 Housing
Simed and Company Inc. (501)	13,500.00	5/15/2021 to 5/14/2022	8990 Housing
Simed and Company Inc. (503-504)	18,238.50	5/15/2021 to 5/14/2022	8990 Housing

LICENSES AND PERMITS

See "*Description of Permits and Licenses*" on page [144].

The Company believes it is in material compliance with applicable regulatory requirements, including permits and licenses which are necessary to its business operations, the failure to possess any of which would have a material adverse effect on the business and operations of the Company.

COMPETITION

The Company believes that it does not have significant direct competition from real-estate developers with a nationwide footprint for Socialized Housing projects, Economic Housing projects and Low Cost Housing projects. Although competitors with nationwide scope, such as Amaia Land Corporation, a subsidiary of Ayala Land, Inc.; Filinvest Land, Inc., under the "Futura Homes" brand; Suntrust Properties, Inc., a subsidiary of Megaworld Corporation; Robinsons Land Corporation, under the "Robinsons Communities" brand; Summerhills Home Development Corporation, a subsidiary of SM Prime Holdings, Inc.; and Vista Land, under the "Camella Homes" brand undertake affordable housing projects, they do so at higher price points, which is a different market from the Company's price points (i.e., from ₱450,000 to ₱3,000,000 per unit).

The Mass Housing market in the Philippines is highly fragmented, with about 3,000 entities engaged in the housing sector and hundreds of developers, according to Frost & Sullivan. The Company's direct competitors at the local/regional level that sell housing units within its ₱450,000 to ₱2,000,000 price range include: Johndorf and ProHomes in Cebu; Foothills Development Corporation and HLC Development Corporation in Davao; ProFriends, Ion Realty, Happy Homes and San Raphael Realty in Iloilo; Hausland, Fiesta Communities and El

Valerio Realty in Pampanga; and ProFriends, Homemark Development, Picar Development, Rudex, Masaito and New APEC in Cavite. The Company believes that these direct competitors at the local/ regional level are much smaller scale and have limited geographical coverage; hence, the Company differentitates itself with its nationwide scope, which has allowed it to achieve economies of scale from its operations, thereby offering housing units at more attractive price points compared to its direct competitors.

EMPLOYEES

As of September 30, 2021, the Company has a total of 548 employees. This is broken down as follows:

Function	Number of Employees
Managers	87
Finance/Accounting Staff	95
Conversion Staff	36
Credit & Collection Staff	68
Documentation Staff	94
Pre-documentation Staff	18
Human Resources/Administrative Assistant	46
Management Information Systems Staff	14
Planning/Engineering Staff	55
Audit	4
Executive Office (librarians, multimedia, IRO)	20
Materials and Procurement	8
Treasury	3
Total	**548**

The Company does not currently anticipate hiring a significant number of additional employees within the next 12 months, but it may look to hire as necessary subject to any changing needs of the business. Furthermore, as of the date of this Prospectus, there is no existing collective bargaining agreement between the Company and its employees, and the Company's employees are not part of any labor union. The Company has not experienced any disruptive labor disputes, strikes or threats of strikes, and management believes that the Company's relationship with its employee in general is satisfactory. The Company complies with minimum compensation and benefits standards as well as all other applicable labor and employment regulations.

HEALTH, SAFETY AND ENVIRONMENTAL MATTERS

The Company regards occupational health and safety as one of its most important corporate and social responsibilities and it is the Company's corporate policy to comply with existing environmental laws and regulations. The Company maintains various environmental protection systems and conducts regular trainings on environment, health and safety. The costs of compliance with the foregoing laws and regulations are included in the cost for permits and licenses.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE INITIATIVES

The Company values ESG standards and takes pride in conducting its business responsibly. It is committed to implementing ESG standards that help in building a sustainable future for the communities it serves and creating long-term value for all stakeholders. Accordingly, the Company has undertaken several ESG initiatives, including providing affordable housing and basic infrastructure, promoting gender equality and social equality, pursuing inclusive growth, and maintaining sustainable community and environment.

The Company is also committed to contributing to achieving the SDGs adopted by the United Nations member states in 2015. The Company benchmarks and integrates certain SDGs with key areas of its business operations. The efforts undertaken by the Company positively contribute to at least six of the 17 SDGs, including: SDG #11: Sustainable Cities and Communities; SDG #10: Reduce inequality; SDG #8 Decent work and Economic Growth; SDG #12 Responsible Consumption and Production; SDG #13 Climate Action; and SDG #15 Life on Land. It actively continues to work on further deepening its impact across these goals and expanding the scope of influence across other goals, in the pursuit of a win-win for both its business and social ecosystem.

The Company provides affordable housing to demographic groups in the Philippines for whom home ownership is traditionally challenging to attain

8990 provides low-cost housing to individuals in the Philippines who otherwise would not be able to own homes or would find home ownership challenging to attain, through its innovative financing solution, smart design and resources efficient buildings.

Frost & Sullivan estimated that, if such housing need is not addressed sooner, total housing needs may reach almost 12.3 million by 2030, of which approximately 85% are in the Mass Housing market. Moreover, it was estimated by BSP's Consumer Financial Survey 2018 that around 71% of the middle-income to low-income Filipino families are renting their houses, signifying large underserved housing needs especially in the affordable housing market.

Home ownership has been traditionally challenging to attain for certain demographic groups. More than price, barriers for purchasers are the availability of affordable equity payment and monthly amortization schemes for most Filipinos. 8990 enables affordable housing ownership by offering 3% equity compared with 10% to 20% in the mass housing market. The monthly amortization is made more affordable by providing longer loan terms that are not widely available for the majority of the population. The Company works closely with the HDMF to offer affordable home-loan financing. Pag-IBIG home loans have a maximum loan term of 30 years, interest rate is at an average of 5% in 2020 with a maximum loanable amount of ₱6 million for socialized and economic housing.

The Company offers an affordable pricing and payment model, and has developed its CTS Financing Program to cater to Filipino consumers who have sufficient recurring income to support monthly amortization payments. The CTS Financing Program is structured such that the requirements for availing of in-house financing generally mirror the requirements for availing of a Pag-IBIG home loan. This essentially facilitates the take-up by Pag-IBIG of such loans upon application for by customers.

With rising prices and the ever growing needs of families, the Company's ability to provide low-cost housing enables 8990's buyers to budget their monthly income.

The Company has delivered 81,700 units across completed and ongoing projects, providing low-cost housing to an estimated 327,000 residents and approximately 89% occupancy rate as of September 30, 2021.[9] As of September 30, 2021, an average of 63% of the 8990's home buyers have a maximum gross monthly income of ₱55,000 (US$1,100) and below and an average of 55% are women. For vast majority of them, it would have been significantly challenging for them to own homes, if not because of the affordable housing and innovative financing offered by the Company together with its partners.

The Company's housing developments provide access to basic infrastructure, which allow individuals to access opportunities for economic mobility, and safe and healthy living environment

8990's housing development are not only affordable but provides access to infrastructure, including water, sanitation, transportation, and security features for residents to live in safe, healthy, vibrant communities that allow individual to access opportunities for economic mobility through proximity to job opportunities, and stable and safe living environments.

The Company's subdivisions have the following common facilities in order to create "communities" for its residents: concrete roads, sidewalk with curbs and gutters, underground drainage system, centralized water system, power system, gated entrance with security personnel and perimeter fence. In addition to the foregoing facilities standard to all subdivisions, some projects feature one or more of the following leisure facilities: wakeboard park, swimming pool, basketball court, clubhouse/multi-purpose hall, church and commercial market. Certain larger projects have areas designated for commercial businesses.

The Company has ventured into high-rise condominium projects in the highest density urban areas of Metro Manila. The buildings are intended to be situated in dense urban neighborhoods with easy access to major

[9] Total number of residents is based on the Company's estimate of four persons in each of the approximately 81,700 units delivered as of September 30, 2021. The occupancy rate is based on units purchased for residential use and excludes units sold for investment or vacation purposes.

transportation routes/facilities and within easy distance of major white-collar employment centers such as central business districts, and also in proximity to education and health facilities.

Making use of the “Micro Living” concept, 8990’s Urban DECA Towers are designed to provide weekday accommodation for low- to mid-income commuters who typically have a two to four hours daily commute between their places of work and homes in the outlying neighborhoods of Metro Manila. This results in savings in transportation time and costs that would accrue to the condominium unit residents. Saving two to four hours of commute also allows people to devote more time to be with their families and children.

The Company is committed to creating sustainable and environmentally- friendly communities, by minimizing wastage, eliminating the use of wood in construction, implementing energy efficiency initiatives and water and waste management

8990 is focused on environmental sustainability in its operations through a decade-long commitment to low waste, smart design and resource-efficient buildings.

The Company has continually invested in innovation to update its building processes and minimize wasted materials while maintaining the quality of its products and rapid completion of housing units. The Company has developed its own unique building system that makes use of a pre-cast construction process, enabling the Company to construct and complete housing units and MRBs in a cost- and time-efficient manner without compromising the quality and standards of the housing units being turned over to its customers.

The Company’s pre-casting process utilizes a proprietary concrete mix developed by the Company which has a faster curing time than standard concrete mixes, allowing for faster setting of pre-cast molds and resulting in panels that can withstand approximately four times as much pressure per square inch than traditional cinder block structures.

The Company has been building underground drainage system, centralized water system, waste collection system for active water/waste management and pollution control. Since 2019 the installation of waste-water facilities and material recovery facilities are included in the newly designed projects.

The Company has been also using LED lighting systems and smart ventilation systems to increase energy efficiency and reduce carbon emissions.

The strategic location of the micro-living developments also help reduce gas consumption and emissions given their proximity to business districts, contributing to reduced transportation and traffic.

The Company has not used wood products in house construction since 2018. In the meantime the Company has been planting trees in their communities for active conservation of the environment. For every tree that is cleared in the development of new projects, the Company has committed to plant up to 50 to 100 new trees across the country, in compliance with Department of Environment and Natural Resources guidelines.

The Company is committed to continued initiatives in reforestation, promoting sustainable use of terrestrial ecosystems, halt and reverse of land degradation, and addressing the relevant environmental and wider ecosystem related issues.

The Company has taken proactive efforts and practices to promote gender diversity and to support women customers and employees

The Company recognizes the importance of diversity and inclusion. It continuously strives to establish a culture which celebrates diversity and is free from discrimination and has taken proactive efforts and practices to promote gender diversity and to support women customers and employees.

The Company has provided affordable housing to a large number of women and based on the Company’s internal data, approximately 55% of its home buyers are women as of September 30, 2021.

The Company has been also committed to providing equal opportunities in employment and creating an inclusive workplace in which all employees are treated with respect and dignity. As of December 31, 2021, over 60% of the company’ employees are women.

The Company values its employees and promotes sustained, inclusive and sustainable economic growth, full and productive employment and a conducive work environment for all. It also attaches great importance to the growth and development of its employees and has an in-house training system.

In addition to the efforts undertaken towards social and environmental goals, the Company adheres to high standards of corporate governance

Adherence to good corporate governance plays an integral role in the way in which the Company conducts its business. The Company has processes in place to help ensure operational transparency, information sharing, accountability, and constant dialogue with its stakeholders. It has established standard operating procedures/manuals detailing procedures to be followed for each function as well as systems in place to ensure good corporate governance, enabling the Company to enhance its brand equity, strengthen the role of shareholders and maintain a healthy environment within the organization.

INSURANCE

The Company has insurance coverage that is required in the Philippines for real and personal property. Subject to the customary deductibles and exclusions, the Company carries all-risks insurance during the project construction stage. The Company also requires all of its purchasers to carry fire insurance and sales redemption insurance, for which it pays the annual premium upfront to the insurer and charges purchasers on a monthly basis. For its vertical projects, the Company requires its general contractors to carry all-risks insurance for the period of building construction. The Company does not carry business interruption insurance. See "*Risk Factors — Risks Related to the Company's Business—Natural or other catastrophes, including severe weather conditions, may materially disrupt the Company's operations, affect its ability to complete projects and result in losses not covered by its insurance*."

RESEARCH AND DEVELOPMENT

The Company engages in research and development activities relating to the construction methodology for its projects, particularly the use of pre-cast system manufacturing technology, the use of sustainable materials and the implementation of environmentally friendly initiatives such as waste-water facilities. The expenses incurred by the Company in connection with these activities are not material.

INTELLECTUAL PROPERTY

As of the date of this Prospectus, the Company owns the exclusive rights to the following active trademarks used in the business and registered with the Philippine Intellectual Property Office. . These trademarks are important in the aggregate because name recognition and exclusivity of use are contributing factors to the success of the Company's and its Subsidiaries' property developments. In the Philippines, certificates of registration of a trademark filed with the Philippine Intellectual Property Office prior to the effective date of the Philippine Intellectual Property Code in 1998 are generally effective for a period of 20 years from the date of the certificate, while those filed after the Philippine Intellectual Property Code became effective are generally effective for a shorter period of 10 years, unless terminated earlier.

Applicant	Mark	Application Number	Nice Classification	Date filed	Expiry Date
8990 HDC	Urban Deca Homes	4/2014/00004269	36	04-Apr-14	14-Jan-26

Applicant	Mark	Application Number	Nice Classification	Date filed	Expiry Date
Fog Horn, Inc.	Group Getaway	4/2016/00004272	43	22-Apr-16	21-Jul-26
Fog Horn, Inc.	Family Fun	4/2016/00004271	43	22-Apr-16	21-Jul-26
Fog Horn, Inc.	Urban Deca Towers	04/2014/004271	36	04-Apr-14	11-Mar-26
8990 Housing Development Corp	Deca Homes Price. Quality. Service	4/2015/00502543	36	12-May-15	07-Apr-26
8990 Housing Development Corp	**URBAN DECA TOWERS** Urban Deca Towers	4/2015/00502553	36	12-May-15	07-Jul-26
8990 Housing Development Corp	**URBAN DECAHOMES**	4/2015/00502552	36	12-May-15	28-Jul-26

Applicant	Mark	Application Number	Nice Classification	Date filed	Expiry Date
8990 Housing Development Corp	Urban DecaHomes	4/2015/00502539	36, 37	12-May-15	28-Jul-26
8990 Housing Development Corp	8890	4/2015/00502541	36	12-May-15	15-Apr-26
8990 Housing Development Corp	8990 Housing Development Corporation Deca	4/2015/00502556	35, 37	12-May-15	07-Jul-26

Note: Nice Classification is a system of classifying goods and services for the purpose of registering trademarks. It was established by the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (Nice Agreement). Nation signatories to the Nice Agreement, including the Philippines, employ the designated classification codes in their official documents and publications.

LEGAL PROCEEDINGS

As of September 30, 2021, none of the Company, its Subsidiaries or affiliates are involved in, or the subject of, any legal proceedings which, if determined adversely to the Company or the relevant Subsidiary's or affiliate's interests, would have a material effect on the business or financial position of the Company or any of its Subsidiaries or affiliates. As of September 30, 2021, neither the Company, its Subsidiaries or affiliates has been subject to any bankruptcy, receivership or similar proceeding.

MATERIAL RECLASSIFICATION, MERGER, CONSOLIDATION, OR PURCHASE OR SALE OF A SIGNIFICANT AMOUNT OF ASSETS

As of September 30, 2021, there have been no material reclassification, mergers, consolidations, or purchases or sales of a significant amount of assets during the preceding three years.

DESCRIPTION OF PERMITS AND LICENSES

The Company has all the material permits and licenses necessary for its business as currently conducted, which are valid and subsisting as of the date of this Prospectus.

The Company has adopted processes to manage and ensure licenses, permits and approvals are obtained in a timely manner and retains legal counsel to ensure continued compliance with applicable laws and regulations affecting its operations. In respect of those permits and licenses that the Company is in the process of applying or renewing, such are expected to be obtained the ordinary course.

HLURB Certifications

Company	Branch	Project	Issue Date
8990 Housing	Cebu	Deca Homes Minglanilla Phase 2 to 6 Subdivision	2/17/2017
8990 Housing	Cebu	Urban Deca Homes Tisa	2/17/2017
8990 Housing	Cebu	Urban Deca Homes Cortes	2/17/2017
8990 Housing	Cebu	Minglanilla Homes Subdivision	2/17/2017
8990 Housing	Cebu	Deca Homes Baywalk Talisay 3	2/17/2017
8990 Housing	Cebu	Deca Homes Tunghaan Subdivision	2/17/2017
8990 Housing	Cebu	Deca Homes Baywalk Talisay 2	2/17/2017
Fog Horn Inc	Cebu	Deca Homes - Talisay	2/17/2017
Fog Horn Inc	Cebu	Urban Deca Homes - Tipolo Condominium	2/17/2017
8990 Housing	Davao	Deca Homes Esperanza Subdivision	7/14/10
8990 Davao	Davao	Deca Homes Indangan Phase 1	10/30/13
8990 Davao	Davao	Deca Homes Indangan Phase 2	10/22/14
8990 Davao	Davao	Deca Homes Indangan Phase 3	10/13/15
8990 Davao	Davao	Deca Homes Indangan Phase 4	10/13/15
8990 Mindanao	Davao	Deca Homes Catalunan Grande	10/13/15
8990 Housing	Davao	Deca Homes Resorts Residences Prime	5/26/15
8990 Housing	Davao	Deca Homes Resorts Residences Subdivision	8/16/07
8990 Housing	Davao	Deca Homes Resorts Residences Phase 10	8/12/09
8990 Housing	Davao	Deca Homes Resorts Residences Phase 11	7/9/15
8990 Housing	Davao	Deca Homes Resorts Residences Phase 12	5/31/13
8990 Housing	Davao	Deca Homes Resorts Residences	8/16/07
8990 Housing	Davao	Deca Homes Resorts Residences	8/16/07
8990 Housing	Davao	Deca Homes Resorts Residences	8/16/07
8990 Housing	Davao	Deca Homes Resorts Residences Phase 8-A	7/14/10
8990 Housing	Davao	Deca Homes Resorts Residences Phase 8-B	10/5/10
8990 Housing	Davao	Deca Homes Resorts Residences Phase 8-C	7/14/10
8990 Housing	Davao	Deca Homes Resort Residences Phase 9	2/25/13
8990 Housing	Davao	Deca Homes Resort Residences Executive	7/14/10
8990 Housing	Davao	Deca Homes Mulig 1	4/6/17
8990 Housing	Davao	Deca Homes Talomo	9/18/17
8990 Housing	Gensan	Deca Homes Gensan 1	5/26/15

Company	Branch	Project	Issue Date
8990 Housing	Iloilo	Deca Homes Pavia	2/16/2017
8990 Housing	Iloilo	Deca Homes Pavia Phase 2	2/16/2017
8990 Housing	Iloilo	Deca Homes Pavia Resort Residences	2/16/2017
8990 Housing	Iloilo	Deca Homes Pavia Resort Residences Phase 2	2/16/2017
8990 Housing	NCR	Urban Deca Homes Campville	9/3/17
8990 Housing	NCR	Urban Deca Towers Edsa	9/3/17
8991 Housing	NCR	Urban Deca Towers Cubao	10/22/2021
8992 Housing	NCR	Urban Deca Homes Manila	4/28/16
8993 Housing	NCR	Urban Deca Homes Ortigas	5/7/19
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 9	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 1	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 2	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 2	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 10	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 11	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 3	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 4	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 5	9/1/17
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 6	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 7	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 8	3/4/17
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 9	3/4/17
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 1	2/22/2017
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 2	2/22/2017
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 3	2/22/2017
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 4	2/22/2017
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 5	2/22/2017
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 6	2/22/2017
8990 Housing	South Luzon	Urban Deca Homes Hampton	7/2/17
8990 Housing	South Luzon	Deca Homes Tanza (Fromerly Al Mare Homes)	2/22/2017
8990 Housing	South Luzon	Marseilles Subdivision	2/22/2017

License to Sell

Company	Branch	Project	LTS #	Issue Date
8990 Housing	Cebu	Deca Homes Minglanilla Ph. 2 to 6 Subdivision	10507	6/21/04
8990 Housing	Cebu	Urban Deca Homes Tisa	27212	6/30/14
8990 Housing	Cebu	Urban Deca Homes Cortes	31028-31029	5/26/16
8990 Housing	Cebu	Minglanilla Homes Subdivision	20683	1/30/09
8990 Housing	Cebu	Deca Homes Baywalk Talisay 3	30368	10/22/15
8990 Housing	Cebu	Deca Homes Tunghaan Subdivision	10960	3/15/05
8990 Housing	Cebu	Deca Homes Baywalk Talisay II	26278	12/28/12
8990 Housing	Cebu	Deca Homes - Talisay	21702	5/28/09
Fog Horn Inc	Cebu	Urban Deca Homes - Tipolo Condominium	25454	5/8/12
8990 Housing	Cebu	Deca Homes Danao Ph. II & III Subdivision	14823	2/10/06
8990 Housing	Cebu	Deca Homes Subdivision	9678	2/19/04
8990 Housing	Cebu	Deca Homes Mactan I Subdivision	11548	3/9/05
8990 Housing	Cebu	Deca Homes Mactan II Subdivision	14752	1/18/06
8990 Housing	Cebu	Deca Homes Mactan 4	21707	7/28/09
8990 Housing	Cebu	Deca Homes Mactan 5 Subdivision	21752	3/8/10
8990 Housing	Cebu	Deca Homes Our Lady of Guadalupe EH	29516	1/6/15
8990 Housing	Cebu	Deca Homes Our Lady of Guadalupe SH	29518	1/6/15
8990 Housing	Cebu	Deca Homes Mandaue II Subdivision	18381	2/12/08
8990 Housing	Cebu	Deca Homes Mactan 3 Subdivision	19453	4/23/08
8990 Housing	Cebu	Deca Homes Minglanilla Ph. 1 Subdivision	7987	9/16/03
8990 Housing Development Corp.	Cebu	Deca Homes Baywalk Talisay Extension	33625	11/6/18
8990 Housing Development Corp.	Ormoc	Deca Homes Gregoria Residence Ormoc Phase 1 (ECO)	34471	1/2/19
8990 Housing Development Corp.	Ormoc	Deca Homes Gregoria Residence Ormoc Phase 1 (SOC)	34473	1/2/19
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 1	32823	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 2	32824	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 3	32825	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 4	32826	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 5	32827	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 6	32828	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 7	32829	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 8	32830	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 9	32831	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 10	32832	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 11	32833	12/28/17

Company	Branch	Project	LTS #	Issue Date
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 12	32841	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 13	32842	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 14	33611	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 15	33612	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 16	33614	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 17	32843	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 18	32844	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 19	32845	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 20	33613	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2 Bldg 21	33615	12/28/17
8990 Housing Development Corp.	Cebu	Urban Deca Homes Banilad Tower 1	LS-07-20-003	3/18/20
8990 Housing Development Corp.	Cebu	Urban Deca Homes Banilad Tower 2	LS-07-20-004	3/18/20
8990 Housing Development Corp.	Cebu	Urban Deca Homes Banilad Tower 3	LS-07-20-005	3/18/20
8990 Housing	Davao	Deca Homes Esperanza Subdivision	23511	7/14/16
8990 Davao	Davao	Deca Homes Indangan Phase 1	33252	10/18/17
8990 Davao	Davao	Deca Homes Indangan Phase 2	33253	10/18/17
8990 Davao	Davao	Deca Homes Indangan Phase 3	33254	10/18/17
8990 Davao	Davao	Deca Homes Indangan Phase 4	33254	10/18/17
8990 Mindanao	Davao	Deca Homes Catalunan Grande	33257	10/18/17
8990 Housing	Davao	Deca Homes Resorts Residences Prime	33255	10/18/17
8990 Housing	Davao	Deca Homes Resort Residence Subdivision-Economic	17803	8/16/07
8990 Housing	Davao	Deca Homes Resorts Residences Phase 10	30884	11/27/15
8990 Housing	Davao	Deca Homes Resorts Residences Phase 11	33256	10/18/17
8990 Housing	Davao	Deca Homes Resorts Residences Phase 12	33251	10/18/17
8990 Housing	Davao	Deca Homes Resort Residences	24848	12/20/12
8990 Housing	Davao	Deca Homes Resorts Residences	26602	10/29/13
8990 Housing	Davao	Deca Homes Resorts Residences Phase 8-A	30085	11/27/15
8990 Housing	Davao	Deca Homes Resort Residences Phase 8-A	23510	7/14/10
8990 Housing	Davao	Deca Homes Resorts Residences Phase 8-B	30086	11/27/15
8990 Housing	Davao	Deca Homes Resort Residences Phase 8-B	22851	10/5/10
8990 Housing	Davao	Deca Homes Resorts Residences Phase 8-C	30087	11/27/15
8990 Housing	Davao	Deca Homes Resort Residences Phase 8-C	26600	10/29/13
8990 Housing	Davao	Deca Homes Resort Residences Phase 9	30089	11/27/15
8990 Housing	Davao	Deca Homes Resort Residences Phase 9	26582	2/25/13
8990 Housing	Davao	Deca Homes Resort Residences Executive	30090	11/27/15
8990 Housing	Davao	Deca Homes Mulig	32708	4/6/17

Company	Branch	Project	LTS #	Issue Date
8990 Housing	Davao	Deca Homes Talomo Phase 1 Economic	32748	9/18/17
8990 Housing	Davao	Deca Homes Talomo Phase 1 Socialized	32747	9/18/17
8990 Housing	Davao	Deca Homes Talomo Phase 2	34077	8/20/19
8990 Housing	Gensan	Deca Homes Gensan 1	33258	10/18/17
8990 Housing	Iloilo	Deca Homes Pavia	23107	1/29/10
8990 Housing	Iloilo	Deca Homes Pavia Phase 2	25777	10/29/12
8990 Housing	Iloilo	Deca Homes Pavia Resort Residences	26717	11/5/14
8990 Housing	Iloilo	Deca Homes Pavia Resort Residences Phase 2	31949	6/25/17
8990 HDC	Iloilo	Deca Homes Sta.Barbara Resort Residence Econ (DHSBRR ECON)	31943	5/19/17
8989 HDC	Iloilo	Deca Homes Sta.Barbara Resort Residence Soc (DHSBRR SOC)	31944	5/19/17
8990 HDC	Iloilo	Deca Homes Leganes (DHL)	06-019	7/30/20
8990 HDC	Bacolod	Deca Homes South of Bacolod	31967	9/14/17
8990 Housing	NCR	Urban Deca Homes Campville	29954	6/3/15
Fog Horn, Inc.	NCR	Urban Deca Towers Edsa	29267	10/17/14
8990 HDC	NCR	Urban Deca Homes Ortigas	34631	5/7/19
8990 HDC	NCR	Urban Deca Towers Cubao	208	10/22/21
8990 HDC	NCR	Urban Deca Homes Manila	33447	10/1/18
Fog Horn Inc	North Luzon	Savannah Green Plains 1	31202	10/5/06
Fog Horn Inc	North Luzon	Savannah Green Plains I	15615	12/18/06
Fog Horn Inc	North Luzon	Savannah Green Plains 2	31203	11/12/07
Fog Horn Inc	North Luzon	Savannah Green Plains Phase 2	17934	2/4/08
Fog Horn Inc	North Luzon	Savannah Green Plains Phase III	23016	11/9/09
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 9	31842	10/3/16
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 1	34128	9/16/11
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase I	24328	1/30/12
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 2 – Economic	28635	10/24/13
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 2	28636	10/24/13
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 10	31157	4/11/16
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase II	30644	9/29/15
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 11	34150	8/28/15
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 3	29602	12/16/14
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 4	29603	12/16/14
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 5	26792	3/19/13
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 6	26791	3/19/13

