

IMPORTANT NOTICE

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

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

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

DRAFT FOR REVIEW AND COMMENT OF ALL PARTIES

PHINMA

Making Lives Better

PHINMA CORPORATION

(A corporation duly organized and existing under Philippine laws)

Prospectus Relating to the up to ₱[1,000,000,000.00] Rights Offer of up to [51,493,306] Common Shares (the “Rights Shares”) with a par value of ₱10.00 per share to be offered at the Offer Price of ₱[19.42 to 21.55] per Rights Share, representing an up to [10%] discount to volume-weighted (“WAP”) for the [90] consecutive trading days immediately prior to (and excluding) the Pricing Date to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc. Ratio of one (1) Rights Share for every [5.56 to 6.17] Common Share held as of [November 8, 2024] (the “Record Date”)

Issue Manager, Bookrunner, Sole Underwriter



THE SECURITIES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION (“SEC” OR THE “COMMISSION”) UNDER THE SECURITIES REGULATION CODE (“SRC”). ANY FUTURE OFFER OR SALE OF THE SECURITIES IS SUBJECT TO THE REGISTRATION REQUIREMENTS UNDER THE SRC UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.

A CONFIRMATION THAT THE OFFER FOR SUBSCRIPTION OF THE RIGHTS SHARES IS A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS UNDER SECTION 10.1 OF THE SRC AND ITS IMPLEMENTING RULES AND REGULATIONS WAS OBTAINED ON [OCTOBER 4, 2024].

THE ISSUANCE OF THIS CONFIRMATION OF EXEMPTION DOES NOT REQUIRE THE SEC TO REVIEW THIS PROSPECTUS IN THE SAME MANNER AS THE FULL REVIEW OF AN APPLICATION FOR REGISTRATION OF SECURITIES BASED ON A FILED REGISTRATION STATEMENT UNDER THE SRC.

THE SEC HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE AND SHOULD BE REPORTED IMMEDIATELY TO THE SEC. THE COMMISSION HAS NOT REVIEWED THIS PROSPECTUS IN THE SAME MANNER AS THAT FILED FOR REGISTRATION CONSIDERING THAT THE ACTION SOUGHT IS ONLY CONFIRMATION OF AN EXEMPT TRANSACTION.

The date of this Prospectus is [October 17], 2024.

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

PHINMA CORPORATION

12/F PHINMA Plaza

39 Plaza Drive, Rockwell Center

Makati City 1210

Telephone No.: (632) 8870-0100

Fax No.: (632) 8870-0456

Email: investorrelations@phinma.com.ph

Website: <https://www.phinma.com.ph/>

This Prospectus relates to the stock rights offer (the “Rights Offer”) to Eligible Shareholders (as defined below) of record as of [November 8, 2024] (the “Record Date”) of up to [51,493,306] Common Shares with a par value of ₱10.00 per Share (the “Rights Shares”) of PHINMA Corporation (the “Company” or “PHINMA”) by way of a stock rights offering for subscription at the proportion of one (1) Rights Share for every [5.56 to 6.17] existing common shares held by such shareholder as of Record Date (“Entitlement Shares”) at an Offer Price of up to ₱[19.42 to 21.55] (“Rights Price”), representing an up to [10%] discount to volume-weighted (“WAP”) for the [90] consecutive trading days immediately prior to (and excluding) the Pricing Date.

The Rights Shares shall be offered by the Company to the Eligible Shareholders in the proportion which the number of Common Shares owned or held by each of them bear to all issued and outstanding Common Shares (the “First Round of the Offer”). Any Rights Shares that remain unsubscribed after the First Round of the Offer (“Additional Rights Shares”) shall be offered to those Eligible Shareholders that exercised their rights in the First Round of the Offer and had simultaneously signified their intention to subscribe to Additional Rights Shares by tendering payment of the total offer price for all Rights Shares subscribed to, including all Additional Rights Shares to which such Eligible Shareholders intend to subscribe (the “Second Round of the Offer”), provided that the Additional Rights Shares to which such Eligible Shareholders are entitled to subscribe shall be based on the same proportion which the number of Common Shares owned or held by each of them bear to all issued and outstanding Common Shares as of Record Date, and no applicant for Additional Rights Shares shall be allocated more Additional Rights Shares than the number for which such applicant has applied.

Subject to compliance with applicable laws, rules and regulations of the Securities and Exchange Commission (the “SEC”) and The Philippine Stock Exchange, Inc. (the “PSE”), including but not limited to, the 2015 implementing rules and regulations of the Securities Regulation Code, PHINMA, Inc. (the “Principal Shareholder”) has agreed to subscribe for its Entitlement Shares during the First Round of the Offer. The Principal Shareholder, however, will not participate in the Second Round of the Offer.

AB Capital & Investment Corporation (“AB Capital” or the “Underwriter”) shall act as Issue Manager, Bookrunner, and Underwriter for the Offer. The Underwriter has agreed to firmly underwrite the Offer in accordance with the underwriting agreement entered into with the Company (the “Underwriting Agreement”) to ensure that the Rights Shares which, after the mandatory Second Round of the Offer are either not taken up or subscribed to but not paid for, will be fully subscribed. To the extent that, and if for any reason, any Rights Shares are not taken after the Second Round of the Offer, the Underwriter shall procure purchasers that are either qualified buyers in the Philippines (“Qualified Buyers”) (as defined in Section 10.1(l) of the Securities Regulation Code (“SRC”) and Section 10.1.11 of its implementing rules and regulations, as amended) or other investors pursuant to Section 10.1(k) of the SRC (collectively, the “Institutional Investors”), failing which the Underwriter shall itself purchase the Rights Shares (the “Institutional Offer”). No underwriting fees or commissions will be payable to the Underwriter for any Rights Shares subscribed by Eligible Shareholders under the First and Second Rounds of the Offer. Such fees will only be paid by the Issuer to the Underwriter with respect to the Rights Shares subsequently offered, taken or placed by the Underwriter to Qualified Buyers or other investors after the Second Round of the Offer.

The Principal Shareholder beneficially owns an aggregate of 193,868,029¹ of the Company's Common Shares, representing 67.61% of the outstanding Common Shares of the Company as of August 31, 2024. The Principal Shareholder has indicated its support for the Rights Offer and is expected to exercise its pre-emptive rights to subscribe to their Entitlement Shares in the First Round of the Offer for up to [34,814,624] Entitlement Shares. The Principal Shareholder also has the option (without any obligation) to participate in the Institutional Offer following the Second Round of the Rights Offer under the same terms and conditions as any other Eligible Shareholder, up to amounts as may be permissible under applicable law. Subscriptions of the Principal Shareholder to additional Rights Shares shall have no preference over the subscriptions of any other Eligible Shareholder in the Rights Offer.

The Rights Shares will be issued from the unissued Common Shares from the existing authorized capital stock, and will be listed on PSE. As of the date of this Prospectus, PHINMA has an authorized capital stock of ₱5,210,000,000.00 divided into 420,000,000 Common Shares, 100,000 Preferred A shares, 900,000 Preferred B shares, 50,000,000 Preferred AA shares, and 50,000,000 Preferred BB shares, each with a par value of ₱10.00, and its issued share capital consists of 286,325,265 Common Shares. Once the Offer is completed, it is expected that the issued and outstanding capital stock of the Company shall be up to [337,818,571] Common Shares.

The Company expects to raise gross proceeds of up to ₱1,000,000,000.00 from the Offer. The estimated net proceeds to be raised from the Offer after we deduct the fees and expenses will be up to ₱[25,439,920.00]. The Company intends to use the net proceeds it receives from the Offer for investment in the following business units: Construction Materials Group ("CMG"), Hospitality Group, Property Development Group and for investment in new ventures and/or general corporate purposes. For a more detailed discussion on the proceeds from the Offer and the Company's proposed use of proceeds, please see "Use of Proceeds" of this Prospectus.

The Company's Common Shares are listed on the PSE under the symbol "PHN." As of [October 1,] 2024, the closing price of the Company's Common Shares on the PSE was ₱[19.80].

All of the Common Shares issued and to be issued or sold pursuant to the Offer have identical rights and privileges. The Common Shares may be owned by any person or entity regardless of citizenship or nationality, subject to the nationality limits under Philippine law. The Philippine Constitution and related statutes set forth restrictions on foreign ownership for companies engaged in certain activities.

Holders of Common Shares as of the Record Date who are eligible to participate in the Rights Offer are: (i) holders located inside the Philippines and (ii) holders located outside the Philippines where it is legal to participate in the Rights Offer under the securities laws of such jurisdiction without requiring registration or the need to obtain regulatory approvals under such laws ("Eligible Shareholder").

Each holder of Common Shares will be entitled to such dividends as may be declared by the Company's Board of Directors (the "Board"), provided that any share dividends declaration requires the approval of shareholders holding at least two-thirds of its total "outstanding capital stock." The Revised Corporation Code of the Philippines, Republic Act No. 11232 (the "Revised Corporation Code"), has defined "outstanding capital stock" as the total shares of stock issued under binding subscription contracts to subscribers or stockholders, whether fully or partially paid, except for treasury shares.

The Company reserves the right to withdraw the offer and sale of the Offer Shares at any time before the Ex-Date (except if there are supervening extraordinary events or circumstances after the Ex-Date which are not foreseeable or, even if foreseeable, are unavoidable, and render it impossible for the Company to proceed with the Offer, in which case, the withdrawal may be done after Ex-Date with the approval of the PSE), and to reject any commitment to subscribe to the Rights Shares in subsequent rounds of the Rights Offer, in whole or in part, and to allot to any Eligible Shareholder less than the full amount of the Rights Shares sought by such applicant in subsequent rounds of

¹ 97,903,395 Common Shares are certificated shares, on the other hand, 95,964,634 Common Shares are scrippless shares lodged with brokers.

the Rights Offer. If the Rights Offer is withdrawn or discontinued before Ex-Date, the Company shall make the necessary disclosures to the SEC and the PSE.

Notwithstanding the acceptance of an Application by the Company, the actual issuance and sale of the Rights Shares to an Eligible Shareholder shall become effective only upon the listing of the Rights Shares on the PSE. If such condition is not fulfilled on or before the Listing Date, all application payments will be returned to the applicants without interest and, in the meantime, the said application payments will be held in a separate bank account with the Receiving Agent.

The information contained in this Prospectus relating to the Company and its operations has been supplied by the Company, unless otherwise stated herein. To the best of its knowledge and belief, the Company, which has taken reasonable care to ensure that such is the case, confirms that the information contained in this Prospectus relating to it and its operations is correct, and that there is no material misstatement or omission of fact which would make any statement in this Prospectus misleading in any material respect and that the Company hereby accepts full and sole responsibility for the accuracy of the information contained in this Prospectus with respect to the same. The Issue Manager, Bookrunner, and Sole Underwriter has exercised reasonable due diligence required by regulations in ascertaining that all material representations contained in this Prospectus, and any amendment or supplement thereto are true and correct, and that no material information was omitted, which was necessary in order to make the statements contained in said documents not misleading. No representation, warranty or undertaking, express or implied, is made by the Issue Manager, Bookrunner, and Sole Underwriter, and no responsibility or liability is accepted by any thereof to the accuracy, adequacy, reasonableness or completeness of the information and materials contained herein (excluding any and all information pertaining to the Issue Manager, Bookrunner, and Sole Underwriter) or any other information provided by the Company in connection with the Offer Shares, their distribution or their future performance.

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 pursuant to this Prospectus shall, under any circumstances, create any implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date.

The contents of this Prospectus are not investment, legal or tax advice. In making any investment decision regarding the Offer Shares, Eligible Shareholders and Institutional Investors must rely on their own examination of the Company and the terms of the Offer, including, without limitation, the merits and risks involved, such prospective purchaser's own determination of the suitability of any such investment with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it in connection with such investment. Neither the Company nor the Sole Underwriter make any representation to any prospective purchaser regarding the legality of participating in the Offer under any law or regulation. Each person should be aware that it may be required to bear the financial risks of any participation in the Offer for an indefinite period of time. Eligible Shareholders and Institutional 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, among others.

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

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.

Each person contemplating an investment in the Shares should make his own investigation and analysis of the creditworthiness of the Company and his own determination of the suitability of any such investment.

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

- Risks relating to the Company's business;

- Risks relating to the Philippines;
- Risks relating to the Offer and the Rights Shares;
- Risks relating to the Prospectus.

Please refer to the section entitled “Risk Factors” beginning on page [28] 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 Issue Manager, Bookrunner, and Sole Underwriter and the Company have exercised due diligence in ascertaining that all material representations contained in this Prospectus are true and correct as of the date of this Prospectus and that no material information was omitted, which was necessary in order to make the statements contained herein as of the Listing Date not misleading.

No dealer, salesman, or any other person has been authorized to give any information or to make any representation not contained in this Prospectus. If given or made, any such information or representation must not be relied upon as having been authorized by the Company or the Issue Manager, Bookrunner, and Sole Underwriter. The distribution of this Prospectus and the offer and sale of the Shares may, in certain jurisdictions, be restricted by law.

The Company and the Issue Manager, Bookrunner, and Sole Underwriter require persons into whose possession this Prospectus comes, to inform themselves of and observe all such restrictions. This Prospectus does not constitute an offer of any securities, or any offer to sell, or a solicitation of any offer to buy any securities of the Company in any jurisdiction, to or from any person to whom it is unlawful to make such offer in such jurisdiction.

On September 18, 2024, the Company filed with the SEC an application for Confirmation of Exempt Transaction covering the Offer Shares to be issued relative to the Offer, pursuant to Section 10.1(e) (in respect of the Rights Offer) and 10.1(k) and (l) (in respect of the Institutional Investors) of the Securities Regulation Code (“SRC”) under which the exemption is based. The SEC issued a Confirmation of Exempt Transaction on [●].

The Company filed its application for listing and trading of the Rights Shares with the PSE on September 9, 2024. On [●], the Company received the Notice of Approval from the PSE for the Offer, with listing approval subject to compliance with certain listing conditions. Such an approval is permissive only and does not constitute a recommendation or endorsement by the PSE of the Rights Shares. Furthermore, the PSE assumes no responsibility in the correctness of any statement made or opinions expressed in this Prospectus. 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 in part on the contents of this Prospectus.

CONVENTIONS USED IN THIS PROSPECTUS

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to the “Company” are to PHINMA Corporation. All references to the “Philippines” are references to the Republic of the Philippines. All references to the “Government” are to the national government of the Philippines. All references to “Philippine Peso”, “Pesos” and “₱” are to the lawful currency of the Philippines.

The items expressed in the Glossary of Terms may be defined otherwise by appropriate government agencies or regulations from time to time, or by conventional or industry usage.

PRESENTATION OF FINANCIAL INFORMATION

The consolidated financial statements and interim condensed consolidated financial statements are reported in Philippine Peso and are prepared based on its accounting policies, which are in accordance with the Philippine Financial Reporting Standards (“PFRS”) and Philippine Accounting Standards (“PAS”) 34 “Interim Financial Reporting”, respectively, issued by the Financial and Sustainability Reporting Standards Council of the Philippines

("FSRSC"). PFRS include statements named PFRS, PAS and Philippine Interpretations of International Financial Reporting Interpretations Committee.

The financial information included in this Prospectus has been derived from the Company's consolidated financial statements. Unless otherwise indicated, financial information relating to us 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 calendar year begins on January 1 and ends on December 31 of each year. SyCip Gorres Velayo & Co. ("SGV") has audited the audited consolidated financial statements at and for the years ended December 31, 2021, 2022, and 2023, and reviewed its unaudited interim condensed consolidated financial statements as at and for the six-month period ended June 30, 2023. Isla Lipana & Co. ("PWC") has been appointed by the Company as their independent auditor as of August 8, 2023. PWC has reviewed the unaudited interim condensed consolidated financial statements as at and for the six-month period ended June 30, 2024.

NON-PFRS MEASURES

In this Prospectus, references to "EBITDA" represent net income after adding provisions for income tax, interest expense on loan borrowings and depreciation and amortization, references to "EBITDA Margin" represent EBITDA divided by revenues, references to "EBIT" represent net income after adding provisions for income tax and interest expense on loan borrowings and references to "Operating Income" represent revenues after deducting cost and expenses. EBITDA, EBITDA Margin, EBIT and Operating Income are not measures of performance under PFRS, and readers should not consider EBITDA, EBITDA Margin, EBIT and Operating Income in isolation or as alternatives to net income as an indicator of the Company's operating performance or to cash flow from operating, investing and financing activities as a measure of liquidity, or any other measures of performance under PFRS. Because there are various EBITDA, EBITDA Margin, EBIT, and Operating Income calculation methods, the Company's presentation of these measures may not be comparable to similarly titled measures used by other companies.

The Company monitors the following financial KPIs:

Financial KPI	Definition
Profitability	
Return on Equity	$\frac{\text{Net income attributable to holders of the parent}}{\text{Average equity attributable to holders of the parent}^2}$
Gross Profit Margin	$\frac{\text{Gross Profit}^3}{\text{Total Revenues}}$
Efficiency	
Cash Flow Margin	$\frac{\text{Cash flows from operating activities}}{\text{Total Revenues}}$
Liquidity	
Current Ratio	$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$

² Average Equity Attributable to Equity Holders of the Parent is derived by dividing in two (2) the sum of beginning Equity Attributable to Equity Holders of the Parent and ending Equity Attributable to Equity Holders of the Parent.

³ Gross Profit is calculated by deducting cost of sales, educational and hospital services, real estate and construction services, hotel operations, management and administrative expenses from total revenues.

Financial KPI	Definition
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$

THE OFFER OF SECURITIES IS EXEMPT PURSUANT TO SECTIONS 10.1 OF THE SRC AND, ACCORDINGLY, THE SECURITIES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE SEC UNDER THE SRC AND ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO THE REGISTRATION REQUIREMENTS UNDER THE SRC UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.

PHINMA Corporation

By:

[signatory]

Republic of the Philippines)
City Of [●]) S.S.

BEFORE ME, a notary public in and for the city named above, personally appeared with Passport No. [●] issued at [●] on [●] valid until [●], 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 this ___ day of _____ at _____.

Doc No. _____ :
Book No. _____ :
Page No. _____ :
Series of 2024

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:

- the Company's overall future business, financial condition and results of operations, including, without limitation, its financial position or cash flow;
- the Company's business and investment strategy, including acquisitions and divestments, investments and potential investments in new business segments and expansion plans for its existing assets and operations or other capital expenditure plans;
- the Company's goals for or estimates of its future operational performance or results;
- the Company's dividend policy;
- the future demand for the Company's services, including demand for education, construction materials, property, hospitality, or other future products or services the Company may offer; and
- changes in the Company's regulatory environment, including policies, decisions and determinations of governmental or regulatory authorities.

Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies, current expectations and projections about future events, and operating, market and financial trends affecting its business, and the environment in which we will operate in the future. In light of these inherent 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 or outcomes may differ materially from those expressed in any forward-looking statements as a result of a number of factors, including, among other things:

- the Company's ability to successfully implement its strategies;
- the Company's ability to anticipate and respond to consumer trends;
- the Company's ability to successfully manage growth;
- the Company's ability to successfully enter into, and compete in new lines of business;
- the condition and changes in the Philippine economy;
- general political, social and economic conditions in the Philippines;
- changes to the laws, regulations and policies applicable to or affecting the Company or its business segments, including changes to laws, regulations and policies relating to the education, construction materials, property, or hospitality businesses;
- legal or regulatory proceedings in which the Company may become involved;
- changes in interest rates, inflation rates and the value of the peso against the U.S. dollar and other currencies; and
- uncontrollable events, such as war, civil unrest or acts of international or domestic terrorism, the outbreak of contagious diseases, accidents and natural disasters.

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. The Company and the Issue Manager, Bookrunner, and Sole Underwriter expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in 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," "anticipate," "estimate," "project," "intend," "forecast," "seek," "target," "aim," "may," "might," "will," "would," "could," and similar words identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Prospectus are forward-looking statements. Statements in this Prospectus as to the Company's opinions, beliefs and

intentions accurately reflect in all material respects the opinions, beliefs and intentions of its management as to such matters as of the date of this Prospectus, although we give no assurance that such opinions or beliefs 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 us or persons acting on the Company’s behalf are expressly qualified in their entirety by the above cautionary statements.