Company	Branch	Project	LTS #	Issue Date
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 7	30003	4/8/15
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 8	30002	4/8/15
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 9	31842	9/20/16
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 12	35058	12/11/19
8990 Housing	North Luzon	Urban Deca Homes - Marilao Subdivision	31216	7/27/16
8990 Housing	North Luzon	Urban Deca Homes - Marilao Subdivision Phase 2A	35055	11/11/19
8990 Housing	North Luzon	Urban Deca Homes- Marilao Subdivision Phase 2B	35056	11/11/19
8990 Housing	North Luzon	MRB AND PAKING SLOT(AMMENDED) udhMarilao	34129	9/26/18
8990 Housing	North Luzon	DECA HOMES MEYCAUAYAN	35059	11/11/19
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 1	26124	11/13/12
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 2	30553	9/30/15
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 3	30511	12/2/15
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 4	29066	9/22/14
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 5	29750	12/1/14
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 6	29863	6/22/15
8990 Housing	South Luzon	Urban Deca Homes Hampton	31263	6/1/16
8990 Housing	South Luzon	Urban Deca Homes Mahogany	31432	9/5/16
8990 Housing	South Luzon	Deca Homes Tanza (formerly Al Mare Homes)	29862	6/22/15
8990 Housing	South Luzon	Marseilles Subdivision	28943	10/8/14

Environmental Compliance Certificates

Company	Branch	Project	ECC	Issue Date
8990 Housing	NCR	Urban Deca Homes Campville	ECC-NCR-1501-0010	02/03/2015
Fog Horn Inc	North Luzon	Savannah Green Plains 1	03-PA-00609-09-257-212A	09/04/2006
Fog Horn Inc	North Luzon	Savannah Green Plains 2	03-PA-00609-09-257-212A	09/04/2006
Fog Horn Inc	North Luzon	Savannah Green Plains 3	03-PA-00609-09-257-212A	09/04/2006
8990 Housing	Cebu	Deca Homes Danao Phase 2 & 3 Subdivision	07-02-02-15-0066-212	02/15/2002
8990 Housing	Cebu	Deca Homes Subdivision	07-02-02-15-0066-212	02/15/2002
8990 Housing	Cebu	Deca Homes Minglanilla Phase 2 to 6 Subdivision	07-03-10-28-0454-212	10/28/2003
8990 Housing	Cebu	Deca Homes Mactan 1 Subdivision	07-04-09-22-0502-212	06/26/1992
8990 Housing	Cebu	Deca Homes Mactan 2 Subdivision	07-04-09-22-0503-212	06/26/1992

Company	Branch	Project	ECC	Issue Date
8990 Housing	Cebu	Urban Deca Homes Tisa	07-05-11-25-0365-212	11/25/2005
8990 Housing Development Corp.	Cebu	Urban Deca Homes Tisa 2	ECC-RO7-1408-0134	08/11/2014
8990 Housing Development Corp.	Cebu	Urban Deca Homes Banilad	ECC-OL-R07-2020-0021	01/23/2020
8990 Housing Development Corp.	Cebu	Deca Homes Baywalk Talisay Extension	ECC-R07-1505-0089	01/12/2021
8990 Housing Development Corp.	Ormoc	Deca Homes Gregoria Residence Ormoc Phase 1 (ECO & SOC)	ECC-OL-R08-2018-0088	07/02/2018
8990 Housing Development Corp.	Ormoc	Deca Homes Gregoria Residence Ormoc Phase 2	ECC-OL-R08-2021-0141	06/17/2021
8990 Housing	Gensan	Deca Homes Gensan 1	12-04-09-08-153-212	11/09/2004
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 1	ECC - 4A-2002-625-211	To be provided
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 2	ECC - 4A-2002-625-211	To be provided
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 3	ECC - 4A-2002-625-211	To be provided
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 4	ECC - 4A-2002-625-211	To be provided
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 5	ECC - 4A-2002-625-211	To be provided
8990 Luzon	South Luzon	Bella Vista Subdivision Cluster 6	ECC - 4A-2002-625-211	To be provided
8990 Housing	Cebu	Urban Deca Homes Cortes	ECC- OL-R07-2016-0051	04/08/2016
8990 Housing	South Luzon	Urban Deca Homes Hampton	ECC-389-CA-212-98	*[To Follow]*
8990 Housing	South Luzon	Urban Deca Homes Mahogany	ECC-4A-2003-176-211	04/03/2003
8990 Housing	NCR	Urban Deca Towers Edsa	ECC-NCR-1407-0273	*[To Follow]*
8990 Housing	NCR	Urban Deca Homes Ortigas	ECC-NCR-1608-0051	08/30/2016
8990 Housing	NCR	Urban Deca Tower Cubao	ECC-NCR-1702-0011	03/10/2017
8990 Housing	Davao	Deca Homes Esperanza Subdivision	ECC-R11-0805-075-8420	05/26/2008
8990 Davao	Davao	Deca Homes Indangan Phase 1	ECC-R11-1208-0128	08/14/2012
8990 Davao	Davao	Deca Homes Indangan Phase 2	ECC-R11-1208-0128	08/14/2012
8990 Davao	Davao	Deca Homes Indangan Phase 3	ECC-R11-1208-0128	08/14/2012
8990 Davao	Davao	Deca Homes Indangan Phase 4	ECC-R11-1208-0128	08/14/2012
8990 Mindanao	Davao	Deca Homes Catalunan Grande	ECC-R11-1311-0245	12/11/2013
8990 Housing	Davao	Deca Homes Resorts Residences Prime	ECC-R11-1405-0089	05/20/2014
8990 Housing	Davao	Deca Homes Mulig	ECC-R11-1610-0026	11/09/2016
8990 Housing	South Luzon	Deca Homes Tanza (Fromerly Al Mare Homes)	ECC-R4A-1002-0037	*[To Follow]*
8990 Housing	Iloilo	Deca Homes Pavia	ECC-R6-0908-265-8420	09/18/2009
8990 Housing	Iloilo	Deca Homes Pavia Phase 2	ECC-R6-0908-265-8420	08/02/2012
8990 Housing	Iloilo	Deca Homes Pavia Resort Residences	ECC-R6-1411-0415-8420A	01/05/2017

Company	Branch	Project	ECC	Issue Date
8990 Housing	Iloilo	Deca Homes Pavia Resort Residences Phase 2	ECC-R6-1411-0415-8420A/ECC-R18-1610-0012-8420	01/05/2017
8990 HDC	ILOILO	Deca Homes Pavia Resort Residences 2 (DHPRR2)	ECC-R6-1411-0415-8420A	01/05/2017
8990 HDC	ILOILO	Deca Homes Sta.Barbara Resort Residence Econ (DHSBRR ECON)	ECC-R6-1411-0415-8420A	01/05/2017
8989 HDC	ILOILO	Deca Homes Sta.Barbara Resort Residence Soc (DHSBRR SOC)	ECC-R6-1411-0415-8420A	01/05/2017
8990 HDC	ILOILO	Deca Homes Leganes (DHL)	ECC-OL-RO6-2019-0299	05/17/2019
8990 Housing	Davao	Deca Homes Resorts Residences Subdivision	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences Phase 10	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences Phase 11	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences Phase 12	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences Phase 12	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences Phase 8-A	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences Phase 8-B	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resorts Residences Phase 8-C	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resort Residences Phase 9	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Davao	Deca Homes Resort Residences Executive	ECC-XI-98-1019-187-8420	11/13/1998
8990 Housing	Cebu	Minglanilla Homes Subdivision	R07-0801-0050-212	03/13/2008
8990 Housing	Cebu	Deca Homes Mactan 4	R07-0903-080-212	05/19/2009
8990 Housing	Cebu	Deca Homes Mactan 5 Subdivision	R07-1001-0016	02/16/2010
8990 Housing	Cebu	Deca Homes Our Lady of Guadalupe	R07-1402-0032	02/28/2014
8990 Housing	Cebu	Deca Homes Our Lady of Guadalupe	R07-1402-0032	02/28/2014
8990 Housing	Cebu	Deca Homes Baywalk Talisay 3	R07-1505-0089	05/22/2015
8990 Housing	North Luzon	Urban Deca Homes - Marilao Subdivision	R3-03092016-3848	06/18/2007
8990 Housing	North Luzon	Urban Deca Homes - Marilao Subdivision	R3-03092016-3848	03/11/2016
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 9	R3-0907-329-8420	03/11/2016
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 1	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 2	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resorts Phase 2	R3-0907-329-8420	07/29/2009

Company	Branch	Project	ECC	Issue Date
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 10	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 11	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 3	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 4	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 5	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 6	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 7	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 8	R3-0907-329-8420	07/29/2009
8990 Luzon	North Luzon	Deca Clark Residences and Resort Phase 9	R3-0907-329-8420	07/29/2009
8990 Housing	Manila	Urban Deca Homes Tondo	ECC-NCR-1605-0029	07/29/2009
8990 Housing	Cebu	Deca Homes Mandaue Subdivision	07-07-06-18-211-212	To be provided

List of BOI Registered Projects

Project's Name	Particulars/ Coverage	Cor No.	Date Issued	Expiry Date	Remarks
Urban Deca Homes Hampton	12/14/2016 – 12/13/2020	2016-254	12/14/2016	12/13/2020	non-renewable
Urban Deca Homes -Mahogany	12/13/2017 – 12/12/2021	2017-337	12/13/2017	12/12/2021	non-renewable
Urban Deca Homes Marilao/Vertical	2/8/2018 – 2/7/2021	2018-025	2/8/2018	2/7/2021	non-renewable
Urban Deca Homes Marilao/Horizontal	12/13/2017 – 12/12/2021	2017-336	12/13/2017	12/12/2021	non-renewable
Urban Deca Homes Tisa 2 - Bldg. 1 to Bldg. 6	12/13/2018 – 12/12/2021	2018-265	12/13/2018	12/12/2021	non-renewable
Urban Deca Homes Tisa 2 - Bldg. 7 to Bldg. 21	12/13/2018 – 12/12/2021	2018-266	12/13/2018	12/12/2021	non-renewable
Urban Deca Homes Manila	1/4/2017 - 1/3/2021	2017-004	1/4/2017	1/3/2021	non-renewable
Deca Homes Minglanilla Phase 6	1/8/2010 - 1/ 7/2013	2010-004	1/8/2010	1/7/2013	non-renewable
Deca Homes Minglanilla Phase 5	1/8/2010 – 1/7/2013	2010-003	1/8/2010	1/7/2013	non-renewable
Deca Homes Minglanilla Phase 4	7/14/2008 - 7/13/2011	2008-159	7/14/2008	7/13/2011	non-renewable
Deca Homes Minglanilla Phase 3	7/14/2008 – 7/13/2011	2008-158	7/14/2008	7/13/2011	non-renewable
Deca Homes Minglanilla Phase 2	1/4/2006 – 1/3/2009	2006-002	1/4/2006	1/3/2009	non-renewable
Deca Homes Minglanilla Homes Subdivision	6/19/2009 – 6/18/2012	2009-082	6/19/2009	6/18/2012	non-renewable
Deca Homes Mactan 5 Subdivision	1/11/2011 – 1/10/2014	2011-008	1/11/2011	1/10/2014	non-renewable
Deca Homes Mactan 4 Subdivision	6/13/2010 – 6/12/2013	2010-127	6/12/2010	6/12/2013	non-renewable
Deca Homes Mactan 3 Subdivision	11/20/2008 to 11/19/2011	2008-315	11/20/2008	11/19/2011	non-renewable
Deca Homes Mactan Subdivision Phase 2	2/12/2008 – 1/11/2011	2008-045	2/12/2008	2/11/2011	non-renewable
Deca Homes Esperanza Subdivision	1/10/2011 to 1/9/2014	2011-009	1/10/2011	1/9/2014	non-renewable

Project's Name	Particulars/ Coverage	Cor No.	Date Issued	Expiry Date	Remarks
Deca Homes Davao Phase 2	9/18/2007 - 9/17/2010	2007-169	9/18/2007	9/17/2010	non-renewable
Deca Homes Davao Phase 1	2/17/2006 – 2/16/2009	2006-027	2/17/2006	2/16/2009	non-renewable
Deca Homes Northfield Estates	11/ 9/2009 – 11/8/2012	2009-157	11/9/2009	11/8/2012	non-renewable
Bon Giorno Homes Subdivision	2/8/2011 - 2/7/2015	2011-035	2/8/2011	2/7/2015	non-renewable

REGULATORY AND ENVIRONMENTAL MATTERS

The following description is a summary of certain sector specific laws and regulations in the Philippines, which are applicable to the Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice or a detailed review of the relevant laws and regulations.

LAWS ON HOUSING AND LAND PROJECTS

Presidential Decree No. 957: The Subdivision and Condominium Buyers' Protective Decree

Presidential Decree No. 957, or the Subdivision and Condominium Buyers' Protective Decree ("**PD 957**"), as amended, is the principal statute regulating the development and sale of real property as part of a condominium or subdivision project. It was enacted pursuant to the policy of the state to ensure that real estate subdivision owners, developers, operators, and/or sellers provide and properly maintain roads, drainage, sewerage, water systems, lighting systems and other similar basic requirements in order to guarantee the health and safety of home and lot buyers. PD 957 covers condominium and subdivision projects for residential, commercial, industrial and recreational areas as well as open spaces and other community and public areas in the project.

On February 14, 2019, Republic Act No. 11201, also known as the "Department of Human Settlements and Urban Development," created the Department of Human Settlements and Urban Development ("**DHSUD**") through the consolidation of the Housing and Urban Development Coordinating Council and the Housing and Land Use Regulatory Board. The DHSUD is currently the primary national government entity responsible for the management of housing, human settlement, and urban development. It is the administrative agency of the government which, together with local government units, enforces PD 957 and has jurisdiction over real estate trade and business.

All subdivision and condominium plans for residential, commercial, industrial and other development projects are required to be filed with and approved by DHSUD and the relevant local government unit where the project is situated. Approval of such plans is conditional on, among other things, the developer's financial, technical and administrative capabilities. Before it is approved, the subdivision plan must comply with the Subdivision Standards and Regulations. On the other hand the condominium plan, in addition to complying with the same procedure, must also comply with Presidential Decree No. 1096, or the National Building Code, with respect to the building(s) included in the condominium project. The owner or developer shall submit the condominium plan in accordance with the requirements of the National Building Code to the building official of the city or municipality where the property lies and the same shall be acted upon subject to the conditions in accordance with the procedure prescribed in Section 4 of Republic Act No. 4726, or the Condominium Act.

Alterations of approved condominium plans affecting significant areas of the project, such as infrastructure and public facilities, also require prior approval of DHSUD and the city or municipal engineer.

The development of subdivision and condominium projects can only commence after the relevant government bodies have issued the required development permit and the necessary building or construction permits in accordance with the requirements of the city or municipality where the property lies. The issuance of a development permit is dependent on, among other things: (i) compliance with required project standards and technical requirements that may differ depending on the nature of the project; and (ii) issuance of the barangay clearance, the locational and zoning clearance, permits issued by the Department of Environment and Natural Resources ("**DENR**") such as the Environmental Compliance Certificate ("**ECC**"), conversion order or exemption clearance from the Department of Agrarian Reform ("**DAR**"), permit to drill from the National Water Resources Board, and such other permits and approvals. In cases where the property involved is located in an area already classified as residential, commercial, industrial or other similar development purposes, a DAR conversion order shall no longer be required as a precondition for issuance of certificate of registration and license to sell.

Developers who sell lots or units in a subdivision or a condominium project are required to register the project with and obtain a license to sell from DHSUD. Subdivision or condominium units may only be sold or offered for sale after a license to sell has been issued by DHSUD. Further, to ensure that the owner or developer of a proposed subdivision or condominium project shows firm commitment to proceed with a project, current DHSUD regulations require minimum developments before the issuance of a license to sell: (a) for subdivision projects, proof of land clearing and grubbing, road tracing and entrance gate if included in the brochure or advertisement; and (b) for condominium projects, excavation per approved plan/excavation permit is required.

As a requisite for the issuance of a license to sell, developers are required to file with DHSUD any of the following to guarantee the construction and maintenance of roads, gutters, drainage, sewerage, water system, lighting systems, and full development of the subdivision or condominium project and compliance with applicable laws, rules and regulations:

1. a surety bond equivalent to 20% of the development cost of the unfinished portion of the approved plan, issued by a duly accredited bonding company (whether private or government), and acceptable to DHSUD;

2. a real estate mortgage executed by the applicant developer as mortgagor in favor of the Republic of the Philippines, as represented by DHSUD as mortgagee over property other than that subject of the application, free from any liens and encumbrance and provided that the value of the property, computed on the basis of the zonal valuation of the Bureau of Internal Revenue, shall be at least 20% of the total development cost; or

3. other forms of security equivalent to 10% of the development cost of the unfinished portion of the approved plan which may be in the form of the following:

    a) a cash bond;

    b) a fiduciary deposit made with the cashier and/or disbursing officer of DHSUD;

    c) a certificate of guaranty deposit issued by any bank or financing institution of good standing in favor of DHSUD for the total development cost;

    d) a letter from any bank of recognized standing certifying that so much has been set aside from the bank account of the developer in favor of DHSUD, which amount may be withdrawn by DHSUD at any time the developer fails or refuses to comply with its duties and obligations under the bond contract; or

    e) any irrevocable credit line to be utilized in the development of the project from any bank of recognized standing and a refinancing re-structuring program indicating sources of funding from duly accredited funding institutions.

The DHSUD is vested with quasi-judicial powers and regulatory functions necessary for the enforcement and implementation of PD 957. Among these regulatory functions are: (i) regulation of the real estate trade and business; (ii) registration of subdivision lots and condominium projects; (iii) issuance of license to sell subdivision lots and condominium units in the registered units; (iv) approval of performance bond and the suspension of license to sell; (v) registration of dealers, brokers and salesman engaged in the business of selling subdivision lots or condominium units; (vi) revocation of registration of dealers, brokers, and salesmen; (vii) approval of mortgage on any subdivision lot or condominium unit made by the owner or developer; (viii) granting of permits for the alteration of plans and the extension of period for completion of subdivision or condominium projects; (ix) approval of the conversion to other purposes of roads and open spaces found within the project which have been donated to the city or municipality concerned; (x) regulation of the relationship between lessors and lessees; and (xi) hear and decide cases on unsound real estate business practices, claims involving refund filed against project owners, developers, dealers, brokers or salesmen, and cases of specific performance.

The DHSUD is also authorized, *motu proprio* or upon verified complaint filed by a buyer of a subdivision lot or condominium unit, to revoke the registration of any subdivision or condominium project and the license to sell any subdivision lot or condominium unit in said project upon showing that the owner or dealer:

a) is insolvent;

b) has violated any of the provisions of PD 957, or any applicable rule or regulation of DHSUD, or any undertaking under his/its bond;

c) has been or is engaged or is about to engage in fraudulent transactions;

d) has made any misrepresentation in any prospectus, brochure, circular, or other literature about the subdivision project or condominium project that has been distributed to prospective buyers;

e) is of bad repute; or

f) does not conduct his business in accordance with law or sound business principles.

A license or permit to sell may only be suspended, cancelled or revoked after a written notice to the developer has been served and all parties have been given an opportunity to be heard in compliance with DHSUD's rules of procedure and other applicable laws.

Pursuant to its regulatory functions, DHSUD recently issued Memorandum Circular No. 3, Series of 2016, or the 2015 Guidelines on Time of Completion ("**Guidelines**"). Under the Guidelines, every owner or developer is required to complete a project, including the construction and provision of amenities and facilities, improvements, infrastructures and other forms of development such as water supply and electrical facilities, which are offered and indicated in the approved project plans, brochures, prospectus, printed matters, letters or any form of advertisement, within one year from the date of the issuance of the license to sell of the project, or such other period of time as may be fixed by DHSUD.

In the case of residential subdivision project with house and lot package, there are separate periods of completion for land development and house construction. For land development, the work program or program of development submitted for approval by the owner or developer upon application for the project's Certificate of Registration and License to Sell shall primarily be the basis for fixing the period of completion. Subdivision or condominium amenities and facilities included in the approved project plans, brochures, prospectus, printed matters, letters or any forms of advertisement, should also be developed and completed within the submitted and approved period for the project's land development.

On the other hand, for projects with housing components, the period of completion and delivery of any housing unit purchased shall be explicitly provided in the contract to sell or any purchase agreement, and in the absence of such provision or in case of failure to indicate the same, the period of completion and delivery of the housing unit shall in no case exceed one year from the date of purchase.

Generally, no extension or additional period of time may be granted by DHSUD to develop and complete the project unless such failure or inability of the owner or developer to complete the project within the original period is caused by any of the following exceptional circumstances:

1. Existence of sub-soil conditions discoverable only after actual excavation works in the project and would necessarily require additional excavation time;

2. Occurrence of an event which is independent of the will of the owner or developer, unforeseeable or unavoidable, and causes damage to the on-going project that requires reconstruction or causes delays which are directly attributable to the event and renders its completion within the original approved period impossible in a normal manner; provided, that the owner or developer did not participate or aggravate the damage sustained by the project; or

3. An issuance of a lawful order of the court, government agency or local government unit resulting to the temporary enjoinment or stoppage of the construction or development of the project, except when the issuance of such order is attributable to any fault, mistake, or negligence on the part of the owner or developer, or by reason of any dispute between the owner and developer in the development and completion of the project.

In such exceptional circumstances, the project owner or developer is required to report the event to the Regional Field Office (RFO) of DHSUD where the project is registered within 30 days from its occurrence to put on record such event and its effect on the project, and also to notify all lot or unit buyers or owners of its intent to apply for additional time to complete the development of the project. The grant of additional time to complete the project is only effective upon posting by the owner or developer of an acceptable performance bond or security in accordance with existing DHSUD rules and guidelines.

Except in cases falling under the exceptional circumstance enumerated above, the non-completion of the project within the approved time of completion shall entitle an affected buyer to exercise its rights in accordance with PD 957 and the Civil Code of the Philippines, in addition to other rights and remedies provided for by other laws.

The non-completion of the project within the approved period time of completion may also subject the owner or developer to administrative fines and sanctions such as the suspension of its license to sell and issuance of a corresponding Cease and Desist Order enjoining the owner or developer from further selling any lot, building or improvement or any unit in a project, from advertising the project, and from collecting amortization payment until the project shall have been completed and a Certificate of Completion has been issued by DHSUD for the project.

B.P. 220: An Act Authorizing the Ministry of Human Settlements to Establish and Promulgate Different Levels of Standards and Technical Requirements for Economic and Socialized Housing Projects in Urban and Rural Areas from those Provided under Presidential Decrees Numbered Nine Hundred Fifty-Seven, Twelve Hundred Sixteen, Ten Hundred Ninety-Six, and Eleven Hundred Eighty-Five

The Act and its Implementing Rules and Regulations ("**Act-IRR**") apply to the development of economic and socialized housing projects in urban and rural areas. Likewise, they apply to the development of either a house and lot or a house or lot only ("**covered project**").

Under these issuances, the covered project must be approved by the DHSUD or the LGU, as the case may be, before it commences. The approval of the Preliminary Subdivision Development Plan is valid only for a period of 180 days from approval. Further, the development design and plans must undergo survey and evaluation conducted by DHSUD. The Act-IRR adopted the rules set out by P.D. 957 and its Implementing Rules.

It also sets forth minimum design standards and technical guidelines which are different from those under P.D. 957 (The Subdivision and Condominium Buyers' Protective Decree), P.D. 1216 (Defining Open Space in residential Subdivision), P.D. 1096 (National Building Code of the Philippines, and P.D. 1185 (Fire Code of the Philippines). However, possible variations of the guidelines and standards may be allowed by the DHSUD should the strict observance of such cause unnecessary hardship based on specific regional, cultural and economic setting.

A developer who intends to sell the subdivision or condominium should register the project and obtain a License to Sell ("**LTS**") from DHSUD. The notice on Application for Certificate of Registration must be published at the expense of the applicant, and a billboard notice must be posted on the project site until the issuance of the LTS. Failure to publish the notice within two weeks from receipt of notice to publish by DHSUD will require the developer to re-file the application for the Certificate of Registration.

In addition to the requirements of registration and LTS, the Act-IRR also requires the submission of a performance bond and payment of prescribed fees. The Act-IRR also proscribes any sale within two weeks from the registration of the project.

The Rules also provides for several obligations of the developer, such as the initiation of organization and registration of a homeowner's association, and the donation of roads and open spaces found in the project to LGUs of the area after their completion had been certified by the Board.

It must be noted that failure on the part of the developer to develop the project in accordance with the approved project plans within the time specified shall subject the developer to administrative sanctions and penalties. The above-mentioned Guidelines on Time of Completion is also applicable to the projects under this Act.

Further, DHSUD mandates subdivision and condominium developer to submit a copy of the special/temporary permit from the Professional Regulation Commission and of the separate permit from the Department of Labor and Employment for foreign architects who signed on plans required under the IRR of PD 957 and B.P. 220.

Executive Order No. 71, Series of 1993

Under *Executive Order No. 71, Series of 1993*, cities and municipalities assume the powers of the DHSUD over the following:

a) approval of preliminary as well as final subdivision schemes and development plans of all subdivisions, residential, commercial, industrial, and for other purposes;

b) approval of preliminary as well as final subdivision schemes and development plans of all economic and socialized housing projects;

c) evaluation and resolution of opposition against issuance of development permits for any of said projects; and

d) monitoring the nature and progress of its approved land development projects to ensure their faithfulness to the approved plans and specifications.

Republic Act No. 7279: Urban Development and Housing Act of 1992

Republic Act No. 7279, as amended recently by Republic Act No. 10884, or the Urban Development and Housing Act of 1992, requires developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least 15% of the total subdivision area or total subdivision project cost, and at least five percent (5%) of condominium area or project cost, at the option of the developer, within the same city or municipality whenever feasible, and in accordance with the standards set by DHSUD and other existing laws. Alternatively, the developer may opt to buy socialized housing bonds issued by various accredited government agencies or enter into joint venture arrangements with other developers engaged in socialized housing development.

Republic Act No. 9646: Real Estate Service Act

Real estate dealers, brokers and salesmen are also required to register with DHSUD before they can sell lots or units in a registered subdivision or condominium project. Furthermore, no person shall practice or offer to practice real estate service in the Philippines unless he/she has satisfactorily passed the licensure examination given by the Professional Regulatory Board of Real Estate Service. Under Republic Act No. 9646, or the Real Estate Service Act, the real estate service practitioners required to take the licensure examination are:

1. Real estate consultants — duly registered and licensed natural persons who, for a professional fee, compensation or other valuable consideration, offer or render professional advice and judgment on: (i) the acquisition, enhancement, preservation, utilization or disposition of lands or improvements thereon; and (ii) the conception, planning, management and development of real estate projects;

2. Real estate appraisers — duly registered and licensed natural persons who, for a professional fee, compensation or other valuable consideration, perform or render, or offer to perform services in estimating and arriving at an opinion of or act as an expert on real estate values, such services of which shall be finally rendered by the preparation of the report in acceptable written form; or

3. Real estate brokers — duly registered and licensed natural persons who, for a professional fee, commission or other valuable consideration, act as an agent of a party in a real estate transaction to offer, advertise, solicit, list, promote, mediate, negotiate or effect the meeting of the minds on the sale, purchase, exchange, mortgage, lease or joint venture, or other similar transactions on real estate or any interest therein.

Republic Act No. 4726: The Condominium Act

Under the Condominium Act, the owner of a project shall, prior to the conveyance of any condominium therein, register a declaration of restrictions relating to such project, which restrictions shall constitute a lien upon each condominium unit in the project, and shall insure to and bind all condominium owners in the project. Such liens, unless otherwise provided, may be enforced by any condominium owner in the project or by the management body of such project. The Register of Deeds ("**RD**") shall enter and annotate the declaration of restrictions upon the certificate of title covering the land included within the project.

The declaration of restrictions shall provide for the management of the project by anyone of the following management bodies: a condominium corporation, an association of the condominium owners, a board of governors elected by condominium owners, or a management agent elected by the owners or by the board named in the declaration. It shall also provide for voting majorities, quorums, notices, meeting date, and other rules governing such body or bodies.

Further, any transfer or conveyance of any unit or an apartment, office or store or other space, shall include the transfer or conveyance of the undivided interests in the common areas, or, in a proper case, the membership or shareholdings in the condominium corporation. A condominium corporation shall not, during its existence, sell, exchange, lease, or otherwise dispose of the common areas owned or held by it in the condominium project unless authorized by the affirmative vote of a simple majority of the registered owners with prior notification to all registered owners. Further, the condominium corporation may expand or integrate the project with another upon the affirmative vote of a simple majority of the registered owners, subject only to the final approval of DHSUD.

REAL ESTATE SALES ON INSTALLMENTS

Republic Act No. 6552: Maceda Law

The provisions of Republic Act No. 6552, or the Maceda Law, apply to all transactions or contracts involving the sale or financing of real estate on installment payments (including residential condominium units but excluding industrial and commercial lots).

Under the provisions of the Maceda Law, where a buyer of real estate has paid at least two years of installments, the buyer is entitled to the following rights in case he/she defaults in the payment of succeeding installments:

1. To pay, without additional interest, the unpaid installments due within the total grace period earned by him, which is fixed at the rate of one month for every one year of installment payments made. However, the buyer may exercise this right only once every five years during the term of the contract and its extensions, if any.

2. If the contract is cancelled, the seller shall refund to the buyer the cash surrender value of the payments on the property equivalent to 50% of the total payments made, and in cases where five years of installments have been paid, an additional 5% every year (but with a total not to exceed 90% of the total payments); Provided, that the actual cancellation of the contract shall take place after 30 days from receipt by the buyer of the notice of cancellation or the demand for rescission of the contract by a notarial act and upon full payment of the cash surrender value to the buyer.

The computation of the total number of installment payments made includes down payments, deposits, or options on the contract.

In the event that the buyer has paid less than two years of installments, the seller shall give the buyer a grace period of not less than 60 days from the date the installment became due. If the buyer fails to pay the installments due at the expiration of the grace period, the seller may cancel the contract after 30 days from receipt by the buyer of the notice of cancellation or the demand for rescission of the contract by a notarial act.

ZONING AND LAND USE

Republic Act No. 7160: Local Government Code of the Philippines

A city or municipality may, through an ordinance passed by the Sanggunian, after conducting public hearings for the purpose, authorize the reclassification of agricultural lands and provide for the manner of their utilization or disposition in the following cases: (i) when the land ceases to be economically feasible and sound for agriculture or (ii) where the land shall have substantially greater economic value for residential, commercial or industrial purposes, as determined by the Sanggunian concerned; provided that such reclassification shall be limited to the following percentage of total agricultural land area at the time of the passage of the ordinance:

1. For Highly Urbanized and Independent Component Cities, fifteen percent (15%);

2. For Component Cities and First to Third Class Municipalities, ten percent (10%); and

3. For Fourth to Sixth Class Municipalities, five percent (5%).

Zoning ordinances may also limit land use. Once enacted, a comprehensive land use plan approved by the relevant local government unit may restrict land use in accordance with such land use plan. Zoning ordinances may also classify lands as commercial, industrial, residential or agricultural. Lands may also be further re-classified based on a local government unit's future projection of needs.

Republic Act No. 6657: Comprehensive Agrarian Reform Law of 1988

Under Republic Act No. 6657, as amended, or the Comprehensive Agrarian Reform Law of 1988, and such other rules and regulations currently in effect in the Philippines, however, land classified for agricultural purposes as of or after June 1, 1988 cannot be converted to non-agricultural use without the prior approval of the DAR.

PROPERTY REGISTRATION

Presidential Decree No. 1529: Property Registration Decree

The Philippines has adopted a system of land registration, which evidences land ownership that is binding on all persons. Once registered, title to registered land becomes indefeasible after one year from the date of entry of the decree of registration except with respect to claims noted on the certificate of title. Title to registered lands cannot be lost through adverse possession or prescription. Presidential Decree No. 1529, as amended, or the Property Registration Decree, codified the laws relative to land registration and is based on the generally accepted principles underlying the Torrens System.

After proper survey, application, publication, service of notice and hearing, unregistered land may be brought under the system by virtue of judicial or administrative proceedings. In a judicial proceeding, the Regional Trial Court within whose jurisdiction the land is situated confirms title to the land. Persons opposing the registration may appeal the judgment to the Court of Appeals and ultimately to the Supreme Court within 15 days from receiving notice of judgment. Upon finality of judgment, the appropriate RD may issue an Original Certificate of Title ("**OCT**"). The decree of registration may be annulled on the ground of actual fraud within one year from the date of entry of the decree of registration. Similarly, in an administrative proceeding, the land is granted to the applicant by the DENR's issuance of a patent. The patent becomes the basis for issuance of the OCT by the RD. All land patents (i.e. homestead, sales and free patents) must be registered with the appropriate RD since the conveyance of the title to the land covered thereby takes effect only upon such registration.

The act of registration shall be the operative act to convey or affect the land insofar as third persons are concerned, and in all cases under the said decree, the registration shall be made in the office of the RD for the province or city where the land lies. Every conveyance, mortgage, lease, lien, attachment, order, judgment, instrument or entry affecting registered land, if filed or entered in the office of the RD for the province or city where the land to which it relates lies, shall be constructive notice to all persons from the time it is registered, filed, or entered in the records of the RD.

All interests in registered land less than ownership (such as liens created by mortgages and leases) shall be registered by filing with the RD the instrument which creates or transfers or claims such interests and by a brief memorandum thereof made by the RD upon the certificate of title, and signed by him. A similar memorandum shall also be made on the owner's duplicate.

Any subsequent transfer or encumbrance of the land must be registered in the system in order to bind third persons. Subsequent registration and a new Transfer Certificate of Title in the name of the transferee will be granted upon presentation of certain documents and payment of fees and taxes.

All documents evidencing conveyances of subdivision and condominium units should also be registered with the RD. Title to the subdivision or condominium unit must be delivered to the purchaser upon full payment of the sales price. In the event a mortgage over the lot or unit is outstanding at the time of the issuance of the title to the buyer, the owner or developer shall redeem the mortgage or the corresponding portion thereof within six months from such issuance in order that the title over any fully paid lot or unit may be secured and delivered to the buyer. To evidence ownership of condominium units, the RD issues a Condominium Certificate of Title.

NATIONALITY RESTRICTIONS

The Philippine Constitution limits ownership of land in the Philippines to Filipino citizens or to corporations the outstanding capital stock of which is at least 60% owned by Philippine Nationals. While the Philippine Constitution prescribes nationality restrictions on land ownership, there is generally no prohibition against foreigners owning building and other permanent structures. However, with respect to condominium developments, the foreign ownership of units in such developments is limited to 40%.

Republic Act No. 7042, as amended, otherwise known as the Foreign Investments Act of 1991, and the Ninth Regular Foreign Investment Negative List, provide that certain activities are nationalized or partly nationalized, such that the operation and/or ownership thereof are wholly or partially reserved for Filipinos. Under these regulations, and in accordance with the Philippine Constitution, ownership of private lands is partly nationalized and thus, landholding companies may only have a maximum of 40% foreign equity.

Considering the foregoing, for as long as the Company or any of its Subsidiaries own land in the Philippines or continue to conduct property development in the Philippines, foreign ownership in the Company is limited to a maximum of 40% of the capital stock of the Company which is outstanding and entitled to vote. Accordingly, the Company shall disallow the issuance or the transfer of Shares to persons other than Philippine Nationals and shall not record transfers in its books if such issuance or transfer would result in the Company ceasing to be a Philippine National for purposes of complying with the restrictions on foreign ownership discussed above.

Compliance with the required ownership by Philippine Nationals of a corporation is to be determined on the basis of outstanding capital stock whether fully paid or not, but only such stocks which are generally entitled to vote are considered.

In the Philippine Supreme Court case of *Wilson P. Gamboa v. Finance Secretary Margarito B. Teves*, *et. al.* dated June 28, 2011 (*G.R. No. 176579*) (the "**Gamboa Case**"), a case involving a public utility company (which under the Philippine Constitution is also subject to the 60-40 rule on capital ownership), the Philippine Supreme Court ruled that the term "capital", as used in Section 11 of Article XII of the Philippine Constitution, refers only to shares of stocks entitled to vote in the election of directors and not to the total outstanding capital stock, because it is the said voting rights which translate to control. The Supreme Court claimed that this interpretation is consistent with the intent of the framers of the Constitution to ensure that the control and management of public utilities remain with Filipino Citizens.

On October 9, 2012, the Supreme Court sitting *en banc* issued a Resolution (the "**Gamboa Resolution**") and ruled that the term "capital" as refers to both voting control and beneficial ownership of the corporation. The Supreme Court also ruled that in case a corporation engaged in a partially nationalized activity issues a mixture of common and preferred non-voting shares, the 60-40 ownership requirement under the Philippine Constitution must apply not only to shares with voting rights, but separately to all classes of shares issued by a corporation, including shares without voting rights. This is because preferred shares, though denied the right to vote for directors, are still entitled to vote on other corporate matters. Accordingly, at least 60% of the common shares and at least 60% of the preferred non-voting shares of a corporation engaged in a partially nationalized industry must be owned by Filipinos.

Thus, for purposes of establishing compliance with the 60-40 rule on capital ownership under the Philippine Constitution and the Foreign Investments Act, Filipino citizens must own (a) at least 60% of all of the issued and outstanding capital stock of such corporation (regardless of par value, whether voting or non-voting) *and* (b) at least 60% of each class of shares issued by such corporation.

Subsequent to the Gamboa Case cited above, in the December 2012 case of *Express Investments v. Bayan Telecommunications, Inc. (G.R. No. 174457-59),* the Philippine Supreme Court discussed the Gamboa ruling, and clarified that "considering that common shares have voting rights which translate to control as opposed to preferred shares which usually have no voting rights, the term 'capital' in Section 11, Article XII of the Constitution refers only to common shares." In the said case, the Supreme Court, however, added that if the preferred shares also have the right to vote in the election of directors, then the term "capital" shall include such preferred shares because the right to participate in the control or management of the corporation is exercised through the right to vote in the election of directors. The Philippine Supreme Court said that "in short, the term 'capital' in Section 11, Article XII of the Constitution refers only to shares of stock that can vote in the election of directors." This then supersedes the implied pronouncement in the Gamboa Resolution that the 60-40 ownership requirement in favor of Filipino citizens must apply to each class of shares, regardless of voting rights. Thus, the recent decisions of the Supreme Court remain consistent with the Foreign Investments Act, which apply the minimum Filipino requirements only to "shares that are generally entitled to vote."

On May 20, 2013, the SEC issued Memorandum Circular No. 8 or the *Guidelines on Compliance with the Filipino-Foreign Ownership Requirements Prescribed in the Constitution and/or Existing Laws by Corporations Engaged in Nationalized and Partly Nationalized Activities*. The Circular provides that for purposes of determining compliance therewith, the required percentage of Filipino ownership shall be applied to BOTH (a) the total number of outstanding shares of stock entitled to vote in the election of directors; AND (b) the total number of outstanding shares of stock, whether or not entitled to vote in the election of directors." In the 2016 case of *Jose M. Roy III v. Chairperson Teresita Herbosa, et. al* (*G.R. No. 207246*), the Supreme Court affirmed the validity of Memorandum Circular No. 8 in determining compliance with foreign equity restrictions of corporations engaged in nationalized activities.

In the case of Narra Nickel Mining and Development Corporation, et.al vs. Redmont Consolidated Mines Corp (*G.R. No. 195580, April 21, 2014)* (the "**Narra Nickel Case**"), the third division of the Supreme Court, in passing upon the nationality of applicants for a Mineral Production Sharing Agreement, stated that while the prevailing rule is still the use of the Control Test, the Grandfather Rule applies in instances when there is doubt as to the proper representation of the Filipino-foreign equity participation (making reference to the 1967 SEC Rules and DOJ Opinion No. 020 Series of 2005). Under the Grandfather Rule, shares owned by corporate shareholders are attributed either as part of Filipino or foreign equity by determining the nationality not only of the corporate shareholders but also such corporate shareholders' shareholders and their shareholders (and down the line).

On January 28, 2015, the Supreme Court issued a Resolution dismissing with finality the Motion for Reconsideration of its decision in the Narra Nickel Case. Thus, the Supreme Court affirmed that the Grandfather Rule is to be used jointly and cumulatively with the Control Test, as follows: (1) if the corporation's Filipino equity falls below sixty percent (60%), it is immediately considered foreign-owned, applying the Control Test; (2) if the corporation passes the Control Test, the corporation will be considered a Filipino corporation only if there is no doubt as to the beneficial ownership and control of the corporation; and (3) if the corporation passes the Control Test but there is doubt as to the beneficial ownership and control of the corporation, the Grandfather Rule must be applied.

Thus, although the Narra Nickel Case in no way abandons the use of the Control Test and the Foreign Investments Act provisions in determining the nationality of a corporation, it appears to expand and/or modify the doctrine laid in the Gamboa Case cited above. Under the Constitution, however, no doctrine or principle of law laid down by the Supreme Court in a decision *en banc* or in division may be modified or reversed except by the court sitting *en banc*.

ENVIRONMENTAL LAWS AND SAFETY STANDARDS

Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an Environmental Compliance Certificate ("**ECC**") prior to commencement. The DENR, through its regional offices or through the Environmental Management Bureau ("**EMB**"), determines whether a project is environmentally critical or located in an environmentally critical area. As a requisite for the issuance of an ECC, an environmentally critical project is required to submit an Environmental Impact Statement ("**EIS**") to the EMB while a project in an environmentally critical area is generally required to submit an Initial Environmental Examination ("**IEE**") to the proper DENR regional office. In the case of an environmentally critical project within an environmentally critical area, an EIS is required. The construction of major roads and bridges are considered environmentally critical projects for which EIS and ECC are mandatory. In determining the scope of the EIS System, two factors are considered: (i) the nature of the project and its potential to cause significant negative environmental impacts, and (ii) the sensitivity or vulnerability of environmental resources in the project area.

The EIS refers to both the document and the study of a project's environmental impact, including a discussion of the direct and indirect consequences of the project to human welfare and ecological as well as environmental integrity. The IEE refers to the document and the study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas.

While the EIS or an IEE may vary from project to project, as a minimum each contains all relevant information regarding the project's environmental effects. The entire process of organization, administration and assessment of the effects of any project on the quality of the physical, biological and socio-economic environment as well as the design of appropriate preventive, mitigating and enhancement measures is known as the EIS System. The EIS System successfully culminates in the issuance of an ECC. The issuance of an ECC is a government certification that the proposed project or undertaking will not cause a significant negative environmental impact, that the proponent has complied with all the requirements of the EIS System, and that the proponent is committed to implement its approved Environmental Management Plan in the EIS or, if an IEE was required, that it shall comply with the mitigation measures provided therein.

Project proponents that prepare an EIS are required to establish an Environmental Guarantee Fund ("**EGF**") when the ECC is issued for projects determined by the DENR to pose a significant public risk to life, health, property and the environment or where the project requires rehabilitation or restoration. The EGF is intended to meet any damages caused by such a project as well as any rehabilitation and restoration measures. Project proponents that prepare an EIS are required to include a commitment to establish an Environmental Monitoring Fund ("**EMF**") when an ECC is eventually issued. In any case, the establishment of an EMF must not be later than the initial construction phase of the project. The EMF shall be used to support the activities of a multi-partite monitoring team organized to monitor compliance with the ECC and applicable laws, rules and regulations.

While a development project may not fall under the categories wherein an ECC is required, it is still required to obtain a Certificate of Non-Coverage ("**CNC**") from the EMB or the DENR Regional Office. The applicant must submit a Project Description to the EMB, which will then evaluate whether or not an ECC is required for the project. If an ECC is not required, then the EMB will issue a CNC to be submitted to DHSUD.

Aside from the EIS and IEE, engineering, geological and geo-hazard assessments are also required for ECC applications covering subdivisions, housing and other land development and infrastructure projects.

All development projects, installations and activities that discharge liquid waste into and pose a threat to the environment of the Laguna de Bay Region are also required to obtain a discharge permit from the Laguna Lake Development Authority.

All buildings or structures as well as accessory facilities thereto shall conform in all respects to the principles of safe construction under the National Building Code. Aside from the building permit under the National Building Code, an applicant in specific instances may be required to secure a Height Clearance Permit from the Civil Aviation Authority of the Philippines.

REAL PROPERTY TAXATION

Republic Act No. 7160: Local Government Code of the Philippines

Real property taxes are payable annually or quarterly based on the property's assessed value. Assessed values are determined by applying the assessment levels (fixed by ordinances of the concerned Sanggunian) against the fair market values of real property. Under Republic Act No. 7160, as amended, or the Local Government Code of the Philippines, the assessed value of property and improvements varies depending on the location, use and nature of the property. Land is ordinarily assessed at 20% to 50% of its fair market value; buildings may be assessed up to 80% of their fair market values; and machinery may be assessed at 40% to 80% of its fair market value. Real property taxes may not exceed 2% of the assessed value in municipalities and cities within Metro Manila or in other chartered cities and 1% in all other areas. A province or city, or a municipality within Metro Manila may also levy and collect an annual tax of one percent (1%) on the assessed value of real property which shall be in addition to the basic real property tax to accrue exclusively to the Special Education Fund of the local government unit where the property is located.

CONSTRUCTION LICENSE

A regular contractor's license is required to be obtained from the Philippine Contractors Accreditation Board ("**PCAB**"). In applying for and granting such license, PCAB takes into consideration the applicant-contractor's qualifications and compliance with certain minimum requirements in the following criteria: (i) financial capacity, (ii) equipment capacity, (iii) experience of the firm, and (iv) experience of technical personnel. Philippine laws also require a contractor to secure construction permits and environmental clearances from appropriate government agencies prior to actually undertaking each project.

HOME DEVELOPMENT MUTUAL FUND

The Home Development Mutual Fund, more popularly known as the Pag-IBIG Fund ("**Pag-IBIG**"), was established on June 11, 1978 by virtue of Presidential Decree No. 1530 to provide a national savings program and affordable shelter financing for Filipino workers. Pag-IBIG is a mutual provident savings system for private and government employees and other earning groups, supported by matching mandatory contributions of their respective employers with housing as the primary investment. Pag-IBIG is statutorily mandated to provide financial assistance for the housing requirements of its members and allot not less than 70% of its investible funds for deployment of housing loans to qualified buyers.

At the time that Home Development Mutual Fund was established, the funds contributed by private employees and government employees were administered separately by the Social Security System ("**SSS**") and the Government Service Insurance System ("**GSIS**"). Less than a year after its establishment or on March 1, 1979, Executive Order No. 527 was passed directing the transfer of the administration of HDMF to the National Home Mortgage Finance Corporation ("**NHMFC**"). Executive Order No. 538 which was issued on June 4, 1979 merged the funds for private and government personnel into what is now known as the Pag-IBIG Fund.

With the signing of P.D. 1752 on December 14, 1980, Pag-IBIG was made independent from the NHMFC and was made a body corporate with its own board of trustees. Executive Order No. 90 passed on January 1, 1987 made membership to Pag-IBIG voluntary. This was subsequently amended by Republic Act 7742 on June 17, 1994, which made membership to Pag-IBIG mandatory to all employees covered by SSS and GSIS. On July 21, 2009, Republic Act No. 9679 or the Home Development Mutual Fund Law of 2009 further strengthened Pag-IBIG by making membership thereof mandatory for all Filipino employees including Filipinos employed by foreign-based employers, uniformed personnel and the self-employed.

Pag-IBIG's 2013 Accomplishment Report indicates that as of 2013, membership in the fund stood at 13.5 million. In the last 12 months, Pag-IBIG membership grew by 1.4 million members from the 2012 yearend level.

Among the benefits of membership, Pag-IBIG members may avail of housing loans to finance the purchase of a fully developed lot not exceeding 1,000 square meters and to construct a residential unit thereon or to purchase a residential unit, whether old or new, with home improvement. The housing loan proceeds may also be used to refinance an existing housing loan with an institution acceptable to Pag-IBIG, provided that, the account reflects a perfect repayment history for at least one year prior to date of application, as supported by the borrower's official receipts.

To qualify for an Pag-IBIG housing loan, a member must not be more than sixty-five (65) years old at the date of loan application nor more than seventy (70) years old at loan maturity. Further, said member must have been a member under Pag-IBIG Membership Program for at least twenty-four (24) months, as evidenced by the remittance of at least twenty-four (24) monthly mandatory savings at the time of loan application. A new member who wishes to apply for a housing loan is allowed to pay in lump sum the required twenty-four monthly mandatory savings. Similarly, members with less than twenty-four (24) mandatory savings may pay their monthly mandatory savings for the succeeding months in lump sum to be eligible for a housing loan.

A qualified Pag-IBIG member may borrow up to a maximum amount of Six Million Pesos (₱6,000,000.00), depending on the member's actual need, his loan entitlement based on gross monthly income, his loan entitlement based on capacity to pay, and the loan-to-appraisal value ratio, whichever is lower. The housing loans are charged with interest rates based on Pag-IBIG's pricing framework. Said interest rates are re-priced periodically depending on the chosen re-pricing period of the borrower whether it is after every three, five, 10 or 15 years. Members are allowed a maximum repayment period for the loan of 30 years.

Pag-IBIG's 2013 Accomplishment Report indicates that a total of ₱46.6 billion was approved for disbursement to finance 63,148 new homes for Pag-IBIG members across the Philippines for 2013.

There are two (2) modes of applying for an Pag-IBIG housing loan: (i) Retail – wherein the member applies directly to the Fund for his/her housing loan application; or (ii) Developer-Assisted – wherein the developer assists the member in his/her housing loan application.

The Developer-Assisted mode of application is in line with Pag-IBIG's objectives to fast track the government's housing program by providing an express take-out window for Pag-IBIG-accredited developers, as well as to enhance the asset quality of the Pag-IBIG's mortgage loan portfolio. Through this scheme, developers deliver housing loan applications to Pag-IBIG which are secured by Contracts to Sell ("**CTS**") or Real Estate Mortgage ("**REM**") on the residential property to which the loan proceeds are applied.

The developer receives, evaluates, pre-processes and approves the housing loan applications of Pag-IBIG's member borrowers in accordance with the applicable guidelines set by Pag-IBIG for housing loan programs. For applications secured by CTS, the developer executes a Contract-to-Sell with the Pag-IBIG member to cover the purchase of the residential property or lot to be used as collateral for the Pag-IBIG housing loan. With the conformity of the borrower, the developer then executes a Deed of Assignment assigning the CTS in favor of Pag-IBIG, which shall be annotated in the title of the property. The developer is then required to convert the security of eligible accounts from CTS to REM not later than the 24th month from date of loan takeout. For applications secured by REM, the developer is responsible for the annotation of the Loan and Mortgage Agreement on the individual Transfer Certificate of Title covering the house and lot units subject of the loan with the appropriate Register of Deeds and deliver the complete mortgage folders to Pag-IBIG.

Pag-IBIG can process and release the takeout proceeds due the developer within seven working days from the date of submission of the all the Pag-IBIG required documents.

BOARD OF INVESTMENTS

The Board of Investments ("**BOI**"), an agency attached to the Department of Trade and Industry, was created under the Omnibus Investment Code of 1987 (Executive Order No. 226, as amended). The BOI is responsible for promoting and assisting local and foreign investors to venture in desirable areas of business or economic activities.

Under the Omnibus Investment Code, preferred areas of activities or projects specified by the BOI in the Investment Priorities Plan ("**IPP**") enjoy tax exemption and other benefits to enterprises which venture into such projects. Generally, these incentives include the grant of income tax holiday, the duty-free importation of capital goods, exemption from wharfage dues and export tax, and other non-fiscal incentives such as the employment of foreign nationals, streamlined customs procedures, and the importation of consigned equipment.

Depending on whether the activity is classified as a pioneer or a non-pioneer project and provided the registered enterprise meets the project targets, the income tax holiday incentive may be granted for a period of 4 years to a maximum of 6 years. However, for eligible mass housing projects in the National Capital Region, Metro Cebu and Metro Davao region, the BOI limits the Income Tax Holiday incentive granted to such registered project to three years.

Based on the latest BOI guidelines, economic and low-cost housing projects must meet the following criteria to qualify for registration: (a) the selling price of each housing unit shall be more than Four Hundred Fifty Thousand Pesos (₱450,000.00) but not exceeding Three Million Pesos (₱3,000,000.00), (b) the project must have a minimum of 20 livable dwelling units in a single site or building, (c) the project must be new or expanding economic/low-cost housing project, (d) for vertical housing projects, at least 51% of the total floor area, excluding common facilities and parking areas, must be devoted to housing units.

All economic/low-cost housing projects are required to comply with socialized housing requirement by building socialized housing units in an area equivalent to at least 20% of the total registered project area or total BOI registered project cost for horizontal housing and 20% of the total floor area of qualified saleable housing units for vertical housing projects.

PHILIPPINE ECONOMIC ZONE AUTHORITY

The Philippine Economic Zone Authority ("**PEZA**") is an agency attached to the Department of Trade and Industry that promotes investment in areas designated special economic zones around the Philippines.

Under R.A. No. 7916, as amended, or the Special Economic Zone Act of 1995, activities eligible for registration with the PEZA are export-oriented enterprises in the fields of manufacturing, information technology service, agro-industrial, tourism and medical tourism, economic zone development and operation, and logistics and warehousing services for PEZA-registered Export Manufacturing Enterprises.

Generally, enterprises registered with PEZA and PEZA facility developers and operators enjoy fiscal and non-fiscal incentives such as income tax holiday, and duty free importation of equipment, machinery and raw materials. However, the PEZA Board issued PEZA Resolution No. 12-329 on 6 July 2012, excluding information technology ("**I.T.**") facilities projects approved after the said resolution from enjoying PEZA incentives if the projects are located in the first four PEZA-registered I.T. Parks in Metro Manila (i.e. Eastwood City Cyberpark in Quezon City, Northgate Cyber Zone in Alabang, Muntinlupa City, Robinsons Cyberpark in EDSA, Mandaluyong City and E-Square I.T. Park in Bonifacio Global City, Taguig City) and in Cebu City (Cebu I.T. Park). Notwithstanding, developers and operators of new I.T. Parks and Centers located outside Metro Manila and Cebu City remain entitled to the special five percent (5%) tax on gross income incentive and other fiscal incentives as may be provided by PEZA.

PHILIPPINE COMPETITION ACT

On July 21, 2015, the President of the Philippines signed into law Republic Act No. 10667 or the Philippine Competition Act, which became effective on August 8, 2015. It aims to enhance economic efficiency and promote free and fair competition in trade, industry and all commercial economic activities, prevent economic concentration which will manipulate or constrict the discipline of free markets, and penalize all forms of anti-competitive agreements, abuse of dominant position and anti-competitive mergers and acquisitions, with the objective of protecting consumer welfare and advancing domestic and international trade and economic development. Although the Philippine Competition Act is silent on its applicability specifically to the electric power industry, Section 55(c) of the Philippine Competition Act provides that insofar as Section 43(u) of the EPIRA is inconsistent with provisions of the Philippine Competition Act, it shall be repealed. In view of this, the Philippine Competition Commission ("**PCC**") now has the original and exclusive jurisdiction over anti-competitive cases in the energy sector.

On May 31, 2016, the PCC promulgated rules and regulations in order to effectively carry out the provisions of the Philippine Competition Act. Under the Rules, parties to a merger or acquisition are required to provide notification to the PCC when the following thresholds are met: (i) the aggregate annual gross revenues in, into or from the Philippines, or value of the assets in the Philippines of the ultimate parent company of at least one of the acquiring or acquired entities, including that of all entities that the ultimate parent company controls, directly or indirectly ("**Size of Party/Person**"), exceeds ₱1,000,000,000.00; (ii) the value of the transaction ("**Size of Transaction**") exceeds ₱1,000,000,000.00; and as a result of a proposed acquisition of voting shares of a corporation or of an interest in a non-corporate entity, the acquiring entity, together with its affiliates, would own thirty-five percent (35%) of the voting shares or shares entitled to profits, or increase the said shareholdings to fifty percent (50%).

The Size of Party/Person and Size of Transactions have been gradually increased by the PCC to ensure that the thresholds maintain their real value over time and relative to the size of the economy. Beginning March 1, 2019 and for every subsequent year, the notification thresholds will be indexed based on the official estimates by the Philippine Statistics Authority of the nominal GDP growth for the previous calendar year rounded up to the nearest hundred million.

Under Commission Resolution No. 02-2020, effective March 1, 2020, the threshold in relation to the Size of Person was increased to ₱6,000,000,000.00, and the threshold for the Size of Transaction was increased to ₱2,400,000,000.00.