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

Table of Contents

GLOSSARY OF TERMS.....	9
EXECUTIVE SUMMARY	12
SUMMARY OF THE OFFER.....	22
SUMMARY OF FINANCIAL INFORMATION	32
RISK FACTORS	39
USE OF PROCEEDS	61
PLAN OF DISTRIBUTION	64
DIVIDENDS AND DIVIDEND POLICY.....	66
DETERMINATION OF THE OFFER PRICE	67
DILUTION	68
CAPITALIZATION	69
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.....	70
BUSINESS	95
REGULATORY FRAMEWORK	147
BOARD OF DIRECTORS AND SENIOR MANAGEMENT.....	184
PRINCIPAL SHAREHOLDERS	196
RELATED PARTY TRANSACTIONS	199
MARKET PRICE OF THE COMPANY’S STOCK AND RELATED STOCKHOLDER MATTERS.....	202
DESCRIPTION OF THE SHARES	203
THE PHILIPPINE STOCK MARKET	211
PHILIPPINE TAXATION.....	219
LEGAL MATTERS.....	228
INDEPENDENT AUDITORS.....	229
ANNEX.....	231
MATERIAL PERMITS AND LICENSES	232
MATRIX OF EFFECTIVE OWNERSHIP INTEREST	320

GLOSSARY OF TERMS

ADB	Asian Development Bank
ANFLOCOR	Anflo Management and Investment Corporation
APHI	ABCIC Property Holdings, Inc.
API	Asian Plaza, Inc.
AU	PHINMA Araullo University (Pamantasan ng Araullo)
BCII	Bacnotan Cement Industries, Inc.
Board	Board of Directors
CARD	Center for Agriculture and Rural Development
CDCC	Community Developers and Construction Corporation
CHED	Commission on Higher Education
CMG	Composed of Union Galvasteel Corporation (UGC), Philcement Corporation (Philcement), PHINMA Solar Energy Corporation (PHINMA Solar) and Union Insulated Panels (UIPC)
COC	PHINMA Cagayan de Oro College
Common Shares	shares of common stock of the Company, each with a par value of ₱10.00
Company or PHN	PHINMA Corporation
Coral Way City Hotel Corporation	also known as Microtel by Wyndham Mall of Asia
Core Net Income attributable to Equity Holders of the Parent	Core Net Income attributable to Equity Holders of the Parent represent core net income excluding the share of non-controlling interest divided by the weighted average number of common shares outstanding
Core Net Income	Core net income represent consolidated net income excluding unrealized gain (loss) on change in fair value of financial assets at FVPL, net gains on derivatives, and foreign exchange gains - net
CMG	Construction Materials Group
CPMGI	Community Property Managers Group, Inc.
CTA	Court of Tax Appeals
CTS	Contract to Sell
DENR	Department of Environment and Natural Resources
DepEd	Department of Education
DHSUD	Department of Human Settlements and Urban Development
DOH	Department of Health
DOT	Department of Tourism
DTI	Department of Trade and Industry
ECC	Environmental Compliance Certificates
Ex-Date	[November 07, 2024]
FAB	Freeport Area of Bataan
FMO	Nederlandse Financierings- Maatschappij voor Ontwikkelingslanden N.V.
FSRSC	Financial and Sustainability Reporting Standards Council of the Philippines
GEAP II	Green Energy Auction Program
GI	Galvanized Iron
Gross Profit	Gross Profit is calculated by deducting cost of sales, educational and hospital services, real estate and construction services, hotel operations, management and administrative expenses from total revenues.
HDMF	Home Development Mutual Fund

HEIs	Higher Education Institutions
HLURB	Housing and Land Use Regulatory Board
HSAC	Human Settlement Adjudication Commission
HUDCC	Housing and Urban Development Coordinating Council Commission
INDPHIL or IPM	PT Ind-Phil Management, a joint venture agreement with PT Tripersada Global Manajemen and PHINMA Education
Kaizen	Kaizen Private Equity II Pte. Ltd.
Krypton Esplanade Hotel Corporation	also known as TRYP by Wyndham Mall of Asia
Listing Date	[November27, 2024]
MICE	Meetings, Incentives, Conferences, and Exhibition
Microtel by Wyndham	An international chain of limited-service hotels under Wyndham Hotel Group who pioneered the no-frills hotel concept in the country that targets the mid-market travelers.
MW	Mega-watt
Offer Shares	Collectively, the Rights Shares and Institutional Shares.
OPC or Type I	Ordinary Portland Cement
Operating Income	Operating income is calculated by deducting Cost and Expenses from Revenues
OWWA	Overseas Workers Welfare Administration
PAASCU	Philippine Accrediting Association of Schools, Colleges and Universities
Petra Cement	Petra Cement, Inc.
PFRS	Philippine Financial Reporting Standards
PHI	PHINMA Inc.
Philcement	Philcement Corporation
Philcement Mindanao Corp.	a 70% owned subsidiary of Philcement Corporation
PHINMA	PHINMA Corporation
PHINMA Energy	PHINMA's energy businesses which was divested in 2019
PHINMA Education	PHINMA Education Holdings, Inc.
PHINMA Hospitality	PHINMA Hospitality Inc., which operates the Microtel by Wynhdam and Tryp by Wyndham hotels in the country
PHINMA Hospitality Group	Includes PHINMA Hospitality Inc., PHINMA Microtel Hotels Inc., Microtel by Wyndham Mall of Asia (Coral Way City Hotel Corporation) and TRYP by Wyndham Mall of Asia (Krypton Esplanade Hotel Corporation)
PHINMA Hotels	Hotels operated by PHINMA Hospitality Group
PHINMA Microtel Hotels Inc.	PHINMA Microtel Hotels Inc. has the master franchise for Microtel by Wyndham and Tryp by Wyndham brands in the Philippines
PHINMA Property Development/PHINMA Properties	Refers to PHINMA Property Holdings Corporation and its subsidiaries
PHINMA Saytanar	PHINMA Saytanar Education Company Ltd.
PHINMA Solar	PHINMA Solar Energy Corporation
PPHC	PHINMA Properties Holdings Corporation
PPSMI	PHINMA Properties Sales and Marketing Inc.
Property Development Group	Refers to PHINMA Property Holdings Corporation and its subsidiaries
PSE	Philippine Stock Exchange
PSHC	P&S Holdings Corporation

PWC	Isla Lipana & Co., a PwC member firm
RAD	Remote and Distance Learning
RCI	The Republican College, Inc. which is now known as PHINMA St. Jude College - Quezon City
RCL	PHINMA Rizal College of Laguna
Record Date	[November 08, 2024]
Revised Corporation Code	Revised Corporation Code of the Philippines, Republic Act No. 11232
Rights Price	Offer Price of ₱[19.42 to 21.55]
Rights Shares	Stock rights offered to Eligible Shareholders of record as of [November 8, 2024] (the "Record Date") of up to [51,493,306] Common Shares with a par value of ₱10.00 per Share
SGV	SyCip Gorres Velayo & Co.
SHDA	Subdivision and Housing Developers Association
SJC - Manila	PHINMA St. Jude College - Manila
SJC – QC	St. Jude College – QC, also known as Republican College, Inc. or PHINMA College Quezon City, Inc.
SUC	State Universities and Colleges
SWU	PHINMA Southwestern University
SWUMed	Southwestern University Medical Center
SY	School Year
TRYP by Wyndham	An urban, lifestyle boutique brand that targets today's modern travelers with its hip, young and energetic interiors and amenities.
UCL	PHINMA Union College of Laguna
UGC	Union Galvasteel Corporation
UI	PHINMA University of Iloilo
UIPC	Union Insulated Panels Corp.
Union Cement	PHINMA's legacy brand of cement
UPang	PHINMA University of Pangasinan

EXECUTIVE SUMMARY

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

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

OVERVIEW

PHINMA, formerly Bacnotan Cement Industries, Inc. ("BCII"), was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (the "SEC") on March 12, 1957. It was founded by Ambassador Ramon V. del Rosario, Sr., Don Filemon Rodriguez, and Mr. Ernesto Escaler.

PHINMA's principal activity is holding investments in shares in various subsidiaries, associates and investees and other financial instruments. PHINMA's ultimate parent company is Philippine Investment-Management ("PHINMA"), Inc. ("PHINMA, Inc.").

Starting with an investment in a cement plant in Cebu, PHINMA has since expanded its portfolio and now owns and manages strategic business units focused on education, construction materials, property, and hospitality. Boasting a nationwide network of accessible, quality tertiary educational institutions and the widest distribution network for construction materials, PHINMA has been making lives better for the Filipino people for more than 60 years.

The common shares of PHINMA were listed on the Philippine Stock Exchange (the "PSE") on August 15, 1958 and as of June 30, 2024, PHINMA had a market capitalization of ₱6.73 billion with a common share price of ₱22.00.

PHINMA's consolidation of its investments in 2023 has expanded its exposure to high growth sectors, improved the Group's diversification and enhanced synergies.

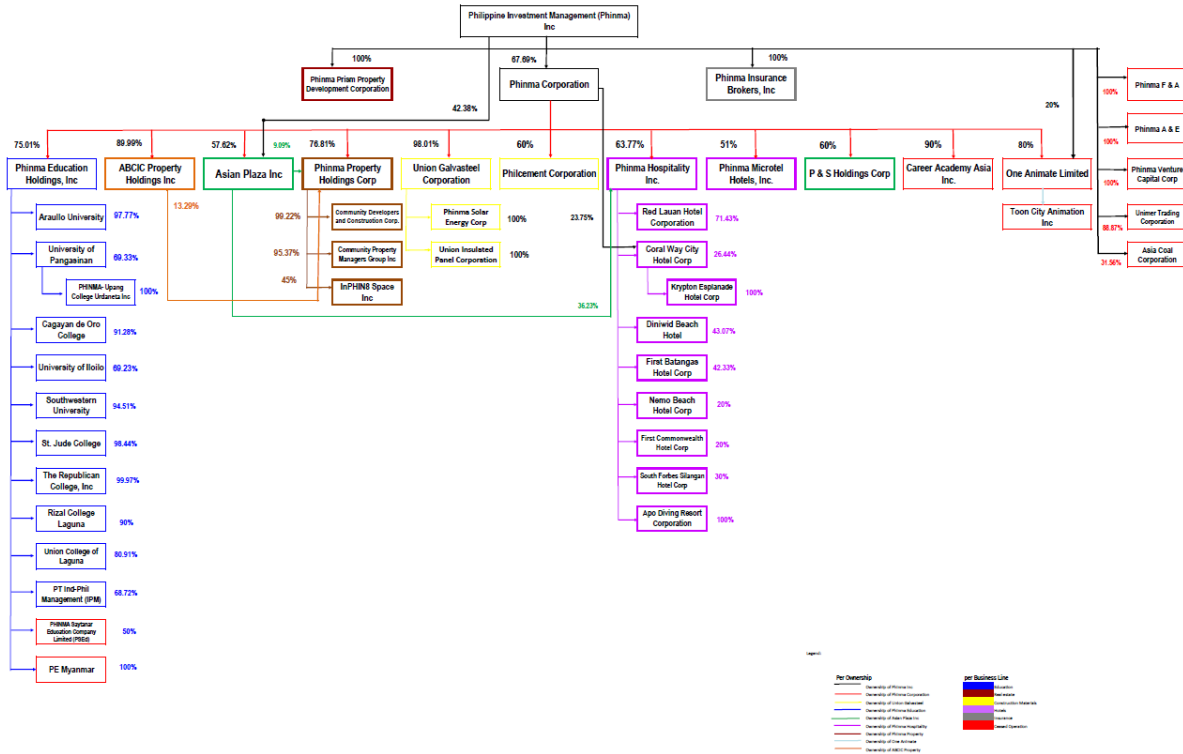
With the diversification of its portfolio, PHINMA continues to contribute to nation-building through well-managed and profitable businesses that cater to the needs of the market. By continuing this successful strategy and pursuing expansion plans, PHINMA believes this will allow them to achieve a balanced revenue mix and profitability. The consolidated revenues, gross profit, and net income of PHINMA for the six-month ended June 30, 2024 were ₱10.37 billion, ₱2.78 billion, and ₱170.93 million respectively, and for the year ended December 31, 2023 were ₱21.27 billion, ₱6.34 billion, ₱1.63 billion respectively.

PHINMA's four key strategic business units are (1) Construction Materials Group (2) Education Group, (3) Property Development Group, and (4) Hospitality. In terms of revenue contribution, as of 30 June 2024, each of the business units contributed approximately the following percentages to the overall revenue of the Company: (1) Construction Materials Group – 66%; (2) Education Group – 24%; (3) Property Development Group – 6%; and (4) Hospitality – 3% (5) Others – 1%.

The Corporate Structure of the Company is as follows:

PHINMA INC and Subsidiaries Investment Tree

as of June 30, 2024



A list of the subsidiaries of the Company can be found in the Annex section.

A. CMG

PHINMA operates its construction materials business under three (3) subsidiaries namely: (i) Union Galvasteel Corporation (“UGC”), (ii.) Philcement Corporation (“Philcement”), and (iii) PHINMA Solar Energy Corporation (“PHINMA Solar”). CMG aims to optimize synergies among the various companies within the group to provide innovative construction solutions to its customers, offering one-stop shop services, from floor to roofing, and providing superior convenience and service to customers nationwide.

UGC

UGC started its operation in 1963 as steel division of Bacnotan Cement Industries. It was incorporated in June 1993 as Bacnotan Steel Corporation and later renamed UGC. Today, UGC is the market leader in manufacturing and distribution of pre-painted and other galvanized roofing, and of galvanized steel building products such as building system components like steel decking, c-purlins, door jambs, steel trusses, pre-engineered building structures (“PEBS”) and insulated panels for commercial, industrial and residential applications. UGC has the largest and most diversified distribution network in the industry, with rollforming plants, warehouses and sales offices in strategic locations throughout the country.

In 2022, the Union Insulated Panels Corporation (“UIPC”) was established under UGC. UIPC broke ground in May 2024. The facility will produce premium insulated panels for the roofing, walling, and cladding needs of various temperature-controlled facilities such as cold storages, blast freezers, and warehouses across the food, agricultural, and industrial sectors. The facility will have a yearly production capacity of one million square meters of panels.

PHINMA Solar

PHINMA Solar was incorporated on July 10, 2013 and registered with the Philippine SEC on July 26, 2013 under the name of Trans-Asia Wind Power Corporation. In June 27, 2017, it was renamed to now PHINMA Solar Energy Corporation.

PHINMA Solar is 100% owned by UGC. The Group's venture into the solar rooftop market, providing solar rooftop generation solutions for industrial and commercial clients.

Philcement

Philcement was incorporated on September 22, 2017. It is a Freeport Area of Bataan ("FAB")-registered enterprise permitted to engage in the processing, marketing, importing, trading – wholesale and retail, selling, and distribution of cement, cement products, and other by-products and establishing, operating and managing cement supply terminals at the FAB.

Its 7.8-hectare flagship cement processing complex is considered to be the first state-of-the-art cement facility in the Philippines and one of the largest independent cement terminals globally. The facility has an initial capacity of 2 million metric tons of cement or 400,000 bags a day.

In May 2024, Philcement signed a share purchase agreement with Petra Cement Inc ("Petra"). Philcement Mindanao Corporation, a subsidiary of Philcement, will pay a consideration of Php 500 million in exchange for 100% of the outstanding shares of Petra. This follows the signing of a manufacturing and sales agreement earlier in the year between Philcement and Petra to enable Philcement to operate the Petra Plant and to manufacture and produce, distribute and sell cement products. The plant comprises a cement grinding facility with a capacity of 500,000 metric tons per annum, which serves the growing and dynamic Northern Mindanao market. The deal is expected to be finalized by end of 2024.

In June 2024, Philcement signed agreements with Anflo Management and Investment Corporation ("ANFLOCOR") to build a modern cement manufacturing plant in Davao del Norte. The facility is expected to be operational by 2026 with a production capacity of two million metric tons per year.

The facilities will be run by Philcement Mindanao Corp., a corporation which will be a 70% owned subsidiary of Philcement and 30% owned by ANFLOCOR. All these recent developments are aligned with Philcement's growth strategy and its promise to assure Filipino consumers with reliable, high-quality supply of cement products under its legacy brand, "Union Cement".

B. Education Group

The education services of PHINMA are held through its majority-owned subsidiary, PHINMA Education, with the Company owning 75.01% of the total issued and outstanding capital stock of PHINMA Education. PHINMA Education's mission is to make lives better through accessible, quality tertiary education. By intent and design, the network caters to the underserved youth – high school graduates from low-income families who want to go to college and get better jobs.

PHINMA Education holds majority equity interests in nine tertiary institutions across the Philippines. Its largest institutions have enrollment of around 20,000 to 30,000 students each. These are comprised of:

- Araullo University (“AU”)– which has campuses in Cabanatuan City and San Jose City
- Cagayan de Oro College (“COC”)– which has campuses in Cagayan de Oro City and Iligan City
- University of Pangasinan (“UPANG”) – which has campuses in Dagupan City and Urdaneta City
- University of Iloilo (“UI”) – which has a campus in Iloilo City
- South Western University (“SWU”) – which has campus in Cebu City. It is the only school in the network that caters primarily to the mid-income market. SWU owns a tertiary hospital, Southwestern University Medical Center (“SWUMed”), operated by Mount Grace Hospitals, Inc. of the United Laboratories Group.

PHINMA Education has more recently established its presence in NCR through its NCR Network, comprised of:

- PHINMA Saint Jude College – Manila (“SJC – Manila”), and
- PHINMA St. Jude College Quezon City, Inc. (“SJC–QC”)

PHINMA Education also operates schools in Laguna comprised of:

- Rizal College of Laguna (“RCL”), and
- Union College of Laguna (“UCL”).

As part of its growth strategy, PHINMA Education has also expanded to serve students outside the Philippines, particularly, in Indonesia. In Indonesia, PHINMA Education entered into a joint venture agreement with PT Tripersada Global Manajemen to form PT Ind-Phil Management (“INDPHIL”). Since its inception in 2019, INDPHIL has been managing Horizon University Indonesia, which is located in Karawang City and has an enrollment of approximately 1,700 students. INDPHIL also recently expanded its footprint in Indonesia through Kalbis Institute, which is located in Jakarta and had enrollment of nearly 1,000 students as of school year 2022-2023.

C. Property Development Group

PHINMA holds business interests in property management and development through PHINMA Property Holdings Corporation (“PPHC”), P&S Holdings Corporation (“PSHC”), and ABCIC Property Holdings, Inc. (“APHI”).

PPHC

PPHC is primarily a property development company which focuses on residential projects. While the primary focus is in affordable and economic housing, PPHC has also expanded into mixed-use developments and townships to build integrated communities that provide a more vibrant and connected living experience for the homebuyers. As of June 30, 2024, PPHC sold over 18,700 homes since 1987 and has had 32 developments in seven provinces.

PPHC also addresses the needs of low-income families through its re-entry into the socialized housing sector in 2024. Through its Community Housing segment, PPHC aims to provide affordable shelter, elevating lives and nurturing a sense of pride and belonging among first-time homebuyers.

PSHC

PSHC was incorporated and registered with the SEC on September 11, 1998. Its primary purpose is to invest in, hold, purchase, acquire, lease, or contract any and all real and personal properties. The company currently owns and leases land located in Bulacan.

APHI

APHI was incorporated and registered with the SEC on May 4, 2012 and is primarily engaged in selling real and personal properties. APHI currently owns residential properties in Island Park Subdivision in Dasmarinas, Cavite, condominium units in Canyon Cove and investments in shares of stock of PHINMA Property Holdings Corporation, a PHINMA Corporation subsidiary primarily engaged in the sale of condominium units.

D. Hospitality Group

After the consolidation of its strategic business units last July 2023, PHINMA increased its ownership in its hospitality assets. PHINMA's direct ownership in PHINMA Hospitality Inc. ("PHINMA Hospitality") to 63.77% while its direct ownership in PHINMA Microtel Hotels, Inc. ("PHINMA Microtel") increased to 51.00%. Prior to the said consolidation, the Company did not have any direct ownership in PHINMA Hospitality and PHINMA Microtel. PHINMA Hospitality is the management company that operates all the Microtel and TRYP by Wyndham properties in the Philippines. It is also a joint venture partner in several Microtel and TRYP developments. PHINMA Microtel is the Philippine master franchise holder of Microtel by Wyndham, an international chain of limited-service hotels with 300+ properties worldwide and TRYP by Wyndham, a select-service urban hotel chain with over 100 properties. Its revenue streams include franchise fees, license and advertising fees, as well as sale of hotel supplies.

PHINMA also has a direct 23.75% equity interest in Coral Way, owner of Microtel by Wyndham Mall of Asia. Coral Way has a wholly owned subsidiary, Krypton Esplanade Hotel Corporation, which owns the TRYP by Wyndham Mall of Asia.

PHINMA Hospitality, operates 14 Microtel by Wyndham hotels and one 191-room TRYP by Wyndham hotel in the country.

KEY STRENGTHS

Multi-Generational Management Expertise Across Multi-Sector Industries

PHINMA was founded and continues to be guided by well-respected leaders whose depth of experience is rooted in a legacy of leadership that has successfully navigated and adapted to the evolving business landscape over the decades. Each generation of leaders brings fresh perspectives while maintaining the core values and strategic vision that have consistently driven the company forward. PHINMA has had 3 Chief Executive Officers in its history, all of whom were recognized by the Management Association of the Philippines as Management Man of the Year:

- (i) Ambassador Ramon V. del Rosario, Sr. – Management Man of the Year 1988
- (ii) Mr. Oscar J. Hilado – Management Man of the Year 1991
- (iii) Mr. Ramon V. del Rosario, Jr. – Management Man of the Year 2010

The management teams of PHINMA and its strategic business units have the ability to integrate and harmonize the wisdom of the past with contemporary business practices to ensure that PHINMA remains resilient and competitive in diverse markets particularly in Construction Materials, Education, Property Development, and Hospitality.

PHINMA also benefits from the collective experience and management expertise of a highly regarded Board of Directors.

Strategic Cross-Business Synergies

The CMG, composed of UGC, Philcement, and PHINMA Solar, aims to maximize synergies among the various companies within the group to provide innovative construction solutions to its customers by offering one-stop shop services from floor to roofing, providing superior convenience and service to customers nationwide. PHINMA Solar's synergy with UGC enables the Company to offer one-stop combination of roofing and solar power generation solutions to clients, gaining competitive advantage, particularly when rehabilitation of roofing is required prior to installation of the panels.

PHINMA Solar supplied and installed solar rooftop panels in COC and UPang to reduce electricity expenses, reduce carbon emissions and benefit from cross-selling opportunities with other businesses.

Additionally, CMG can supply construction materials to the Property Development group. As PPHC's projects expand beyond NCR, they will need a supplier who can not only provide quality materials but also has a wide distribution network.

PHINMA Education has also been able to leverage on partnerships within the Group in improving its course offerings. For example, it has worked with PHINMA's Hospitality arm to enhance the learning experience of its hospitality courses.

The Property Development Group is also collaborating with the Hospitality Group through the latter's flagship travel and business hotel, which will serve as an anchor locator for the development of the township in Bacolod.

Wide Distribution Network with Flexible and Cost-Efficient Supply Chain

UGC leverages on its nationwide distribution and manufacturing footprint to ensure its products are readily available on the market. This advantage was proven during the pandemic, as products remained to be available despite travel restrictions. UGC can both manufacture and import supply, giving flexibility to quickly produce and fulfil large, customized orders, or import products for customers with less time sensitivity. The company maintains an optimum product inventory which balances availability and speed of order fulfillment versus cost of working capital.

On Philcement, its key strengths include its strategic partnerships, lean management team, and efficient distribution network. The Mariveles Cement Facility can easily load cement into vessels and transport products out to different ports nationwide, while being able to dispatch cement products via bulk or cargo trucks for land transport. This provides a significant competitive advantage compared to landlocked cement plants. Philcement has been able to competitively serve areas that are generally less accessible due to cost of transportation and location. During the lockdown, Philcement utilized efficient means of distribution to serve its customers despite various imposed restrictions.