Notably, Bayanihan II exempted (a) from the compulsory notification requirement all mergers and acquisitions with transaction values below ₱50,000,000,000.00 if entered into within two years from Bayanihan II's effectivity; and (b) from the power of the PCC to review mergers and acquisitions motu proprio for a period of one year from Bayanihan II's effectivity. Bayanihan II became effective immediately upon its publication in a newspaper of general circulation or in the Official Gazette. Bayanihan II was published in Manila Bulletin on September 15, 2020.

On September 24, 2020, the PCC issued Commission Resolution No. 22-2020 adopting the "Rules for the Implementation of Section 4 (eee) of Republic Act No. 11494, otherwise known as the 'Bayanihan to Recover as One Act,' Relating to the Review of Mergers and Acquisitions" (the "**Bayanihan II PCC Rules**"). Under PCC's Commission Resolution No. 22-2020, it shall be effective upon publication in a newspaper of general circulation.

The Bayanihan II PCC Rules provides that in determining the transaction value, ₱50,000,000,000.00 shall be used as the new Size of Party/Person and Size of Transaction thresholds for compulsory notification. Mergers and acquisitions with at least ₱50,000,000,000.00 transaction value, and those that are entered into before the effectivity of Bayanihan II and exceed the applicable thresholds when the definitive agreement was signed, are still subject to compulsory notification. In terms of motu proprio review, mergers and acquisitions entered into before the effectivity of Bayanihan II which have not yet been the subject of PCC's review, or pending review by PCC before the effectivity of Bayanihan II Act, are not covered by Bayanihan II's exemption. Further, under the Bayanihan II PCC Rules, mergers and acquisitions that are likely to substantially lessen competition may be reviewed motu proprio after one year from Bayanihan II's effectivity.

An agreement consummated in violation of the compulsory notification requirement shall be considered void, and shall subject the parties to an administrative fine of one percent (1%) to five percent (5%) of the value of the transaction.

The PCA likewise prohibits and imposes sanctions on:

1. Anti-competitive agreements between or among competitors, which restrict competition as to price, or other terms of trade and those fixing price at an auction or in any form of bidding including cover bidding, bid suppression, bid rotation and market allocation and other analogous practices of bid manipulation; and those which have the object or effect of substantially preventing, restricting or lessening competition;

2. Practices which are regarded as abuse of dominant position, by engaging in conduct that would substantially prevent, restrict or lessen competition; and

3. Merger or acquisitions which substantially prevent, restrict or lessen competition in the relevant market or in the market for goods or services.

DATA PROTECTION AND PRIVACY REGULATIONS

Republic Act No. 10173 or the "Data Privacy Act of 2012" ("**DPA**") applies to the processing of all types of personal information and to any natural and juridical persons engaged in personal information processing. It also covers those personal information controllers and processors who, although not found or established in the Philippines, use equipment that are located in the Philippines, or those who maintain an office, branch or agency in the Philippines.

Under the DPA and its implementing rules and regulations ("**DPA-IRR**"), the Company is required to obtain the consent of its employees with regard to the collection and processing of their personal data.

The employees as data subjects must be provided with specified information regarding the processing of their personal data, *i.e.*, scope and purpose, intended recipients of the personal data collected, retention period, rights of data subjects, etc., and must give their consent to such processing before their personal information can be lawfully collected and processed.

The DPA IRR and regulations issued by the National Privacy Commission ("**NPC**") impose a registration requirement that must be complied with by the Company. Among other requirements, the DPA also requires:

- Appointment of a Data Privacy Officer;

- Formulation of a Data Privacy Policy;

- Establishment of a data breach notification team; and

- Adoption and implementation of appropriate organizational, physical, and technical security measures.

The Company, through certain subsidiaries, has already completed registration of its data processing systems with the NPC. The Company has also implemented a Data Privacy Policy. Organizational, physical, and technical security measures intended for the protection of personal data are provided in the Company's Data Privacy Policy as well as a protocol for data breach notification.

REVISED CORPORATION CODE

Republic Act No. 11232, also known as the Revised Corporation Code, was signed into law by President Duterte on February 20, 2019. The Revised Corporation Code took effect on February 23, 2019 upon completion of its publication in Manila Bulletin and the Business Mirror on February 23, 2019.

Among the notable amendments in the Revised Corporation Code are as follows: (i) corporations are now generally given a perpetual existence; (ii) a new section on one-person corporation was added; (iii) the requirement that at least 25% of the authorized capital stock must be subscribed, and at least 25% of the subscribed shares must be paid-up upon incorporation was removed; (iv) stockholders can now vote in absentia; (v) incorporators now include any person, partnership, association or corporation; and (vi) the powers of the SEC to prosecute and investigate offenses under the Revised Corporation Code has been expanded.

REGISTRATION OF FOREIGN INVESTMENTS AND EXCHANGE CONTROLS

Under current BSP regulations, an investment in Philippine securities (such as the Offer Shares) must be registered with the BSP if the foreign exchange needed to service the repatriation of capital and/or the remittance of dividends, profits and earnings derived from such shares is to be sourced from the Philippine banking system. If the foreign exchange required to service capital repatriation or dividend remittance will be sourced outside the Philippine banking system, registration with the BSP is not required. BSP Circular No. 471 issued on January 24, 2005 subjects foreign exchange dealers and money changers to RA No. 9160 (the Anti-Money Laundering Act of 2001, as amended) and requires these non-bank sources of foreign exchange to require foreign exchange buyers to submit supporting documents in connection with their application to purchase foreign exchange for purposes of capital repatriation and remittance of dividends.

Registration of Philippine securities listed in the PSE may be done directly with a custodian bank duly designated by the foreign investor. A custodian bank may be a universal or commercial bank or an offshore banking unit registered with the BSP to act as such and appointed by the investor to register the investment, hold shares for the investor, and represent the investor in all necessary actions in connection with his investments in the Philippines. Applications for registration must be accompanied by: (i) purchase invoice, subscription agreement and proof of listing on the PSE (either or both); (ii) original certificate of inward remittance of foreign exchange and its conversion into Philippine Pesos through an authorized agent bank in the prescribed format; and (iii) authority to disclose ("**Authority to Disclose**") in the prescribed format. The Authority to Disclose allows the custodian bank to disclose to the BSP any information that may be required to comply with post-audit requirements for the registration of Peso-denominated investments.

Upon registration of the investment, proceeds of divestments, or dividends of registered investments are repatriable or remittable immediately and in full through the Philippine banking system, net of applicable tax, without need of BSP approval. Capital repatriation of investments in listed securities is permitted upon presentation of the BSP registration document ("**BSRD**") or BSRD Letter-Advice from the registering custodian bank and the broker's sales invoice, at the exchange rate prevailing at the time of purchase of the foreign exchange from the banking system. Remittance of dividends is permitted upon presentation of: (1) the BSRD or BSRD Letter-Advice; (2) the cash dividends notice from the PSE and the Philippine Depository & Trust Corp. (formerly the Philippine Central Depository) showing a printout of cash dividend payment or computation of interest earned; (3) the copy of the corporate secretary's sworn statement attesting to the board resolution covering the dividend declaration and (4) the detailed computation of the amount applied for in the format prescribed by the BSP. For direct foreign equity investments, the latest audited financial statements or interim financial statements of the investee firm covering the dividend declaration period need to be presented in addition to the documents enumerated above. Pending reinvestment or repatriation, divestment proceeds, as well as dividends of registered investments, may be lodged temporarily in interest-bearing deposit accounts. Interest earned thereon, net of taxes, may also be remitted in full. Remittance of divestment proceeds or dividends of registered investments may be reinvested in the Philippines if the investments are registered with the BSP or the investor's custodian bank.

The foregoing is subject to the power of the BSP, with the approval of the President of the Philippines, to suspend temporarily or restrict the availability of foreign exchange, require licensing of foreign exchange transactions or require delivery of foreign exchange to the BSP or its designee during a foreign exchange crisis, when an exchange crisis is imminent, or in times of national emergency. Furthermore, there can be no assurance that the foreign exchange regulations issued by the BSP will not be made more restrictive in the future.

The registration with the BSP of all foreign investments in the Offer Shares shall be the responsibility of the foreign investor.

The Company owns certain real estate and, as such, it is subject to certain nationality restrictions found under the Philippine Constitution and other laws limiting ownership to Philippine Nationals.

As of [the date of this Prospectus], the Company's level of foreign ownership is 17.5% of its equity.

ANTI-MONEY LAUNDERING

On June 29, 2021, Republic Act No. 11521, an act amending Republic Act No. 9160 or the "Anti-Money Laundering Act of 2001," was enacted. This amendment included real estate developers and brokers as covered persons. Covered persons are required to register with the Anti-Money Laundering Council, and report single cash transactions involving an amount in excess of Seven Million Five Hundred Thousand Pesos (₱7,500,000.00) and suspicious transactions.

The Company, through its Subsidiaries, has secured provisional Certificates of Registration (CORs) dated July 2021. These provisional CORs are being processed for extension and is ongoing as mandated by the AMLC rules.

DIRECTORS AND MANAGEMENT

BOARD OF DIRECTORS

The overall management and supervision of the Company is undertaken by the Company's Board of Directors. The Company's executive officers and management team cooperate with its Board by preparing appropriate information and documents concerning the Company's business operations, financial condition and results of operations for its review. Pursuant to the Company's current articles of incorporation, the Board consists of 13 members. As of the date of this Prospectus, two members of the Board are independent directors. All of the incumbent directors were re-elected at the Company's annual shareholders meeting on August 27, 2021 and will hold office for a period of one year from their election and until their successors have been duly elected and qualified.

The table below sets forth each member of the Company's Board as of the date of this Prospectus.

Name	Age	Nationality	Position
Mariano D. Martinez, Jr.	67	Filipino	Chairman of the Board
Luis N. Yu, Jr.	66	Filipino	Chairman Emeritus and Director
Atty. Anthony Vincent Sotto	46	Filipino	Director, President and CEO
Manuel C. Crisostomo.............	67	Filipino	Independent Director
Arlene C. Keh..........................	54	Filipino	Independent Director
Manuel S. Delfin, Jr.	61	Filipino	Director
Lowell L. Yu	44	Filipino	Director
Raul Fortunato R. Rocha	68	Filipino	Director
Richard L. Haosen....................	59	Filipino	Director, Treasurer and Head of Treasury
Ian Norman E. Dato..................	43	Filipino	Director
Haiqal Ali	32	Malaysian	Director
Dominic J. Picone.....................	43	Australian	Director
Roan B. Torregoza....................	36	Filipino	Director and Chief Financial Officer

The business experience of each of the directors for the last five years is set forth below.

Mariano D. Martinez, Jr.
Chairman of the Board

Mr. Martinez assumed chairmanship of the Company in September 2012. He is the President and CEO of Ceres Homes, Inc. (2002 to present). He is also the President of Kwantlen Development Corporation (2010 to present). Mr. Martinez had previously held the position of President for Happy Well Management & Collection Services Inc. (2008), BP Waterworks Inc. (1997), 8990 Luzon Housing Development Corporation (until 2011) and Fog Horn, Inc. (until 2011). He is currently a Board Advisor to the SHDA, the largest industry organization for real estate developers in the Philippines. He held the positions of Chairman (2001 – 2002) and President (1999 – 2001) for the SHDA. Mr. Martinez holds a Bachelor of Science in Business Management degree from De La Salle College (1976). Mr. Martinez has more than 30 years of experience managing and heading companies engaged in Mass Housing subdivision development .

Luis N. Yu, Jr.
Chairman Emeritus and Director

Mr. Luis N. Yu has served as a Director of 8990 Holdings, Inc. since July 2012. He is also the Chairman Emeritus of the Company. He holds a Master's degree in Business Management from the Asian Institute of Management. Mr. Yu is the Founder and Chairman Emeritus of iHoldings, Inc. since 2012. He is also the Chairman of 8990 Cebu Housing Development Corporation, 8990 Visayas Housing Development Corporation, 8990 Davao Housing Development Corporation, 8990 Mindanao Housing Development Corporation, 8990 Iloilo Housing Development Corporation and 8990 Luzon Housing Development Corporation since 2009, 8990 Housing Development Corporation since 2006, Ceres Homes Inc since 2002, N&S Homes Inc since 1998, L&D Realty Holdings Inc since 1998 and Fog Horn since 1994. He is the President of DECA Housing Corporation since 1995. He is also an Independent Director of LBC Express Holdings, Inc. since April 2015. Mr. Yu is also a Director of Global Ferronickel Holdings, Inc. since June 2016. Mr. Yu has more than 30 years of experience managing and heading companies engaged in Mass Housing subdivision development.

Atty. Anthony Vincent Sotto
Director, President and Chief Executive Officer

Atty. Sotto has been with 8990 Holdings Inc. since September 2, 2021. Atty. Sotto has been with 8990 Housing Development for almost 18 years and has the same years of experience in the real estate development industry. Prior to his joining the Company, he was an associate lawyer for Solis and Medina Law Offices. In 2003, he joined the Company as an Assistant General Manager and served as such for eight years. Thereafter, he became the General Manager of 8990 Housing Development Corporation and served as such for seven years. He then assumed the position of Deputy Chief Executive Officer in June 2019. Atty. Sotto has a Bachelor of Laws from the University of the Philippines Diliman Campus in 2001, and was admitted to the Philippine bar in 2002.

Arlene C. Keh
Independent Director

Ms. Arlene C. Keh has served as Independent Director of 8990 Holdings, Inc. since August 24, 2012. She serves as President of CG & E Holdings Corporation, Cypress Grove Estates Corporation, Bellefonte Properties, Inc., CGE South Hills Ventures, Incorporated, and Sun Bay Resorts Corp. She is also the Director of Asian Appraisal Company Incorporated, Amalgamated Project Management Services Inc., Ceres Homes, Incorporated, Canyon Hills Real Estate and Dev't Inc., Canyons Hills and Marina Inc., Country Leisure and Development Corporation, First Fortune Venture Trading Corporation, First Ideal Land Incorporated, Fog Horn Inc., Ideal Pabahay Ventures, Inc., Laurel Lakeside Corp., My Shopping Lane Cebu Corporation, and Pabahay Equity Ventures Incorporated. She is Director and Treasurer of C-5 Mansions & Development Corporation and Alabang Homes Condotel, Inc., and a Director and Corporate Secretary of Multi-Stores Corporation. She is also Chairman and President of Chahaya Corp. She is the Treasurer of Bellevue Properties, She is a Member of the Board of Governors and Corporate Secretary of SHDA, Adviser to the Board of Directors of SM Foundation, Incorporated, and a Member of the Board of Trustees of the Foundation for Professional Training, Inc. She is also a Co-Founder, Director, and Corporate Secretary of World Surgical Foundation Philippines, Inc. She is also a Commissioner of the Philippine College of Surgeons Surgery in the Underserved Regions and for Education Commission (PCS SURE Commission). She holds a Master's in Business Administration from the J.L. Kellogg Graduate School of Management, Northwestern University, Chicago, Illinois, USA, and the Hong Kong University of Science & Technology. She has a Bachelor of Science in Biology degree from University of the Philippines, where she earned the Dean's Medal for Highest Academic Achievement. She was previously Treasurer and CFO for Fortune Cement Corporation (1992-2000), Treasurer for Premiere Cement Corporation (1995-2000), Management Trainee at Citytrust Banking Corporation, Head Office (1991-1992), and Product Development & MIS Analyst at Solidbank Corporation, Head Office (1990-1991).

Manuel S. Delfin, Jr.
Director

Mr. Manuel S. Delfin, Jr., has served as a Director of 8990 Holdings, Inc. since September 2, 2014. He holds Bachelor in Zoology from University of the Philippines (1982) and a medical degree from the same university in 1986. He earned his residency from the same university in 1990 and his fellowship in Glaucoma from California Pacific Medical Center, USA. He is a consultant and Chairman of the Department of Ophthalmology in Manila Doctors Hospital and consultant at Patients First Medical Center. He is also serving as Secretary of UP Medical Foundation, President of Lakan Bakor Foundation, Treasurer of BP Water and Goodhands Management Inc., President of Philippine Glaucoma Society and Philippine Glaucoma Foundation, Director of Happy Wells Management & Corp and Director of 77 Avenida Corp. He was previously General Manager for Delfin Hermanos Inc. and Bahayang Pag-asa Inc. and Plus Builders Inc.

Lowell L. Yu
Director

Atty. Lowell L. Yu has served as a Director of 8990 Holdings, Inc. since August 29, 2014. He holds a Master's in Management from Asian Institute of Management and Bachelor of Laws (LLB) from Silliman University. He is the Chairman of Pacifica Holdings, Inc., Kuya J Group Holdings Inc., and Southeast Asian Retain Inc. He is the President of Unido Holdings, Inc., iHoldings, Inc., 8990 Leisure and Resort Inc., Seventy Seven Living Spaces Inc. He previously worked as an AVP of Business Development of Earth+Style/Quantuvis Resources (2006-2010) and Senior Associate Lawyer for Libralaw: Librarios, Devandera and Jalandoni (2002-2006).

Raul Fortunato R. Rocha
Director

Mr. Raul Fortunato R. Rocha has served as a Director of 8990 Holdings, Inc. since August 29, 2014. He graduated from Divine Word College, Legazpi City in 1976 with a degree of BSC major in Management. He was a banker for 14 years and is a businessman of real estate development and leasing. He is the President of LYRR Realty Development Corporation and Naga Queenstown Realty and Development Inc. He is also the Chairman of Tabaco Port Cargo Corp. He was the Vice President for Operations for DECA Housing Corporation from 1996 to 2013 and Bookeeper for the Bank of the Philippine Islands, Tabaco City from 1977 to 1990.

Richard L. Haosen
Director, Treasurer, and Head of Treasury

Mr. Richard L. Haosen has been Head of Treasury and Director of 8990 Holdings, Inc. since December 4, 2015, after being its Treasurer and Director since September 2, 2014. Mr. Haosen obtained his license as a Certified Public Accountant in 1982. He also has a Bachelor of Science in Commerce, major in Accounting degree from the Ateneo de Davao University, Philippines (1982). He served as Vice President/Division Head of Business Lending Division - Cebu and the Business Lending Group - Visayas/Mindanao of Metropolitan Bank and Trust Company (MBTC) (2006-2010), Branch Head of Mindanao Development Bank, Branch Operations Officer of Union Bank of the Philippines, and Branch Head of PVT Dev Corp of the Philippines.

Ian Norman E. Dato
Director

Mr. Ian Norman E. Dato has served as a Director of 8990 Holdings, Inc. since August 29, 2014. He holds a Master's of Law Degree (Master of Legal Letters) from University College London where he graduated with merit in 2011. He obtained his Juris Doctor from Ateneo de Manila University and a degree in Political Science from University of the Philippines Diliman. He is the Managing Partner of Dato Inciong & Associates and Corporate Secretary to 27 corporations. He is an incumbent director of MyMarket Inc, First Naga Rural Bank Inc. and Pacifica, Inc. and 77 Living Spaces, Inc. Atty. Dato is also the Chairman of the Board of Directors of Newmanholdings, Inc. since 2016, President of Crosschannel Imports and treasurer at Aldeaprime, Inc. and Victory Star Sea Movers Ventures, Inc. His experience includes private law practice at Ponce Enrile Reyes & Manalastas Law Offices (2012) and Kalaw Sy Vida Selva & Campos (2005-2006). He was in government service (2003-2010) in various capacities, such as Undersecretary of Justice (2010), Undersecretary of Political Affairs (2008-2010), Assistant Secretary of Political Affairs (2007-2008) and Director in the Presidential Legislative Liaison Office at the Office of the President of the Philippines (2003-2005).

Haiqal Ali
Director

Mr. Haiqal Ali is currently a Vice President in the Investments division of Khazanah Nasional Berhad where he works on private equity investments in Southeast Asia as well as consumer and healthcare sectors globally. His involvement in current and past investments include the Company, GoTo, Carsome, Flipkart, Cenergi SEA, Aemulus Holdings and Malaysia Airlines. He holds a Master's in Engineering (M.Eng.) in Chemical Engineering from University College London.

Dominic J. Picone
Director

Mr. Dominic J. Picone has served as a Director of 8990 Holdings, Inc. since August 29, 2014. He holds a Bachelor of Commerce in Finance and Bachelor of Laws (LLB) from the University of Melbourne. He is a director at (M) Towers Ltd, AP Towers Holdings Pte. Ltd, Apollo Towers Holdings Limited, Apollo Towers Pte Ltd, Blue Farm Investments Ltd, Capitol Advisory Pte. Ltd, Lumio Education Pte. Ltd., Lumio Holdings Pte Ltd., Management Tower International Pte. Ltd., Modern Retail Group Limited, Pacific Star Holdings I Pte. Ltd., Pacific Star Holdings II Pte. Ltd., PAMEL Holdings Ltd, Paramount Education (Klang) Sdn Bhd, Paramount Education Sdn Bhd, PropertyGuru Ptd. Ltd., PT BFI Finance Indonesia, Tbk, R.E.A.L. Education Group Sdn Bhd, Sri KDU Sdn Bhd, Towers (M) Holdings Pte. Ltd., TPG Asia SF V Pte. Ltd., TPG Asia VI India Markets Pte. Ltd., TPG Asia VI SF Pte. Ltd, TPG Asia VII SF Pte. Ltd., TPG Capital (S) Pte. Ltd., TPG India Markets Pte. Ltd., TPG Keyhold Success Holding Pte. Ltd., TPG Markets II SF Pte. Ltd., TPG Markets SF Pte. Ltd., TPG SF VI Pte Ltd., and

Vietnam Australia International Education Cooperation. In 2005, he worked in the Investment Banking Division of Credit Suisse First Boston in Melbourne.

Manuel C. Crisostomo
Independent Director

Mr. Manuel C. Crisostomo has served as Independent Director of 8990 Holdings, Inc. since January 29, 2016. Mr. Crisostomo was Senior Vice President of the HDMF from 2001 to 2002, capping a government career spanning various positions for 25 years. He was the President and CEO of Firm Builders Realty Development Corporation from 2005 to 2013 and served as National President and Chairman of SHDA from 2010 to 2011. Mr. Crisostomo has a BS Industrial Engineering degree from the University of the Philippines and passed the Career Executive Service Officer of the Civil Service Commission. He has been Chairman of the Nominations and Compensation Committee and Chairman of the Corporate Governance Committee, effective 1 February 2016.

Roan B. Torregoza
Director and Chief Financial Officer

Ms. Roan Buenaventura-Torregoza has served as a Director of 8990 Holdings, Inc. since September 14, 2020, and has been Chief Financial Officer at 8990 Holdings, Inc. since November 7, 2016, after being its Acting Chief Financial Officer since 2016. Prior to her current position, she served as Acting Chief Financial Officer, Assistant General Manager for Audit, and Management Services Manager for 8990 Holdings, Inc. Before joining the Company in 2014, she served as Account Officer/Assistant Manager of Wholesale Finance Department of BPI Family Savings Bank, Inc. from 2008 to 2012, and as Operations Officer/Assistant Manager at BPI Family Savings Bank, Inc. Ms. Buenaventura-Torregoza finished her Master's in Business Administration (Concentration in Finance) from Asian Institute of Management as W. Sycip Graduate School of Business Scholar in December 2013. She also has a degree in B.S. Business Administration from University of the Philippines Diliman (2007).

MANAGEMENT

The table below sets forth the Company's officers as of the date of this Prospectus.

Name	Age	Nationality	Position
Mariano D. Martinez, Jr.	67	Filipino	Chairman of the Board
Atty. Anthony Vincent Sotto	46	Filipino	President & Chief Executive Officer
Alexander Ace Sotto	41	Filipino	Chief Operating Officer
Roan B. Torregoza	36	Filipino	Chief Financial Officer
Richard L. Haosen	59	Filipino	Treasurer and Head of Treasury
Teresa C. Secuya	60	Filipino	Compliance Officer
Cristina S. Palma Gil-Fernandez	54	Filipino	Corporate Secretary
Maureen O. Lizarondo-Medina	35	Filipino	Asst. Corporate Secretary
Patricia Victoria G. Ilagan	45	Filipino	Investor Relations Officer

The business experience of each of the key executive and corporate officers for the last five years is set forth below.

Mariano D. Martinez, Jr.
Chairman of the Board
Please refer to the table of Directors above.

Atty. Anthony Vincent Sotto
President and Chief Executive Officer
Please refer to the table of Directors above.

Alexander Ace Sotto
Chief Operating Officer

Mr. Sotto has been with 8990 Holdings Inc for the past 17 years since he joined the company in 2004. He is currently the Chief Operating Officer of the Company. He was the General Manager for Construction of the Company. He also holds the positions of Governor of the SHDA for Visayas and Advisor for the SHDA in Central Visayas. He holds a Bachelor of Science degree in Civil Engineering from the University of San Carlos Technological Center, Talamban, Cebu City in 2002.

Roan B. Torregoza
Chief Financial Officer
Please refer to the table of Directors above.

Richard L. Haosen
Treasurer and Head of Treasury
Please refer to the table of Directors above.

Teresa C. Secuya
Compliance Officer

Ms. Teresa S. Secuya has served as Compliance Officer of 8990 Holdings, Inc. since 2013. Ms. Secuya is also currently the Executive Assistant to the Chairman of 8990 Luzon Housing Development Corp. Prior to her current positions, she served as Executive Assistant at 8990 Housing Development Corp. (2012-2013), Executive Assistant at Fog Horn, Inc. (2010-2012), the Executive Secretary of the President of Ceres Homes, Inc. (February 2006 to December 2009), Executive Assistant of the Chairman of Urban Basic Housing Corporation (May 1999 to January 2003), Executive Assistant for Admin Affairs of Newpointe Realty & Development Corp. (June to July 1996), Marketing Assistant of HLC Construction & Development Corp. (March to May 1996), Assistant Personal Coordinator at Lead Export Corp. (1989-1991), Settlements Aide III Secretary at the Ministry of Human Settlements (1983-1987), and Fixed-Period Clerk at Procter and Gamble Philippines. She obtained the Bachelor of Arts degree, major in Communication Arts from the Ateneo de Davao University in 1982.

Cristina S. Palma Gil-Fernandez
Corporate Secretary

Atty. Palma Gil-Fernandez assumed the position of Corporate Secretary of the Company in September 2012. Atty. Palma Gil-Fernandez graduated with a Bachelor of Arts degree, Major in History (Honors) from the University of San Francisco in 1989, and with a Juris Doctor degree, second honors, from the Ateneo de Manila University in 1995. She is currently a Partner at Picazo Buyco Tan Fider & Santos Law Offices and has over 25 years of experience in corporate and commercial law, with emphasis on the practice areas of banking, securities and capital markets (equity and debt), corporate reorganizations and restructurings and real estate. She currently serves as a Corporate Secretary of several large Philippine corporations, including three other publicly-listed Philippine corporations, and as Assistant Corporate Secretary to one of the largest publicly-listed infrastructure companies in the Philippines.

Maureen O. Lizarondo-Medina
Assistant Corporate Secretary

Atty. Maureen O. Lizarondo-Medina assumed the position of Assistant Corporate Secretary in July 2015. Atty. Lizarondo-Medina graduated cum laude with the degree of Bachelor Arts, Major in Political Science, from the University of the Philippines in 2007, and with a Juris Doctor degree, second honors, from the Ateneo de Manila University in 2011. She is currently a Partner at Picazo Buyco Tan Fider & Santos Law Offices. She also serves as Corporate Secretary of Tullett Prebon (Philippines), Inc. and ICAP Philippines, Inc. She is also the Assistant Corporate Secretary of mutual funds managed by the Philam Asset Management, Inc. including Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Asia Balanced Fund Inc., PAMI Horizon Fund Inc., and PAMI Equity Index Fund, Inc.

Patricia Victoria G. Ilagan
Investor Relations Officer

Ms. Patricia Victoria G. Ilagan joined 8990 in 2016 and is presently 8990's Investor Relations Officer. Prior to joining 8990, she worked at Philippine Equity Partners (a local research partner of Bank of America Merrill Lynch) from 2015-2017. She has an MBA degree from Esade Business School and a Bachelor of Science (Management) at Ateneo de Manila University. Her previous roles also include working as Senior Research Associate at Macquarie Capital Securities Philippines (2010-2012), Senior Manager for Financial Planning and Analysis at Bloomberry Resorts and Hotels Inc (2014-2015), Manager for Financial Planning and Analysis at Bloomberry Resorts and Casino (2012-2014).