Philcement's state of the art terminal in Mariveles uses the latest equipment that reduces truck loading and dispatch times. This results in superior dispatch speed, order fulfillment, and overall customer service compared to traditional integrated cement plants in the country. For bagged orders, cement is efficiently packed using mechanized packers, requiring minimum manual labor for bagging and loading. For bulk orders, the company uses bulk loaders to load cement from storage silos directly onto bulk trucks, also with minimum manual labor. A dedicated truck staging and dispatch area at the Mariveles Cement Facility I also ensures a quick and orderly loading process which also reduces total dispatch times. Resulting truck turnaround time at the Mariveles Cement Facility I average is comparatively short, allowing for a higher frequency of withdrawal by customers and less waiting time for trucks and logistics personnel.

CMG is also growing its presence in Mindanao with the recent partnership with Petra Cement Inc., as well as the establishment of another state-of-the-art cement manufacturing plant in the region through its joint venture agreement with ANFLOCOR.

Superior Product and Growing Brand Reputation

Philcement's high-quality cement has resulted in growing re-acceptance and preference for Union Cement, particularly by large institutional bulk cement buyers. Philcement's bulk cement exceeds the Philippines Standards Authority's 7-day strength test, meeting the requirements within 3.50 days, compared to an average of 6 to 7 days for locally manufactured cement. The superior strength enables substantial savings on the part of the buyers, building loyal bulk cement customers. Philcement's Cement Union V Ultra Strength 5, Union V Super Strength 40, Union Extra Strength bagged cement also exceeds local and international standards for cement.

PHINMA Education has fielded 166 Board Exam Topnotchers as of SY 2223 since acquiring its first school in 2004. Around 78% of graduates are accepted into their first job within one (1) year from graduation based on tracer studies. By placing more resources into building meaningful relationships with partner companies and organizations, as well as focusing on core work skills, the company expects the employability of its graduates to increase in the coming years.

PPHC received in 2023 recognition from PropertyGuru's Philippines Property Awards and Lamudi's The Outlook: Philippines Real Estate Awards, taking home multiple accolades including Boutique Developer of the Year in Luzon and Best Housing Interior Design for PHINMA Maayo San Jose. PHINMA Properties has also been consistently recognized by the Pag-IBIG as one of the Top 10 Developers in NCR through the Pag-IBIG Fund Stakeholders' Accomplishment Report ("StAR") Award. These recognitions validate PPHC's excellence and growing reputation in the real estate market.

PHINMA's Hospitality arm is the master franchisor for Wyndham's Microtel and TRYP brands in the Philippines. Wyndam is the world's largest hotel franchisor with more than 9,000 hotels across 95 countries.

Sustainable and Integrated Expansion of the Educational Services Business

Upon acquisition of a new school, PHINMA Education undertakes a program to improve both physical facilities and the quality of education, which results in better marketability of the programs and increased enrolment. The schools are integrated into PHINMA Education's Learning Model, an in-house developed set of processes and best practices that combines traditional classroom instruction, guided exercises, and audio-visual instruction. Quality of education is improved while costs are also reduced, resulting in higher enrolment and improved profitability for the schools. Costs are also reduced due to economies of scale as uniform academic programs and processes are rolled out across several schools.

PHINMA Education grows enrollment organically by setting up school branches separate from the main campus which extend the geographic reach of the main campus while still employing existing school licenses. In parallel to the company's organic growth, PHINMA Education actively pursues acquisition of more schools to increase its network. The company has a dedicated team developing a pipeline of acquisitions identified based on criteria including geographic priorities of the company.

In 2020, PHINMA Education acquired PHINMA RCL, which offers Junior and Senior High and undergraduate courses in Education, Business Administration, Office Administration, and Industrial Technology. RCL is PHINMA Education's first school in a planned Laguna network. This strategy creates networks of schools with integrated operations, reducing average administrative costs and facilitates management and operation. Pursuant to said strategy, on April 23, 2021, PHINMA Education, with CARD, entered into a Share Purchase Agreement with controlling stockholders of UCL, an educational institution located in Sta. Cruz, Laguna, Philippines. Under the said Agreement, said stockholders agreed to sell, and PHINMA Education and CARD agreed to acquire, the shares of stock of said stockholders in UCL. PHINMA Education purchased shares equivalent to 65.76% of total outstanding shares including 90% of total voting shares, for the purchase price of ₱85.49 million for the voting shares and ₱2.67 million for the non-voting shares.

On February 18, 2022, SWUMed held a ceremonial signing with Mount Grace Hospitals Inc. ("MGHI"), a member of the United Laboratories Group, the country's largest pharmaceutical company. MGHI will be managing SWUMed,

which includes handling day-to-day operations and improving medical services and providing exceptional training to the next generation health professionals. SWUMed officially turned over to MGHI the management of the facility's operation on April 2, 2022.

Strong Talent Management Across the Group

In line with its reputation for management excellence, PHINMA believes in developing talent within the organization to deepen the bench in anticipation of future growth. PHINMA has undertaken measures to provide our workforce with training programs for the development of their potential. The Company focuses on the continuous development of its people through leadership and competency-based training.

PHINMA employees regularly attend training programs such as coaching, management, sales, technical skills, and employee wellness. Mentorship and cross-function training were also made available to high-potential employees.

As part of a comprehensive succession planning initiative, the Company introduced the PHINMA Credential of Readiness ("CORE"), a strategic leadership development program. The primary objective of CORE is to expedite the growth of the PHINMA Group's talented employees, enabling them to be fully prepared to assume higher leadership positions within the organization. This program aims to equip employees with the necessary skills and abilities to confidently take on expanding leadership responsibilities.

PHINMA also values diversity in its workforce and provides equal opportunity to all stakeholders. No preference is given on the basis of gender, cultural background, religion, political affiliation, and/or ethnicity.

Strategic Partnerships

The PHINMA Group has engaged in key strategic partnerships that give it access to global expertise, best practices and local knowledge.

In 2019, PHINMA Education entered into a joint venture agreement with Tripersada Global Management for the establishment of PT Ind Phil Management ("IPM"). IPM oversees tertiary institutions for Yayasan Triputra Persada Horizon Education, the first of which is located in Karawang, West Java, Indonesia.

In 2024, the PHINMA Education signed an investment agreement with funds managed by leading global investment firm, KKR, with participation from existing shareholder, Kaizenvest Phoenix Investments II Pte. Ltd., an investment vehicle of funds managed by international firm, KKR Global Impact, and Rise Edu Pte. Ltd., which is managed by Kaizenvest III, a unit of shareholder Kaizen Private Equity II Pte Ltd. The transaction is expected to close in September 2024, subject to customary regulatory approvals, including that of the Philippine Competition Commission.

CMG's Philcement has executed a share purchase agreement with controlling shareholders of Petra Cement Inc., a cement manufacturer with a facility in Zamboanga del Norte. The transaction is expected to be closed by December 31, 2024. Philcement has also entered into a partnership with ANFLOCOR to build a modern cement manufacturing plant in Davao.

Moreover, Philcement has an existing partnership with the Vissai Group which is one of the biggest privately-owned cement joint-stock companies in Vietnam. Song Lam Cement Joint Stock Corporation ("Song Lam"), a subsidiary of The Vissai Group, operates the biggest state-of-the-art cement plant in Vietnam and the partnership ensures supply reliability with both volume and quality assurance.

The Property Development group has engaged a joint venture partner for Saludad, the Bacolod township. Furthermore, it has also signed a memorandum with the City Government of Iloilo to provide affordable housing.

The Hospitality group has the master franchise for the Microtel by Wyndham and TRYP by Wyndham brands. This allows the business to leverage on the brand reputation as well as the brand's quality standards. Wyndham has 25 brands, is present in 95 countries and has over 9,100 hotels.

CORPORATE STRATEGY

Head Office Strategy

- Enhance the value of its various business segments through a structured portfolio approach
- Provide strong parent support to optimize growth opportunities and sustainability
- Provide prudent financial and liquidity management to support both growth and risk management
-

Business Segment Strategy

A. CMG

- Strong management presence and leadership to empower growing teams and businesses
- Develop superior products and services through strategic regional partnerships that elevate technical know-how
- Agility to capture opportunities by continuously strengthening internal capabilities and improving operational efficiency
- Grow market presence by capitalizing on consumer trends and leveraging synergies and brand of the CMG and PHINMA Group
- Increase profitability through expanding capacity and diversifying product line

B. Education Group

- Increase enrollment through organic growth as well as acquisitions
- Expand network in comparable international markets where best practices can be leveraged
- Strengthen PHINMA Education's learning system designed to deliver outcomes to the underserved at an affordable price

C. Property Development Group

- Focus expansion on shaping new urban centers in next wave and emerging cities

D. Hospitality Group

- Capitalize on strong institutional relationships and corporate partnerships
- Implement flexible and agile operations amidst gradual recovery from the pandemic
- Continuously implement safety and health protocols as well as sustainable practices

RISKS OF INVESTING

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

- risks relating to the Company's business;
- risks relating to the Philippines;
- risks relating to the Offer and Rights Shares; and
- risks relating to this prospectus.

Please refer to the section entitled “Risk Factors,” which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with a purchase of Offer Shares.

COMPANY INFORMATION

The Company is incorporated under the laws of the Philippines. It maintains its principal executive offices at the 12/F PHINMA Plaza, 39 Plaza Drive, Rockwell Center, Makati City 1210. The telephone number at that address is +632 8870-0100. The Company’s corporate website is <https://www.phinma.com.ph/>. Information on its website or websites 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 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 its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to invest in the Offer 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.

The following terms of the offer should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Prospectus. These terms of the offer may not contain all of the information that prospective investors should consider before deciding to invest in the Offer Shares. Accordingly, any decision by a prospective investor to invest in the Offer Shares should be based on a consideration of the Prospectus as a whole. Should there be any inconsistency between the summary below and the final documentation, the final documentation shall prevail. A specific time of day refers to Philippine Standard Time.

Issuer	PHINMA Corporation
Rights Offer	<p>The Rights Offer shall comprise the offer for subscription of up to [51,493,306] Rights Shares offered to Eligible Shareholders on a pre-emptive basis. The Rights Shares have a par value of ₱10.00 per share, and will be issued from the unissued authorized Common Shares.</p> <p>The Rights Shares shall be offered by the Company to the Eligible Shareholders in the proportion which the number of Common Shares owned or held by each of them bear to all issued and outstanding Common Shares (the "First Round of the Offer"). Any Rights Shares that remain unsubscribed after the First Round of the Offer ("Additional Rights Shares") shall be offered to those Eligible Shareholders that fully exercised their rights in the First Round of the Offer and had simultaneously signified their intention to subscribe to Additional Rights Shares ("Additional Subscriptions") by tendering payment of the total offer price for all Entitlement Rights subscribed to, including all Additional Subscriptions that are subscribed to in excess of their pro-rata Entitlement Rights (the "Second Round of the Offer").</p> <p>The Rights Shares shall rank equally in all respects with the existing Common Shares, including the right to receive all dividends or distributions made, paid or declared after a valid subscription agreement is perfected between the Company and a buyer as evidenced by the written acceptance by the Company of the application to subscribe and purchase (the "Application") of the buyer and other conditions, including listing of the Rights Shares on the PSE.</p> <p>The Company shall cause the Stock Transfer Agent to make available to the Sole Underwriter, on the date of the commencement of the Rights Offer Period, a complete list of the Eligible Shareholders with the number of Rights Shares to which each of them shall be entitled to subscribe, subject to the Issuer's satisfaction that relevant requirements of data privacy laws and regulations are satisfied.</p>

	<p>Subject to compliance with applicable laws, rules and regulations of the Securities and Exchange Commission (the “SEC”) and The Philippine Stock Exchange, Inc. (the “PSE”), including but not limited to, the 2015 implementing rules and regulations of the Securities Regulation Code, PHINMA, Inc. (the “Principal Shareholder”) – has agreed to subscribe for its Entitlement Shares during the First Round of the Offer.</p>
Entitlement Ratio	<p>Every Eligible Shareholder is entitled to subscribe to one (1) Offer Share for every [5.56 to 6.17] common shares held as of the Record Date (“Entitlement Shares”).</p> <p>Fractions of Offer Shares will not be allotted to existing shareholders and fractional entitlements will be rounded down to the nearest whole number of the Offer Shares. Such fractions will be aggregated and sold for the benefit and at the discretion of the Company.</p> <p>Subscription to the Offer Shares in certain jurisdictions may be restricted by law. Foreign investors interested in subscribing or 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.</p> <p>The offer process in relation to the Entitlement Shares shall also be known as the First Round of the Rights Offer.</p>
Eligible Shareholders	<p>The Rights Shares may be subscribed to by the stockholders of record of the Company as of the Record Date on [November 8, 2024] on a pre-emptive rights basis. The latest date that anyone can purchase Common Shares on the PSE in order to be considered an Eligible Shareholder and subscribe to Rights Shares is on [November 6, 2024]. Persons who purchase shares on or after [November 7, 2024], being the Ex-Rights Date or Ex-Date, will not qualify as Eligible Shareholders. In every case all persons must also meet the qualifications below to be considered Eligible Shareholders.</p> <p>Holders of Common Shares as of Record Date who are eligible to participate in the Rights Offer are: (i) holders located inside the Philippines, and (ii) holders located in jurisdictions outside the Philippines where it is legal to participate in the Offer under the securities laws of such jurisdiction without requiring registration or the need to obtain regulatory approvals under such laws (collectively, the “Eligible Shareholders”). However, due to the constitutional limit on foreign ownership of companies owning land, the foreign shareholdings in the Company cannot exceed 40% of the issued and outstanding capital stock thereof. The Company reserves the right to reject or scale down Applications by foreign applicants if acceptance of such Applications will result in a violation of the Company’s foreign ownership restrictions.</p>
Additional Subscription	<p>Any Rights Shares that remain unsubscribed after the First Round of the Offer (“Additional Rights Shares”) shall be offered to those Eligible Shareholders that exercised their rights to fully subscribe to their Entitlement Shares in the First</p>

	<p>Round of the Offer and had simultaneously signified their intention to subscribe to Additional Rights Shares by tendering payment of the total offer price for all Rights Shares subscribed to, including all Additional Rights Shares to which such Eligible Shareholders intend to subscribe (the “Second Round of the Offer”), provided that the Additional Rights Shares to which such Eligible Shareholders are entitled to subscribe shall be based on the same proportion which the number of Common Shares owned or held by each of them bear to all issued and outstanding Common Shares as of Record Date, and no applicant for Additional Rights Shares shall be allocated more Additional Rights Shares than the number for which such applicant has applied. The Principal Shareholder will not participate in the Second Round of the Offer.</p> <p>The offer process in relation to the Additional Subscriptions shall also be known as the “Second Round of the Offer.”</p>
Institutional Offer	<p>Following the Second Round of the Rights Offer, any Rights Shares not sold after the mandatory Second Round of the Rights Offer will be offered by the Sole Underwriter to Institutional Investors, as defined below (the “Institutional Offer” and, for clarity, Rights Shares offered to Institutional Investors (as defined below) shall be referred to as the “Institutional Shares”). The Rights Shares and the Institutional Shares are collectively referred to as the “Offer Shares.”</p> <p>For the Institutional Offer, the Underwriter shall procure purchasers that are either qualified buyers in the Philippines (“Qualified Buyers”) (as defined in Section 10.1(l) of the SRC and Section 10.1.11 of its implementing rules and regulations, as amended) or other investors pursuant to Section 10.1(k) of the SRC (collectively, “Institutional Investors”), failing which the Sole Underwriter shall itself purchase the Rights Shares. No underwriting fees or commissions will be payable to the Sole Underwriter for any Rights Shares subscribed by Eligible Shareholders under the First and Second Rounds of the Offer. Such fees will only be paid by the Issuer to the Sole Underwriter with respect to the Rights Shares subsequently offered, taken or placed by the Underwriter to Institutional Investors after the Second Round of the Offer.</p>
Sole Underwriter’s Firm Commitment to Purchase	<p>The Underwriter will fully underwrite, on a firm commitment basis, the Rights Shares.</p> <p>On the Ex-Date, the Offer shall not be withdrawn, cancelled, suspended or terminated solely by reason of the (i) inability of the Company or the Sole Underwriter to sell or market the Rights Shares or (ii) the refusal or failure by the Company, the Sole Underwriter, or any other entity or person to comply with any undertaking or commitment to take up any shares remaining after the Offer Period.</p> <p>In undertaking the Sole Underwriter’s Firm Commitment to Purchase, the Sole Underwriter hereby manifests its conformity to comply with and be bound by all duly promulgated and applicable listing and disclosure rules, requirements, and policies of the PSE.</p>
The Offer	The Offer is comprised of the Rights Offer and the Institutional Offer.
Offer Price	The Offer Shares are being offered at a price of ₱[19.42 to 21.55] per share. The Offer Price is equivalent to up to [10%] discount to volume-weighted average price

	(“VWAP”) for the [90] consecutive trading days immediately prior to (and excluding) the Pricing Date.
Rights Offer Period	The Rights Offer Period shall commence on [November 13, 2024], at 9:00 a.m. and end on [November 19, 2024] at 12:00 p.m., Manila time. The Company and the Sole Underwriters reserve the right to extend or terminate the Rights Offer Period with the approval of the PSE.
Minimum Subscription	Each Application must be for a minimum of one (1) Offer Share.
Record Date	[November 8, 2024]
Ex-Date	[November 7, 2024]
Issue Manager, Bookrunner and Sole Underwriter	AB Capital & Investment Corporation
Stock Transfer Agent and Receiving Agent	Stock Transfer Service, Inc.
Restrictions on Ownership	<p>The Philippine Constitution and related statutes set forth restrictions on foreign ownership of companies that own land in the Philippines. The Company is subject to Philippine legislation restricting the aggregate foreign ownership to 40.0% of the outstanding Shares of the Company and those entitled to vote in the election of the directors. Accordingly, the Company cannot allow the issuance or the transfer of its Common Shares which may result in the Company ceasing to be at least 60.0% owned by Philippine Nationals. As of June 30, 2024, approximately 99.8% of the Company’s voting shares were held by Philippine Nationals. After completion of the Offer, foreign equity shall not exceed 40.0% of the Company’s share capital.</p> <p>For more information, see the sections titled “Risk Factors”, “Regulatory Framework” and “Description of the Common Shares” on pages [26], [128], and [179], respectively, of this Prospectus.</p>
Procedure for Application	<p>All applications shall be evidenced by the Application, duly executed by an authorized signatory of the Eligible Shareholder or Institutional Investor, and the corresponding payment for all Rights Shares or Institutional Shares, respectively, covered by the relevant Application and all other required documents.</p> <p>If the applicant is an individual, the applicant must submit:</p> <ul style="list-style-type: none"> • a properly completed Application; • a photocopy of one (1) valid identification document (BSP Circular No. 950, Series of 2017 and BSP Circular No. 1022, Series of 2018); • a duly accomplished specimen signature card. <p>Additional documents to be submitted by an applicant who is an individual are set forth in the notice to be sent out by the Company to such shareholders.</p> <p>If the applicant is a corporation, partnership, or trust account, the Application must be accompanied by:</p> <ul style="list-style-type: none"> • a properly completed Application; • duly executed signature card in the form attached to the Application, duly certified by its corporate secretary;

- Articles of Incorporation and By-Laws of the applicant, or the equivalent charter documents applicable for such an applicant, duly certified by its corporate secretary;
- SEC Certificate of Registration of the applicant, duly certified by its corporate secretary;
- an original of the duly notarized sworn corporate secretary's certificate setting forth the resolution of the applicant's board of directors or equivalent body authorizing the subscription to the Rights Shares or Institutional Shares, as the case may be, indicated in the Application, designating the signatories for the purpose and their specimen signatures; and
- a duly notarized certificate of the corporate secretary of the applicant certifying to the percentage of the applicant's capital or capital stock held by Philippine Nationals, as this term is defined under the Foreign Investments Act of 1991, Republic Act No. 7042, as amended, and its implementing rules, for Philippine companies.

Additional documents to be submitted by an applicant that is a corporation, partnership, or trust account, are set forth in the notice to be sent out by the Company to such shareholders.

If the applicant is not located in the Philippines (whether individual shareholder or corporation, partnership or trust account), by accomplishing the Application, the applicant represents and warrants that the applicant is not a resident of the United States and the applicant's purchase of the Rights Shares or Institutional Shares, as the case may be, will not violate the laws of its resident jurisdiction without requiring registration or the need to obtain regulatory approvals under such laws.

If the beneficial interest over an Application submitted by a broker or custodian in the PCD system relates to a non-Filipino or an applicant who is not located in the Philippines (individuals or corporation, partnership or trust account), the relevant broker or custodian must submit a certification letter to the Receiving Agent (in the form to be provided) representing and warranting that the Offer and the beneficial owner's purchase of the Rights Shares or Institutional Shares, as the case may be, do not and will not, respectively, violate the laws of the jurisdiction where such beneficial owners are resident.

The duly executed Application for the Rights Offer and required documents should be submitted during the Rights Offer Period, not later than 12:00 p.m. of [November 13, 2024], to Stock Transfer Service, Inc. (the "Receiving Agent"), provided that if payment is made through a manager's check, corporate check, or personal check, the Application, and the corresponding check payment, must be submitted on or before 11:00 am on [November 9, 2024]. Eligible Shareholders of certificated shares that are located outside the Philippines may initially submit an Application to the Receiving Agent by email, together with the tracking number provided by the courier and the reference number of the remittance/wire transfer provided by the remitting bank, on or before the end of the Rights Offer Period with the original copies delivered via courier immediately and received by the Receiving Agent on or before the Listing Date. Failure to indicate the tracking number and the reference number of the remittance/wire transfer in the email sent to the Receiving Agent may result in the rejection of the Application. Applications received thereafter or without the required documents will be the

	<p>nrejected. Applications shall be considered irrevocable upon submission to the Receiving Agent, and shall be subject to the terms and conditions of the Offer as stated in the Prospectus and in the Application. The actual issuance and/or purchase of the Offer Shares shall become effective only upon the actual listing of the Offer Shares on the PSE.</p>
<p>Payment for the Rights Shares</p>	<p>Applicants must tender payment for the full subscription price of all Rights Shares upon submission of the Application.</p> <p>Applicants shall pay for the Rights Shares through a manager’s check, corporate check, or personal check drawn against a bank account with any Bangko Sentral ng Pilipinas-authorized bank or any branch thereof with a clearing period of not more than one (1) Banking Day.</p> <p>Checks should be dated before or as of the date of submission of the Application, made payable to “[●],” and crossed “Payee’s Account Only.” [Cash deposits made to the Company’s designated bank account shall be an acceptable form of payment for the Rights Shares, provided that proof of payment is submitted in the form of a deposit slip or the Application bearing the machine validation of the bank receiving the payment.] Applicants should submit their payments to the Receiving Agent not later than 12:00 p.m. on [●], provided that if payment is made through a manager’s check, corporate check, or personal check, the Application, and corresponding payment made, must be submitted on or before 11:00 am on [●].</p> <p>Applications where checks are dishonored upon first presentment or payment is insufficient shall be rejected. Moreover, all bank charges shall be for the account of the applicant. The payment for the Offer Price (including any portion for the Additional Rights Shares) must be received by the Issuer in full without any deduction.</p>
<p>Documentary Stamp Tax</p>	<p>All documentary stamp taxes applicable to the issuance of the Offer Shares shall be for the account of the Company.</p>
<p>Acceptance/Rejection</p>	<p>The Company reserves the right to withdraw the offer and sale of the Offer Shares in accordance with the Withdrawal of Offer section below, and to reject any commitment to subscribe to the Rights Shares in subsequent rounds of the Rights Offer, in whole or in part, and to allot to any Eligible Shareholder less than the full amount of the Rights Shares sought by such applicant in subsequent rounds of the Rights Offer. If the Rights Offer is withdrawn or discontinued, the Company shall make the necessary disclosures to the SEC and the PSE.</p> <p>The actual number of Rights Shares to which any applicant may be entitled is subject to the confirmation of the Issuer. Applications where checks are dishonored upon first presentment or payment is insufficient and Applications which do not comply with the terms of the Rights Offer shall be rejected. Moreover, payment received upon submission of an Application does not constitute approval or acceptance by the Issuer of the Application.</p> <p>The Company likewise reserves the right to withdraw the offer and sale of the Institutional Shares in accordance with the Withdrawal of Offer section below, and to reject any commitment to subscribe to the Institutional Shares, in whole or in part, and to allot to any Institutional Investor less than the full amount of the</p>

	<p>Institutional Shares sought by such applicant. If the Institutional Offer is withdrawn or discontinued, the Company shall make the necessary disclosures to the SEC and the PSE.</p> <p>The actual number of Institutional Shares to which any applicant may be entitled is subject to the confirmation of the Issuer. Applications where checks are dishonored upon first presentment and Applications which do not comply with the terms of the Institutional Offer shall be rejected. Moreover, payment received upon submission of an Application does not constitute approval or acceptance by the Issuer of the Application.</p> <p>An Application, when accepted, shall constitute an agreement between the applicant and the Issuer for the subscription to the Offer Shares at the time, in the manner and subject to terms and conditions set forth in the Application and those described in the Prospectus.</p> <p>Notwithstanding the acceptance of an Application by the Company, the actual issuance and sale of the Rights Shares to an Eligible Shareholder or Institutional Shares to an Institutional Investor, shall become effective only upon the listing of the Offer Shares on the PSE. If such condition is not fulfilled on or before the Listing Date, all application payments will be returned to the applicants without interest and, in the meantime, the said application payments will be held in a separate bank account with the Receiving Agent.</p> <p>Subject to the right of the Company to withdraw or cancel the offer and sale of the Offer Shares prior to Listing Date pursuant to the Withdrawal of the Offer section of the Prospectus, the Company and any of its agents involved in the Offer undertake to comply with all conditions that are within the control of the Company and any of its agents involved in the Offer, to ensure the listing of the Offer Shares on Listing Date.</p>
Refunds	<p>Refunds, in whole or in part, of payments for any Application or a portion thereof which has been rejected shall be made, without interest, starting on the fifth (5th) Banking Day after the end of the Rights Offer Period. Each refund check shall be made out in favor of the applicant and shall be made available for pick-up at the office of the Receiving Agent. Refund checks that remain unclaimed after thirty (30) calendar days from the date such checks are made available for pick-up shall be mailed, at the applicant's risk, to the address specified by the applicant in the Application. All refunds shall be processed by, and made through, the Receiving Agent.</p>
Required Lodgment with PDTC Trading Participant	<p>The Offer Shares are required to be lodged with the PDTC. The applicants must provide the required information in the space provided in the Application to effect the lodgment. Applicants who do not have accounts with a Depository Participant must designate a Depository Participant whose depository account will be credited with the applicant's subscription to the Offer Shares on the Listing Date. The applicant may request for the upliftment of his/her Offer Shares and to receive stock certificates evidencing his/her investment in the Offer Shares through his/her broker after full payment and lodgment of the Offer Shares, in accordance with existing upliftment procedures. Any expense to be incurred in connection with such issuance of certificates shall be borne by the applicant, except for expenses to be incurred by the Stock Transfer Agent, which shall be borne by the Issuer.</p>

Listing and Trading	Subject to regulatory approvals, all of the Offer Shares are expected to be listed on the PSE on or before [November 27, 2024]. Trading is expected to commence on the same date that the relevant Offer Shares are listed on the PSE.														
Timetable	<p>The timetable of the Offer is scheduled as follows:</p> <table border="1" data-bbox="521 422 1406 722"> <tr> <td data-bbox="521 422 824 489">Approval by the Board of the Company</td> <td data-bbox="824 422 1406 489">August 6, 2024</td> </tr> <tr> <td data-bbox="521 489 824 522">Pricing Date</td> <td data-bbox="824 489 1406 522">[October 31, 2024]</td> </tr> <tr> <td data-bbox="521 522 824 556">Ex-Date</td> <td data-bbox="824 522 1406 556">[November 7, 2024]</td> </tr> <tr> <td data-bbox="521 556 824 623">PSE issuance of Notice of Approval</td> <td data-bbox="824 556 1406 623">[October 16, 2024]</td> </tr> <tr> <td data-bbox="521 623 824 657">Record Date</td> <td data-bbox="824 623 1406 657">[November 8, 2024]</td> </tr> <tr> <td data-bbox="521 657 824 690">Rights Offer Period</td> <td data-bbox="824 657 1406 690">[November 13, 2024 to November 19, 2024]</td> </tr> <tr> <td data-bbox="521 690 824 722">Tentative Listing Date</td> <td data-bbox="824 690 1406 722">[November 27, 2024]</td> </tr> </table>	Approval by the Board of the Company	August 6, 2024	Pricing Date	[October 31, 2024]	Ex-Date	[November 7, 2024]	PSE issuance of Notice of Approval	[October 16, 2024]	Record Date	[November 8, 2024]	Rights Offer Period	[November 13, 2024 to November 19, 2024]	Tentative Listing Date	[November 27, 2024]
Approval by the Board of the Company	August 6, 2024														
Pricing Date	[October 31, 2024]														
Ex-Date	[November 7, 2024]														
PSE issuance of Notice of Approval	[October 16, 2024]														
Record Date	[November 8, 2024]														
Rights Offer Period	[November 13, 2024 to November 19, 2024]														
Tentative Listing Date	[November 27, 2024]														
Underwriter’s Firm Commitment to Purchase	<p>The Sole Underwriter agrees to firmly underwrite the Rights Offer in accordance with the Underwriting Agreement to ensure that any Offer Shares that, after the mandatory Second Round of the Rights Offer are either not taken up or subscribed to by Eligible Shareholders or not paid for by Eligible Shareholders will be fully subscribed. In case there are Rights Shares remaining after the mandatory Second Round of the Rights Offer, the remaining Rights Shares shall be sold by the Sole Underwriter to Institutional Investors at the same Offer Price as the Rights Shares. Any Institutional Shares not taken up by Institutional Investors shall be taken up by the Sole Underwriter, pursuant to the Underwriting Agreement, to ensure that the Offer Shares are fully subscribed. See the section titled “<i>Plan of Distribution</i>” of the Prospectus.</p>														
Withdrawal of Offer	<p>The Issuer reserves the right, in its sole discretion, to withdraw the Offer at any time before the end of trading on the day immediately preceding the Ex-Date, in which event the Issuer will make the necessary disclosures to the Philippine SEC and PSE. The Issuer may also withdraw the Offer at any time on or after the end of trading on the day immediately preceding the Ex-Date and prior to the Listing Date, and upon prior written notice to the Underwriter(s), the SEC, and the PSE, due to the following supervening force majeure or fortuitous events:</p> <ul style="list-style-type: none"> (a) cancellation or suspension of trading in the PSE for at least three (3) consecutive trading days, or in such manner or for such period as will render impracticable the listing and trading of the Rights Shares on Listing Date or such other date as may be approved by the PSE; (b) a general moratorium on commercial activities declared by authorities or a material disruption in commercial activities or securities settlement or clearance services in the Philippines that is continuing for a period of 30 days; (c) an order cancelling, suspending or terminating the offer, sale, distribution or issuance of the Rights Shares issued by the BSP, the SEC, or the PSE, or any governmental or regulatory authority with competent jurisdiction; (d) the Issuer stops or is compelled to stop its operations pursuant to an order of a competent government authority and such is not remedied, reversed or reconsidered for a period of five (5) business days from the issuance thereof; (e) the initiation of, or consent by the Issuer to the institution of, any bankruptcy, insolvency, reorganization, rehabilitation, readjustment of debt, 														

	<p>suspension of payment, liquidation or similar proceeding relating to the Issuer;</p> <ul style="list-style-type: none"> (f) any court proceeding, litigation, arbitration or other similar proceeding is commenced or threatened against the Sole Underwriter in connection with or with respect to the issuance or sale by the Issuer of the Rights Shares or the Offer in general which renders the performance of their underwriting commitment impossible or impracticable; (g) occurrence of political, economic, market or other events in the nature of force majeure (including without limitation, any acts of God, acts of government, terrorism, war, widespread riot, public disorder, civil commotion, fire, flooding, explosion, epidemic, or pandemic (including but not limited to severe acute respiratory syndrome and Covid-19) widespread strike or lockout) in each case continuing for a period of 30 days) which renders it impracticable to continue with the Offer and/or listing of the Rights Shares, or would have a material adverse effect on the Philippine economy, on securities or other financial or currency markets of the Philippines, or on the distribution, offer and sale of the Rights Shares in the Philippines, rendering it impracticable to proceed with the Offer; (h) any material adverse change in local, national or international financial, political, industrial, economic conditions which renders it impracticable or to continue with the Offer and/or listing of the Rights Shares, or would have a material adverse effect on the distribution, offer and sale of the Rights Shares in the Philippines, rendering impracticable or to proceed with the Offer, or the Philippine economy or on the securities or other financial or currency markets of the Philippines; (i) any introduction of or any change in any statute, regulation, order, policy or directive or in the interpretation or application thereof by any court or other competent authority which (i) materially and adversely affects: (a) the ability of the Issuer to engage in the business it is presently engaged in; or (b) the capacity and due authorization of the Issuer to offer and issue the Rights Shares or to enter into the transaction documents in connection with the Offer, or (ii) would render illegal the performance by any of the Sole Underwriter of its underwriting obligations; (j) any event occurs which shall make it impossible for the Sole Underwriter to perform their underwriting obligations due to conditions beyond their control, such as issuance by any court, arbitral tribunal, or government agency which has jurisdiction on the matter of an order restraining or prohibiting the Sole Underwriter, or directing the Underwriter(s) to cease, from performing their underwriting obligations; and (k) the unavailability of the Philippine Depository and Trust Corp. ("PDTC") and PSE facilities used for the Offer and/or listing, and such unavailability impacts the ability of the Company and Domestic Underwriters to fully comply with the listing requirements of the PSE. The Offer shall not be withdrawn, cancelled, suspended or terminated solely by reason of the Issuer's or the Sole Underwriter's) inability to sell or market the Rights Shares or refusal or failure to comply with any undertaking or commitment by the Issuer, the Sole Underwriter, the principal shareholders, or any other entity/ person to take up any shares remaining after the mandatory Second Round of the Offer.
--	--

	<p>Notwithstanding the foregoing, the Issuer and the Sole Underwriter recognize and acknowledge that the PSE, in the exercise of its authority as a self-regulatory organization and further to its mandate to maintain a fair and orderly market, may impose appropriate sanctions and penalties on the Issuer and/or the Sole Underwrite if, based on the facts gathered by the PSE after proper evaluation, the PSE makes a reasonable determination that the cancellation or suspension of the offer and/or underwriting commitment was not warranted.</p> <p>Notwithstanding the acceptance of any Application, the actual issuance of the Rights Shares to an Applicant shall take place only upon the listing of the Rights Shares on the PSE. The PSE issued a Notice of Approval on [●] 2024, approving the application for listing of the Rights Shares, subject to compliance by the Issuer with certain conditions. Subject to the right of the Company to withdraw or cancel the offer and sale of the Rights Shares prior to Listing Date pursuant to this section of the Prospectus, the Issuer and any of its agents involved in the Offer undertake to comply with all conditions that are within the control of the Issuer and any of its agents involved in the Offer, to ensure the listing of the Rights Shares on Listing Date.</p> <p>If the Rights Shares are not listed on the PSE on Listing Date, all application payments will be returned to the applicants without interest starting on the [●] day after the end of the Offer Period.</p>
Auditor	Isla Lipana & Co.
Counsel for the Issuer	Migallos & Luna Law Offices
Counsel for the Underwriter	Picazo Buyco Tan Fider & Santos Law Office

SUMMARY OF FINANCIAL INFORMATION

The following tables present a summary consolidated financial information for PHN and should be read in conjunction with the Company's audited consolidated financial statements and notes thereto contained in this Prospectus and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations." The summary financial information presented below as of and for the years ended 31 December 2021, 2022, 2023, and for the periods ended 30 June 2023 and 2024 was prepared in accordance with Philippine Financial Reporting Standards, as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission. The Company's consolidated financial statements as of and for the years ended 31 December 2021, 2022, and 2023 were audited by SyCip Gorres Velayo & Co. The Company's unaudited interim condensed consolidated financial statements as of and for six-month period ended 30 June 2023 were reviewed by SyCip Gorres Velayo & Co. and the unaudited interim condensed consolidated financial statements as of and for the six-month period ended 30 June 2024 was reviewed by PWC.

Potential investors should read the following data together with the more detailed information contained in the Audited Consolidated Financial Statements and related notes thereto, and the Unaudited Interim Condensed Consolidated Financial Statements and the related notes thereto, included elsewhere in this Prospectus. The following data is qualified in its entirety by reference to all of that information.

CONSOLIDATED STATEMENTS OF INCOME

(All amounts in millions Philippine Pesos, except per share data)

	Audited			Unaudited	
	For the years ended December 31			For the six months ended June 30	
	2021	2022	2023*	2023	2024
REVENUES					
Revenue from contracts with customers	15,820	17,334	20,841	8,684	10,086
Investment and interest income	148	261	330	161	232
Rental income	70	70	103	42	56
	16,038	17,665	21,274	8,887	10,374
COST AND EXPENSES					
Cost of sales	10,148	11,681	11,678	5,792	6,025
General and administrative expenses	1,680	2,031	2,778	1,038	1,671
Cost of educational, hospital, installation and consultancy services	1,391	1,614	2,054	947	1,000
Cost of real estate sold and construction services	-	-	984	-	364
Selling expenses	564	535	720	267	343
Cost of hotel operations	-	-	132	-	149
Cost of management and administrative services	-	-	84	-	57
	13,783	15,861	18,430	8,044	9,609

OTHER INCOME (EXPENSES)					
Interest expense and other financing charges	(649)	(688)	(1,005)	(339)	(750)
Unrealized gain (loss) on change in fair value of financial assets at fair value through profit or loss	173	104	(293)	(22)	112
Net gains (losses) on derivatives	56	143	241	(7)	35
Equity in net earnings of associates and joint ventures	33	58	(81)	(79)	3
Foreign exchange gains (losses) - net	56	90	5	4	48
Gain on sale of investment properties	-	-	8	-	-
Gain on sale of property, plant and equipment - net	0	0	2	1	-
Gain on bargain purchase	8	-	-	-	-
Others - net	44	39	70	19	44
	(279)	(254)	(1,053)	(423)	(508)
INCOME BEFORE INCOME TAX	1,977	1,550	1,791	420	257
PROVISION FOR (BENEFIT FROM) INCOME TAX					
Current	70	59	145	17	113
Deferred	26	(39)	19	(53)	(27)
	96	20	164	(36)	86
NET INCOME	1,880	1,529	1,627	457	171
Attributable to:					
Equity holders of the Parent	1,129	948	958	209	(22)
Non-controlling interests	751	581	669	248	193
BASIC/DILUTED EARNINGS PER COMMON SHARE - attributable to equity holders of the parent					
	4.15	3.42	3.34	0.73	(0.08)

*For the audited consolidated financial statements as at and for the year ended December 31, 2023, the Company availed of the relief granted by the SEC under Memorandum Circular (MC) No. 34-2020 which further extended the deferral of Philippine Interpretations Committee (PIC) Q&A 2018-12-D (assessment if the transaction price includes a significant financing component) until December 31, 2023.

**CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION**
(All amounts in millions Philippine
Pesos)

	Audited			Unaudited
	As of December 31,			As of June 30,
	2021	2022	2023*	2024
ASSETS				
Current Assets				
Cash and cash equivalents	3,696	3,422	2,906	2,909
Investments held for trading	1,311	654	375	367
Current portion of:				
Trade and other receivables	4,935	5,631	8,514	8,710
Contract assets	-	-	3,106	1,950
Inventories	1,974	2,376	3,765	4,109
Input value-added taxes and other current assets	335	630	1,871	1,874
Total Current Assets	12,251	12,713	20,537	19,919
Noncurrent Assets				
Noncurrent portion of:				
Trade and other receivables	-	176	332	336
Contract assets	-	-	517	1,287
Investments in and advances to associates and joint ventures	1,247	1,413	619	828
Financial assets at fair value through profit or loss	2,105	2,209	1,916	2,028
Financial assets at fair value through other comprehensive income	109	123	163	160
Property, plant and equipment	10,666	11,582	14,480	15,238
Investment properties	627	627	925	921
Intangible assets	1,853	1,854	1,951	1,954
Right-of-use assets	335	315	423	346
Deferred tax assets - net	101	128	165	174
Derivative asset	511	648	890	924
Other noncurrent assets	341	223	561	492
Total Noncurrent Assets	17,895	19,298	22,942	24,688
TOTAL ASSETS	30,146	32,011	43,479	44,607

LIABILITIES & EQUITY**Current Liabilities**

Notes payable	930	2,779	7,626	11,354
Trade and other payables	2,323	2,150	3,573	3,989
Contract liabilities	1,327	1,417	1,810	291
Trust receipts payable	1,712	128	883	607
Income and other taxes payable	46	49	224	165
Current portion of:				
Long-term debt	544	652	3,799	3,930
Lease liabilities	108	103	129	128
Non-controlling interest put liability	-	-	-	2,795
Due to related parties	183	156	72	177
Total Current Liabilities	7,173	7,434	18,116	23,436

Noncurrent Liabilities

Long-term debt - net of current portion	10,139	10,282	10,340	9,984
Non-controlling interest put liability	1,863	2,188	2,571	-
Deferred tax liabilities - net	444	427	696	625
Pension and other post-employment benefits	259	276	358	407
Lease liabilities - net of current portion	248	211	396	335
Other noncurrent liabilities	48	50	302	243
Total Noncurrent Liabilities	13,001	13,434	14,663	11,594
Total Liabilities	20,174	20,868	32,779	35,030

Equity

Capital stock	2,863	2,863	2,863	2,863
Additional paid-in capital	259	397	397	446
Treasury shares	(144)	(0)	(58)	-
Exchange differences on translation of foreign operations	(1)	(1)	(1)	(1)
Equity reserves	(81)	(300)	(1,710)	(2,467)
Other comprehensive income	38	51	64	61
Share in other comprehensive income of associates	12	10	-	-
Retained earnings	4,542	5,361	6,132	5,782
Equity attributable to equity holders of the parent	7,488	8,381	7,687	6,684
Non-controlling interests	2,484	2,762	3,013	2,893
Total Equity	9,972	11,143	10,700	9,577
TOTAL LIABILITIES & EQUITY	30,146	32,011	43,479	44,607

**For the audited consolidated financial statements as at and for the year ended December 31, 2023, the Company availed of the relief granted by the SEC under Memorandum Circular (MC) No. 34-2020 which further extended the deferral of Philippine Interpretations Committee (PIC) Q&A 2018-12-D (assessment if the transaction price includes a significant financing component) until December 31, 2023.*

CONSOLIDATED STATEMENTS OF CASH FLOWS
(All amounts in millions Philippine Pesos)