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS OF DIRECTORS AND KEY OFFICERS

As of the date of this Prospectus, to the knowledge and/or information of the Company, none of the members of the Board of Directors and Key Officers are presently, or during the last five years, subject to any (a) bankruptcy petition by or against any business of which such director was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (b) conviction by final judgment, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign; (c) order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; or (d) judgment by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading, market or self-regulatory organization, of a violation of securities or commodities law or regulation, which judgment has not been reversed, suspended or vacated legal proceeding; which would have any material effect on the Company, its operations, reputation, or financial condition.

As of the date of this Prospectus, to the knowledge and/or information of the Company, none of the members of the Board of Directors and Key Officers are presently, or during the last five years, involved in any legal proceedings.

FAMILY RELATIONSHIPS

Lowell L. Yu, Director, is the son of Mr. Luis N. Yu, Jr., Chairman Emeritus. Apart from the foregoing, there are no other family relationships up to the fourth civil degree either by consanguinity or affinity among directors or executive officers of the Company.

SIGNIFICANT EMPLOYEES

The Company believes that it is not dependent on any single employee. The Company believes there is no non-executive employee whose resignation or loss would have a material adverse impact on the business of the Company.

CORPORATE GOVERNANCE

The Company submitted its Revised Manual on Corporate Governance (the "**Manual**") to the Philippine SEC on May 31, 2017 in compliance with SEC Memorandum Circular No. 19, series of 2016. The Company and its respective directors, officers and employees have complied with the best practices and principles on good corporate governance as embodied in its Corporate Governance Manual. An evaluation system has been established by the Company to measure or determine the level of compliance of the Board of Directors and top level management with its Manual of Corporate Governance.

The Company plans to improve corporate governance by firstly institutionalizing high standards of Corporate Governance through its standard operating procedures and manuals detailing procedures to be followed and roles to be fulfilled. It also plans to provide continuous training to its board members and senior officers to acquire the skills necessary for effective management. Further, through its Corporate Governance Committee and Audit and Risk Management Committee, the Company plans to implement a system for risk management to ensure circumspect decision-making and more accurate cost-benefit decisions. Finally, the company plans to regularly evaluate its board performance in order to identify its internal weaknesses and adopt the necessary reforms to improve in specific areas of corporate governance.

Evaluation System and Compliance

As part of its system for monitoring and assessing compliance with the Governance Manual and the Governance Code, each committee is required to report regularly to the Board of Directors and the Governance Manual is subject to quarterly review. The Compliance Officer is responsible for determining and measuring compliance with the Governance Manual and the Governance Code. To strictly observe and implement the provisions of the Governance Manual, the Company's Board of Directors may impose penalties, after notice and hearing, on the individual directors, officers, and employees, such as censure, suspension and removal from office depending on the gravity of the offense as well as the frequency of the violation. The commission of a grave violation of the Governance Manual by any member of the Board of Directors is sufficient cause for his removal as a director.

Committees of the Board

The Board created and appointed Board members to each of the committees listed below. The members of the respective committees named below hold office as of September 30, 2021, and each of them will serve until his or her successor is elected and qualified.

Executive Committee

The Executive Committee shall handle the management of the day-to-day business operations and affairs of the Company, except with respect to certain actions specifically reserved for Board action. As of the date of this Prospectus, the members of the Executive Committee are:

- Mariano D. Martinez, Jr. – Chairman
- Luis N. Yu, Jr. – Member
- Richard L. Haosen – Member

Audit and Risk Management Committee

The Audit and Risk Committee is composed of at least three appropriately qualified members of the Board who have accounting, audit, and finance backgrounds, at least one of whom is an independent director and another with audit experience. The chair of the Audit and Risk Management Committee should be an independent director.

The Audit Committee has the following functions:

a. Recommend the approval of the Internal Audit Charter (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter.

b. Through the Internal Audit (IA) Department, monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances shall be in place in order to (i) safeguard the Corporation's resources and ensure their effective utilization, (ii) prevent occurrence of fraud and other irregularities, (iii) protect the accuracy and reliability of the Corporation's financial data, and (iv) ensure compliance with applicable laws, rules and regulations;

c. Oversee the IA Department and recommend the appointment and/or grounds for approval of an internal audit head or Chief Audit Executive (CAE). The Audit Committee should also approve the terms and conditions for outsourcing internal audit services.

d. Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he should directly report to the Audit Committee;

e. Review and monitor Management's responsiveness to the Internal Auditor's findings and recommendations;

f. Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;

g. Evaluate and determine the non-audit work, if any, of the External Auditor, and periodically review the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the Corporation's overall consultancy expenses. The committee should disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Corporation's Annual Report and Annual Corporate Governance Report;

h. Review and approve the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:
    - Any change/s in accounting policies and practices
    - Areas where a significant amount of judgment has been exercised
    - Significant adjustments resulting from the audit
    - Going concern assumptions
    - Compliance with accounting standards
    - Compliance with tax, legal and regulatory requirements.

i. Review the disposition of the recommendations in the External Auditor's management letter;

j. Perform oversight functions over the Corporation's Internal and External Auditors. It ensures the independence of Internal and External Auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;

k. Coordinate, monitor and facilitate compliance with laws, rules and regulations;

l. Recommend to the Board the appointment, reappointment, removal, and fees of the External Auditor, duly accredited by the SEC, who undertakes an independent audit of the Corporation, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders; and

m. Meet with the Board at least every quarter without the presence of the CEO or other management team members, and periodically meet with the head of the internal audit.

As of the date of this Prospectus, the members of the Audit and Risk Management Committee are:

- Arlene C. Keh – Chairman
- Mariano D. Martinez, Jr. – Member
- Luis N. Yu, Jr. – Member
- Dominic J. Picone – Member
- Haiqal Ali – Member

Corporate Governance Committee

The Corporate Governance Committee is composed of at least three members of the Board, one of whom is an independent director. The Corporate Governance Committee reviews and evaluates the compliance of the Company with the Manual and the Philippine SEC Code of Corporate Governance for Publicly Listing Companies.

The Corporate Governance Committee has the following functions:

a. Oversee the implementation of the corporate governance framework and periodically review the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;

b. Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conduct an annual self-evaluation of its performance;

c. Ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;

d. Recommend continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the Board members and senior officers, and remuneration packages for corporate and individual performance;

e. Adopt corporate governance policies and ensure that these are reviewed and updated regularly, and consistently implemented in form and substance;

f. Propose and plan relevant trainings for the members of the Board;

g. Determine the nomination and election process for the Corporation's directors and has the special duty of defining the general profile of Board members that the Corporation may need and ensuring appropriate knowledge, competencies, and expertise that complement the existing skills of the Board; and

h. Establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Corporation's culture and strategy as well as the business environment in which it operates.

As of the date of this Prospectus, the members of the Corporate Governance Committee are:

- Manuel C. Crisostomo – Chairman
- Haiqal Ali – Member

Nomination and Remuneration Committee

The Nominations and Compensation Committee is composed of at least three members of the Board, one of whom is an independent director. The Nominations and Compensation Committee reviews and evaluates the qualifications of all persons nominated to the Board and other appointments that require Board approval. The Nominations and Compensation Committee may also establish a formal and transparent procedure for developing a policy on remuneration of directors and officers to ensure that their compensation is consistent with the Company's culture, strategy and the business strategy in which it operates.

As of the date of this Prospectus, the members of the Nomination and Remuneration Committee are:

- Manuel C. Crisostomo – Chairman
- Dominic J. Picone – Member

SUMMARY OF EXECUTIVE COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The following are the Company's president and four most highly compensated executive officers for the year ended December 31, 2020:

Name	**Position**
Anthony Vincent S. Sotto	President and CEO
Alexander Ace Sotto	Chief Operating Officer
Richard L. Haosen	Head of Treasury
Roan Buenaventura-Torregoza	Chief Financial Officer

The following table identifies and summarizes the aggregate compensation (actual and expected) of the Company's President and CEO and the four most highly compensated executive officers of the Company in 2022 (est) and 2021:

	Year	Salary (₱)	Bonus (₱)	Other Annual Compensation	Total (₱)
President and the four most highly compensated executive officers named above	2022 (Est.)	14,688,270.00	1,224,022.50	-	15,912,292.50
	2021	4,815,164.00	490,456.00		5,305,620.00

	Year	Salary (₱)	Bonus (₱)	Other Annual Compensation	Total (₱)
Aggregate compensation paid to all other officers as a group unnamed	2022 (Est.)	13,934,010.00	1,161,167.50	-	15,095,177.50
	2021	13,028,839.73	1,320,252.74		14,349,092.47

Compensation of Directors

The by-laws of the Company provide that, by resolution of the Board, each director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than 10% percent of the net income before tax of the Company during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders. However, since 2013, no directors' compensation was approved and given by the Board.

Currently, the directors are entitled to a per diem allowance of ₱10,000.00 for each attendance in the Company's board meetings.

There are no other arrangements for which the directors are compensated by the Company for services other than those provided as a director.

WARRANTS AND OPTIONS OUTSTANDING

There are no outstanding warrants or options held by senior management, and all officers and directors as a group.

PRINCIPAL AND SELLING SHAREHOLDERS AND SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS

SHAREHOLDERS

The table below shows the approximate number of holders of each class of shares as of December 31, 2021:

Title of Each Class	Number of Holders
Common Shares	34
Series A Preferred Shares	7
Series B Preferred Shares	4

COMMON SHAREHOLDERS

The following is the list of the top twenty (20) stockholders of the Company as of December 31, 2021:

Rank	Name of stockholder	Nature of shares	Number of shares	Percentage
1	IHOLDINGS, INC.	Common	2,183,082,107*	39.56%
2	PCD NOMINEE CORPORATION (NON-FILIPINO)	Common	958,083,130	17.36%
3	KWANTLEN DEVELOPMENT CORPORATION	Common	926,325,018*	16.79%
4	PCD NOMINEE CORPORATION (FILIPINO)	Common	852,313,778	15.45%
5	LUIS N. YU, JR.	Common	258,099,322	04.68%
6	MARIANO D. MARTINEZ JR.	Common	168,916,767	03.06%
7	UNIDO CAPITAL HOLDINGS INC.	Common	160,549,600	02.91%
8	WILLIBALDO MARIA J. UY OR HILDA L. UY	Common	8,000,000	00.14%
9	MARIA LINDA BENARES MARTINEZ	Common	2,000,000	00.04%
10	ANTHOLIN TAN MUNTUERTO	Common	300,000	00.01%
11	MARK WERNER JUECO ROSAL	Common	200,000	00.00%
12	NICOLAS CATALYA DIVINAGRACIA	Common	100,000	00.00%
13	MA. CHRISTMAS RENIVA NOLASCO	Common	11,500	00.00%
14	IAN NORMAN E. DATO	Common	5,001	00.00%
15	HECTOR ABLANG SANVICTORES	Common	2,000	00.00%
16	STEPHEN G. SOLIVEN	Common	1,500	00.00%
17	JESUS SAN LUIS VALENCIA	Common	300	00.00%
18	HAN JUN SIEW	Common	100	00.00%
19	SHAREHOLDERS' ASSOCIATION OF THE PHILIPPINES, INC.	Common	100	00.00%
20	ALEXANDER ACE S. SOTTO	Common	100	00.00%
TOTAL ISSUED AND OUTSTANDING			**5,517,990,323**	**99.99%**

excluding shares held through PCD Nominee Corporation

PRINCIPAL SHAREHOLDERS

The following table shows the persons known to the Company to be directly the record and/or beneficial owners of more than 5% of the Company's common shares as of December 31, 2021.

Title of Class	Name and Address of Record Owner and Relationship with the Company	Name of Beneficial Owner and Relationship with Record Owner	Place of Incorporation	Number of Shares[10]	Percentage of Class
Common Shares	**IHoldings, Inc.** Unit 605, Ayala FGU Center, Cebu Business Park, Cebu City	The record owner is the beneficial owner of the shares indicated.	Filipino	2,183,082,107 – direct 151,746,450 – indirect*	43.31%

[10] Nature of ownership is indicated as (R) for record owner and (B) for beneficial owners.

Common Shares	**Kwantlen Development Corporation** Unit 605, Ayala FGU Center, Cebu Business Park, Cebu City	The record owner is the beneficial owner of the shares indicated.	Filipino	926,325,018 – direct 153,316,360 – indirect*	20.03%

** held through PCD Nominee Corporation*

As of December 31, 2021, the Company's level of foreign ownership is 17.51% of its equity.

SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS

As of the date of this Prospectus, the following are the shareholdings of the Board of Directors and Senior Management. Under the Revised Corporation Code, each director is required to hold at least one share in his/her name in the books of the corporation to qualify as a member of the board of directors.

Title of Class	Name of Beneficial Owner	Position	Citizenship	Amount and Nature of Beneficial Ownership	Percentage of Total Outstanding Shares
Common	Luis N. Yu, Jr.	Chairman Emeritus and Director	Filipino	258,099,322/ Direct	4.79%
Common	Mariano D. Martinez, Jr.	Chairman of the Board	Filipino	168,916,767 / Direct 1,979,200 / Indirect*	3.17%
Common	Richard L. Haosen	Director, Treasurer, and Head of Treasury	Filipino	1 / Direct 20,000 / Indirect*	Nil
Common	Raul Fortunato R. Rocha	Director	Filipino	101/ Direct 500,000/ Indirect*	0.01%
Common	Manuel C. Crisostomo	Independent Director	Filipino	100 / Direct	Nil
Common	Arlene C. Keh	Independent Director	Filipino	1 / Direct	Nil
Common	Ian Norman E. Dato	Director	Filipino	5,001 / Direct	Nil
Common	Manuel L. Delfin, Jr.	Director	Filipino	1 / Direct	Nil
Common	Dominic J. Picone	Director	Australian	1 / Direct 99 / Indirect*	Nil
Common	Anthony Vincent S. Sotto	Director and President	Filipino	1/ Direct 5,000,000/ Indirect*	0.09%
Common	Muhammad Haiqal Bin Mohd Ali	Director	Malaysian	1 / Direct	Nil
Common	Lowell L.Yu	Director	Filipino	1 / Direct	Nil
Common	Roan Buenaventura-Torregoza	Director	Filipino	5,000,000/Direct 1,500 / Indirect*	0.09%
Common	Alexander Ace S. Sotto	Chief Operating Officer	Filipino	5,000,100	0.09%

**held through PCD Nominee Corporation*

Except for the foregoing, no other members of the Board or Senior Management own any shares in the Company.

VOTING TRUST HOLDERS OF 5% OR MORE

The Company is not aware of any person holding 5% or more of the Company's outstanding shares under a voting trust agreement or similar agreement.

CHANGES IN CONTROL

There are no arrangements that may result in a change in control of the Company.

RECENT SALE OF UNREGISTERED OR EXEMPT SECURITIES

On October 14, 2020, the Company issued Philippine Peso-denominated fixed-rate corporate notes in the principal amount of One Billion Three Hundred Million Pesos (₱1,300,000,000.00) ("**Notes**"). The Notes issuance is exempt from SEC registration, as the same were issued to qualified buyers pursuant to Section 10.1(l) of the Philippine SRC. The Notes are enrolled with Philippine Dealing & Exchange Corp. ("**PDEX**") and traded through the PDEX Trading System. The Notes have a fixed interest rate of 4.0500% per annum, and a maturity date of two years from Issue Date or on October 14, 2022. BDO Capital & Investment Corporation acted as Sole Issue Manager, Lead Arranger, and Bookrunner in respect of the Notes issuance.

THE SELLING SHAREHOLDERS AND THE OFFER

The following table below sets forth, for the Selling Shareholders, the number of Shares and percentage of outstanding shares held before the Offer, the number of shares and percentage of outstanding shares owned immediately after the Offer (assuming the Overallotment Option is not exercised), and number of shares and percentage of outstanding shares owned immediately after the Offer (assuming the Overallotment Option is fully exercised):

Selling Shareholder	Shareholding before the Offer	% of Common Shares Outstanding before the Offer	Share-holding following completion of the Offer (assuming Overallot-ment Option is not exercised)	% of Common Shares Outstan-ding following completion of the Offer (assuming Overallot-ment Option is not Exercised)	Share-holding following completion of the Offer (assuming Overallot-ment Option is fully exercised)	% of Common Shares Outstan-ding following completion of the Offer (assuming Overallot-ment Option is fully Exercised)	Share-holding following completion of the Offer and the Subscription (assuming Overallot-ment Option is fully exercised)	% of Common Shares Outstanding following completion of the Offer and the Subscription (assuming Overallot-ment Option is fully Exercised)
IHoldings, Inc.	2,334,828,557*	43.31	2,034,828,557	37.74	1,884,828,557	34.95	2,334,828,557	39.97
Pasir Salak Investments Limited	475,000,000**	8.81	0	0	0	0	0	0
TPG Rafter Holdings, Ltd.	475,000,000**	8.81	0	0	0	0	0	0

*including the shares held through PCD Nominee Corporation
**held through PCD Nominee Corporation

RELATED PARTY TRANSACTIONS

The Company and its Subsidiaries, in their ordinary course of business, engage in transactions with related parties and affiliates. These transactions include advances and reimbursement of expenses. Settlement of outstanding balances of advances at year end occurs in cash.

The summary of the Company's transactions with its related parties for the years ended December 31, 2018, 2019 and 2020 and the nine months ended September 30, 2020 and 2021, and the related outstanding balances as of December 31, 2018, 2019 and 2020, and as of September 30, 2020 and 2021 are as follows:

		Account	Outstanding Balance as of December 31,			Terms
			2018	2019	2020	
			(₱ in millions)			
Stockholders:						
	Advances	Due from related parties	248.3	178.5	249.4	Non-interest bearing, payable on demand, unsecured, gross of allowance for credit loss
	Advances	Due to related parties	(23.2)	(23.4)	(23.4)	Non-interest bearing, payable on demand, unsecured
Entities under common control:						
	Advances	Due from related parties	656.2	818.1	945.2	Non-interest bearing, payable on demand, unsecured, gross of allowance for credit loss
	Advances	Due to related parties	(29.1)	(59.2)	(210.1)	Non-interest bearing, payable on demand
Plan assets			12.1	13.3	14.3	

		Account	Outstanding Balance as of September 30,		Terms
			2020	2021	
			(₱ in millions)		
Entities under common control:					
	Advances	Due from related parties	1,344.6	1,485.6	Non-interest bearing, payable on demand
	Advances	Due to related parties	85.9	197.4	Non-interest bearing, payable on demand

TRANSFER PRICING REGULATIONS

Under Section 50 of the National Internal Revenue Code, in the case of two or more businesses owned or controlled directly or indirectly by the same interests, the BIR Commissioner is authorized to distribute, apportion, or allocate gross income or deductions between or among such businesses. On January 23, 2013, the BIR issued Regulation No. 2-2013 on Transfer Pricing Regulations (the "**Transfer Pricing Regulations**") which adheres to the arm's length methodologies set out under the Organization for Economic Cooperation and Development Transfer Pricing Guidelines. The Transfer Pricing Regulations are applicable to cross-border and domestic transactions between related parties and associated enterprises. The BIR Transfer Pricing Regulations defines related parties as two or more enterprises where one enterprise participates directly or indirectly in the management, control, or capital of the other; or if the same persons participate directly or indirectly in the management, control, or capital of the enterprises. The arm's length principle requires the transaction with a related party to be made under comparable conditions and circumstances as a transaction with an independent party such that if two related parties derive profits at levels above or below comparable market levels solely by reason of the special relationship between them, the profits will be deemed as non-arm's length. In such a case, the BIR can make the necessary adjustments to the taxable profits of the related parties so as to reflect the true value that would otherwise be derived on an arm's length basis.

DESCRIPTION OF THE SHARES

The following is general information relating to the capital stock of the Company but does not purport to be complete or to give full effect to the provisions of law and is in all respects qualified by reference to the applicable provisions of the Company's Articles of Incorporation and By-Laws.

The shares to be offered shall be Common Shares of the Company.

Pursuant to its Amended Articles of Incorporation, the Company has an authorized amount of capital stock of ₱7,000,000,000.00 divided into (i) 6,850,000,000 Common Shares, each with a par value of ₱1.00, (ii) 100,000,000 non-voting, non-convertible, non-participating, redeemable, perpetual preferred shares with a par value of ₱1.00 per share; and (iii) 5,000,000,000 voting preferred shares with a par value of ₱0.01 per share. As of the date of this Prospectus, there are (i) 5,391,399,020 Common Shares; (ii) 50,000,000 Series A Preferred Shares; and (iii) 37,000,000 Series B Preferred Shares issued and outstanding.

The Offer Shares shall be offered at a price of an Offer Price of up to ₱[18.99] per Offer Share. The determination of the Offer Price is further discussed on page [71] of this Prospectus. A total of [5,391,399,020] Common Shares will continue to be outstanding after the Offer and a total of [5,841,399,020] Common Shares will be outstanding following the Subscription (assuming the full exercise of the Overallotment Option). The Firm Shares will comprise [23.2]% of the outstanding Common Shares after the Offer.

OBJECTS AND PURPOSES

The Company has been organized primarily to purchase, subscribe for, or otherwise acquire and own, hold, use, invest in, develop, sell, assign, transfer, lease, take options to, mortgage, pledge, exchange, and in all ways deal with, personal and real property of every kind and description, including shares of the capital stock of corporations, bonds, notes, evidence of indebtedness, and other securities, contracts or obligations of any corporation, domestic or foreign, without however, engaging in dealership in securities, in stock brokerage business or in the business of an investment company.

The Company's purposes also include the following:

1. To acquire by purchase, exchange, lease, bequest, devise or otherwise; to hold, own, use, maintain, manage, improve, develop and operate; and to sell, transfer, convey, lease, mortgage, pledge, exchange or otherwise dispose of real and personal properties, including vehicles and equipment necessary for the primary business, and any and all rights, interests or privileges therein necessary or incidental to the conduct of corporate business.

2. To borrow or raise money for the conduct of the business of the Corporation, and to draw, make, accept, endorse, execute, and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness and to secure the payment thereof and of any interest thereon by mortgage upon, or pledge of, or grant of a security interest in, or conveyance or assignment in trust for, or lien upon the whole or any part of the property of the Corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds, debentures or other obligations of the Corporation for corporate purposes.

3. To invest and re-invest the money and property of the Corporation in such manner considered wise or expedient for the advancement of its interests.

4. To acquire the goodwill, rights, assets and property, and to undertake or assume the whole or any part of the obligations or liabilities, of any person, partnership, association or corporation, and to pay therefor in cash, stocks or bonds of the corporation or otherwise.

5. To aid in any lawful manner, by loan, subsidy, guaranty or otherwise, any corporation whose stocks, bonds, notes, debentures or other securities or obligations are held or controlled directly or indirectly, by the Corporation, and to do any and all lawful acts or things necessary or desirable to protect, preserve, or enhance the value of such stocks, bonds, securities or other obligations or evidences of indebtedness, and to guarantee the performance of any contract or undertaking of any person, partnership, association or corporation in which the corporation is or become interested.

6. To enter into any lawful arrangement for the sharing of profits, union of interest, reciprocal concession or cooperation with any person, partnership, association, corporation, or government or authority, domestic or foreign, in the carrying on of any business or transaction deemed necessary, convenient or incidental to carrying out any of the purposes of the Corporation.

7. To acquire or obtain from any government authority, national, provincial municipal or otherwise, or any person, partnership, association or corporation, such charters, contracts, franchise, privileges, exemptions, licenses and concessions required for the conduct of any of the purposes of the Corporation.

8. To establish and operate one or more branch offices or agencies and to carry on any or all of its operations and business, including the right to hold, purchase or otherwise acquire, lease, mortgage, pledge and convey or otherwise deal in and with real and personal property anywhere in the Philippines.

9. To conduct and transact any and all lawful activities, and to do or cause to be done any one or more of the acts and things herein set forth as its purposes, within or without the Philippines, and to do everything necessary, desirable or incidental to the accomplishment of the purposes or the exercise of any one or more of the powers herein enumerated, or which shall at any time appear conductive to or expedient for the protection or benefit of the Corporation.

Under Philippine law, a corporation may invest its funds in any other corporation or business or for any purpose other than the purpose for which it was organized when approved by a majority of the board of directors and ratified by the stockholders representing at least two-thirds of the outstanding capital stock, at a stockholders' meeting duly called for the purpose; provided, however, that where the investment by the corporation is reasonably necessary to accomplish its purposes, the approval of the stockholders shall not be necessary. Per the By-laws of the Company, its stock, property and affairs shall be exclusively managed and controlled by the board of directors.

SHARE CAPITAL

A Philippine corporation may issue common or preferred shares, or such other classes of shares with such rights, privileges or restrictions as may be provided for in the articles of incorporation and by-laws of the corporation. Subject to the approval by the Philippine SEC, it may increase or decrease its authorized capital stock by amending its articles of incorporation, provided that the change is approved by a majority of the board of directors and by shareholders representing at least two-thirds of the outstanding capital stock of the corporation voting at a shareholders' meeting duly called for the purpose.

Under Philippine law, the shares of a corporation may either be with or without a par value. All of the Common Shares currently issued have a par value of ₱1.00 per share. In the case of par value shares, where a corporation issues shares at a price above par, whether for cash or otherwise, the amount by which the subscription price exceeds the par value is credited to an account designated as additional paid-in capital or paid-in surplus.

Subject to approval by the Philippine SEC, a corporation may increase or decrease its authorized capital shares, provided that the change is approved by a majority of the board of directors of such corporation and shareholders representing at least two-thirds of the issued and outstanding capital shares of the corporation voting at a shareholders' meeting duly called for the purpose.

A corporation is empowered to acquire its own shares for a legitimate corporate purpose, provided that the corporation has unrestricted retained earnings or surplus profits sufficient to pay for the shares to be acquired. Examples of instances in which the corporation is empowered to purchase its own shares are: when the elimination of fractional shares arising out of share dividends is necessary or desirable, the purchase of shares of dissenting shareholders exercising their appraisal right (as discussed below) and the collection or compromise of an indebtedness arising out of an unpaid subscription. When a corporation repurchases its own shares, the shares become treasury shares, which may be resold at a price fixed by the board of directors of such corporation.

The Board is authorized to issue shares from treasury from time to time. Treasury shares may be issued to any person, corporation or association, whether or not a shareholder of the Company, including its officers or employees for such consideration in money as the Board may determine.

SHAREHOLDERS' RIGHTS

Voting Rights

The Company's Shares have full voting rights. However, the Revised Corporation Code provides that voting rights cannot be exercised with respect to shares declared by the board of directors as delinquent, treasury shares, or if the shareholder has elected to exercise his right of appraisal referred to below.

Dividend Rights

Under the Company's By-laws, dividends may be paid out the unrestricted retained earnings of the Company as and when the Board of Directors may elect, subject to legal requirements. Dividends are payable to all shareholders on the basis of outstanding shares of the Company held by them, each share being entitled to the same unit of dividend as any other share. Dividends are payable to shareholders whose name are recorded in the stock and transfer book as of the record date fixed by the Board of Directors. The PSE has an established mechanism for distribution of dividends to beneficial owners of shares which are traded through the PSE which are lodged with the PCD Nominee as required for scripless trading.

See "*Dividends and Dividend Policy*."

Pre-Emptive Rights

The Revised Corporation Code confers pre-emptive rights on the existing shareholders of a Philippine corporation which entitle such shareholders to subscribe to all issues or other dispositions of shares of any class by the corporation in proportion to their respective shareholdings, regardless of whether the shares proposed to be issued or otherwise disposed of are identical to the shares held. A Philippine corporation may, however, provide for the denial of these pre-emptive rights in its articles of incorporation. Likewise, shareholders who are entitled to such pre-emptive rights may waive the same through a written instrument to that effect.

The articles of incorporation of the Company deny the pre-emptive rights of its shareholders to subscribe to any or all dispositions of any class of shares.