	Audited			Unaudited	
	For the years ended December 31			For the six months ended June 30	
	2021	2022	2023*	2023	2024
CASH FLOWS FROM OPERATING ACTIVITIES					
Income before income tax	1,977	1,550	1,791	420	257
Adjustments to reconcile income before income tax to net cash flows:					
Interest expense and other financing charges	649	688	1,004	339	750
Depreciation and amortization	603	630	786	339	514
Interest income	(132)	(249)	(314)	(154)	(115)
Net loss (gain) on derivatives	(57)	(143)	(241)	7	(35)
Unrealized loss (gain) on change in fair value of financial assets at fair value through profit or loss	(172)	(104)	292	22	(112)
Pension and other employee benefits expense	79	104	125	55	101
Unrealized foreign exchange gain - net	(56)	(90)	(5)	(4)	(48)
Equity in net losses (earnings) of associates and joint ventures	(33)	(58)	82	79	(3)
Gain on investments held for trading - net	(16)	(12)	(15)	(7)	(7)
Gain on sale of investment properties	-	(33)	(8)	-	-
Gain on sale of property, plant and equipment	(0)	(0)	(2)	(1)	-
Dividend income	(0)	(0)	(0)	(0)	(1)
Loss (gain) on pre-termination of long-term leases	(1)	(6)	0	-	-
Gain on bargain purchase	(8)	-	-	-	-
Operating income before working capital changes	2,833	2,277	3,495	1,095	1,301
Changes in:					
Trade and other receivables	(1,404)	(497)	(1,979)	641	(355)
Contract assets	-	-	(1,092)	-	386
Inventories	(366)	(402)	206	215	(344)
Input value-added taxes and other current assets	(54)	(275)	(309)	221	(3)
Other non-current assets	-	-	-	-	70
Trade and other payables	314	(91)	(200)	481	258
Due to related parties	-	-	-	-	105
Trust receipts payable	(319)	(1,583)	755	138	(276)
Contract liabilities	718	89	142	(1,186)	(1,518)
Other non-current liabilities	-	-	-	-	(59)
Net cash provided by (used in) operations	1,723	(482)	1,018	1,605	(435)
Interest paid	(691)	(706)	(912)	(322)	(574)
Income tax paid	(53)	(86)	(240)	(66)	(92)
Contributions to the pension fund	(47)	(42)	(102)	(52)	(75)
Benefits paid from operating fund	(13)	(24)	(11)	-	-
Interest received	11	50	213	47	118

Net cash provided by (used in) operating activities	930	(1,290)	(34)	1,212	(1,058)
--	-----	---------	------	-------	---------

CASH FLOWS FROM INVESTING ACTIVITIES

Additions to:

Investment held for trading	(2,974)	(1,468)	(68)	(99)	(217)
Property, plant and equipment	(1,573)	(1,432)	(2,433)	(1,318)	(1,166)
Investment in and advances to associates and joint ventures	-	(109)	(165)	(276)	(206)
Intangible assets	(7)	(11)	(32)	(8)	(12)
Investment properties	-	(4)	(241)	-	(1)
Financial assets at fair value through profit or loss	(1,933)	-	-	-	-
Derivative asset	(202)	-	-	-	-

Proceeds from sale of:

Investments held for trading	3,809	2,136	507	380	232
Investment properties	-	36	20	-	-
Property, plant and equipment	3	2	11	3	2
Financial assets at fair value through other comprehensive income	-	1	0	0	-
Decrease (increase) in noncurrent assets	(124)	(58)	196	(78)	-
Payment of advances to associates and joint ventures	-	-	5	-	-
Dividends received	0	0	0	0	0
Acquisition of subsidiaries - net of cash acquired	(102)	-	(983)	-	-
Net cash used in investing activities	(3,103)	(907)	(3,183)	(1,396)	(1,368)

CASH FLOWS FROM FINANCING ACTIVITIES

Payments of:

Notes payable	(2,398)	(1,532)	(7,158)	(752)	(4,764)
Long-term debt	(918)	(1,049)	(749)	(366)	(345)
Cash dividends	(188)	(377)	(406)	(282)	(312)
Lease liabilities	(125)	(125)	(111)	(45)	(93)
Treasury shares	(7)	(0)	-	-	-

Proceeds from availments of:

Notes payable	2,003	3,381	9,030	1,550	8,492
Long-term debt	4,524	1,280	3,159	706	99
Proceeds from sale of parent company shares held by subsidiary	-	-	-	-	106
Proceeds from sale of treasury shares	-	281	-	-	-
Increase (decrease) in due to related parties	32	(27)	(86)	34	-
Increase (decrease) in other noncurrent liabilities	(3)	2	86	(0)	-
Issuance of shares to non-controlling interests	4	-	-	-	30
Acquisition of non-controlling interests	-	-	(1,069)	-	(831)
Net cash provided by financing activities	2,924	1,833	2,696	845	2,382

Effect of exchange rate changes on cash and cash equivalents	56	90	5	4	47
---	----	----	---	---	----

Net increase (decrease) in cash and cash equivalents	807	(274)	(516)	664	3
Cash and cash equivalents at beginning of year	2,889	3,696	3,422	3,422	2,906
Cash and cash equivalents at end of year	3,696	3,422	2,906	4,086	2,909

**For the audited consolidated financial statements as at and for the year ended December 31, 2023, the Company availed of the relief granted by the SEC under Memorandum Circular (MC) No. 34-2020 which further extended the deferral of Philippine Interpretations Committee (PIC) Q&A 2018-12-D (assessment if the transaction price includes a significant financing component) until December 31, 2023.*

RISK FACTORS

General Risk Warning

An Investor deals with a range of investments, each of which may carry a different level of risk. An investment in the Offer described in this Prospectus involves a number of risks. Prospective investors should carefully consider the risks described below, in addition to other information contained in this Prospectus, including the Company's consolidated financial statements and notes relating thereto, before making any investment decision relating to the Right Shares.

The price of Common Shares 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. Past performance is not indicative of future performance and results, and there may be a large difference between the buying price and the selling price of the Offer Shares. Investors 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 material adverse effect on our Company's business, financial condition and results of operations and cause the market price of the Offer Shares to decline. All or part of an investment in the Offer Shares could be lost.

Prudence Required

The risk factor discussed in this section does not purport to disclose all of the risks and other significant aspects of investing in the Offer Shares. Additional risks and uncertainties not currently known to it or those it currently views to be immaterial may also materially and adversely affect the Company's business, financial conditions or results of operations. Investors should undertake independent research and study the trading of securities before commencing any trading activity.

Professional Advice

Investors should seek professional advice regarding any aspect of the securities such as the nature of risks involved in the trading of securities, and specifically those of high-risk securities. Each Investor should also seek professional advice if he or she is uncertain of, or has not understood any aspect of, the securities to be invested in or the nature of risks involved in the trading of securities. Investors may request publicly available information on the Common Shares and the Company from the SEC.

Investors should carefully consider all the information contained in this Preliminary Prospectus including the risk factors described below, before deciding to invest in the Offer Shares. The business, financial condition and results of operations of the Company could be materially and adversely affected by any of these risk factors.

The risk factors discussed in this section are of equal importance and are only separated into categories for easy reference.

RISKS RELATING TO THE COMPANY'S BUSINESS

Dividend Restriction

As a holding company which primarily derives cashflow from dividend income from its investments in subsidiaries and associates, PHINMA's ability to service its own obligations may be affected by the dividend restrictions imposed by the outstanding loan agreements and financial stability of its operating companies. Moreover, creditors of PHINMA's subsidiaries and affiliates will have priority claims over the assets of such subsidiaries and affiliates.

The Company has put in place prudent financial management measures, one of which is standardizing across the Company's subsidiaries and affiliates the inclusion of a provision in its loan agreements that will allow the subsidiaries and affiliate to declare and pay dividends without the need to secure approval from the lenders, for as long as the subsidiary or affiliate is compliant with the financial ratios to ensure its subsidiaries and affiliates are still afforded flexibility to upstream dividends to their parent.

As parent company, PHINMA earned ₱341.49 Million, ₱169.21 Million, and ₱307.86 Million of dividend income for the years 2023, 2022 and 2021 respectively. Though these may not be indicative of future performance of the Company, PHINMA will expand its cash flow stream through several strategic initiatives such as:

- Acquiring new schools and expanding capacity of existing schools
- Expanding network in the Mindanao market through a cement manufacturing facility in Zamboanga del Norte and a new cement terminal in Davao
- Boosting the insulated panels production through the construction of a highly-automated facility
- Venturing into township development
- Increasing the Microtel and Tryp franchises in the country
- Efficiency improvements and automation

Business Cyclicity Risk

Select businesses of the Group have exhibited seasonality in demand and revenues. Demand for construction materials is higher during the months from December to May, than in the rainy months of June to November. School year for PHINMA Education's schools is generally from August to April and summer classes are from May to July. Thus, cashflow outside these periods may be relatively lower.

The Company takes this business seasonality into account during periodic budget review and undertakes capital reallocation as necessary should there be adverse changes in the business units projected cashflows.

Competition Risk

CMG

The construction materials industry is a fragmented industry with numerous domestic and foreign competitors, although there are local market players, such as UGC, that hold relatively strong market positions.

As of December 31, 2023, UGC's estimated domestic market share for steel roofing and polyurethane products is around 6-8%, while its market share for light steel frames is around 5%, based on UGC's estimates. UGC's steel roofing and steel products business faces stiff competition from other market participants that import finished steel products from foreign sources like China, Korea and Vietnam.

Compared to its competitors, UGC has a very large and diversified distribution network, with roll forming plants, warehouses, and sales offices in strategic locations throughout the country. UGC leverages its nationwide distribution and manufacturing footprint as a competitive advantage that ensures that its products are always available when needed by its customers. UGC can also manufacture and import roofing materials, giving it the flexibility to fulfill large, customized orders. UGC also continues to innovate its product offerings to capitalize on the growing addressable market.

Philcement likewise operates in a highly competitive industry where market players employ aggressive pricing strategies making it challenging for competitors to gain any non-price competitive advantage. Philcement mitigates this risk by owning and operating an efficient cement terminal in Bataan (the "Mariveles Cement Facility") that allows the company to efficiently load and unload cement into and from vessels and transport them to different destinations nationwide. To this date, Philcement has been able to competitively serve areas in North Luzon, Central Luzon, Metro Manila, South Luzon, and Mindanao regions.

The rooftop solar industry is fairly new and fragmented, with many companies cropping up to take advantage of the benefits of solar energy. Coupled with the strong outcry for cleaner energy, PHINMA Solar finds itself in a very attractive and growing industry. Aside from other medium- and large-sized companies that offer solar rooftop solutions, several options have become available to the retail market, some of which are do-it-yourself and easily accessible through e-commerce channels. PHINMA Solar addresses this risk by ensuring high quality offers made possible by the use of materials that are of the highest quality, known as Tier 1 in the industry, as well as the provision of after-sales services. In addition, PHINMA Solar leverages on its parent company UGC to compete in the rooftop solar market where PHINMA Solar was recently the sole company awarded rooftop solar contracts under the Department of Energy's Green Energy Auction Program ("GEAP II").

Education Group

PHINMA Education schools compete with both public and private educational institutions that cater to the low-income market. If PHINMA Education is unable to keep its education costs at competitive levels, it may not be able to attract the desired number of students to maintain its growth and profitability.

PHINMA Education's schools are competitively priced compared to the other Higher Education Institutions ("HEIs") which target the same market. Although State Universities and Colleges ("SUC") offer free tuition since the passage of the Universal Access to Tertiary Education Act, enrollment in SUCs is limited due to constraints in budget and infrastructure, as well as stringent academic admission requirements of SUCs. Generally, and in terms of enrollment, PHINMA Education's schools are among the top 5 private schools operating in their respective localities based on enrollment size, with the exception of the newer acquisitions St. Jude College, Inc., St. Jude College – QC, Rizal College of Laguna, and Union College of Laguna, Inc. Costs are managed in order to keep tuition fees accessible to the target market. Programs are modular, offering students options for shorter courses resulting in immediate course completion with employable skills. Options for remote and distance learning also reduce student transportation costs and improve affordability.

PHINMA Education's schools are designed to promote active learning and enable students to immediately complete courses with employable skills. In total, as of SY 2223, PHINMA Education's schools have fielded 166 board exam topnotchers since PHINMA Education's acquisition of its first school in 2004. In terms of employment, 77% of graduates are accepted into their first job within one (1) year from graduation based on 10-year tracer studies.

Property Development Group

The Company's Property Development Group operates in a highly competitive environment particularly in the affordable housing sectors where there are numerous commercial developers. As developers compete for suitable parcels of developable land, it becomes increasingly challenging for PHINMA Property Holdings Corporation's ("PPHC") to find suitable land at prices which still make the developments accessible to the middle-income market, particularly in Metro Manila and surrounding areas. To address this, PPHC is shifting its focus to developing more projects outside Metro Manila in emerging urban centers like Bacolod City, Iloilo City, Cebu City, and Davao City. These areas have fewer competing developments and more accessible land prices, enabling PPHC to continue offering affordable housing solutions.

PPHC mainly develops affordable medium-rise condominium units. The competitive landscape is marked by a race to offer better value propositions, such as superior construction quality, faster project completion times, and enhanced amenities. To maintain its market position, PPHC leverages its tunnel form system of construction, which allows for quicker and more cost-effective project delivery. This competitive edge, combined with a strong focus on customer satisfaction and strategic location selection, helps the Company navigate the intense competition and cater effectively to the needs of its target market.

PPHC has also begun expanding its portfolio to address the needs of different income segments. In 2024, the company re-entered the low-cost housing sector through its socialized housing segment. Additionally, PPHC has begun developing mixed-used projects, such as townships, which serve as a platform to provide amenities and services to multiple income segments within a vibrant community. This approach allows PPHC to deliver comprehensive living experiences that cater to the diverse needs of its customers.

Hospitality Group

PHINMA has investments in PHINMA Hospitality Inc. (“PHINMA Hospitality”) and PHINMA Microtel Hotels, Inc. The former is the management company of the Microtel by Wyndham and TRYP by Wyndham in the country and part-owner of several Microtel by Wyndham hotels. The latter holds the franchise for the Microtel by Wyndham and TRYP by Wyndham brands in the Philippines.

PHINMA holds a majority equity interest in Microtel by Wyndham Mall of Asia and TRYP by Wyndham Mall of Asia, both located in the Mall of Asia complex in Manila City. These two hotels compete with a number of hotels with similarly-priced accommodations in the area owing to close proximity to convention centers, the International Airport, casinos, and the Mall of Asia Complex. To effectively compete PHINMA Hospitality develops strategic relationships with corporate accounts for group bookings, functions, and long-staying guests. Hotel management also employs digital platforms to maximize online bookings, optimize room revenues, and provide competitive accommodation value at the given price point. The two hotels are also part of the worldwide Wyndham hotel rewards network which earns them patronage from loyal Wyndham customers worldwide.

Market Risk

CMG

The Company primarily serves the construction industry and by extension the infrastructure and real estate sectors. Growth in these key industries is influenced by various factors including market trends, overall economic growth and government policy. The strong consumption of construction materials in recent years may be affected by a national economic downturn leading to the delay of construction projects and real estate developments. Additionally, changes in government policies and reduced budget spending on infrastructure may also result to lower sales growth.

The CMG will continue to optimize its nationwide distribution area to serve the needs of its customers, delivering high quality products at value for money pricing strategies.

Education Group

A recession or decline in disposable income caused by the pandemic or other similar factors may reduce demand for affordable education. A discontinuation of the Senior High School Voucher Program and government subsidy for tertiary education may adversely impact the number of enrollees in PHINMA Education schools.

Despite the pandemic and inflation in the wake of the Russia Ukraine war, PHINMA Education has managed to grow local system-wide student enrolment to 146,474 for school year (“SY”) 2023-2024, a significant increase from pre-pandemic enrolment of 73,375 during SY 2019-2020. This robust growth highlights the Education Group’s strong value proposition of affordable quality education and demonstrates the limited market risk faced by this business.

Property Development Group

Market risk is a commonly associated risk with real estate business due to the fluctuating market conditions. Interest rates, exchange rates, oversupply of properties, geopolitical events, and recession, are factors that could simultaneously impact the unpredictability of the real estate market. A global or national recession arising from strife, calamities, or pandemics that severely affects the disposable income of Filipinos directly affects the housing

demand. Loss of overseas jobs would decrease remittances, and local layoffs would dampen appetite to invest in real property. Moreover, as wages remain relatively the same from years ago despite the rising prices of basic goods and services nowadays, housing investment for low- to middle-income Filipino household may be way beyond the reach.

PPHC recognizes these factors that pose risk to the real estate market in the Philippines. Despite these, the cyclical nature of the real estate industry typically shows resilience, often emerging strong in the medium- to long-term following downturns. Furthermore, the gap between housing demand and supply offers a favorable outlook. Thus, its vision to maintain and develop affordable housing projects is one way to attract potential buyers from investing. PPHC also identifies partners that offer viable alternatives for its customers to borrow funds at affordable payment schemes. It has not only worked with different banks but with other government lending institutions as well such as the Home Development Mutual Fund (HDMF) / Pag-ibig Fund.

Hospitality Group

Economic downturns or recession and geopolitical events may reduce discretionary spending leading to decreased travel and lower hotel occupancy rates. Seasonality and change in customers' preference affect occupancy rates. To mitigate these risks, the Hospitality group employs initiatives that reduce cost and beef up the liquidity position while continuously strengthening the marketing strategy and strong presence in social media platforms.

Regulatory Risk

CMG

The CMG relies heavily on the importation of inputs including cement, steel roofing raw materials, and solar panels. Any new taxes on these inputs or other new forms of non-tariff import restrictions may increase prices, reduce market demand, and adversely affect the business and financial performance of the CMG.

In August 2019, the Department of Trade and Industry ("DTI") imposed a definitive safeguard duty on imported cement for three years to redress alleged serious injury in the domestic industry. Philcement subsequently filed a case with the Court of Tax Appeals ("CTA") opposing the safeguard taxes and seeking a reimbursement of duties already paid, maintaining that local cement manufacturers were not unduly harmed by cement imports. On August 7, 2024, the CTA Second Division rendered its decision to uphold the findings of the Tariff Commission and DTI's imposition of the safeguard taxes. Philcement is preparing to file a Motion for Reconsideration with respect to the CTA's decision and will follow the proper appeal process of the Courts to avail of appropriate legal remedies afforded to the company. The domestic industry applied for an extension of the safeguard duty which expired in October 2022. The Tariff Commission did not recommend the extension of the safeguard duty citing no significant impairment in the overall position of the domestic industry and no existence of an imminent threat of serious injury in the near future. DTI concurred with the recommendation of the Tariff Commission and in October 2022, dismissed the petition filed by the local cement manufacturers to extend the tariff protection. In the future, however, should the domestic cement industry apply again for safeguard protection from imports and such a petition is granted, there could be a material effect on profitability of Philcement.

On top of safeguard measures, the domestic cement industry also applied for the imposition of anti-dumping duties on cement from Vietnam. In October 2022, the Tariff Commission determined that an anti-dumping duty should be imposed on various Vietnamese exporters of cement, including Philcement's supplier of Ordinary Portland Cement ("OPC" or "Type I"). DTI issued the final order in February 2023 imposing the aforementioned duty for a period of 5 years. Although the anti-dumping duty is imposed on the Vietnamese supplier of Philcement, the effect may be an increase in the cost of cement imported by Philcement.

To mitigate this risk, Philcement has started to manufacture its own blended cement in 2021, sold in the market as Union Extra Strength. Philcement is also sourcing cement from other countries which are not subject to dumping

duties. Moreover, Philcement has initiated several projects over a medium-term horizon which will allow the company to expand its product offerings and its domestic production of blended cement.

For the steel industry, DTI has received an application for safeguard tax protection from two local manufacturers claiming import protection in the galvanized roofing category, where UGC is also present. Although the DTI eventually dismissed the petition for safeguard taxes, there is the risk that a similar petition be granted in the future. To mitigate this risk, UGC has the flexibility of activating its existing galvanized line to locally produce its own galvanized roofing. UGC, together with other steel roofing importers, continues to lobby against safeguard duties and has also submitted a position paper to the DTI against the proposed safeguard taxes to protect consumer interests.

The CMG operates production facilities that are subject to environmental regulations with terms specified in the Environmental Compliance Certificates (“ECCs”) granted by the Department of Environment and Natural Resources (“DENR”). Although the companies exert due diligence in ensuring their facilities comply with these terms, any violation of ECC terms may require the company involved to pay a fine or incur costs in order to cure the violation. There can be no assurance that current or future environmental laws and regulations will not increase the costs of conducting businesses. The introduction of new environmental laws and regulations applicable to the business could have a material adverse effect on the financial results of the business.

Education Group

The ability to raise additional equity financing from non-Philippine investors is restricted by the foreign ownership restrictions imposed by the Constitution and applicable laws. The Constitution prescribes that educational institutions shall be owned solely by citizens of the Philippines or corporations or associations at least sixty percent (60%) of the capital of which is owned by such citizens, except for educational institutions established by religious groups and mission boards.

The prolonged suspension of face-to-face classes as experienced during the 2020 pandemic, and the recurrent cancellation of classes due to extreme weather conditions, may adversely impact the financial and operating performance of PHINMA Education. PHINMA Education adjusted its operations by piloting its blended learning programs. These blended learning programs are new, and their effectiveness compared to face-to-face classes are regularly being assessed and improved. To mitigate possible issues, PHINMA Education conducts more frequent consultation with students and teachers and periodically adjusts the programs based on early feedback.

With regard to the “No Permit, No Exam Prohibition Act” which prohibits private schools from disallowing students delinquent in their tuition payments from taking exams, the effect of this law on PHINMA Education is minimal. The law mandates educational institutions to allow disadvantaged students to take exams even if they have unpaid fees as long as the reasons for nonpayment arise from emergencies and other uncontrollable events, and as long as the students agree to issue promissory notes, which is already similar to how the group operates.

In April 2023, Rep. Gloria Macapagal-Arroyo filed HB 7893, a proposed law which reverses the current K to 12 system by making grades 11 and 12 mandatory only for students entering college, effectively returning secondary education to four years. The proposed law eventually did not prosper in the House of Representatives and no similar proposed law was filed in the Senate. In the event a similar law is passed in the future, PHINMA Education believes any effect on its enrolment would be limited, as the group focuses on tertiary education and Senior High School (Grades 11 and 12) enrolment represents less than 15 percent of total enrolment.

To address risks from future education policy changes, PHINMA Education has initiated a Private Education Policy initiative which seeks to communicate the benefits of and represent the interests of the Private education sector to private and government stakeholders. The company has also recently implemented a proactive system of monitoring and anticipating regulatory and legislative changes that may impact business operations.

PHINMA Education continues to ensure compliance with the program and curriculum guidelines and requirements of the Commission on Higher Education (“CHED”), Department of Education (“DepEd”) and Philippine Accrediting Association of Schools, Colleges and Universities (“PAASCU”). PHINMA Education also continuously engages in dialogue with CHED and other regulatory bodies, and coordinates with other educational institutions to develop guidelines for remote learning in the country.

Property Development Group

Operating a real estate business in the Philippines may involve navigating in a complex regulatory landscape. Real estate transactions are governed by the 1987 Philippine Constitution and other policy declarations encapsulated in statutes. These laws are for the protection of public interest and the economy in general. However, the stringent implementation of these regulations and government rules could be a tedious process for businesses to undertake.

The Constitution limits ownership of land in the Philippines to Filipino citizens, or to corporations the outstanding capital stock of which is at least sixty percent (60%) owned by Philippine nationals. While the Constitution prescribes nationality restrictions on land ownership, there is generally no prohibition against foreigners owning building and other permanent structures. Additionally, with respect to condominium developments, up to forty percent (40%) of the units can be owned by foreign nationals, allowing for a limited but significant foreign investment in the real estate market. Therefore, ability to raise additional equity financing from foreign investors is limited by the foreign ownership restrictions imposed by the Constitution and other applicable laws. The ambition to grow bigger is thereby constrained, considering that the country has limited investible funds to finance huge capital-intensive business projects unlike other countries.

PPHC is also subject to a range of government regulations including zoning restrictions, environmental permits, and construction related permits, among others. There are no assurances that property development companies will be able to obtain government approvals for their projects, or that these approvals can be secured in a timely manner, or that these approvals will not be revoked. Property development companies are also required to obtain licenses to sell before making sales, which may eventually be revoked by the Department of Human Settlements and Urban Development (“DHSUD”) based on its own findings or complaints by interested parties. There is also no guarantee that real estate companies can receive all required approvals, permits, or licenses, or that such will not be cancelled or suspended. The main risk is not merely on the approval itself, but the delays caused by slow regulatory processes. These delays are disadvantageous for companies that have invested significant time and money to meet regulatory requirements. This can lead to financial strain and operational setbacks, potentially affecting the company's ability to launch projects or expand operations within the projected timeline.

Real estate developments are likewise required to adhere to environmental terms specified in the initial ECCs granted by the DENR prior to approval of construction, to comply with existing environmental regulations. There can be no assurance that current or future environmental laws and regulations applicable to real estate companies will not increase the costs of conducting businesses.

To mitigate the regulatory risks, PPHC keeps itself abreast of sustainable technologies that would enable it to implement existing environment and safety laws and regulations at cost-efficient means. While laws change and evolve to adapt to current times, those enacted during the construction phase may no longer be applicable upon project turnover. Nevertheless, the company exerts earnest efforts to secure and maintain all relevant permits and licenses required under these evolving regulations for its projects. The company is an active member of the Subdivision and Housing Developers Association (“SHDA”), the largest multi-market segment developers association, and the Organization of Socialized and Economic Housing Developers of the Philippines (“OSHDP”), the leading national organization of mass housing developers. Through these memberships, the company engages in dialogue and advocacy with relevant government agencies.

Hospitality Group

Operating a hotel or resort in the Philippines involves navigating a range of regulatory risks. These include potential delays in obtaining licenses and permits, compliance with zoning laws and land use restrictions, adherence to rigorous health and safety standards, and environmental regulations, especially for properties located in ecologically sensitive areas.

The management team at PHINMA Hospitality recognizes these challenges and risks and has implemented comprehensive mitigating measures to effectively address them.

If necessary and to avoid delays in securing license and permits, PHINMA Hospitality engages legal and regulatory experts to assist with the process. The PHINMA Hospitality Group ensures all required documents are prepared accurately and submitted in a timely manner. On the zoning concerns, a thorough due diligence on local zoning laws is conducted before deciding to lease or purchase a land and before constructing the structure.

After the pandemic, PHINMA Hospitality became more cautious about complying with health and safety standards. They conduct regular evaluation of health and safety practices and invest in training programs for staff to ensure they are aware of and comply with health and safety protocols.

Further, PHINMA Hospitality adopts and promotes sustainable practices such as waste reduction, energy efficiency, water conservation, and the use of eco-friendly materials and products, to protect the environment and comply with environmental regulations

Supply Chain Risk

CMG

As the business of CMG involves importation of raw materials for manufacturing inputs, geopolitical disruptions, disruptions in global supply chains, and changes in global oil prices can have a significant impact on the ability of the company to source imported raw materials or on transportation costs, impacting the margins and pricing for products and services. To mitigate this, CMG has initiatives to diversify imported raw material sources and also enters into both long-term and short-term vendor contracts with vessel companies to smoothen out the effect of volatility in oil prices on transportation costs.

Philcement relies heavily on the importation of cement from Vietnam. To mitigate the risk of disruption in the supply of cement from Vietnam, Philcement also continues to explore potential sources from other countries in the Asia-Pacific region. Philcement's supply chain can likewise be adversely affected in the event of a disruption in operations in its port in Bataan, which may be rendered non-operational due to accident or any other event of Force Majeure.

UGC imports steel raw materials and finished steel products primarily from China. The China steel industry is diverse to the point that no material risk is posed by supply disruption from any single supplier. However, geopolitical disruptions or changes in the regulations in China relevant to the steel industry may have an impact on UGCs supply. To mitigate risk of disruption in supply of steel from China, UGC is developing alternative steel suppliers from Vietnam and Taiwan.

Subsidiary Cashflow Risk

CMG

The CMG sells products through large distributors and to institutional buyers. Collection from customers may be adversely affected due to factors beyond the CMG companies' control such as, but not limited to, ownership changes or dispute in billing, inability of the customers to secure financing, or sudden insolvency or bankruptcy of customers. Although there are policies to limit credit risk there is no guarantee that its respective customers will continue to

pay in a timely manner. There is likewise an increased risk that customers may experience cashflow difficulties and default on their payment obligations.

To manage this risk, the CMG conducts regular reviews on the financial reliability of its customers. The CMG only transacts with duly evaluated, creditworthy third parties, subject to credit verification procedures. The Credit Risk Management Group (the "Credit Group") conducts credit analysis for all accounts at the start of the accreditation process and also on a regular basis. To ensure that the evaluation is complete, the Credit Group performs internal reviews based on data and documents collected as well as utilizes credit reports of third parties. Trade and bank checks are also done in order to complete the background verification. The Credit Group also visits the customers when possible and coordinates with the Sales Team to check the status of the customers business and their project pipelines.

Receivables, credit terms, credit limits, and past due balances are monitored on a regular basis to reduce exposure to bad debts. The companies under the CMG constantly monitor their credit risk exposures. While risks are inherent to this business segment, the CMG does not expect any wholesale failure of its counterparties to meet their payment obligations. Furthermore, the companies in the CMG have no significant concentration of credit risk with any single counterparty or group of counterparties.

Education Group

A decline in disposable income, such as may be caused by a pandemic, may constrain students to defer expenditures on education or delay payment of tuition fees. Hence, PHINMA Education closely monitors the collection efficiency of receivables from students. The schools diligently implement an exam permit process compliant with current regulations and closely monitor student balances as early as two weeks before exams. Students with balances are notified ahead of time and provided with options.

Additionally, a substantial portion of PHINMA Education Senior High School students avail of the senior high school vouchers, thus any delay in the release of these may adversely affect PHINMA Education's cashflow. A decline in demand in its offered courses and delays in collections from students and government agencies may have a material adverse effect on the business segments' cash inflows.

To mitigate this risk, the schools under PHINMA Education also work closely with the local CHED and DepEd offices to ensure that all the students' documentary requirements are met.

Property Development Group

Majority of PPHC's sales are from the affordable segment. Buyers from this segment usually avail of housing loans financed by the HDMF through its Pag-IBIG home financing. Qualified buyers go through a loan application process, and loan proceeds are released by Pag-IBIG directly as take outs to PPHC after an applicant has successfully completed his requirements and the housing unit he has applied for has been granted its Occupancy Permit and have passed HDMF's inspection. There are numerous documents and approvals involved in the process prior to release of the funds. In the event loan approvals are delayed due to deficiencies in requirements or delays in processing, an example of which is the restrictions in mobility or the closure of the involved government offices due to the pandemic, PPHC may be forced to extend longer payment terms to its buyers, thereby significantly tightening its cashflow.

To mitigate this risk, PPHC is in continuous discussion with Pag-IBIG to further streamline the loan approval process and has also been granted a credit facility with the Pag-IBIG. Additionally, the company has arranged early loan takeout facilities. PPHC has also been in active discussion with banks for Contract to Sell (CTS) financing and has established receivables financing lines with private banks.

PPHC's receivables collection risk from customers is limited to the extent that 90% of financing for a given housing unit is typically provided by the HDMF through Pag-Ibig home financing, with direct collections from customers

limited only to a 10% downpayment collected over a two-year period. In rare instances where the customer is not able to complete the 10% downpayment, the company is typically able to resell the unit to other customers.

Also, PPHC has working capital lines with banks that it can utilize for its short-term financing requirements. It can also negotiate for long-term loan facility when needed. Furthermore, PPHC has ventured into new partnerships such as the recent partnership with Center for Agriculture and Rural Development (“CARD”) bank, a microfinance and social development institution that grants loans with longer payment terms.

Hospitality Group

Higher interest rates, a financial crisis, and higher operating costs brought about by rising cost of food, oil, wages, etc. are the key factors that could negatively impact the cash flow of the business. To mitigate these risks, the Hospitality Group proactively manages its cash flows, maintains liquidity reserves and continues to implement effective cost control measures.

The hospitality group experiences minimal risk of collection of receivables from customers since payment for accommodations is typically settled either in advance or immediately upon checkout.

Overall

The below table summarizes the estimated annual receivables default rates of each business segment for the latest available calendar or fiscal year:

<i>In PhP M</i>	Education (FY Mar 2024)	Construction Materials (CY Dec 2023)	Properties (CY Dec 2023)	Hospitality (CY Dec 2023)
Trade Receivables	1,028	1,986	379	3.9
Estimated Annual Credit Loss Provision	89	16	1	-
<i>Ratio EACL to Receivables</i>	8.7%	0.8%	0.3%	0.0%

Overall, PHINMA Corporation ensures a certain level of cash is available to support the continued operations of the various business units. It also makes sure that working capital lines are available with banks, which the business units may access when needed.

People Risk

The Company's current and future performance depends on the expertise, experience, and continued service and employment of its senior management and key officers. The loss of the services of key officers or members of the management team could disrupt the company's operations and may delay the execution of its business plans and growth strategies.

To mitigate this risk, the Company has adopted a succession plan by identifying members of the management team who can assume and take on the role and additional responsibilities arising from departures of existing members. The Company has also established organizational policies and procedures for employee development and advancement. This ensures business continuity is maintained by highly skilled and talented employees with superior skills and talent thereby diminishing overdependence on key individuals in the Company.

The Company further recognizes the need to support physical, psychological and mental wellbeing. The program “My Wellness Journey”, aims to address all of these concerns. Employees are given access to professional support

for mental wellness and psychological safety, while physical well-being is promoted on a regular basis with various programs across the Group.

Execution Risk

The Company intends to pursue its long-term growth strategy through expansions and acquisitions, some of which may not be executed properly or may even have an adverse effect on the existing profitability and financial condition of the Company.

The use of funds and the timeline set for the expansion and acquisition projects may be affected by factors which are generally beyond the control of the Company, such as, but not limited to: (i) delays in obtaining all necessary location, zoning, land use, building, development and other required governmental and regulatory licenses, permits, approvals and authorizations; (ii) delays in construction due to fortuitous events and unforeseen technical delays and engineering difficulties; and (iii) an increase in the cost of construction and building materials due to global and local economic changes. Moreover, the process of integrating any acquisitions into the Company may not be executed properly, and may result in prolonged and costly delays in integration that may have a material adverse impact on existing or anticipated business and financial performance. Any cost overruns could also increase the risk that there would be insufficient funds to complete the projects.

In general, any plan for expansion or acquisition undergoes a comprehensive due diligence and stringent investment review process, recommendation by senior management and approval by the Board.

In the Property Development business, execution and construction defects may result in building-related claims which may be asserted against PPHC. Significant claims arising from structural or construction defects could have a material adverse effect on PPHC's reputation and business, financial condition and results of operations. To mitigate this risk, the Property Development Group begins its mitigation efforts at the design phase: the company engages top-tier structural engineers whose work is peer-reviewed and further evaluated by specialized earthquake engineers to ensure the highest standards of safety and integrity. PPHC also prudently selects its network of accredited contractors and monitors the development of each project from project inception up to project turnover, ensuring adherence to stringent quality standards throughout the process.

Management teams continue to work with the Property Development Group and the Hospitality Group to strategically and properly execute targets and key improvements in operations. The Company also conducts bi-annual strategic planning sessions with all the business units to ensure overall alignment, optimum efficiency, and synergy among the groups and holding company.

Dependence on Key Facilities and Equipment

CMG

A substantial portion of UGC's income is derived from the sale of products produced or processed at UGC's production facilities. Any breakdown of, or significant damage to, UGC's production facilities could have a material adverse effect on the results of its operations. UGC maintains comprehensive property and casualty insurance policies on its production facilities under a broad name peril policy. However, there is no assurance that the proceeds from UGC's insurance policies would be sufficient to insulate UGC from all effects of possible total loss or damage caused by the named perils in the respective policies. In addition, UGC has adopted a risks management system covering preventive and preparedness action plans.

Philcement derives its revenues and income from the sale of cement products. Any breakdown of, or significant damage to, Philcement's materials handling and processing facilities could have a material adverse effect on the results of its operations. While the equipment is still under warranty, substantial downtime could affect the efficiency of operations and attainment of financial goals and objectives. To mitigate risk of equipment failure,

Philcement maintains multiple units for key items of equipment such as cement storage silos, mechanized cement packers, and truck loaders.

Education Group

The Education Group's income is derived from education operations at various school locations. The risk of a halt in operations due to fire or calamity is mitigated to the extent that all the schools have established policies and experience in conducting blended learning modalities. All schools similarly have insurance protection, with coverage including property all risk insurance and fire and allied perils.

Hospitality Group

The Hospitality Group's income is derived from hotel operations at the various hotel sites, which all comply with local fire protection standards. The hotels have adequate insurance coverage, including property all risk insurance and fire and allied perils.

Dependence on Logistics

For the CMG in particular, the business relies on the orderly and timely movement of imported inputs such as cement, steel coils and solar panels into the facilities, as well as the orderly and timely dispatch of finished products to customers or warehouses. Thus, the business is highly dependent on the reliability of owned, as well as leased, logistics facilities and equipment including ship unloading equipment, warehouses, cement storage silos, ships, and trucks. Any event which causes damage or renders inoperable key logistics components such as piers or major roads could substantially affect business operations of the CMG. In addition, any increase in costs of third-party-provided logistics services, including international shipping and freight costs, could also effectively increase raw materials costs and reduce profit margins for the CMG.

The CMG companies undertake periodic equipment repairs and maintenance over key logistic equipment and facilities to minimize risks of equipment downtime, and in addition maintain adequate levels of insurance coverage to mitigate risk of equipment damage due to catastrophes or accidents. To further mitigate risk of equipment failure, the CMG companies maintain multiple units for key items of equipment. Philcement for example maintains multiple units for key equipment including cement storage silos, mechanized cement packers, and truck loaders.

Dependence on Weather

CMG

Severe weather disturbances can affect the loading and unloading of cement at Philcement's Mariveles Cement Facility I. Vessels cannot be loaded, transported, or unloaded over the duration of the severe weather disturbance. Prolonged or frequent weather disturbances could delay inbound material shipments which could reduce the inbound capacity of the terminal resulting in reduced sales for Philcement. Weather disturbances can also delay outbound overland shipments to customers resulting in failure to meet delivery schedules.

To mitigate this risk, Philcement contracts larger vessels more capable of withstanding turbulent weather. Philcement is also developing relationships with cement suppliers from other countries to diversify as its supplier base and geographic region.

Weather disturbances can also delay inbound shipments of raw materials to UGC as well as outbound delivery of finished products to customers. UGC relies on several third party operated ports for inbound shipments to reduce risk from weather disturbances, and also performs seasonal planning and stocking to mitigate supply outages. The adverse effect of weather disturbances on outbound deliveries is also reduced due to UGC's nationwide network of roll forming facilities and warehouses, which reduces distance to customers and provides an available amount of

finished goods inventory. UGC also tends to sell more steel roofing in the wake of weather disturbances in the Philippines involving strong winds which increases the demand for sturdier roofing around the country.

Education Group

The Education Group is likewise affected by weather disturbances as it can affect the ability to hold face-to-face classes at each particular location. This is mitigated to the extent that all the schools have policies established and experience in conducting blended learning modalities. The Head Office of the Company works with the schools in ensuring emergency preparedness such as during unforeseen weather disturbances, among others. The schools have also historically acted as evacuation centers and provide local typhoon relief to their particular communities.

Hospitality Group

Severe weather disturbances may significantly impact Hospitality business's operations. This could lead to cancellations and reduced bookings as travel and event plans are disrupted. Eventually, this could result in decreased occupancy rates and revenue for hotels.

To mitigate the impact, PHINMA Hospitality has developed and regularly updates a comprehensive emergency preparedness and response plans to ensure guest and staff safety during weather disturbances. They also implement flexible booking, and cancellation policies to accommodate guests' changing travel plans thereby maintaining customer goodwill.

The Management team also ensures adequate insurance coverage for property damage, business interruption, and other risks associated with weather disturbances.

During periods of low occupancy, the Hospitality Group employs dynamic pricing, adjusting prices down to stimulate room demand.

Information Security Risk

In conducting their businesses, the business segments must retain confidential information from customers. Despite the business segments taking the necessary precautions to secure such data, advances in the field of cryptography and the increasing prevalence of online transactions could result in compromise or breaches of security systems and personal data stored in the Company's systems. The security measures set up by the Company and/or its subsidiaries may be inadequate to prevent security breaches which could adversely affect business operations.

The Company and its subsidiaries take precautions to protect the personal information of its customers through existing, periodically updated, and approved IT security policies. These policies are implemented by the respective IT teams of the Company and each of the subsidiaries. Additionally, the Company and its subsidiaries employ various information security software and tools, including firewalls, anti-virus, and 2-FA (2-Factor Authentication). IT risk assessment is periodically conducted using vulnerability assessment and penetration testing tools to check the vulnerability of the Company's and the subsidiaries' IT systems and network. The Company and its major operating subsidiaries also periodically undertake third party Cybersecurity and Information Security assessments to address potential vulnerabilities. Information security awareness and training are also provided to all employees.

Contested Land Titles

The Company's subsidiaries from time to time acquire land in the normal course of business. PHINMA Education typically directly acquires schools that own land where the facilities are located. PPHC typically acquires land for future development through a Joint Venture arrangement where a land owner partner contributes land into a Joint Venture with PPHC. In either case, a comprehensive due diligence is undertaken including a legal due diligence performed by PHINMA or its legal advisors on the land titles prior to the PHINMA subsidiaries' entry into the

transaction. PHINMA correspondingly believes that the risk of third parties contesting the subject land titles is minimal.

Related Party Transactions

The Company's material related party transactions are approved by the Company's related party transactions committee composed of independent directors. Advances by the Company to and from related parties bear interest at market rates while recent acquisition of shares and assets from related parties were done at fair market values. Correspondingly, the Company believes it is not exposed to any material related party risk. The Company furthermore complies with BIR Revenue Regulations No. 19-2020 and BIR Revenue Regulation No. 34-2020 on related party transaction disclosures. Refer to the "Related Party Transactions" section for a complete list of related party transactions.

Legal Proceedings

On August 7, 2024, the CTA Second Division rendered its decision to uphold the findings of the Tariff Commission and DTI's imposition of safeguard taxes on imported cement and reject Philcement's petition to reverse the taxes and reimburse duties already paid. Philcement is preparing to file a Motion for Reconsideration with respect to the CTA's decision and will follow the proper appeal process of the Courts to avail of appropriate legal remedies to seek the reimbursement of duties already paid.

Furthermore, as disclosed in "Board of Directors and Senior Management", the Company is not aware of any involvement of its directors or officers in any legal proceedings and as such there is minimal risk such legal proceedings could adversely affect the Company's operations or reputation.

Environmental Risk

The Company and its subsidiaries are subject to environmental regulations detailed in the "Environmental Regulations" section, where failure to comply could result in regulatory fines, penalties, or cease and desist orders. To address this risk the Company and its subsidiaries exert diligence to comply with environmental regulations. Solid wastes from PHINMA operations sites including manufacturing facilities, schools, residential communities, and hotels are collected by local government agencies while hazardous wastes are hauled off-site by DENR-accredited transporters and waste treaters in conformance with the Ecological Solid Waste Management Act of 2000. All subsidiaries maintain water quality effluent standards set by the Department of Environment and Natural Resources to comply with the Philippine Clean Water Act of 2004. The PHINMA manufacturing facilities in addition comply with the Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990 with respect to importation, handling, and disposal of toxic substances.

Possible Disagreement with Co-owners

The Company has subsidiaries which are not wholly owned and as such there is the risk that some decisions may not be in line with the decisions of co-owners. The major direct subsidiaries of the Company that have co-owners with substantial minority positions include PHINMA Education and Philcement. For both companies, the minority shareholders are either institutional or strategic investors whose strategic interests are aligned with the Company. These minority shareholders have board representation in their respective investee companies and are also parties to a shareholder agreement with the Company at the investee company level that details the terms and conditions of their investment to further minimize any area of conflict. The Company correspondingly believes any risk of conflict with its substantial minority shareholders to be minimal.

Foreign Exchange Risk

Majority of the Company's revenues are denominated in Philippine Peso. However, it has foreign exchange exposures such as the US Dollar investment in preferred shares of Song Lam Cement Joint Stock Corporation ("Song Lam"), a subsidiary of The Vissai Group, investments in schools in Indonesia, sourcing of cement from Vissai, and some payment to suppliers and vendors.

The Company's plans to expand its footprint in Southeast Asia may also increase its foreign exchange exposure.

To manage the foreign exchange rate risks the Company closely monitors the market conditions, political situation and geopolitical events locally and globally. This will aid in making informed decisions. Additionally, the Company may opt to pursue hedging activities if the need arises.