Derivative Rights

Philippine law recognizes the right of a shareholder to institute proceedings on behalf of the corporation in a derivative action in circumstances where the corporation itself is unable or unwilling to institute the necessary proceedings to redress wrongs committed against the corporation or to vindicate corporate rights as, for example, where the directors of the corporation themselves are the malefactors.

Appraisal Rights

The Revised Corporation Code grants a shareholder a right of appraisal and demand payment of the fair value of his shares in certain circumstances where he has dissented and voted against a proposed corporate action, including:

- an amendment of the articles of incorporation which has the effect of adversely affecting the rights attached to his shares or of authorizing preferences in any respect superior to those of outstanding shares of any class;
- the extension of the term of corporate existence;
- the sale, lease, exchange, transfer, mortgage, pledge or other disposal of all or substantially all the assets of the corporation;
- a merger or consolidation; and
- investment by the corporation of funds in any other corporation or business or for any purpose other than the primary purpose for which it was organized.

In any of these circumstances, the dissenting shareholder may require the corporation to purchase its shares at a fair value, which, in default of agreement, is determined by three disinterested persons, one of whom shall be named by the shareholder, one by the corporation, and the third by the two thus chosen. Regional Trial Courts will, in the event of a dispute, determine any question about whether a dissenting shareholder is entitled to this right of appraisal. From the time the shareholder makes a demand for payment until the corporation purchases such shares, all rights accruing on the shares, including voting and dividend rights, shall be suspended, except the right of the shareholder to receive the fair value of such shares. No payment shall be made to any dissenting shareholder unless the corporation has unrestricted retained earnings sufficient to support the purchase of the shares of the dissenting shareholders.

Right of Inspection

A shareholder has the right to inspect the records of all business transactions of the corporation and the minutes of any meeting of the board of directors and shareholders at reasonable hours on business days and may demand a copy of excerpts from such records or minutes at his or her expense. However, the corporation may refuse such inspection if the shareholder demanding to examine or copy the corporation's records has improperly used any information secured through any prior examination, or was not acting in good faith or for a legitimate purpose in making his demand.

Right to Financial Statements

A shareholder has a right to be furnished with the most recent financial statement of a Philippine corporation, which shall include a balance sheet as of the end of the last taxable year and a profit or loss statement for said taxable year, showing in reasonable detail its assets and liabilities and the results of its operations. At the meeting of shareholders, the board of directors is required to present to the shareholders a financial report of the operations of the corporation for the preceding year, which shall include financial statements duly signed and certificate by an independent certified public accountant.

Change in Control

There are no existing provisions in its Articles of Incorporation or the By-Laws which will delay, defer or in any manner prevent a change in control of the Company.

BOARD OF DIRECTORS

Unless otherwise provided by law or in the articles of incorporation, the corporate powers of the Company are exercised, its business conducted, and its property controlled by the Board. Pursuant to its articles of incorporation, as amended, the Company shall have seven Directors, two of whom are independent Directors within the meaning set forth in Section 38 of the SRC. The Board shall be elected during each regular meeting of shareholders, at which shareholders representing at least a majority of the issued and outstanding capital shares of the Company are present, either in person or by proxy.

Under Philippine law, representation of foreign ownership on the Board is limited to the proportion of the foreign shareholding. Directors may only act collectively; individual directors have no power as such. Four directors, which is a majority of the Board, constitute a quorum for the transaction of corporate business. Except for certain corporate actions such as the election of officers, which shall require the vote of a majority of all the members of the Board, every decision of a majority of the quorum duly assembled as a board is valid as a corporate act.

Any vacancy created by the death, resignation or removal of a director prior to expiration of such director's term shall be filled by a vote of at least a majority of the remaining members of the Board, if still constituting a quorum, Otherwise, the vacancy must be filled by the shareholders at a meeting duly called for the purpose. Any director elected in this manner by the Board shall serve only for the unexpired term of the director whom such director replaces and until his successor is duly elected and qualified.

SHAREHOLDERS' MEETINGS

Annual or Regular Shareholders' Meetings

The Revised Corporation Code requires all Philippine corporations to hold an annual meeting of shareholders for corporate purposes including the election of directors. The By-laws of the Company provide for annual meetings on the last Monday of July of each year to be held at the principal office of the Company and at such hour as specified in the notice.

Special Shareholders' Meeting

Special meetings of shareholders, for any purpose or purposes, may at any time be called by either the president or a majority of the Board of Directors, whenever he or they shall deem it necessary.

Notice of Shareholders' Meeting

Whenever shareholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, date and time of the meeting, and the purpose or purposes for which the meeting is called. The Company's By-laws provide that notices of the time and place of the annual and special meetings of the shareholders shall be given either by mailing the same enclosed in a postage-prepaid envelope, addressed to each shareholder of record at the address left by such shareholder with the Secretary of the Company, or at his last known post-office address, or by delivering the same to him in person, at least two (2) weeks before the date set for such meeting. Notice to any special meeting must state, among others, the matters to be taken up in the said meeting, and no other business shall be transacted at such meeting except by consent of all the shareholders present, entitled to vote. No notice of meeting need be published in any newspaper, except when necessary to comply with the special requirements of the Revised Corporation Code. Shareholders entitled to vote may, by written consent, waive notice of the time, place and purpose of any meeting of shareholders and any action taken at such meeting pursuant to such waiver shall be valid and binding. When the meeting of the shareholders is adjourned to another time or place, notice of the adjourned meeting need not be provided so long as the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At the reconvened meeting, any business may be transacted that might have been transacted on the original date of the meeting.

Quorum

Unless otherwise provided by an existing shareholders' agreement or by law, in all regular or special meeting of shareholders, a majority of the outstanding capital shares must be present or represented in order to constitute a quorum, except in those cases where the Revised Corporation Code provides a greater percentage vis-a-vis the total outstanding capital shares. If no quorum is constituted, the meeting shall be adjourned until the requisite amount of shares shall be presented.

Pursuant to the Company's By-laws, the chairman of the board, or in case of his absence or disability, the president, may then call to order any meeting of the stockholders, and proceed to the transaction of business, provided a majority of the shares issued and outstanding be present, either in person or by proxy; but if there be no quorum present at any meeting, the meeting may be adjourned by the stockholders present from time to time until the quorum shall be obtained. If neither the chairman of the board nor the president is present, then the meeting is to be conducted by a chairman to be chosen by the stockholders.

Voting

At all meetings of shareholders, a holder of Common Shares may vote in person or by proxy, for each share held by such shareholder.

Fixing Record Dates

Under existing Philippine SEC rules, cash dividends declared by corporations whose shares are listed on the PSE shall have a record date which shall not be less than 10 or more than 30 days from the date of declaration. With respect to share dividends, the record date shall not be less than 10 or more than 30 days from the date of shareholder approval; provided, however, that the record date set shall not be less than 10 trading days from receipt by the PSE of the notice of declaration of share dividends. In the event that share dividends are declared in connection with an increase in the authorized capital shares, the corresponding record date shall be fixed by the Philippine SEC.

Matters Pertaining to Proxies

Shareholders may vote at all meetings the number of shares registered in their respective names, either in person or by proxy duly given in writing and duly presented to the Corporate Secretary before or during the meeting. Unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been presented to the Corporate Secretary.

Proxies should comply with the relevant provisions of the Revised Corporation Code, the SRC, the IRRs, and regulations issued by the Philippine SEC.

DIVIDENDS

The Common Shares have full dividend rights. Dividends on the Company's Common Shares, if any, are paid in accordance with Philippine law. Dividends are payable to all shareholders on the basis of outstanding Common Shares held by them, each Common Share being entitled to the same unit of dividend as any other Common Share. Dividends are payable to shareholders whose names are recorded in the stock and transfer book as of the record date fixed by the Company's Board of Directors. The PSE has an established mechanism for distribution of dividends to beneficial owners of Common Shares which are traded through the PSE which are lodged with the PCD Nominee as required for scripless trading.

The Company's current dividend policy with respect to the Common Shares provides that subject to available cash and existence of unrestricted retained earnings, at least 50% of the net income of the Company for the preceding fiscal year will be declared as dividends. See "*Dividends and Dividend Policy*.

TRANSFER OF SHARES AND SHARE REGISTER

All transfers of shares on the PSE shall be effected by means of a book-entry system. Under the book-entry system of trading and settlement, a registered shareholder shall transfer legal title over the shares to a nominee, but retains beneficial ownership over the shares. The transfer of legal title is done by surrendering the stock certificate representing the shares to participants of the PDTC System (i.e., brokers and custodian banks) that, in turn, lodge the same with the PCD Nominee Corporation, a corporation wholly-owned by the PDTC (the "PCD Nominee"). A shareholder may request upliftment of the shares from the PDTC, in which case a stock certificate will be issued to the shareholder and the shares registered in the shareholder's name in the books of the Company. See "The Philippine Stock Market."

Philippine law does not require transfers of the Common Shares to be effected on the PSE, but any off-exchange transfers will subject the transferor to a capital gains tax that may be significantly greater than the share transfer tax applicable to transfers effected on the PSE. See "Philippine Taxation." All transfers of shares on the PSE must be effected through a licensed stockbroker in the Philippines.

Issues of Shares

Subject to otherwise applicable limitations, the Company may issue additional Common Shares to any person for consideration deemed fair by the Board, provided that such consideration shall not be less than the par value of the issued Common Shares. No share certificates shall be issued to a subscriber until the full amount of the subscription together with interest and expenses (in case of delinquent Common Shares) has been paid and proof of payment of the applicable taxes shall have been submitted to the Company's Corporate Secretary. Under the PSE Rules, only fully-paid shares may be listed on the PSE.

Share Certificates

Certificates representing the Common Shares will be issued in such denominations as shareholders may request, except that certificates will not be issued for fractional shares. Shareholders wishing to split their certificates may do so upon application to the Company's share transfer agent, Securities Transfer and Services, Inc., which will maintain the share register. Common Shares may also be lodged and maintained under the book-entry system of the PDTC. See "*The Philippine Stock Market*."

MANDATORY TENDER OFFERS

Pursuant to the SRC and its implementing rules and regulations, it is mandatory for any person or group of persons acting in concert to make a tender offer to all the shareholders of the target corporation before the intended acquisition of:

- 35% of the outstanding voting shares or such outstanding voting shares that are sufficient to gain control of the board in a public company in one or more transactions within a period of 12 months;
- 35% of the outstanding voting shares or such outstanding voting shares that are sufficient to gain control of the board in a public company directly from one or more stockholders; or

- equity which would result in ownership of over 50% of the outstanding equity securities of a public company.

Pertaining to the first instance, when the securities tendered pursuant to such an offer exceed the number of shares that the acquiring person or group of persons is willing to acquire, the securities shall be purchased from each tendering shareholder on a pro rata basis according to the number of securities tendered by each security holder. In the event that the tender offer is oversubscribed, the aggregate amount of securities to be acquired at the close of such tender offer shall be proportionately distributed to both selling shareholders with whom the acquirer may have been in private negotiations with and the minority shareholders.

Pertaining to the second instance, the tender offer shall be made for all the outstanding voting shares. The sale of shares pursuant to the private transaction with the stockholders shall not be completed prior to the closing and completion of the tender offer.

Pertaining to the third instance, the acquirer shall be required to make a tender offer for all the outstanding equity securities to all remaining stockholders of the company at a price supported by a fairness opinion provided by an independent financial advisor or equivalent third party. The acquirer shall be required to accept all securities tendered.

Further, no mandatory tender is required on:

- purchases of shares from unissued capital shares unless such purchases will result in a 50% or more ownership of shares by the purchaser or such percentage that is sufficient to gain control of the Board;
- purchases from an increase in the authorized capital shares of the target company;
- purchases in connection with a foreclosure proceeding involving a pledge or security where the acquisition is made by a debtor or creditor;
- purchases in connection with a privatization undertaken by the government of the Philippines;
- purchases in connection with corporate rehabilitation under court supervision;
- purchases through an open market at the prevailing market price; or
- purchases resulting from a merger or consolidation.

FUNDAMENTAL MATTERS

The Revised Corporation Code provides that certain significant acts may only be implemented with shareholders' approval. The following require the approval of shareholders representing at least two-thirds of the issued and outstanding capital shares of the corporation in a meeting duly called for the purpose:

- amendment of the articles of incorporation;
- removal of directors;
- sale, lease, exchange, mortgage, pledge or other disposition of all or a substantial part of the assets of the corporation;
- investment of corporate funds in any other corporation or business or for any purpose other than the primary purpose for which the corporation was organized;
- declaration or issuance of share dividends;
- delegation to the board of directors of the power to amend or repeal by-laws or adopt new by-laws;
- merger or consolidation;
- dissolution;
- an increase or decrease in capital shares;
- ratification of a contract of a directors or officer with the corporation;
- extension or shortening of the corporate term;

- creation or increase of bonded indebtedness; and
- management contracts with related parties.

The approval of shareholders holding a majority of the outstanding capital shares of a Philippine corporation, including non-voting preferred shares, is required for the adoption or amendment of the by-laws of such corporation.

ACCOUNTING AND AUDITING REQUIREMENTS

Philippine stock corporations are required to file copies of their annual financial statements with the Philippine SEC. In addition, public corporations are required to file quarterly financial statements (for the first three quarters) with the Philippine SEC. Those corporations whose shares are listed on the PSE are additionally required to file said quarterly and annual financial statements with the PSE. Shareholders are entitled to request copies of the most recent financial statements of the corporation which include a statement of financial position as of the end of the most recent tax year and a profit and loss statement for that year. Shareholders are also entitled to inspect and examine the books and records that the corporation is required by law to maintain.

The Board is required to present to shareholders at every annual meeting a financial report of the operations of the Company for the preceding year. This report is required to include audited financial statements.

MARKET PRICE OF COMPANY'S STOCK AND RELATED STOCKHOLDER MATTERS

The Company's Common Shares are listed and traded on the PSE under the symbol "HOUSE." Below are the high and low sale prices for calendar years 2018 to 2021:

Period	High	Low
Calendar Year 2021		
Fourth Quarter	11.92	9.20
Third Quarter	9.50	7.02
Second Quarter	7.69	7.12
First Quarter	8.24	7.00
Calendar Year 2020		
Fourth Quarter	9.09	6.41
Third Quarter	9.68	6.72
Second Quarter	12.00	9.61
First Quarter	14.86	11.96
Calendar Year 2019		
Fourth Quarter	15.04	14.70
Third Quarter	15.86	15.04
Second Quarter	16.28	12.90
First Quarter	13.44	8.23
Calendar Year 2018		
Fourth Quarter	8.10	7.00
Third Quarter	7.95	7.10
Second Quarter	7.64	6.42
First Quarter	7.22	6.06

On January 27, 2022, the closing price of the Company's Common Shares on the PSE was ₱11.40 per Common Share.

THE PHILIPPINE STOCK MARKET

The information presented in this section has been extracted from publicly available documents which have not been prepared or independently verified by the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners, the Joint Domestic Lead Underwriters and Joint Bookrunners, or any of the Company or the Selling Shareholders' Affiliates or advisors in connection with the offer and sale of the Offer Shares.

BRIEF HISTORY

The Philippines initially had two stock exchanges, the Manila Stock Exchange, which was organized in 1927, and the Makati Stock Exchange, which began operations in 1963. Each exchange was self-regulatory, governed by its respective Board of Governors elected annually by its members.

Several steps initiated by the Government have resulted in the unification of the two bourses into the PSE. The PSE was incorporated on July 24, 1992 as a non-stock corporation by officers of both the Makati and the Manila Stock Exchanges. In March 1994, the licenses of the two exchanges were revoked. The PSE previously maintained two trading floors, one in Makati City and the other in Pasig City, which were linked by an automated trading system that integrated all bid and ask quotations from the bourses. In February 2018, the PSE transferred to its new office located at the PSE Tower, Bonifacio Global City, Taguig City. The PSE Tower houses the PSE corporate offices and a single, unified trading floor.

In June 1998, the Philippine SEC granted the PSE "Self-Regulatory Organization" status, allowing it to impose rules as well as implement penalties on erring trading participants and listed companies. On August 8, 2001, the PSE completed its demutualization, converting from a non-stock member-governed institution into a stock corporation in compliance with the requirements of the SRC. Each of the [125] member-brokers was granted 50,000 shares of the new PSE at a par value of ₱1.00 per share. In addition, a trading right evidenced by a "Trading Participant Certificate" was immediately conferred on each member-broker allowing the use of the PSE's trading facilities. As a result of the demutualization, the composition of the PSE Board of Governors was changed, requiring the inclusion of seven brokers and eight non-brokers, one of whom is the President. On December 15, 2003, the PSE listed its shares by way of introduction at its own bourse as part of a series of reforms aimed at strengthening the Philippine securities industry. As of September 30, 2021, the PSE has an authorized capital stock of ₱120 million, of which ₱85.4 million are issued and ₱81.9 million are outstanding.

Classified into financial, industrial, holding firms, property, services, and mining and oil sectors, companies are listed either on the PSE's Main Board or the Small, Medium and Emerging Board. On April 3, 2013, the PSE issued Rules on Exchange Traded Funds ("**ETF**") which provides for the listing of ETFs on an ETF Board separate from the PSE's existing boards. Previously, the PSE allowed listing on the First Board, Second Board or the Small, Medium and Enterprises Board. With the issuance by the PSE of its Memorandum No. CN-No. 2013-0023 dated June 6, 2013, revisions to the PSE Listing Rules were made, among which changes are the removal of the Second Board listing and the requirement that lock-up rules be embodied in the articles of the incorporation of the Company. Each index represents the numerical average of the prices of component stocks. The PSE has an index, referred to as the PSEi (previously "PHISIX"), which as of the date thereof reflects the price movements of selected stocks listed on the PSE, based on traded prices of stocks from the various sectors. The PSE shifted from full market capitalization to free float market capitalization effective as of April 3, 2006 simultaneous with the migration to the free float index and the renaming of the PHISIX to PSEi. The PSEi is composed of 30 selected stocks listed on the PSE. In July 2010, the PSE's new trading system, now known as PSE Trade, was launched. In June 2015, the PSE Trade system was replaced by PSE Trade XTS.

The PSE launched its Corporate Governance Guidebook in November 2010 as another initiative of the PSE to promote good governance among listed companies. It is composed of ten guidelines embodying principles of good business practice and based on internationally recognized corporate governance codes and best practices.

With the increasing calls for good corporate governance, the PSE has adopted an online daily disclosure system to improve the transparency of listed companies and to protect the investing public. In December 2013, the PSE replaced its online disclosure System ("**OdiSy**") with a new disclosure system, the PSE Electronic Disclosure Generation Technology ("**EDGE**"). EDGE was acquired from the Korea Exchange and is a fully automated system, equipped with a variety of features to (i) further standardize the disclosure reporting process of listed companies on the PSE, (ii) improve investors' disclosure searching and viewing experience and (iii) enhance overall issuer transparency in the market.

On March 22, 2018, the PSE completed a stock rights offering of 11,500,000 Common Shares which were offered at the price of ₱252.00 per share, or a total of ₱2,898,000,000. The proceeds of the stock rights offering will be used to fund the acquisition of PDS and capital expenditure requirements of the PSE. As of September 30, 2021, the PSE has an authorized capital stock of ₱120 million, of which 85,406,248 shares are issued. Out of this total, 81,892,297 shares are outstanding, and 3,513,951 are treasury shares.

The table below sets out movements in the composite index from 2005 to 2020, and shows the number of listed companies, market capitalization, and value of shares traded for the same period:

Year	Composite Index at Closing	Number of Listed Companies	Aggregate Market Capitalization (₱ Bn)	Combined Value of Turnover (₱ Bn)
2005	2,096.0	237	5,948.4	383.5
2006	2,982.5	240	7,172.8	572.6
2007	3,621.6	244	7,978.5	1,338.3
2008	1,872.9	246	4,069.2	763.9
2009	3,052.7	248	6,029.1	994.2
2010	4,201.1	253	8,866.1	1,207.4
2011	4,372.0	253	8,697.0	1,422.6
2012	5,812.7	254	10,930.1	1,771.7
2013	5,889.8	257	11,931.3	2,546.2
2014	7,230.6	263	14,251.7	2,130.1
2015	6,952.1	265	13,465.2	2,151.4
2016	7,629.7	268	14,438.8	1,929.5
2017	8,558.4	267	17,538.1	1,958.4
2018	7,466.0	267	16,146.7	1,736.8
2019	7,815.3	271	16,710	1,770.0
2020	7,139.71	274	15,888.92	1,770.90

Source: PSE and PSE Annual Reports.

TRADING

The PSE is a double auction market. Buyers and sellers are each represented by stock brokers. To trade, bid or ask prices are posted on the PSE's electronic trading system. A buy (or sell) order that matches the lowest asked (or highest bid) price is automatically executed. Buy and sell orders received by one broker at the same price are crossed at the PSE at the indicated price. Transactions are generally invoiced through a confirmation slip sent to customers on the trade date (or the following trading day). Payment of purchases of listed securities must be made by the buyer on or before the third trading day (the settlement date) after the trade.

Prior to March 2020, equities trading on the PSE started at 9:30 a.m. and ended at 12:00 p.m. for the morning session, and resumed at 1:30 p.m. and ends at 3:30 p.m. for the afternoon session, with a ten-minute extension during which transactions may be conducted, provided that they are executed at the last traded price and are only for the purpose of completing unfinished orders. Trading days are Monday to Friday, except legal and special holidays and days when the BSP clearing house is closed. However, with the implementation of the community quarantine measures in Metro Manila, beginning March 16, 2020 and until further notice, the PSE implemented shortened trading hours to end at 1:00 p.m. On November 22, 2021, the PSE issued a Memorandum informing the investing public and trading participants that the PSE will revert to its regular pre-pandemic full day five hour trading schedule, beginning at 9:30 a.m. and ending at 3:00 p.m, with a one hour break from 12:00 p.m. to 1:00 p.m.

Minimum trading lots range from 5 to 1,000,000 shares depending on the price range and nature of the security traded. The minimum trading lot for the Company's Shares is 10 shares. Odd-sized lots are traded by brokers on a board specifically designed for odd-lot trading.

To maintain stability in the stock market, daily price swings are monitored and regulated. Under current PSE regulations, whenever an order will result in a breach of the trading threshold of a security within a trading day, the trading of that security will be frozen. Orders cannot be posted, modified or cancelled for a security that is frozen. In cases where an order has been partially matched, only the portion of the order that will result in a breach of the trading threshold will be frozen. Where the order results in a breach of the trading threshold, the following procedures shall apply:

- In case the static threshold is breached, the PSE will accept the order, provided the price is within the allowable percentage price difference under the implementing guidelines of the revised trading rules (i.e., 50% of the previous day's reference or closing price, or the last adjusted closing price); otherwise, such order will be rejected. In cases where the order is accepted, the PSE will adjust the static threshold to 60%. All orders breaching the 60% static threshold will be rejected by the PSE.

- In case the dynamic threshold is breached, the PSE will accept the order if the price is within the allowable percentage price difference under the existing regulations (i.e., 20% for security cluster A and newly-listed securities, 15% for security cluster B and 10% for security cluster C); otherwise, such order will be rejected by the PSE.

NON-RESIDENT TRANSACTIONS

When the purchase/sale of Philippine shares involves a non-resident, whether the transaction is effected in the domestic or foreign market, it will be the responsibility of the securities dealer/broker to register the transaction with the BSP. The local securities dealer/broker shall file with the BSP, within three business days from the transaction date, an application in the prescribed registration form. After compliance with other required undertakings, the BSP shall issue a Certificate of Registration. Under BSP rules, all registered foreign investments in Philippine securities including profits and dividends, net of taxes and charges, may be repatriated.

SETTLEMENT

The Securities Clearing Corporation of the Philippines ("**SCCP**") is a wholly-owned subsidiary of the PSE, and was organized primarily as a clearance and settlement agency for SCCP-eligible trades executed through the facilities of the PSE. SCCP received its permanent license to operate on January 17, 2002. It is responsible for: (1) synchronizing the settlement of funds and the transfer of securities through delivery versus payment, as well as clearing and settlement of transactions of clearing members, who are also PSE Trading Participants; (2) guaranteeing the settlement of trades in the event of a PSE Trading Participant's default through the implementation of its "Fails Management System" and administration of the Clearing and Trade Guaranty Fund, and; (3) performance of risk management and monitoring to ensure final and irrevocable settlement.

SCCP settles PSE trades on a three-day rolling settlement environment, which means that settlement of trades takes place three business days after transaction date (T+3). The deadline for settlement of trades is 12:00 noon of T+3. Securities sold should be in scripless form and lodged under the book entry system of the PDTC. Each PSE Trading Participant maintains a Cash Settlement Account with one of the nine existing Settlement Banks of SCCP which are Banco De Oro Unibank, Inc. ("**BDO Unibank**"), Rizal Commercial Banking Corporation ("**RCBC**"), Metropolitan Bank & Trust Company ("**Metrobank**"), Deutsche Bank ("**DB**"), Union Bank of the Philippines ("**Unionbank**"), The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**"), Maybank Philippines, Inc. ("**Maybank**") and Asia United Bank Corporation ("**AUB**") and China Banking Corporation ("**China Bank**"). Payment for securities bought should be in good, cleared funds and should be final and irrevocable. Settlement is presently on a broker level.

SCCP implemented its Central Clearing and Central Settlement ("**CCCS**") system in May 29, 2006. CCCS employs multilateral netting, whereby the system automatically offsets "buy" and "sell" transactions on a per issue and a per flag basis to arrive at a net receipt or a net delivery security position for each clearing member. All cash debits and credits are also netted into a single net cash position for each clearing member. Novation of the original PSE trade contracts occurs, and SCCP stands between the original trading parties and becomes the Central Counterparty to each PSE-eligible trade cleared through it.

SCRIPLESS TRADING

In 1995, the PDTC, was organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines. On December 16, 1996, the PDTC was granted a provisional license by the Philippine SEC to act as a central securities depository.

All listed securities at the PSE have been converted into book-entry settlement in the PDTC. The depository service of the PDTC provides the infrastructure for lodgment (deposit) and upliftment (withdrawal) of securities, pledge of securities, securities lending and borrowing and corporate actions including shareholders' meetings, dividend declarations and rights offerings. The PDTC also provides depository and settlement services for non-PSE trades of listed equity securities. For transactions on the PSE, the security element of the trade will be settled through the book-entry system, while the cash element will be settled through the current settlement banks, BDO Unibank, RCBC, Metrobank, DB, Unionbank, HSBC, Maybank, AUB and China Bank.

In order to benefit from the book-entry system, securities must be immobilized into the PDTC system through a process called lodgment. Lodgment is the process by which shareholders transfer legal title (but not beneficial title) over their shares of stock in favor of PCD Nominee Corporation ("**PCD Nominee**"), a corporation wholly owned by the PDTC whose sole purpose is to act as nominee and legal title holder of all shares of stock lodged into the PDTC. "**Immobilization**" is the process by which the warrant or share certificates of lodging holders are cancelled by the transfer agent and the corresponding transfer of beneficial ownership of the immobilized shares to PCD Nominee will be recorded in the issuer's registry. This trust arrangement between the participants and PDTC through PCD Nominee is established by and explained in the PDTC Rules and Operating Procedures approved by the Philippine SEC. No consideration is paid for the transfer of legal title to PCD Nominee. Once lodged, transfers of beneficial title of the securities are accomplished via book-entry settlement.

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

Any beneficial owner of shares who wishes to trade his interests in the shares must execute the trade through a participant. The participant can execute PSE trades and non-PSE trades of lodged equity securities through the PDTC system. All matched transactions in the PSE trading system will be fed through the SCCP and into the PDTC system. Once it is determined on the settlement date (T+3) that there are adequate securities in the securities settlement account of the participant-seller and adequate cleared funds in the settlement bank account of the participant-buyer, the PSE trades are automatically settled in the CCCS system, in accordance with the SCCP and PDTC Rules and Operating Procedures. Once settled, the beneficial ownership of the securities is transferred from the participant-seller to the participant-buyer without the physical transfer of stock certificates covering the traded securities.

If a shareholder wishes to withdraw his stockholdings from the PDTC System, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedure of the PDTC for the upliftment of shares lodged under the name of PCD Nominee. The transfer agent shall prepare and send a Registry Confirmation Advice to the PDTC covering the new number of shares lodged under PCD Nominee. The expenses for upliftment are generally on the account of the uplifting shareholder.

The difference between the depository and the registry would be on the recording of the shares in the issuing corporations' books. In the depository set-up, shares are simply immobilized, wherein customers' certificates are cancelled and a confirmation advice is issued in the name of PCD Nominee Corp. Transfers among/between broker and/or custodian accounts, as the case may be, will only be made within the book-entry system of PDTC. However, as far as the issuing corporation is concerned, the underlying certificates are in the nominee's name. In the registry set-up, settlement and recording of ownership of traded securities will already be directly made in the corresponding issuing company's transfer agents' books or system. Likewise, recording will already be at the beneficiary level (whether it be a client or a registered custodian holding securities for its clients), thereby removing from the broker its current "de facto" custodianship role.

AMENDED RULE ON LODGMENT OF SECURITIES

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

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

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

Pursuant to the said amendment, the PDTC issued an implementing procedure in support thereof as follows:

- For new companies to be listed at the PSE as of July 1, 2009 the usual procedure will be observed but the Transfer Agent of the companies shall no longer issue a certificate to PCD Nominee Corp. but shall issue a Registry Confirmation Advice, which shall be the basis for the PDTC to credit the holdings of the Depository Participants on listing date.
- On the other hand, for existing listed companies, the PDTC shall wait for the advice of the Transfer Agents that it is ready to accept surrender of PCNC jumbo certificates and upon such advice the PDTC shall surrender all PCNC jumbo certificates to the Transfer Agents for cancellation. The Transfer Agents shall issue a Registry Confirmation Advice to PCNC evidencing the total number of shares registered in the name of PCNC in the issuer's registry as of confirmation date.

ISSUANCE OF STOCK CERTIFICATES FOR CERTIFICATED SHARES

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

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

AMENDED RULE ON MINIMUM PUBLIC OWNERSHIP

Under the PSE Amended Rule on Minimum Public Ownership, listed companies are required, at all times, to maintain a minimum percentage of listed securities held by the public of 10.0% of the listed companies' total issued and outstanding shares (i.e., exclusive of treasury shares), or at such percentage that may be prescribed by the PSE. For purposes of determining compliance with the MPO, shares held by the following are generally considered "held by the public": (a) individuals (for as long as the shares held are not of a significant size (i.e., less than 10.0%) and are non-strategic in nature; (b) trading participants (for as long as the shares held are non-strategic in nature); (c) investment and mutual funds; (d) pension funds; (e) PCD nominees if this account constitutes a number of shareholders, none of which has significant holdings (provided that if an owner of shares under the PCD Nominee has a shareholding that is 10% or more of the total issued and outstanding shares, then this shareholder is considered a principal stockholder); and (f) social security funds.

Listed companies that become non-compliant with the MPO on or after January 1, 2013 will be suspended from trading for a period of not more than six months and will automatically be delisted if it remains non-compliant with the MPO after the lapse of the suspension period. Suspended or delisted shares will not be traded on the exchange. In addition, sale of shares of listed companies that do not maintain the MPO are not considered publicly listed for taxation purposes and should, therefore, be subjected to capital gains tax and documentary stamp tax.

In accordance with the SEC Memorandum Circular No. 13 Series of 2017 issued on December 1, 2017, the MPO requirement on companies that undertake initial public offerings was increased from 10.0% to 20.0%, while existing publicly listed companies as of December 2017 remain to be subject to the 10.0% MPO. The PSE rule on MPO requires that listed companies shall, at all times, maintain a minimum percentage of listed securities held by the public of 10.0% or 20.0%, as applicable, of the listed companies' issued and outstanding shares, exclusive of any treasury shares.

The Philippine SEC is also looking at increasing the MPO requirement of existing listed companies to 25.0% for all listed companies; however, such proposed rules on increasing the MPO have yet to be adopted.

PHILIPPINE TAXATION

The following is a general description of certain Philippine tax aspects of the investment in the Company. The following discussion is based upon laws, regulations, rulings, income tax treaties, administrative practices and judicial decisions in effect at the date of this prospectus and is subject to any changes occurring after such date. Subsequent legislative, judicial or administrative changes or interpretations may be retroactive and could affect the tax consequences to the prospective investor.

The tax treatment of a prospective investor may vary depending on such investor's particular situation and certain investors may be subject to special rules not discussed below. This summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to invest in the shares and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rates. This discussion does not provide information regarding the tax aspects of acquiring, owning, holding or disposing of the shares under applicable tax laws of other applicable jurisdictions and the specific Philippine tax consequences in light of particular situations of acquiring, owning, holding and disposing of the shares in such other jurisdictions.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR AS TO THE PARTICULAR TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE COMMON SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF LOCAL AND NATIONAL TAX LAWS.

As used in this section, the term "*resident alien*" *refers to an individual whose residence is within the Philippines and who is not a citizen thereof. A* "*non-resident alien*" *is an individual whose residence is not within the Philippines and who is not a citizen thereof. A non-resident alien who is actually within the Philippines for an aggregate period of more than 180 days during any calendar year is considered a* "*non-resident alien engaged in trade or business in the Philippines;*" *otherwise, such non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year is considered a* "*non-resident alien not engaged in trade or business in the Philippines.*" *A* "*domestic corporation*" *is created or organized under the laws of the Philippines; a* "*resident foreign corporation*" *is a non-Philippine corporation engaged in trade or business in the Philippines; and a* "*non-resident foreign corporation*" *is a non-Philippine corporation not engaged in trade or business in the Philippines. The term* "*non-resident holder*" *means a holder of shares of stock:*

- who is an individual and is neither a citizen nor a resident of the Philippines, or an entity which is a non-resident foreign corporation; and
- should an income tax treaty be applicable, whose ownership of shares of stock is not effectively connected with a fixed base or a permanent establishment in the Philippines.

PHILIPPINE TAXATION

On January 1, 2018, Republic Act No. 10963, otherwise known as the Tax Reform for Acceleration and Inclusion ("**TRAIN Law**") took effect. The TRAIN Law amended various provisions of the National Internal Revenue Code of 1997 ("**Philippine Tax Code**"), including those on ordinary income tax of individuals, capital gains tax on the sale and disposition of shares of stock, estate tax, donor's tax, and documentary stamp tax. Corporate income tax is yet to be amended as this is expected to be addressed in the second package of the Comprehensive Tax Reform Program which reportedly aims to lower corporate income taxes and modernize fiscal incentives in a bid to complement the expected incremental revenues from the first package.

Republic Act No. 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises Act ("**CREATE Act**"), which took effect on April 11, 2021, amended the provisions of the Tax Code relating to, among others, lowering corporate income taxes and modernizing fiscal incentives in a bid to complement the expected incremental revenues from the TRAIN.

Corporate Income Tax

A domestic corporation is subject to a tax of 25% of its taxable income from all sources within and outside the Philippines. effective July 1, 2020, provided that domestic corporations with net taxable income not exceeding ₱5,000,000.00 and with total assets not exceeding ₱100,000,000.00 (excluding land on which the particular business entity's office, plant, and equipment are situated during the taxable year for which the tax is imposed) (referred to as micro, small, and medium enterprises, or MSMEs), shall be taxed at 20.0%.

Taxable net income refers to items of income specified under Section 32 (A) of the Philippine Tax Code, less itemized deductions under Section 34 of the Tax Code or those allowed under special laws, or the optional standard deduction ("**OSD**") equivalent to an amount not exceeding 40% of the corporation's gross income. Passive income of a domestic corporations are taxed as follows: (a) gross interest income from Philippine currency bank deposits and yield from deposit substitutes, trust funds and similar arrangements as well as royalties from sources within the Philippines which are generally taxed at the lower final withholding tax rate of 20% of the gross amount of such income; and (b) interest income from a depository bank under the expanded foreign currency deposit system which is subject to a final tax at the rate of 15% of such income.

Beginning July 1, 2020 and until June 30, 2023, a minimum corporate income tax of 1% of the gross income as of the end of the taxable year is imposed on a domestic corporation beginning on the fourth taxable year immediately following the year in which such corporation commenced its business operations, when the minimum corporate income tax is greater than the ordinary corporate income tax, provided that after June 30, 2023, the rate of minimum corporate income tax shall be 2% of the gross income as of the end of the taxable year.

Any excess of the minimum corporate income tax, however, over the ordinary corporate income tax shall be carried forward and credited against the latter for the three immediately succeeding taxable years. Likewise, subject to certain conditions, the minimum corporate income tax may be suspended with respect to a corporation which suffers losses (1) on account of a prolonged labor dispute, or (2) because of force majeure, or (3) because of legitimate business reverses.

Taxes on Transfer of Shares Listed and Traded at the PSE

Unless an applicable income tax treaty exempts the sale from income and/or percentage tax (please see discussion below on tax treaties), a sale or other disposition of shares of stock through the facilities of the PSE by a resident or a non-resident holder (other than a dealer in securities) is subject to a percentage tax usually referred to as a stock transaction tax at the rate of 0.6% of the gross selling price or gross value in money of the shares of stock sold or otherwise disposed, which shall be paid by the seller or transferor. This tax is required to be collected by and paid to the Government by the selling stockbroker on behalf of his client. VAT of 12% is imposed on the commission earned by the PSE-registered broker who facilitated the sale, barter, exchange or disposition through the PSE, and is generally passed on to the client, the seller or transferor. The stock transaction tax is classified as a percentage tax and is paid in lieu of a capital gains tax. Under certain income tax treaties, the exemptions from capital gains tax may not be applicable to stock transaction tax.

The stock transaction tax will not apply if the shares are sold outside the facilities of the PSE, including during a trading suspension. PSE Memorandum CN-No. 2012-0046 dated August 22, 2012 provides that immediately after December 31, 2012, the Philippine SEC shall impose a trading suspension for a period of not more than six months, on shares of a listed company who has not complied with the Rule on Minimum Public Ownership ("**MPO**") which requires listed companies to maintain a minimum percentage of listed securities held by the public at 10% of the listed companies issued and outstanding shares at all times. The sale of such listed company's shares during the trading suspension may be effected only outside the trading system of the PSE and shall therefore be subject to taxes on the sale of shares that are not listed or traded at the stock exchange (i.e., capital gains tax, documentary stamp tax, and possibly donor's tax if the fair market value of the shares of stock sold is greater than the consideration or the selling price, as the amount exceeding the selling price shall be deemed a gift subject to donor's tax under Section 100 of the Tax Code.) Companies which do not comply with the MPO after the lapse of the trading suspension shall be automatically delisted.

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

Capital Gains Tax, if the Sale Was Made Outside the PSE

Pursuant to the TRAIN Law, the net capital gains realized by a citizen, resident alien, non-resident alien, whether or not engaged in trade or business within the Philippines, or a domestic corporation (other than a dealer in securities) during each taxable year from the sale, exchange or disposition of shares of stock outside the facilities of the PSE, are subject to capital gains tax at the rate of 15% of the net capital gains realized during the taxable year.

The net capital gains realized by a resident foreign corporation or a non-resident foreign corporation during each taxable year from the sale, exchange or disposition of shares of stock in a domestic corporation outside the facilities of the PSE are subject to the following rates:

Not over ₱100,000... 5%
On any amount in excess of ₱100,000... 10%

Furthermore, if the fair market value of the shares of stock in a Philippine corporation sold outside the facilities of the local stock exchange is greater than the consideration received by the seller or the selling price, the amount by which the fair market value of the shares exceeds the selling price shall be deemed a gift that is subject to donor's tax under Section 100 of the Tax Code; provided, however, that a sale, exchange or other transfer of such shares outside the facilities of the local stock exchange made in the ordinary course of business (a transaction which is bona fide, at arm's length and free from donative intent) will be considered as made for an adequate and full consideration in money or money's worth and will not be subject to donor's tax.

If an applicable income tax treaty exempts net gains from such sale from capital gains tax, an application for tax treaty relief has to be filed with the BIR in accordance with BIR regulations, and approved by the BIR, to avail of the exemption. (Please see discussion below on tax treaties.)

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

Tax on Dividends

Cash and property dividends received from a domestic corporation by individual shareholders who are either citizens or residents of the Philippines are subject to a final withholding tax at the rate of 10%, which shall be withheld by the Company. Cash and property dividends received by non-resident alien individuals engaged in trade or business in the Philippines are subject to a 20% final withholding tax on the gross amount thereof, while cash and property dividends received by non-resident alien individuals not engaged in trade or business in the Philippines are subject to a final withholding tax at 25% of the gross amount, subject, however, to the applicable preferential tax rates under income tax treaties executed between the Philippines and the country of residence or domicile of such non-resident alien individuals.

Cash and property dividends received from a domestic corporation by another domestic corporation or by a resident foreign corporation are not subject to income tax, while those received by a non-resident foreign corporation are generally subject to income tax at a final withholding tax rate of 25%. The 25% income tax rate for dividends paid to a non-resident foreign corporation with countries of domicile having no tax treaty with the Philippines may be reduced to a lower rate of 15% whenever:

(1) the country where the non-resident foreign corporation is domiciled imposes no tax on foreign sourced dividends; or

(2) the country of domicile of the non-resident foreign corporation allows at least 15% credit equivalent for taxes deemed to have been paid in the Philippines.

In order to avail of the 15% tax sparing rate, Revenue Memorandum Order No. 46-2020 (*Guidelines and Procedures for the Availment of the Reduced Rate of 15% on Intercompany Dividends Paid by a Domestic Corporation to a Non-Resident Foreign Corporation Pursuant to Section 28(B)(5)(B) of the National Internal Revenue Code of 1997, as amended dated December 23, 2020*) states the following general requirements that shall accompany the first application for the reduced dividend rate of 15% in a given taxable year:

(1) letter-request which shall provide a background of the transaction, the relief sought and the legal basis;

(2) duly accomplished BIR Form No. 0901-TS;

(3) original copy of the apostilled/duly authenticated Tax Residence Certificate issued by the tax authority of the country of the domicile;

(4) apostilled/duly authenticated copy of the NRFC's articles of incorporation and proof of establishment in its country of residence;

(5) original copy of apostilled/duly authenticated Special Power of Attorney (SPA) issued by the NRFC to its authorized representative;

(6) certified true copy of the Board of Directors' resolution of the domestic corporation approving the issuance of dividends, which shall include the amount of dividends, and dates of declaration, record and payment, among others;

(7) original copy of the sworn statement executed by the corporate secretary of the domestic corporation stating the legal and beneficial owners, if applicable, of all issued and outstanding shares as of record date, their corresponding subscriptions, date/s of acquisition, percentage of ownership and the allocation of dividend;

(8) certified true copy of the General Information Sheet (GIS) of the domestic corporation for the year or period immediately preceding the date of declaration, whichever is more applicable

(9) certified true copy of the Audited Financial Statements (AFS) of the domestic corporation stamped "received" by the BIR and Securities and Exchange Commission, which was used as the basis of such dividend declaration; and

(10) proof of remittance of the dividend payments.

A domestic corporation is not required to first secure a ruling from the BIR in order to use the tax sparing rate when it remits the dividends. However, it is required to determine if under the law of the country of domicile of the non-resident foreign corporation, such non-resident foreign corporation is granted the applicable "deemed paid" tax credit, or an exemption from income tax on such dividends.

The abovementioned tax rates are without prejudice to applicable preferential tax rates under income tax treaties in force between the Philippines and the country of domicile of the non-resident holder. (Please see discussion on tax treaties below.)

The BIR recently revised its procedures for availment of tax treaty relief on dividends by issuing Revenue Memorandum Order No. 14-21 *(Streamlining the Procedures and Documents for the Availment of Treaty Benefits*, dated March 31, 2021) as clarified by Revenue Memorandum Circular No. 77-21 *(Clarification on Certain Provisions of Revenue Memorandum Order No. 14-21*, dated June 15, 2021). In accordance with the foregoing regulations, all income items derived by nonresident taxpayers entitled to tax treaty relief shall be confirmed by the BIR through filing of: (i) a **request for confirmation** by the withholding agent, or (b) a **tax treaty relief application** ("**TTRA**") by the nonresident taxpayer, with the required supporting documents in either case.

Request for Confirmation

The withholding agent/income payor may apply the preferential tax treaty rate on the dividend income of the non-resident foreign shareholder by relying the submission by such shareholder of the following documents before the dividend income is paid: (a) on an application form for treaty purposes (BIR Form 0901-D for dividends), an authenticated/apostilled tax residency certificate duly issued by the relevant foreign tax authority in favor of the shareholder, and (c) the relevant provision of the applicable tax treaty which prescribes the preferential tax treatment on dividend income. If the tax treaty rate was applied, the withholding agent/income payor must file with the BIR ITAD a request for confirmation of the use of the tax treaty rate. The request for confirmation must be filed after the payment of the withholding tax and in no case later than the last day of the fourth month following the close of the relevant taxable year. Revenue Memorandum Circular No. 77-21 prescribes the filing of one consolidated request for confirmation per nonresident income recipient, regardless of the number and type of income payments during the year. Revenue Memorandum Circular No. 77-21 also provides for a list of all documentary requirements that have to be submitted in support of the request for confirmation.

If the BIR determines that the withholding tax rate used is lower than the applicable tax rate that should have been applied, or that the non-resident taxpayer is not entitled to treaty benefits, the request for confirmation will be denied and it will require the withholding agent/income payor to pay the deficiency taxes plus surcharge, interest and penalties.

TTRA

In case the withholding agent/income payor used the regular rate under the Tax Code, the non-resident foreign shareholder may, at any time after its receipt of the dividend income, file a TTRA with ITAD. Similar to a request for confirmation, the TTRA must also be supported by the documents specified in Revenue Memorandum Circular No. 77-21.

If the BIR determines that the withholding tax rate applied is higher than the rate that should have been applied, the BIR will issue a certificate confirming the non-resident income recipient's entitlement to treaty benefits, and the shareholder may apply for a refund of excess withholding tax within the two-year period provided in Section 229 of the Tax Code. The claim for refund of the shareholder may also be filed simultaneously with the TTRA. If the regular tax rate is withheld by the Issuer instead of the reduced rates applicable under an income tax treaty, the non-resident holder of the shares may file a claim for refund from the BIR. However, because the refund process in the Philippines requires the filing of an administrative claim and the submission of supporting information, and may also involve the filing of a judicial appeal, it may be impractical to pursue such a refund.

With respect to the availment of preferential rates for dividends under an income tax treaty, most tax treaties to which the Philippines is a party provide for a preferential tax rate of either 15% or 20%, in cases where the dividend arises in the Philippines and is paid to a resident of the other contracting state. Most income tax treaties also provide that reduced withholding tax rates shall not apply if the recipient of the dividend, who is a resident of the other contracting state, carries on business in the Philippines through a permanent establishment and the holding of the relevant dividend-earning interest is effectively connected with such permanent establishment. In these cases, however, the provisions on business profits or independent personal services shall apply.

Revenue Memorandum Circular No. 076-20 (*Clarifying Certain Issues on the Filing of the Related Party Transaction Form*) clarifies that the TTRAs filed with the BIR ITAD in relation to payments made to related parties must be indicated in the RPT Form. The dividends between and among related parties (either paid or payable, received or receivable) should likewise be disclosed in the RPT Form.

As proof of dividend payments to related parties, certain documents such as a notarized board of directors' resolution approving the issuance of dividends, a certification under oath by the corporate secretary/custodian banks/depository account holders/broker dealers stating in detail the legal and beneficial owners of all issued and outstanding shares as of record date, their corresponding subscriptions, date/s of acquisition, percentage of ownership and the allocation of dividend, and proof of payment of such dividends must be maintained by the Company.

Transfer taxes (e.g. documentary stamp tax, local transfer tax) may be payable if the dividends declared are property dividends, depending on the type of property distributed as dividends. Stock dividends distributed pro rata to any holder of shares of stock are generally not subject to Philippine income tax. However, the sale, exchange or disposition of shares received as stock dividends by the shareholder is subject to stock transaction tax if the transfer is through a local stock exchange; or if the transfer is made outside of the exchange, capital gains tax; and documentary stamp tax.

Preferential Rates under Income Tax Treaties

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

	Dividends (%)	Stock transaction tax on sale or disposition effected through the PSE (%)[9]	Capital Gains tax due on disposition of Shares outside the PSE (%)
Canada	25[1]	0.6	May be exempt[13]
China	15[2]	Exempt[10]	May be exempt[13]
France	15[3]	Exempt[11]	May be exempt[13]
Germany	15[4]	Exempt[12]	May be exempt[13]
Japan	15[5]	0.6	May be exempt[13]
Singapore	25[6]	0.6	May be exempt[13]
United Kingdom	25[7]	0.6	Exempt[14]
United States	25[8]	0.6	May be exempt[13]

Notes:

(1) *15% if recipient company controls at least 10% of the voting power of the company paying the dividends; 25% in all other cases.*

(2) *10% if the beneficial owner is a company which holds directly at least 10% of the capital of the company paying the dividends; 15% in all other cases.*

(3) *10% if the recipient company (excluding a partnership) holds directly at least 10% of the voting shares of the company paying the dividends; 15% in all other cases.*

(4) *5% if the recipient company (excluding a partnership) holds directly at least 70% of the capital of the company paying the dividends; 10% if the recipient company (excluding a partnership) holds directly at least 25% of the capital of the company paying the dividends; 15% in all other cases.*

(5) *10% if the recipient company holds directly at least 10% of either the voting shares of the company paying the dividends or of the total shares issued by that company during the period of six months immediately preceding the date of payment of the dividends; 15% in all other cases.*

(6) *15% if during the part of the taxable year of the paying company which precedes the date of payment of dividends and during the whole of its prior taxable year at least 15% of the outstanding shares of the voting shares of the paying company were owned by the recipient company; 25% in all other cases.*

(7) *15% if the recipient company is a company which controls directly or indirectly at least 10% of the voting power of the company paying the dividends; 25% in all other cases.*

(8) *20% if during the part of the taxable year of the paying company which precedes the date of payment of dividends and during the whole of its prior taxable year, at least 10% of the outstanding shares of the voting shares of the paying corporation were owned by the recipient corporation; 25% in other cases. Notwithstanding the rates provided under the Convention between the Government of the Republic of the Philippines and the Government of the United States of America with respect to Taxes on Income, corporations which are residents of the United States may avail of the 15% withholding tax rate under the tax-sparing clause of the Philippine Tax Code provided certain conditions are met.*

(9) *If the stock transaction tax is not expressly included in the tax treaty, the income recipient will be subject to stock transaction tax at the rate of 0.6% of the gross selling price as provided under Section 127 of the NIRC as amended by Section 39 of the TRAIN Law.*

(10) *Article 2(1)(b) of the Agreement between the Government of the Republic of the Philippines and the Government of the People's Republic of China for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income was signed on November 18, 1999.*

(11) *Article 1 of the Protocol to the Tax Convention between the Government of the Republic of the Philippines and the Government of the French Republic Signed on January 9, 1976 was signed in Paris, France on June 26, 1995 signed on June 26, 1995.*

(12) *Article 2 (3)(a) of Agreement between the Government of the Republic of the Philippines and the Federal Republic of Germany for the Avoidance of Double Taxation with Respect to Taxes on Income and Capital signed on September 9, 2013.*

(13) *Capital gains are taxable only in the country where the seller is a resident, provided the shares are not those of a corporation, the assets of which consist principally of real property situated in the Philippines, in which case the sale is subject to Philippine taxes.*

(14) *Under the income tax treaty between the Philippines and the United Kingdom, capital gains on the sale of the shares of Philippine corporations are subject to tax only in the country where the seller is a resident, irrespective of the nature of the assets of the Philippine corporation.*

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

The requirements for a request for confirmation or TTRA in respect of capital gains tax or the stock transaction tax on the sale of shares are set out in Revenue Memorandum Order No. 14-21 *(Streamlining the Procedures and Documents for the Availment of Treaty Benefits*, dated March 31, 2021) as clarified by Revenue Memorandum Circular No. 77-21 *(Clarification on Certain Provisions of Revenue Memorandum Order No. 14-21*, dated June 15, 2021). The requirements include an application form for treaty purposes (BIR Form 0901-C for capital gains) and an authenticated/apostilled tax residency certificate duly issued by the tax authority of the foreign country where the seller is a resident. If the seller is a juridical entity, authenticated certified true copies of its articles of incorporation or association issued by the proper government authority should also be submitted to the BIR in addition to the certification of its residence from the tax authority of its country of residence.

Revenue Memorandum Circular No. 77-21 clarified that the deadline for filing of a request for confirmation by the withholding agent/income payor is any time after the transaction but must not be later than the last day of the fourth month following the close of the taxable year when the income is paid or when the transaction is consummated. In availing tax treaty benefits, the withholding agent may rely on the submitted BIR Form No. 0901 (Application Form for Treaty Purposes), TRC, and the relevant provision of the tax treaty on whether to apply the treaty rates. If the withholding agent applied the treaty rates, he shall file with the BIR ITAD a request for confirmation on the correctness of the withholding tax rates applied on the income. The request for confirmation shall be filed any time after the payment of withholding tax but not shall not be later than the last day of the fourth (4th) month following the close of each taxable year.

If the regular rates have been imposed on the income, the non-resident shall file a TTRA with ITAD to prove its entitlement to treaty benefits. Failure to prove the same may result in the confirmation of the tax rate previously applied on the income, and in the eventual denial of the TTRA.

If the BIR determines that the withholding tax rate applied is lower than the rate that should have been applied on an item of income pursuant to the treaty, or that the non-resident taxpayer is not entitled to treaty benefits, it will issue a BIR Ruling denying the request for confirmation or TTRA. Consequently, the withholding agent shall pay the deficiency tax plus penalties.

If the withholding tax rate applied is proper or higher than the rate that should have been applied, the BIR will issue a certificate confirming the non-resident income recipient's entitlement to treaty benefits. In the latter case, the taxpayer may apply for a refund of excess withholding tax.

Documentary Stamp Tax

Beginning January 1, 2018, the original issue of shares is subject to a documentary stamp tax ("**DST**") of ₱2.00 for each ₱200.00, or a fractional part thereof, of the par value of the shares issued. The Philippines imposes a DST upon the transfer outside the PSE of shares issued by a Philippine corporation at the rate of ₱1.50 on each ₱200, or a fractional part thereof, of the par value of the shares.

The DST is imposed on the person making, signing, issuing, accepting or transferring the document and is thus payable by either or both the vendor or the vendee of the shares.

However, the sale, barter or exchange of shares of stock listed and traded at the PSE is exempt from documentary stamp tax.

Estate and Gift Taxes

Shares issued by a domestic corporation are deemed to have a Philippine *situs* and their transfer by way of a succession or donation, even if made by a non-resident decedent or donor outside the Philippines, is subject to Philippine estate and donor's taxes.

Beginning January 1, 2018, the transfer by a deceased Philippine resident to his heirs of shares of stock shall be subject to an estate tax which is levied on the net estate of the deceased at a rate of 6.0%. A holder of shares of stock who is a Philippine resident shall be subject to donor's tax based on the total gifts in excess of ₱250,000.00 exempt gift made during the calendar year on the transfer of shares of stock by donation at a rate of 6.0%.

The estate or donor's taxes payable in the Philippines may be credited with the amount of any estate or donor's taxes imposed by the authority of a foreign country, subject to limitations on the amount to be credited, and the tax status of the donor. Estate and donors' taxes, however, shall not be collected in respect of intangible personal property, such as shares of stock:

(1) if the decedent at the time of his death or the donor at the time of the donation was a citizen and resident of a foreign country which at the time of his death or donation did not impose a transfer tax of any character, in respect of intangible personal property of citizens of the Philippines not residing in that foreign country; or

(2) if the laws of the foreign country of which the decedent or donor was a citizen and resident at the time of his death or donation allows a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in that foreign country.