Interest Rate Risk

The Company avails debt as part of funding its growth projects making it vulnerable to interest rate fluctuations. To mitigate this risk, the Company assesses developments in both the local and international political and economic environment, and also internally monitors the interest rate, interest structure, and maturity profile of the company's debt obligations. The Company can adopt a fixed, floating or blended interest rate structure contingent on the general market outlook.

Equity Price Risk

The Company's stock price can be influenced by movements in the domestic and global capital markets. To mitigate the risk, the Company assesses developments in both the local and international political and economic environment and maintains an investor relations program for consistent communication with the shareholders and investors.

RISKS RELATING TO THE PHILIPPINES

The Company operates and is based in the Philippines. Therefore, its business, financial condition, results of operations, and prospectus are subject to risks associated with the economic, political, social and other conditions in the country which are systemic and beyond the Company's control.

The Company's operations and assets are based in the Philippines, therefore, a slowdown in economic growth in the Philippines could materially and adversely affect the Company's business, financial position and results of operations.

The Company's business activities and assets are based in the Philippines, which exposes the Company to risks associated with the country, including the performance of the Philippines economy. The Company derives its revenues and operating profits from the Philippines, and, accordingly, its businesses are highly dependent on the state of the Philippine economy. Demand for the Company's products and services are all directly related to the strength of the Philippine economy (including its overall growth and income levels), and the overall levels of business activity in the Philippines.

The Philippine economy expanded by 5.5% in both the fourth quarter and the entirety of 2023. For 2024, the International Monetary Fund ("IMF") revised its growth outlook for the Philippines' GDP to 6.0% from the previous estimate of 6.2%, which is within the government's revised 6.0% to 7.0% growth target, citing weaker-than-expected household consumption and investments. Despite the downward revision, the Philippine economy is expected to fare well amid external challenges and the tight policy environment. For 2025, the IMF anticipates a 6.2% GDP growth rate for the Philippines, buoyed by an uptick in domestic demand and investment. While this is slightly higher than the previous forecast of 6.1%, it is below the government's target of 6.5% to 7.5%. Structural reforms, encompassing infrastructure enhancement, education advancement, and the attraction of foreign investments, are envisioned to sustain growth at approximately 6.0% to 6.5%.

In June, Philippine headline inflation eased to 3.7% year-on-year from the 3.9% in May. This was within the BSP's 3.4 – 4.2% forecast range for the month. The moderation in inflation was driven by a slowdown in non-food components such as retail electricity rates and transport inflation. However, food inflation rose due to elevated prices of vegetable, meat and rice.

According to a Pulse Asia survey, inflation has become the top urgent national concern among Filipinos, followed by increasing workers' pay, fighting corruption, creating more jobs, and reducing poverty.

Factors that may adversely affect the Philippine economy include:

- decreases in business, manufacturing or financial activities in the Philippines, the Southeast Asian region or globally;
- scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the Philippines, the Southeast Asian region 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;
- Government budget deficits;
- adverse trends in the current accounts and balance of payments of the Philippine economy;
- natural disasters, including but not limited to tsunamis, typhoons, earthquakes, fires, floods and similar events;
- geopolitical tensions between the Philippines and other claimant countries concerning disputed territories in the South China Sea;
- trade tensions and the rise of protectionism among trade partners of the Philippines;

- political instability, terrorism or military conflict in the Philippines, other countries in the region (including North Korea or Myanmar) or globally; and
- other regulatory, social, political or economic developments in or affecting the Philippines.

Uncertainty surrounding the global economic outlook could cause economic conditions in the Philippines to deteriorate and there can be no assurance that current or future Government policies will continue to be conducive to sustaining economic growth. There can be no assurance that the Philippines will maintain strong economic fundamentals in the future. Changes in the conditions of the Philippine economy could materially and adversely affect the Company's business, financial condition and results of operations.

Political and social instability in the Philippines could destabilize the country and may have a negative effect on the Company's businesses.

The Philippines has, from time to time, experienced political and military instability, including acts of political violence. In the last two decades, there has been political instability in the Philippines, including extra-judicial killings, alleged electoral fraud, impeachment proceedings against two former presidents, two chief justices of the Supreme Court of the Philippines, and public and military protests arising from alleged misconduct by previous administrations. In addition, a number of officials of the Philippine government are currently under investigation or have been indicted on corruption charges stemming from allegations of misuse of public funds, extortion, bribery, or usurpation of authority. There can be no assurance that acts of political violence will not occur in the future and any such events could negatively impact the Philippine economy.

No assurance can be given that the future political or social environment in the Philippines will be stable or that current and future governments will adopt economic policies conducive for sustaining economic growth. An unstable political or social environment, whether due to the 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 business, operations, and financial condition of the Company.

A major deviation from the policies of the immediate past administration or fundamental change of direction, including with respect to Philippine foreign policy, may lead to increased political or social uncertainty and instability. Any potential instability could have an adverse effect on the Philippine economy, which may impact the Company's businesses prospects, financial condition, and results of operations.

Any economic slowdown or deterioration in economic conditions in the Philippines may adversely affect the Company's business and operations in the Philippines.

In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of the Philippine currency, imposition of exchange controls, debt restructuring and electricity shortages and blackouts.

The regional Asian financial crisis in 1997 resulted in, among others, the depreciation of the Philippine Peso, higher interest rates, slower growth and a reduction in the country's credit ratings. Since the Asian financial crisis, the country experienced a ballooning budget deficit, volatile exchange rates and a relatively weak banking sector. Likewise, the 2008 global financial crisis affected the emerging markets, including the Philippines, as global investors limited their exposure in the region to minimize risks. By the end of 2008, the Philippine Stock Exchange Index ("PSEi") was down 48%. The 2008 GDP was at 4.2% lower than the 2007 GDP print of 6.6%. The country's GDP output further deteriorated to 1.1% in 2009.

In 2020, the COVID-19 pandemic pushed the country to implement tight quarantine restrictions and constrained economic activity resulting into a 9.6% decline in GDP. However, the country subsequently exhibited signs of recovery and recorded GDP growth rates of 5.7% and 7.6% in 2021 and 2022, respectively. Despite the GDP growth

in the recent years, there can be no assurance that the Philippines will achieve strong economic fundamentals in the future.

In the foreign exchange space, the US Dollar has generally strengthened against the Philippine Peso for the past decades. Fundamentally, the peso has been weighed down by the country's persistent current account and fiscal deficits. Meanwhile, the US dollar's strength has been supported by the advanced US economy as well as its safe haven appeal in times of crisis. For the first half of 2024, the USDPHP rose by about 5.5% from its close at the end of 2023. The US dollar's strength was sustained for most of the year due to the resilience of the US economy despite the elevated interest rates and the hawkishness of the Fed.

Acts of terrorism could destabilize the country and could have a material adverse effect on the Company's businesses, 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. 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. The former 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, former 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. Martial Law in Mindanao was extended by both Houses of Congress until December 31, 2019 and subsequently lifted on January 1, 2020. More recently, a deadly bombing during a Catholic mass occurred also in Marawi on December 3, 2023, killing at least four and injuring 50. The incident ignited fears stemming from the clashes between government security forces and terrorists in 2017.

On July 3, 2020, Republic Act No. 11479, otherwise known as the Anti-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 was challenged in the Supreme Court by multiple groups but was upheld by the latter in 2021, albeit with some significant revision to the definition of terrorism. The Anti-Terrorism Act of 2020 is currently being implemented by the Marcos Administration.

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.

In January 2013, the Philippines lodged an arbitration case against China at the Permanent Court of Arbitration in The Hague to resolve the territorial dispute. China refused to recognize that the international tribunal had jurisdiction over the case. In July 2016, the international tribunal ruled in favor of the Philippines in its case against China by upholding the position that China's "nine dash line" maritime claim is excessive and that it encroached into the Philippines' 200-nautical mile exclusive economic zone. It held that China had no legal basis to claim historic and economic rights to resources within the sea areas falling within the "nine-dash line".

Since 2023, the Philippines has raised the alarm on aggressive conduct by Chinese vessels against Philippine vessels in the West Philippine Sea. This has culminated in a most recent clash in June 2024 between Chinese Coast Guards and Philippine naval boats, with Chinese guards ramming into the Philippine vessel, illegally embarking it, and confiscating weapons found within. As the United States has pledged under treaty to defend the Philippines in case of an armed attack, there is growing concern that such increase in aggressive conduct could bring the US directly into the conflict against China. To calm and de-escalate tensions, China and the Philippines have since agreed on a deal that lays out provisional terms for the replenishment of supplies to Filipino troops stationed in the contested shoal.

Should territorial disputes between the Philippines and other countries in the region continue or escalate further, the Philippines and its economy may be disrupted and the Company's operations could be adversely affected as a result. Further disputes between the Philippines and other countries may lead to reciprocal trade restrictions on the other's imports or suspension of visa-free access and/or OFW permits. Any impact from these disputes in countries in which the Company has operations could materially and adversely affect the business, financial condition and results of operations of the Company and its Subsidiaries.

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 the Ebola virus infection but was later released after testing negative for the disease. In March 2016, the Director-General of WHO terminated the Public Health Emergency of International Concern on the Ebola Virus Disease outbreak.

In February 2015, a Filipina nurse who arrived from Saudi Arabia tested positive for the MERS-CoV.

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 DOH confirmed that polio re-emerged in the Philippines, 19 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.

Since early May 2022, cases of monkeypox have been reported from countries where the disease is not endemic, and continue to be reported in several endemic countries. On July 23, 2022, WHO Director-General Tedros Adhanom Ghebreyesus declared the ongoing monkeypox outbreak a Public Health Emergency of International Concern.

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) the lack of the necessary infrastructure to contain the spread of diseases.

If an outbreak of the Ebola virus, MERS-CoV, Zika virus, bird flu, polio, monkeypox, 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.

Natural or other catastrophes, including severe weather conditions, may adversely affect the Company's business, materially disrupt the Company's operations 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. Most recently, torrential rains on July 24, 2024 brought by Typhoon Gaemi (locally Typhoon Carina) and a southwest monsoon affected approximately 4.8 million individuals in Luzon, and resulted in an estimated ₱4.26 billion in damage to infrastructure.

There can be no assurance that the occurrence of such natural catastrophes will not materially disrupt the Company's operations. 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.

The Company develops and maintains a business continuity plan to ensure that operations can continue or can be quickly restored after a natural disaster.

RISKS RELATING TO THE OFFER AND THE RIGHTS SHARES

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

Purchasers of the Offer Shares will be required to pay for such Offer Shares on or before the Listing Date. There can be no assurance that the Offer can be successfully concluded or that before the Listing Date, no material adverse event occurs which justifies the termination of the underwriting agreement. Further, there can be no assurance that during the Offer Period and through the Listing Date, there will be no material adverse developments and the response of the PSE, the SEC, or any other relevant government authority or private parties that may adversely affect the ability of the Company and Sole Underwriter, or any of the parties relevant to the Offer and/or the listing of the Rights Shares (including but not limited to the clearing of funds, lodgment of the Rights Shares or the trading of securities) to perform their functions contemplated by the Offer during the time indicated in this Prospectus, as expected by the Company. Delays in the admission and the commencement of trading in shares on the PSE have occurred in the past. While the Company endeavors to comply with all the listing requirements of the PSE, there is no assurance of effective mitigation to such risk.

The relative volatility and illiquidity of the Philippine securities market may substantially limit investors' ability to sell the Offer Shares at a suitable price or at a time they desire.

The Philippine securities markets are substantially smaller, less liquid, and more volatile relative to major securities markets in the United States and other jurisdictions, and are not as highly regulated or supervised as other markets

are. The Offer Price could differ significantly from the price at which the Common Shares will trade subsequent to completion of the Offer. There can be no assurance that even after the Rights Shares have been approved for listing on the PSE, an active trading market for the Rights Shares will develop or be sustained after the Offer, or that the Offer Price will correspond to the price at which the Common Shares will trade in the Philippine public market subsequent to the Offer. There is no assurance that investors may sell the Rights Shares at prices or at times deemed appropriate.

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

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

In recent years, stock markets, including the PSE, have experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to the operating performance of these companies. These broad market fluctuations may adversely affect the market prices of the Company's Common Shares.

The price of the Company's Common Shares will fluctuate.

The Offer Price will be determined by the mechanism described in "*Determination of Offer Price*". The Offer Price is not an indication of the future price (or direction of the price) of the Company's Common Shares. As of the Ex-Rights Date, the opening market price of the Company's Common Shares will adjust and may be lower or higher than the Offer Price. There is no assurance that the Company will be able to manage such risk.

RISKS RELATING TO THE PROSPECTUS

Certain information contained herein is derived from unofficial publications

Certain information in this Prospectus relating to the Philippines, the industries in which the Company competes and the markets it operates, including statistics relating to market size, are derived from various Government and private publications. This Prospectus also contains industry information which was prepared from publicly available third-party sources. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, industry forecasts and other market research data, including those contained or extracted herein, have not been independently verified by the Company, the Issue Manager, Bookrunner, and Sole Underwriter, 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.

Possible deviation in use of proceeds

The intended use of proceeds from the Rights Offer is set out under “Use of Proceeds” on page [49] of this Prospectus. It is the Company’s current intention to apply the net proceeds from the Rights Offer in the manner as described in that section. However, as new business opportunities arise, or as unforeseen events occur, the Company may opt to reallocate a portion or all of the net proceeds to other business plans or new projects or to other uses, if such action is considered to be in the best interests of the Company. Consequently, the actual application of the proceeds from the Rights Offer may deviate from the intended use as described in this document. Any such material deviation, however, will be disclosed in accordance with the relevant rules of the SEC and/or PSE.

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

Presentation of financial information may be of limited use to investors and may not accurately show or serve as an adequate basis from which to evaluate the Company’s financial position, future prospects, business performance and result of operations

The presentation of financial information in this Prospectus comprises historical information of the Company as at and for the years ended December 31, 2021, 2022, 2023, and as at and for the six-month period ended June 30, 2023 and 2024.

There is no assurance that the presentation of the historical condensed consolidated financial information in this Prospectus is indicative of future prospects, business performance, results of operations or financial position and should not be relied upon as being so indicative. Accordingly, the Company’s consolidated financial information in this Prospectus may not provide a meaningful basis for evaluating the Company’s future prospects, business and results of operations. Further, there can be no reliance on the Company’s historical results of operations as an indication of future performance.

USE OF PROCEEDS

The Company expects to raise gross proceeds from the Offer amounting up to ₱[1,000,000,000.00] based on an Offer Price of ₱[19.42 to 21.55] per Rights Share representing an up to [10%] discount on the Company's [90-day] VWAP as of the Pricing Date. The net proceeds from the Offer is expected to be ₱[974,560,080.00] after deducting estimated SEC registration fees, PSE listing fees and estimated legal, professional and other expenses that will be incurred in relation to the Rights Offer.

Expenses

Net proceeds from the sale of the Offer Shares, after deducting the estimated SEC registration fees, PSE listing fees and estimated legal, professional and other expenses related to the Offer, are as follows:

Gross Proceeds	₱[1,000,000,000.00]
Estimated Offer Expenses	
PSE Filing Fees	[1,003,920.00]
SEC Registration Fees	[1,120,000.00]
Estimated Legal and Professional fees	[20,316,000.00]
Estimated other expenses (Printer, Courier, Process Agent and Other Miscellaneous Expenses)	[3,000,000.00]
Total Expenses	[25,439,920.00]
Total Net Proceeds from the Offer	[974,560,080.00]

In the event that the actual expenses relating to the Offer differ from the above estimates, the actual net proceeds to the Company from the Offer may be higher or lower than the expected net proceeds set forth above. Any increase or decrease in the net proceeds to the Company shall be addressed by making a corresponding increase or decrease, as the case may be, to the Company's provision for Investment in New Ventures and/or General Corporate Purposes.

Use of Net Proceeds

Use of Proceeds	Estimated Amount (₱ millions)	Percentage	Estimated Timing of Disbursement
Construction Materials Group	[285,000,000.00]	[29.25%]	[2024-2025]
Hospitality Group	[250,000,000.00]	[25.66%]	[2024-2025]
Investment in New Ventures and/or General Corporate Purposes	[239,560,080.00]	[24.57%]	[2024-2025]
Property Development Group	[200,000,000.00]	[20.52%]	[2024-2025]
Total	974,560,080.00	100%	

USE OF NET PROCEEDS

Investment in the Construction Materials Group

The Company intends to allocate ₱[285 million] of the net proceeds for CMG.

PHINMA Solar secured 58 projects, with a total capacity 9.319 mWp at the rate of P4.8738/kWh in the Government's Green Energy Auction Program. The Company is allocating approximately ₱170 million to fund these projects. The balance, ₱114 million, will be allocated to fund the development of the modern cement manufacturing plant in Davao del Norte with a capacity of 2 million metric tons per year.

Investment in PHINMA Hospitality

The Company intends to allocate up to ₱[250 million] of the net proceeds for the development of its TRYP Hotel in the Bacolod township.

Investment in New Ventures and/or General Corporate Purposes

In line with the mission of making lives better, the Company continues to look for opportunities to uplift the lives of the underserved sectors of society in the areas of socialized housing, food security, healthcare, and the green industry.

The Company intends to allocate ₱[239.56] million for investment in new ventures and/or general corporate purposes.

Up to ₱210 million will be allocated to Union Insulated Panel Corporation for a new state-of-the art facility in Porac, Pampanga which can produce 1 million square meters of insulation panels annually. The new factory will be a highly automated facility and will primarily cater to cold storage facilities to address the food security requirements of the country amid climate change, rising food and nutrition demands, and logistical challenges. It will also provide effective thermal insulation and structurally efficient building materials that can reduce energy consumption and construction timelines.

The Company may also allocate funds for working capital and/or additional debt repayment.

Investment in Property Development

The Company intends to allocate ₱[200 million] of the net proceeds for PPHC's projects to shape the urban landscape in emerging cities like Bacolod, Cebu, Iloilo and Davao among others and to deliver on the housing aspirations of the underserved low to mid-income Filipinos. PPHC has also broken ground last July 2024 to develop its first-ever mixed-use 20-hectare township complex in Bacolod City.

The proposed use of proceeds described above represents a best estimate of the use of the net proceeds of the Offer based on the Company's current plans and anticipated expenditures. The estimated expenses set forth in the table above reflect the estimated expenses relating to the Offer and are presented in this Prospectus for convenience only. The actual expenses may vary from the estimated amounts indicated above.

Other than as described above, no part of the net proceeds from the Offer shall be used to acquire assets outside of the ordinary course of business or finance the acquisition of other businesses, or to reimburse any officer, director, employee or shareholder of the Company for services rendered, assets previously transferred, money loaned or advanced, or otherwise.

To the extent that the Offer proceeds are insufficient to finance the above-mentioned purposes, additional financing from loans and internally-generated cash flows will be utilized as necessary.

The management of the Issuer may adjust the application of the net proceeds and prioritize or increase the allocation of one project over other projects taking into consideration the funding requirements and milestones of the projects and such other factors that may warrant such adjustment.

The actual amount and timing of disbursement of the net proceeds from the Offer for the uses stated above will depend on various factors which include, among others, changing market conditions or new information regarding the cost or feasibility of the Company's expansion projects. The Company's cost estimates may change as plans develop, and actual costs may be different from the Company's budgeted costs. To the extent that the net proceeds from the Offer are not immediately applied to the above purpose, the Company will invest the net proceeds in interest-bearing short-term demand deposits and/or money market instruments. Aside from underwriting and selling fees, the Issue Manager, Bookrunner, and Sole Underwriter will not receive any of the net proceeds from the Offer.

In the event of any material deviation or substantial adjustment in the planned use of proceeds, we shall inform the Company's shareholders, the SEC and the PSE in writing at least thirty (30) days before such deviation or adjustment is implemented. Any material or substantial adjustments to the use of proceeds, as indicated above, will be approved by the Company's Board of Directors and disclosed to the SEC and the PSE. In addition, we shall submit via the PSE's Electronic Disclosure Generation Technology ("PSE EDGE") the following disclosures to ensure transparency in the use of proceeds:

- i. Any disbursements made in connection with the planned use of proceeds from the Offer;
- ii. Quarterly Progress Report on the application of the proceeds from the Offer on or before the first fifteen (15) days of the following fiscal quarter, the quarterly progress reports should be certified by the Company's Chief Financial Officer or Treasurer and external auditor;
- iii. Annual summary of the application of the proceeds on or before January 31 of the following year, the annual summary report should be certified by the Company's Chief Financial Officer or Treasurer and external auditor; and,
- iv. Approval by the Company's Board of Directors of any reallocation on the planned use of proceeds, or of any change in the Work Program above. The actual disbursement or implementation of such reallocation must be disclosed by the Company at least thirty (30) days prior to the said actual disbursement or implementation.

The quarterly and annual reports required in items (ii) and (iii) above must include a detailed explanation for any material variances between the actual disbursements and the planned use of proceeds set out in this Prospectus, if any. The detailed explanation must state the approval of the Board of Directors as required in item (iv) above.

PLAN OF DISTRIBUTION

The Rights Offer

The Rights Shares shall be offered on a pre-emptive rights basis to Eligible Shareholders of the Company as of the Record Date of [November 8, 2024]. The Principal Shareholder beneficially owns an aggregate of 193,868,029⁴ of the Company's Common Shares, representing 67.61% of the outstanding Common Shares of the Company as of August 31, 2024. Subject to compliance with applicable laws, rules and regulations of the SEC and the PSE, including but not limited to, the 2015 implementing rules and regulations of the Securities Regulation Code, the Principal Shareholder has agreed to subscribe for its Entitlement Shares during the First Round of the Offer for up to [34,814,624] Rights Shares. The Principal Shareholder also has the option to subscribe to Additional Rights Shares in the Second Round of the Offer under the same terms and conditions as any other Eligible Shareholder, up to amounts as may be permissible under applicable law. Subscriptions of the Principal Shareholder to Additional Rights Shares shall have no preference over the subscriptions of any other Eligible Shareholder in the Rights Offer.

Under the PSE's Revised Listing Rules, the Company, subject to the approval of the PSE, shall set the Record Date which shall not be less than 15 Trading Days from approval of the PSE Board of Directors.