In case shares of stock are transferred for less than an adequate and full consideration in money or money's worth, the amount by which the fair market value of the shares of stock exceeded the value of the consideration may be deemed a gift, and donor's taxes may be imposed on the transferor of the shares of stock, based on Section 100 of the Philippine Tax Code, provided that a transfer of property made in the ordinary course of business (a transaction which is a bona fide, at arm's length, and free from any donative intent), will be considered as made for an adequate and full consideration in money or money's worth.

TAXATION OUTSIDE THE PHILIPPINES

Shares of stock in a domestic corporation are considered under Philippine law to be situated in the Philippines and any gain derived from their sale is entirely from Philippine sources; hence, such gain is subject to Philippine income tax and the transfer of such shares by gift (donation) or succession is subject to the donors' tax or estate tax.

The tax treatment of a non-resident holder in jurisdictions outside the Philippines may vary depending on the tax laws applicable to such holder by reason of its domicile or business activities and such holder's particular situation. This Prospectus does not discuss the tax considerations of non-resident holders of shares of stock under laws other than those of the Philippines.

SALE AND SUBSCRIPTION OF COMMON SHARES BY IHOLDINGS

Subject to the terms of the Subscription Agreement dated [●], 2022 between the Company and IHoldings, IHoldings has agreed to subscribe for, and the Company has agreed to issue to IHoldings, new Common Shares in an amount equal to the aggregate number of (i) IHoldings Offer Shares sold in the Offer and (ii) Option Shares sold through the exercise of the Overallotment Option, at a price equal to the Offer Price (the "**Subscription**", and such new Common Shares, the "**Subscription Shares**"). The price at which the Subscription Shares are subscribed for is referred to as the "**Subscription Price**." The completion of the Subscription is conditional upon, among other things, the completion of the Offer and receipt by IHoldings of the proceeds of the Offer. The Subscription Shares shall be issued to IHoldings upon payment of the Subscription Price.

Under the terms of the Subscription Agreement, the Company undertakes to secure the listing of the Subscription Shares on the PSE after the issuance of such shares, convert the Subscription Shares into scripless form and pay all taxes, costs and expenses related to the issuance, listing and conversion into scripless form of the Subscription Shares. The Subscription Agreement provides that the Company will indemnify IHoldings against certain liabilities, including under the U.S. Securities Act.

The Company expects to receive net proceeds of approximately ₱[8,188.6] upon the successful completion of the Subscription. For details on the Company's intended use of the proceeds of the Subscription. See "*Use of Proceeds*."

For more information on the projected effect of the Offer and the Subscription on the existing shareholding structure of the Company, see "*Principal and Selling Shareholders and Security Ownership of Management*."

PLAN OF DISTRIBUTION

At least [875,000,000] Institutional Offer Shares (or [70.0]% of the Firm Shares) (subject to re-allocation as described below) are being offered for sale (i) outside the United States by BofA Securities and J.P. Morgan as the Joint Global Coordinators and Bookrunners in offshore transactions in reliance on Regulation S of the U.S. Securities Act, (ii) within the United States through the Joint Global Coordinators and Bookrunners' U.S. registered broker-dealer affiliates to QIBs in reliance on Rule 144A under the U.S. Securities Act, and (iii) to certain qualified buyers and other investors in the Philippines, by China Bank Capital and PNB Capital as the Joint Domestic Lead Underwriters and Joint Bookrunners pursuant to the Institutional Offer.

Up to [375,000,000] Trading Participants and Retail Offer Shares (or [30.0]% of the Firm Shares) (subject to re-allocation as described below) are being offered in the Philippines by the Joint Domestic Lead Underwriters and Joint Bookrunners at the Offer Price through the PSE Trading Participants pursuant to the Trading Participants Offer and LSIs under the Local Small Investors Program of the PSE as part of the Trading Participants and Retail Offer. The number of Offer Shares to be made available to the PSE Trading Participants and LSIs, respectively, will be up to [250,000,000] Trading Participants Offer Shares (or about [20.0]% of the Firm Shares) and up to [125,000,000] Retail Offer Shares (or [10.0]% of the Firm Shares), respectively, subject to re-allocation as described below.

The allocation of the Offer Shares between the Trading Participants and Retail Offer and the Institutional Offer is subject to adjustment as agreed between the Company, the Selling Shareholders, the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners. The Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners will underwrite, on a firm commitment basis, the Firm Shares, subject to any reallocation, clawback, clawforward or any other such mechanisms as described below. There is no arrangement for any of the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners to return any of the Offer Shares relating to the Trading Participants and Retail Offer or the Institutional Offer to the Company or the Selling Shareholders. Notwithstanding the Joint Global Coordinators and Bookrunners being named in this Prospectus, offers or sales by the Joint Global Coordinators and Bookrunners of Offer Shares outside the Philippines are not governed by Philippine laws.

There are no finders or broker dealers entitled to any discounts or commissions in connection with the sale of the Offer Shares.

THE JOINT GLOBAL COORDINATORS AND BOOKRUNNERS AND THE JOINT DOMESTIC UNDERWRITERS AND JOINT BOOKRUNNERS

Roles and Responsibilities

The Joint Global Coordinators and Bookrunners are responsible for the coordination of the various execution workstreams relating to the Offer. The Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners are assisting the Company and the Selling Shareholders in the book-building process, which includes marketing and allocation of the Offer to potential investors as described in this Plan of Distribution. None of the activities of the Joint Global Coordinators and Bookrunners themselves have been or will be conducted in the Philippines, or would constitute licensable activities in the Philippines. In the case of the Joint Domestic Lead Underwriters and Joint Bookrunners, the potential investors will be based in the Philippines.

The Trading Participants Offer Shares shall (subject to re-allocation as described below) initially be offered by the Joint Domestic Lead Underwriters and Joint Bookrunners to all of the PSE Trading Participants. The Joint Domestic Lead Underwriters and Joint Bookrunners have undertaken to underwrite the Trading Participants and Retail Offer on a firm commitment basis.

The Joint Domestic Lead Underwriters and Joint Bookrunners and their respective affiliates have engaged in transactions with, and have performed various investment banking, commercial banking and other services for the Company, the Selling Shareholders, or their respective subsidiaries and affiliates in the past, and may do so for the Company, the Selling Shareholders and their respective subsidiaries and affiliates from time to time in the future. However, all services provided by the Joint Domestic Lead Underwriters and Joint Bookrunners including in connection with the Offer, have been provided as an independent contractor and not as a fiduciary to the Company or the Selling Shareholders. The Joint Domestic Lead Underwriters and Joint Bookrunners do not have any right to designate or nominate a member of the Board. The Joint Domestic Lead Underwriters and Joint

Bookrunners have no direct relationship with the Company or the Selling Shareholders in terms of share ownership and, other than as Joint Domestic Lead Underwriters and Joint Bookrunners for the Offer, do not have any material relationship with the Company or the Selling Shareholders. Except in relation to the Overallotment Option, the Joint Domestic Lead Underwriters and Joint Bookrunners have no contract or other arrangement with the Company or the Selling Shareholders by which it may return to the Company or the Selling Shareholders any unsold Offer Shares.

The Joint Global Coordinators and Bookrunners and their respective affiliates have, from time to time, engaged in, and may in the future engage in, investment banking, financing, private banking, commercial banking or financial consulting activities and other commercial dealings in the ordinary course of business with the Company, the Selling Shareholders or their respective affiliates. The Joint Global Coordinators and Bookrunners have received and expect to continue to receive customary fees and commissions for these activities and dealings. In addition, in the ordinary course of business, the Joint Global Coordinators and Bookrunners and their respective affiliates may trade the Company's securities or the securities of the Company's affiliates or derivatives relating to the foregoing securities for its or its affiliates' own account or for the accounts of customers, and may at any time hold a long or short position in such securities.

The Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners will receive underwriting and selling fees from the Selling Shareholders] of up to [3.0]% (inclusive of a discretionary fee of up to [1.0]%) of the gross proceeds from the sale of the Offer Shares and will not receive any discounts or commissions. The underwriting and selling fees are inclusive of the amounts to be paid to selling agents by the Selling Shareholders such as PSE Trading Participants, where applicable. The estimated underwriting, selling and Trading Participant ("**TP**") fees amount to approximately ₱[540.1] million, assuming that the Overallotment Option is fully exercised. The estimated underwriting, selling and TP fees amount to approximately ₱[482.2] million, assuming that the Overallotment Option is not exercised. See "*Use of Proceeds*" for further details.

Joint Global Coordinators and Bookrunners

Merrill Lynch (Singapore) Pte. Ltd. is a wholly owned subsidiary of Bank of America Corporation and incorporated under the laws of Singapore. Bank of America Corporation and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and strategic advisory services and other commercial services and products.

J.P. Morgan and/or its subsidiaries, branches, affiliates and associates (the "**J.P. Morgan Group**") is a leading global financial services firm with operations worldwide, and a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing, and asset management. J.P. Morgan's Corporate & Investment Bank is a global leader across banking, markets, securities services and wholesale payments. Corporations, governments and institutions throughout the world entrust us with their business in more than 100 countries. The Corporate & Investment Bank provides strategic advice, raises capital, manages risk and extends liquidity in markets around the world.

Joint Domestic Lead Underwriters and Joint Bookrunners

China Bank Capital is the wholly-owned investment banking subsidiary of China Banking Corporation. It was registered and licensed as an investment house in 2015 as a result of the spin-off of China Bank's Investment Banking Group. The firm offers a full suite of investment banking solutions, which include arranging, managing, and underwriting bond offerings, corporate notes issuances, initial public offerings and follow-on offerings of common and preferred shares, private placement of securities, structured loans, project finance, real estate investment trusts, and asset securitizations. China Bank Capital also provides financial advisory services, such as structuring, valuation, and execution of M&A deals, joint ventures, and other corporate transactions.

PNB Capital, a wholly owned subsidiary of the Philippine National Bank, offers a spectrum of investment banking services including loan syndications and project finance, bond offerings, private placements, public offering of shares, securitization, financial advisory and mergers & acquisitions. PNB Capital obtained its license from the Philippine SEC to operate as an investment house in 1997 and is licensed to engage in underwriting and distribution of securities to the public. As of December 31, 2020, PNB Capital has total assets of ₱2.43 billion and capital of ₱2.16 billion. It has an authorized capital stock of ₱2.00 billion, of which ₱1.50 billion represents its paid-up capital.

THE TRADING PARTICIPANTS AND RETAIL OFFER

The Trading Participants and Retail Offer Shares shall (subject to re-allocation as described below) initially be offered in the Philippines by the Joint Domestic Lead Underwriters and Joint Bookrunners, to all of the PSE Trading Participants and LSIs. Each PSE Trading Participant shall initially be allocated [2,000,000] Trading Participants Offer Shares computed by dividing the Trading Participants Offer Shares among [125] PSE Trading Participants) and subject to reallocation as may be determined by the Joint Domestic Lead Underwriters and Joint Bookrunners. In addition, up to [125,000,000] Firm Shares (or [10.0]% of the Firm Shares), shall be allocated to the LSIs. There will be no discount on the Offer Price. The Retail Offer Shares shall be made available to the LSIs through PSE EASy.

Upon closing of the Trading Participants and Retail Offer, any allocation of Trading Participants and Retail Offer Shares not taken up by the PSE Trading Participants and LSIs shall be distributed by each of the Joint Domestic Lead Underwriters and Joint Bookrunners to its clients or the general public in the Philippines or as otherwise agreed with the Joint Global Coordinators and Bookrunners. The Joint Domestic Lead Underwriters and Joint Bookrunners shall purchase the Trading Participants and Retail Offer Shares not reallocated to the Institutional Offer, or otherwise not taken up by the PSE Trading Participants, LSIs, clients of the Joint Domestic Lead Underwriters and Joint Bookrunners or the general public in the Philippines, pursuant to the terms and conditions of the Domestic Underwriting Agreement (as defined below). Nothing herein or in the Domestic Underwriting Agreement shall limit the rights of each of the Joint Domestic Lead Underwriters and Joint Bookrunners from purchasing the Offer Shares for its own account.

To facilitate the Trading Participants and Retail Offer, the Company has appointed China Bank Capital and PNB Capital to act as the Joint Domestic Lead Underwriters and Joint Bookrunners.

On or before 12:00 p.m. on [●], 2022, the PSE Trading Participants shall submit to the Domestic Receiving Agent their respective Application and other required documents therein from the Trading Participants Offer Shares. For more details on the Procedure for Application for the Offer, please refer to the Procedures and Implementing Guidelines for Trading Participants for the Follow-On Offering of 8990 Holdings, Inc.

PSE Trading Participants who take up Trading Participants Offer Shares shall be entitled to a selling fee of [1.0]%, inclusive of VAT, of the Trading Participants Offer Shares taken up and purchased by the relevant PSE Trading Participant. The selling fee, less the applicable withholding tax, will be paid by the [Company or the Selling Shareholders] through the Receiving Agent to the PSE Trading Participants starting on the [15]th banking day from the date the Offer Shares are delivered in the PSE (the "**Closing Date**").

All of the Trading Participants and Retail Offer Shares are lodged with the PDTC and in scripless form. Investors may maintain the Trading Participants and Retail Offer Shares in scripless form or opt to have the stock certificates issued to them by requesting an upliftment of the relevant Trading Participants and Retail Offer Shares from the PDTC's electronic system after the Closing Date. Costs or fees relating to such upliftment shall be for the account of the investor.

LSI Subscription through PSE EASy

[A total of up to [125,000,000] Firm Shares (or [10.0]% of the Firm Shares), shall be made available nationwide to LSIs through the PSE Electronic Allocation System or "**PSE EASy**". The system will generate a reference number and payment instruction. The Application to subscribe must be settled within the Offer Period.

An LSI is defined as a subscriber to a share offer who is willing to subscribe to a minimum board lot or whose subscription does not exceed ₱100,000.00 or such higher amount as may be approved by the PSE and the Philippine SEC. In the case of this Offer, the minimum subscription of LSIs shall be [500] Firm Shares or ₱[9,495.00], while the maximum subscription shall be [52,600] Firm Shares or up to ₱[998,874.00]. There will be no discount on the Offer Price. The procedure in subscribing to Offer Shares via PSE EASy is indicated in the Company's Implementing Guidelines for Local Small Investors to be announced through the PSE EDGE website. Should the total demand for the Offer Shares in the LSI program exceed the maximum allocation, the Joint Domestic Lead Underwriters and Joint Bookrunners shall prioritize the subscriptions of LSIs with amounts lower than the maximum subscription.]

THE INSTITUTIONAL OFFER

The Institutional Offer Shares will be offered for sale (i) outside the United States by the Joint Global Coordinators and Bookrunners in offshore transactions in reliance on Regulation S of the U.S. Securities Act, (ii) within the United States through the Joint Global Coordinators and Bookrunners' U.S. registered broker-dealer affiliates to QIBs in reliance on Rule 144A under the U.S. Securities Act, and (iii) to certain qualified buyers and other investors in the Philippines, by the Joint Domestic Lead Underwriters and Joint Bookrunners.

Investors in the Institutional Offer (but not the Trading Participants and Retail Offer) will be required to pay, in addition to the Offer Price, a brokerage fee of up to [1.0]% of the Offer Price.

REALLOCATION

The allocation of the Offer Shares between the Trading Participants and Retail Offer and the Institutional Offer is subject to further adjustment as may be determined by the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners. In the event of an under-application in the Institutional Offer and a corresponding over-application in the Trading Participants and Retail Offer, Offer Shares in the Institutional Offer may be reallocated to the Trading Participants and Retail Offer. If there is an under-application in the Trading Participants and Retail Offer and if there is a corresponding over-application in the Institutional Offer, Offer Shares in the Trading Participants and Retail Offer may be reallocated to the Institutional Offer. Unless otherwise agreed by the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners, the reallocation shall not apply in the event of over-application or under-application in both the Trading Participants and Retail Offer and the Institutional Offer.

UNDERWRITING COMMITMENTS

The Company, the Selling Shareholders and the Joint Domestic Lead Underwriters and Joint Bookrunners have entered into a Domestic Underwriting Agreement to be dated on or about [●], 2022 (the "**Domestic Underwriting Agreement**"), whereby the Joint Domestic Lead Underwriters and Joint Bookrunners agree to underwrite on a firm commitment basis the number of firm Shares opposite its name indicated in the following table. The Trading Participants and Retail Offer Shares sold by the Joint Domestic Lead Underwriters and Joint Bookrunners as part of the Offer Shares are subject to agreement among the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners on any clawback, clawforward or other such mechanism relating to the reallocation of the Offer Shares between the Institutional Offer and the Trading Participants and Retail Offer.

	Number of Firm Shares	% of Firm Shares	
China Bank Capital Corporation	[●]	[●]%	
PNB Capital and Investment Corporation	[●]	[●]%	
Total...	[●]	[●]%	

Under the terms and conditions of the international purchase agreement to be dated on or about [●], 2022 (the "**International Purchase Agreement**"), entered into among the Company, the Selling Shareholders and the Joint Global Coordinators and Bookrunners, the Joint Global Coordinators and Bookrunners have agreed to procure purchasers for or failing which to purchase the number of Firm Shares opposite its name indicated in the following tables, subject to agreement among the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners on any clawback, clawforward or other such mechanism relating to reallocation of the Offer Shares between the Institutional Offer and the Trading Participants and Retail Offer.

	Number of Offer Shares(1)	% of Firm Shares
Merrill Lynch (Singapore) Pte. Ltd.	[●]	[●]%
J.P. Morgan Securities plc	[●]	[●]%
Total..	[●]	[●]%

Note:

(1) *The estimated underwriting commitments of the Joint Global Coordinators and Bookrunners are based on the price of the Offer Shares and are subject to agreement among the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners on any clawback, clawforward or other such mechanism*.

The foregoing tables do not reflect the exercise of the Overallotment Option that may or may not be exercised by the Stabilizing Agent to purchase up to [150,000,000] Option Shares.

[Cornerstone Investment Agreements]

[Concurrently with and as part of the Institutional Offer, each of the entities listed below (the "**Cornerstone Investors**", and each a "**Cornerstone Investor**") has entered into a cornerstone investment agreement with the Company, the Selling Shareholders and the [Joint Global Coordinators and Bookrunners] to purchase the Offer Shares (the "**Cornerstone Shares**") from the Selling Shareholders at the Offer Price. At the Offer Price of ₱[●], the Cornerstone Shares represent [●]% of the Offer Shares (assuming full exercise of the Overallotment Option) and [●]% of the Offer Shares (assuming the Overallotment Option is not exercised). Each Cornerstone Investor acknowledges that the Offer Price is to be determined by agreement among the Issuer, the Selling Shareholders, their financial advisors, and the Joint Bookrunners on the basis of a book building process, and that such Cornerstone Investor shall not have any right to participate in such book building process.]

Cornerstone Investors:

- [●]

[The Offer is not conditional on the completion of the purchase of the Cornerstone Shares by any of the Cornerstone Investors.]

[Cornerstone Investors]

[The Company and the Selling Shareholders undertook a cornerstone process to engage with and identify appropriate investors in the long-term prospects of the Company through the Offer. Each Cornerstone Investor was selected based on their understanding of the Company and its business, and their ability to provide leadership with respect to the price discovery process. The participation of Cornerstone Investors serves to mitigate the risk on issuers, underwriters and the market by providing significant commitments from investors to support the Offer. In addition, the Company and the Selling Shareholders believe that the participation of the Cornerstone Investors effectively acts as an endorsement on the Company and provides a certain degree of assurance to the investing public of the Company's viability and sustainability.]

THE OVERALLOTMENT OPTION

In connection with the Offer, subject to the approval of the Philippine SEC, IHoldings has granted the Stabilizing Agent an Overallotment Option, exercisable in whole or in part to purchase up to [150,000,000] Option Shares at the Offer Price and on the same terms and conditions as the Firm Shares, as set forth herein, from time to time for a period which shall not exceed 30 days from and including the Closing Date. In connection therewith, IHoldings has entered into a Greenshoe Agreement with the Stabilizing Agent to, among other things, utilize up to [150,000,000] Option Shares to cover over-allocations under the Institutional Offer. The Option Shares may be over-allotted and the Stabilizing Agent may affect price stabilization transactions for a period beginning on or after the Closing Date, but extending no later than 30 days from and including the Closing Date.

Any Common Shares that may be delivered to the Stabilizing Agent under the Greenshoe Agreement will be re-delivered to the Selling Shareholders either through the purchase of Common Shares in the open market by the Stabilizing Agent in the conduct of stabilization activities or through the exercise of the Overallotment Option by the Stabilizing Agent. The Stabilizing Agent may purchase Common Shares in the open market only if the market price of the Common Shares falls below the Offer Price. The initial stabilization action shall be at a price below the Offer Price. After the initial stabilization action, (i) if there has not been an independent trade (i.e., a trade made by a person other than the Stabilizing Agent for itself or on behalf of its clients) in the market at a higher price than the initial stabilization trade, the subsequent trade shall be below the initial stabilization price, or (ii) if there has been an independent trade in the market at a higher price than the initial stabilization trade, the subsequent trade shall be at the lower of the stabilizing action price or the independent trade price. Such activities may stabilize, maintain or otherwise affect the market price of the Common Shares, which may have the effect of preventing a decline in the market price of the Common Shares and may also cause the price of the Common Shares to be higher than the price that otherwise would exist in the open market in the absence of these transactions. If the Stabilizing Agent commences any of these transactions, it may discontinue them at any time. However, the Stabilizing Agent or any person acting on behalf of the Stabilizing Agent has the sole discretion whether to undertake stabilization activities, and there is no assurance that the same will be undertaken. There is also no assurance that the price of the Common Shares will not decline significantly after any such stabilizing activities end.

Once the Overallotment Option has been fully exercised by the Stabilizing Agent, it will no longer be allowed to purchase Common Shares in the open market for the conduct of stabilization activities. As discussed under the section "*Dilution*", if the Overallotment Option is fully exercised, the number of shares held by new investors will be [●] Common Shares and the public float will increase to [●]% (after effecting the Subscription relating to Common Shares sold pursuant to the partial or full exercise of the Overallotment Option). In connection with the Subscription, the partial or full exercise of the Overallotment Option will result in the issuance of new Common Shares to IHoldings to offset the Common Shares sold under the Overallotment Option. See "*Sale and Subscription of Common Shares by IHoldings*" on page [207]. To the extent the Overallotment Option is not fully exercised by the Stabilizing Agent, the same shall be deemed cancelled and the relevant Option Shares shall be re-delivered to IHoldings, and the corresponding filing fee for the Overallotment Option shall be forfeited.

INDEMNITY

The International Purchase Agreement provides that the Company and the Selling Shareholders will indemnify the Joint Global Coordinators and Bookrunners against certain liabilities, including under the Securities Act. The Domestic Underwriting Agreement provides that the Company and the Selling Shareholders will indemnify the Joint Domestic Lead Underwriters and Joint Bookrunners against certain liabilities, including under the SRC.

LOCK UP

[The Company and the Selling Shareholders have agreed with the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners that except in connection with the issuance of the Offer Shares and the exercise of the Overallotment Option, none of the Company, the Selling Shareholders, any of the Company's or the Selling Shareholders' Affiliates, or any person acting on their behalf will, from the date hereof and for a period of [180] days after the Closing Date, without the prior written consent of the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners, issue, offer, sell, contract to sell, pledge, charge, grant options over or otherwise dispose of, directly or indirectly, any securities of the Company (including any Common Shares) (or publicly announce any such issuance, offer, sale or disposal of (or intention to do any of the foregoing)) or enter into a transaction which would have the same effect (or publicly announce the entry (or intention to enter) into any such transaction), or enter into any swap, hedge or other arrangement (or publicly announce the entry in (or intention to enter into) any such swap, hedge or other arrangement) that transfers in whole or in part, any of the economic consequences of ownership of such securities, whether any such aforementioned transaction is to be settled by delivery of such securities or securities convertible or exchangeable into or exercisable for Common Shares or other securities, or warrants or other rights to purchase Common Shares or other securities, or any security or financial product whose value is determined directly or indirectly by reference to the price of the underlying securities, including equity swaps, forward sales and options, except for transfers or issuances as may be required by applicable law or by any competent authority (including for the qualification of a new director of the Company).]

REGISTRATION OF FOREIGN INVESTMENTS

The BSP requires that investments in shares of stock funded by inward remittance of foreign currency be registered with the BSP if the foreign exchange needed to service capital repatriation or dividend remittance will be sourced from the Philippine banking system. Upon registration of the investment, proceeds of divestments, or dividends of registered investments are repatriable or remittable immediately and in full through the Philippine banking system, net of applicable tax, without need of BSP approval. The registration with the BSP of all foreign investments in the Offer Shares shall be the responsibility of the foreign investor. See "*Regulatory and Environmental Matters*—[*Foreign Investment Laws and Regulations relating to Restrictions on Foreign Equity—Registration of Foreign Investments and Exchange Controls*]".

SELLING RESTRICTIONS

Philippines

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

LEGAL MATTERS

Certain legal matters as to Philippine law relating to the Offer will be passed upon by Picazo Buyco Tan Fider & Santos , legal counsel to the Company and the Selling Shareholders, and Romulo Mabanta Buenaventura Sayoc & de los Angeles, legal counsel to the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners. Certain legal matters as to United States federal law will be passed upon by Latham & Watkins LLP, legal counsel to the Company and the Selling Shareholders, and Milbank LLP, legal counsel to the Joint Global Coordinators and Bookrunners and the Joint Domestic Lead Underwriters and Joint Bookrunners.

Each of the foregoing legal counsel has neither shareholdings nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the Company's securities. None of the legal counsel will receive any direct or indirect interest in any of the Company's securities (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

INDEPENDENT AUDITORS

The financial statements of the Company as of and for the nine months ended September 30, 2020 and 2021 were reviewed by RFG, and as of December 31, 2020 and for the year then ended, were audited by RFG, independent auditors, as stated in their report attached to this Prospectus.

The financial statements of the Company as of December 31, 2017, 2018 and 2019 and for the years then ended, were audited by P&A, independent auditors, as stated in their report attached to this Prospectus.

RFG has acted as the Company's external auditor since January 1, 2020. Honorata Paguio is the current audit partner and has served as such since January 1, 2020. The Company has not had any material disagreements on accounting and financial disclosures with its current external auditor for the same periods or any subsequent interim period.

P&A has acted as the Company's external auditor between 2016 and 2019. Christopher Ferrareza was the last audit partner and has served as such between 2016 and 2019. The Company has not had any material disagreements on accounting and financial disclosures with P&A for the same periods.

Neither RFG nor P&A has any shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the Company's securities. RFG will not receive any direct or indirect interest in the Company or its securities (including options, warrants or rights thereto) pursuant to or in connection with the Offer. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

The following table sets out the aggregate fees paid to RFG for professional services rendered by RFG, excluding out-of-pocket expenses incidental to such services:

	2021
Audit and Audit Related Fees (in ₱)(1)	16,159,000
All other fees (in ₱)(2)	770,000

Notes:
(1) Audit and audit related fees include fees for the audit of annual financial statements and services that are normally provided by the independent auditor in connection with statutory and regulatory filings.
(2) All other fees include agreed-upon procedures.

The following table sets out the aggregate fees paid to P&A for professional services rendered by P&A, excluding out-of-pocket expenses incidental to such services:

	2020	**2019**
Audit and Audit Related Fees (in ₱)(1)	9,975,000	12,750,000
All other fees (in ₱)(2)	1,197,000	1,530,000

Notes:
(1) Audit and audit related fees include fees for the audit of annual financial statements and services that are normally provided by the independent auditor in connection with statutory and regulatory filings.
(2) All other fees include .out-of-pocket expenses.

There is no arrangement that experts will receive a direct or indirect interest in the Company or was a promoter, underwriter, voting trustee, director, officer, or employee of the Company.

Any future non-audit/ other services to be provided by the external auditors shall undergo review and is subject to the endorsement of the Company's Audit Committee before such engagement is approved by the Board of Directors.

INDEX TO FINANCIAL STATEMENTS

ANNEX A: INDUSTRY REPORT

Independent Market Research (IMR) on the Mass Housing Industry in the Philippines

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Joint Global Coordinators and Bookrunners

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Singapore 049321

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Canary Wharf
London, E14 5JP
United Kingdom 0000

Joint Domestic Lead Underwriters and Joint Bookrunners

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