The Offer shall consist of a total of up to [51,493,306] Offer Shares. The Rights Shares shall be offered in the proportion of one (1) Share for every [5.56 to 6.17] Common Shares held, as of the Record Date, at the Offer Price in the First Round of the Rights Offer. In the mandatory Second Round of the Rights Offer, the Additional Rights Shares shall be offered to those shareholders that exercised their rights to fully subscribe to their Entitlement Shares in the First Round of the Rights Offer and had simultaneously signified their intention to subscribe to any unsubscribed Rights Shares by tendering payment of the total Offer Price of all Rights Shares subscribed to including all Additional Rights Shares to which such Eligible Shareholders intend to subscribe. In the event of oversubscription, the Company and the Sole Underwriter, in consultation with each other, shall allocate the Additional Rights Shares in the same proportion to which the number of Common Shares owned or held by each of them bear to all issued and outstanding Common Shares as of Record Date. . No applicant for Additional Rights Shares shall be allocated more Additional Rights Shares than the number for which such applicant has applied.

There can be no guarantee made as to the number of Additional Rights Shares an applicant may be allocated. A subscription for Additional Rights Shares is irrevocable on the part of the applicant and may not be cancelled or modified by such applicant.

Holdings of existing Common Shares in certificated and scripless form will be treated as separate holdings for the purpose of calculating entitlements under the Offer. Fractions of Rights Shares will not be allotted to existing shareholders and fractional entitlements will be rounded down to the nearest whole number of Rights Shares. Such fractions will be aggregated and sold for the benefit of the Company.

The Institutional Offer

The Sole Underwriter has agreed to firmly underwrite the Offer in accordance with the Underwriting Agreement entered into with the Company to ensure that the Rights Shares which, after the mandatory Second Round of the Offer are either not taken up or, subscribed to, but not paid for, will be fully subscribed. To the extent that, and if for any reason, any Rights Shares are not taken after the Second Round of the Offer, the Underwriter shall procure purchasers that are Institutional Investors, failing which the Underwriter shall itself purchase the Rights Shares. No underwriting fees or commissions will be payable to the Underwriter for any Rights Shares subscribed by Eligible Shareholders under the First and Second Rounds of the Offer. Such fees will only be paid by the Issuer to the

⁴ 97,903,395 Common Shares are certificated shares, on the other hand, 95,964,634 Common Shares are scripless shares lodged with brokers.

Underwriter with respect to the Rights Shares subsequently offered, taken or placed by the Underwriter to Qualified Buyers or other investors after the Second Round of the Offer.

Issue Manager, Bookrunner, and Sole Underwriter

AB Capital & Investment Corporation

AB Capital is one of the oldest financial services providers in the Philippines with operations in Asset Management, Investment Banking, Corporate Advisory and Equities Trading. Its Investment Banking division provides corporate clients with advice on strategy, restructuring, fund-raising and marketing to investors. AB Capital takes a holistic approach to each assignment, assessing a company's particular situation, its needs and how it can best restructure or position itself in order to maximize its value to existing and potential investors. It is majority-owned by the Campden Hill Group, a privately-held investment holding company.

Lodgment of Shares

All of the Offer Shares shall be lodged with the PDTC and shall be issued in scripless form. Shareholders may maintain the Offer Shares in scripless form or opt to have the stock certificates issued to them by requesting an upliftment of the relevant Offer Shares from the PDTC's electronic system after the Listing Date.

Selling Restrictions

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

DIVIDENDS AND DIVIDEND POLICY

Overview

Under Philippine law, dividends may be declared out of a corporation's unrestricted retained earnings which shall be payable in cash, in property, or in stock to all stockholders on the basis of outstanding stock held by them. "Unrestricted Retained Earnings" refer to "the undistributed earnings of a corporation which have not been allocated for any managerial, contractual or legal purpose and which are free for distribution to the shareholders as dividends." The amount of retained earnings available for declaration as dividends may be determined pursuant to regulations issued by the SEC. The approval of the Board of Directors is generally sufficient to approve the distribution of dividends, except in the case of stock dividends which requires the approval of stockholders representing not less than two-thirds of the outstanding capital stock at a regular or special meeting duly called for the purpose.

The Revised Corporation Code prohibits stock corporations from retaining surplus profits in excess of 100% of their paid-in capital stock, except when justified by definite corporate expansion projects or programs approved by the Board of Directors, or when the corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without their consent, and such consent has not yet been secured, or when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation, such as when there is a need for special reserve for probable contingencies.

Dividend Policy

The Company and its subsidiaries do not have a formal and stated dividend policy. However, as set forth below, the Group has consistently declared and paid dividends without any other restriction other than the availability of retained earnings following the SEC rule on calculation of available retained earnings for dividend declaration and after appropriations for investment and other requirements.

The Company and its subsidiaries declare cash or stock dividends to its common shareholders on a regular basis, in amounts determined by the Board, taking into consideration the Company's results of operations, cash position, investment and capital expenditures requirements, loan covenants, and unrestricted retained earnings. The Company may also declare special cash dividends where appropriate.

Dividends declared and paid by the Company for last five years are as follows:

Declaration	Type	Rate	Payment Date
February 28, 2020	Cash	₱0.40 per share	March 27, 2020
March 2, 2021	Cash	₱0.40 per share	May 5, 2021
March 1, 2022	Cash	₱0.40 per share (regular) ₱0.10 per share (special)	April 6, 2022
March 3, 2023	Cash	₱0.60 per share	April 5, 2023
March 5, 2024	Cash	₱0.60 per share	April 12, 2024

DETERMINATION OF THE OFFER PRICE

The Rights Shares are being offered at a price of ₱[19.42 to 21.55] per share. The Offer Price was determined by computing the volume-weighted average price (VWAP) of the Company's Common Shares on the PSE for each of the [90] consecutive trading days immediately prior to (and excluding) [the Pricing Date], and applying a discount of up to [10%].

DILUTION

After the completion of the Offer, the Eligible Shareholders who have subscribed to the Entitlement Shares will not, as a consequence of their exercise of their rights to purchase Offer shares, suffer any dilution in their respective shareholdings in the Company.

The net book value of the common shares of the Company as of June 30, 2024 was ₱ 23.34 per share. Net book value represents the amount of the Company's total assets less its total liabilities and noncontrolling interests.

Upon receipt of the estimated net proceeds from the Offer in the amount of approximately [₱ 974.56 million] and the issuance of a total of up to [51,493,306] common shares (resulting in an outstanding capital stock of up to [337,818,571]) new Common Shares pursuant to the Offer, the Company's pro-forma net book value would be [₱22.67] per share. This represents an immediate [decrease] of [₱0.67] per share for existing holders of common shares of the Company.

The calculation of the net book value per share before and after the Offer is presented below:

a.	Net Book value as of June 30, 2024	₱[6.68 billion]
b.	Pro-Forma net book value after the Offer	₱[7.66 billion]
c.	Issued and outstanding common shares prior to the Offer	[286,325,265]
d.	Issued and outstanding common shares after the Offer	[337,818,571]
e.	Net book value per share prior to the Offer (e) = (a) / (c)	₱[23.34]
f.	Pro-forma net book value per Share after the Offer (f) = (b) / (d)	₱[22.67]
g.	[Indicative] Offer Price	₱[19.42]
h.	Decrease per Share to Existing Shareholders attributable to the Offer (h) = (f) - (e)	₱[0.67]

CAPITALIZATION

The following table sets out the Company's loans payable, equity, and capitalization as of June 30, 2024 and as adjusted to reflect the sale of the Offer Shares based on an indicative Offer Price of [₱19.42-21.55] per Offer Share, assuming no exercise of the Over-allotment Option, and certain equity events which occurred subsequent to June 30, 2024 as described below.

The following table sets forth: (i) the Company's capitalization and indebtedness as of June 30, 2024, and (ii) as further adjusted to give effect to the issuance of the Offer Shares. This table should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements as of June 30, 2024 and notes thereto, included in the Prospectus.

<i>In millions Philippine Pesos</i>	As of June 30, 2024	
	Actual	As adjusted by the Offer
Total Liabilities	35,030	[35,030]
Equity		
Equity Attributable to Equity Holders of the Parent		
Capital stock	2,863	[3,378]
Additional paid-in capital	446	[906]
Treasury shares	-	-
Exchange differences on translation of foreign operations	(1)	[(1)]
Equity reserves	(2,467)	[(2,467)]
Other comprehensive income	61	[61]
Retained earnings	5,782	[5,782]
Total Equity Attributable to Equity Holders of the Parent	6,684	[7,659]
Non-controlling Interests	2,893	[2,893]
Total Equity	9,577	[10,552]
 Total Capitalization	 44,607	 [45,582]

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

Prospective investors should read the following discussion of the Company’s recent financial results in conjunction with the independent auditors’ reports and the Company’s consolidated financial statements and notes thereto contained in this Prospectus and the section entitled “Summary of Financial Information.” This discussion contains forward-looking statements and reflects the current views of the Company 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 certain factors such as those set forth in the section entitled “Risk Factors” and elsewhere in this Prospectus.

The following is a discussion of the financial performance for the years ended 2023, 2022, 2021, and the six months ended June 30, 2024 and 2023 of PHINMA Corporation and its Subsidiaries.

All values presented in Philippine Pesos and are rounded to the nearest million, except when otherwise indicated.

SIGNIFICANT FACTORS AFFECTING THE COMPANY’S RESULTS OF OPERATIONS

The Company has no known trends or demands, commitments, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the Group’s net sales or revenues or that are reasonably likely to result in PHINMA’s liquidity increasing or decreasing in any material way. The discussion on other known trends, events or uncertainties that might trigger direct or contingent financial obligations that are material to the Company and its subsidiaries, including any default or acceleration of an obligation, can be found in previous sections of this Prospectus (Please see section on “Risk Factors” of this Prospectus and in the audited financial statements, including notes thereto, included elsewhere in this Prospectus).

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

The Company has no material commitments for capital expenditures other than those disclosed in the Use of Proceeds. Funding of these capital expenditures will be sourced from the rights offer, internally generated cash flows, and available credit facilities.

There is no significant element of income not arising from continuing operations other than those disclosed in the financial statements.

Like any company in the construction industry, the operations of UGC and Philcement are affected by seasonal demand. Demand for construction materials is greater during the dry months than during the rainy months. Hence, the demand for the first semester of the calendar year is normally higher than that of the second semester.

School year 2023-24 for PHINMA Education’s schools was from June 2023 to April 2024. Cashflow outside these periods may be relatively lower.

For other subsidiaries, there is no significant seasonality that would materially affect their operation.

FINANCIAL POSITION

For the six months ended June 30, 2024 vs December 31, 2023

PHINMA Corporation's consolidated revenues grew to ₱10.37 billion for the six-month period ended June 30, 2024 in the face of continued robust performance by PHINMA Education and a challenging macro-economic environment marked by high interest rates, the depreciation of the Philippine peso and the relatively slow pace of government infrastructure projects in the first quarter. The 17% increase from the ₱8.89 billion recorded in the same period last year was driven by higher enrollment in PHINMA Education, rising volume in the PHINMA Construction Materials Group as well as revenues of the property and hospitality groups which were consolidated starting July 2023.

The Company focused on growing its businesses and expanding institutional partnerships in anticipation of market recovery given the challenging macroeconomic environment in construction materials and property development. Consolidated net income was at ₱170.93 million for the first half of 2024, declining from the ₱456.75 million recorded in the same period last year. Net loss attributable to shareholders of the parent amounted to ₱22.1 million.

PHINMA Education Holdings, Inc. sustained its robust performance by posting consolidated revenues of ₱2.46 billion in the first six months of 2024, marking a 17% increase over the same period last year. This growth was driven by the increase in enrollment in the 2nd Semester of school year (SY) 2023-2024 compared to the 2nd Semester of the prior SY. The shift to face-to-face classes of upperclassmen contributed to an increase in bookstore and uniform sales. PHINMA Education's earnings grew by 36% year-on-year to ₱418.13 million during the period.

The PHINMA Construction Materials Group, composed of Union Galvasteel Corporation, Philcement Corporation, and PHINMA Solar Energy Corporation, posted combined revenues of ₱6.87 billion and a combined net income of ₱106.49 million for the first half of 2024. UGC and Philcement both posted growth in sales volumes compared to the same period last year despite the challenges from the tight competitive environment, depreciation of the Philippine Peso and elevated interest rates. The two businesses capitalized on sustained demand from commercial and residential projects and the catch-up implementation of government projects that had been delayed at the beginning of the year. As a result, CMG saw a 25% and 185% quarter on quarter improvement in revenues and net income, respectively, from the first to the second quarter of 2024.

Moreover, CMG continued to implement its growth projects. PHINMA Solar has begun preparatory activities for the eventual installation of initial projects under the second Green Energy Auction Program ("GEAP II"), in which the unit secured approval for incentives from the Board of Investments. Following the initial strategic partnership allowing the production and sale of Union Cement out of the Petra grinding facility in Zamboanga del Norte, Philcement concluded talks on the acquisition of Petra Cement Inc. through the former's 70% owned subsidiary Philcement Mindanao Corporation by the end of the year. Philcement also inked joint venture agreements with ANFLOCOR to build a modern cement manufacturing plant in Davao del Norte. CMG's newest unit, Union Insulated Panel Corp., likewise broke ground on its state-of-the-art manufacturing facility in Pampanga. This is PHINMA's first investment intended to help address the country's worsening food and climate crises.

PHINMA Property Holdings Corp. recognized ₱590.43 million in revenues for the first six months of the year and recorded a net loss of ₱313.10 million due to shortfall in volume and delayed construction. However, sales reservations were strong even as elevated interest rates continued to dampen demand in the residential property market. Financial performance will also improve with an increased percentage of completion of its ongoing projects. Moreover, PHINMA Properties remains on track to tap opportunities in high growth regions to boost its portfolio in new areas such as Iloilo and the recently launched township in Bacolod. This is in addition to its growing footprint in Davao.

In the first half of 2024, the combined revenues from Coral Way City Hotel Corporation, PHINMA Hospitality, Inc., and PHINMA Microtel Hotels, Inc. were ₱296.97 million. Meanwhile, the combined net income stood at ₱27.75

million. Revenues for the hospitality group continued to increase versus the same period last year, propelled by the rebound in leisure travel and the continued demand from the corporate segment for events and meetings.

PHINMA Corporation had cash and cash equivalents of ₱2.91 billion as of June 30, 2024. Meanwhile, consolidated total assets and total stockholders' equity amounted to ₱44.61 billion and ₱9.58 billion, respectively.

To strengthen the balance sheet while enabling PHINMA Corporation to support the key projects of its strategic business units as well as to invest in new ventures, the Board approved a stock right offering (SRO) with an offer size of ₱1.0 billion.

The following are the material changes in account balances:

Assets

Cash and cash equivalents

The movement in cash and cash equivalents are shown in the cash flow statement

Contract assets - current

The ₱1.16 billion decrease in the account is mainly due to PPHC collections amounting to ₱494.61 million, sale cancellations of ₱393.82 million and impact of adjustments related to Significant Financing Component amounting to ₱198.99 million.

Inventories

The net increase in inventory was mainly due to PPHC's ongoing construction and land acquisition, partially offset by lower inventory of CMG resulting from higher sales volume and effective inventory management initiative.

Contract assets - noncurrent

The increase is due to sale of units by PPHC.

Investment in and advances to associates and joint venture

The ₱209.25 million increase is mainly due to additional investment of PHINMA Education in PT Ind-Phil Management (IPM).

Financial assets at fair value through profit and loss

The increase of ₱112.13 million in this account is attributable to the unrealized gain on change in fair value of investment in Song Lam resulting from stronger USD vs PHP.

Property, plant and equipment

The ₱758.12 million increase in this account is mainly due to additional construction in progress for CMG and expansion of the schools.

Right-of-use of assets

The ₱77.41 million decrease represents the depreciation of the right of use of assets of CMG, PPHC and Coral Way.

Deferred tax assets

The 5.53% net increase in this account pertains mainly to an increase in deferred tax assets arising from provision for expected credit loss of PEHI and CMG and accrued and pension expense of CMG.

Other non-current assets

The 12.54% net decrease in this account pertains mainly to decrease in non-current assets of the schools.

Liabilities***Notes payable***

The ₱3.73 billion increase in this account pertains to additional avilment of short-terms loans by the parent, CMG, PHINMA Education and PPHC, for working capital requirements and property development.

Trade and other payables

The 11.65% increase in Trade and other payables is mainly due to accrual of commission and processing costs related to sales of PPHC and to liabilities incurred from acquisition of land by PPHC.

Contract liabilities

The account decreased by ₱1.52 billion largely due to the education group, as revenues were earned by the schools from January to June 2024. (Tuition fees for the semester are accrued as receivable at the start of the semester and the corresponding liability is booked under Contract Liabilities).

Trust receipts payable

The decrease of ₱275.75 million in the account is attributable to settlement of CMG's trust receipts payable.

Income and other taxes payable

The net decrease in this account is mainly attributable to payment of tax by CMG and the schools.

Non-controlling interest put liability

The increase in the account represents increase in present value of the contingent amount payable by the Company to non-controlling shareholders of PHINMA Education.

Due to related parties

The net increase in this account is mainly attributable to increase in amounts due to the parent holding company.

Deferred tax liabilities

The net decrease in the account amounting to ₱71.15 million represents decrease in deferred tax liabilities of PPHC.

Accrued retirement

The net increase in the account amounting to ₱49.03 million represents accruals of retirement expense by the group.

Lease liabilities

The decrease in the account represents periodic lease payments by CMG, PPHC and Coral Way.

Other noncurrent liabilities

The decrease in the account mainly represents payment of noncurrent liability on land acquired by PPHC.

Equity

Treasury shares

The decrease in the account represents sale of shares of parent, owned by ABCIC Property Holdings, Inc., a subsidiary of the parent.

Exchange differences on translation of foreign operations

The movement in the account represents the cumulative adjustments mainly arising from the translation of the financial statements of One Animate Limited (“OAL”) to Philippine Pesos.

Equity reserves

The movement in the account is mainly due to acquisition of ownership interest of NCI in SWU and due to the increase in the contingent liability arising from the put option on shares in PHINMA Education.

Other comprehensive income

The ₱2.44 million decrease in this account is mainly due to the unrealized loss from the decrease in fair value of financial assets at FVOCI of the parent company and PHINMA Hospitality.

Retained earnings

The net decrease in the account represents 1) dividends declared during the period amounting to ₱171.80 million, 2) the impact of the adoption of PIC Q&A 2018-12, affecting PPHC, on beginning retained earnings and the first half of the year amounting to ₱142.17 million and 3) the net loss for the first half of 2024.

For the year ended December 31, 2023 vs December 31, 2022

PHINMA Corporation realized strong consolidated revenues of ₱21.27 billion in 2023, a 20% increase from 2022. Consolidated net income correspondingly rose to ₱1.63 billion from last year’s ₱1.53 billion while consolidated core net income⁵ rose 40% to ₱1.67 billion from the ₱1.19 billion recorded last year.

PHN’s stronger financial results were driven by the sustained growth in the Education business which continued to see enrolment growth, along with the CMG and PPHC’s efforts to improve cost efficiency. The Hospitality business

-
- 5 Consolidated core net income is calculated as consolidated net income excluding unrealized gain (loss) on change in fair value of financial assets at FVPL, net gains on derivatives, and foreign exchange gains – net.

likewise took advantage of the continued recovery in domestic travel and events, particularly in the Mall of Asia area.

PHINMA Education remained steadfast in its commitment to provide accessible quality education to the affordable segment. For the first semester of SY 2023- 2024, PHINMA Education logged its highest enrolment at 146,546 students in the Philippines and Indonesia, an 18% overall increase compared to the previous school year while also achieving savings on operational costs. As a result, PHINMA Education posted consolidated revenues of ₱5.44 billion and consolidated net income of ₱1.19 billion for calendar year 2023.

CMG, composed of UGC, Philcement, and PHINMA Solar, posted combined revenues of ₱13.27 billion and a combined net income of ₱430.95 million for the calendar year 2023. UGC saw a growth in sales volumes as construction activities rebounded in the second half of 2023. Meanwhile, Philcement implemented various cost-saving initiatives and strategic pricing amid the highly competitive environment. PHINMA Solar also secured 58 projects, totaling 9.39 mWp, in the government's Green Energy Auction Program – making it the only company to successfully bid in the solar rooftop segment.

PPHC aims to build sustainable communities to address the Philippines' growing housing backlog. In July 2023, PHN acquired additional shares of PHINMA Properties, increasing the company's ownership from 40.10% to 76.81%. PPHC posted consolidated net income for the second half of 2023 worth ₱281.98 million offset the equitized net loss of ₱63.87 million in the first six months of the year.

On July 17, 2023, the Parent Company and PHINMA Inc., executed a Deed of Sale for the purchase of investments of PHINMA Inc., in PPHC, PHINMA Hospitality and PHINMA Microtels, Inc. for a total amount of ₱ 1,270.7 million. (Note 6 of 2023 Consolidated Audited Financial Statements)

The details of the net asset acquired, eliminations, and equity reserve adjustments related to the purchase of investments are shown below.

<i>Amounts in PHP, thousands</i>	
Carrying value of existing investment	1,178,054
Purchase price of additional investment (Refer to Note 6)	1,270,700
Total cost of investment	2,448,754
Carrying value of net assets acquired	2,835,360
Eliminations	(449,094)
Carrying value of net assets acquired, after eliminations	2,386,266
Share of NCI	(573,887)
Net assets attributable to Parent	1,812,379
Adjustment to equity reserves	636,375

With the acquisition of PHINMA Hospitality and PHINMA Microtel shares in July 2023, PHN consolidated net earnings of Coral Way, PHINMA Hospitality and PHINMA Microtel for the year 2023 of ₱26.56million. This is exclusive of the equitized net income in Coral Way amounting to ₱5.25 million during the first half of the year. Coral Way benefitted from the resurgence of conventions, events and corporate bookings in the Mall of Asia area.

Consolidated net income attributable to equity holders of the parent was at ₱957.63 million with a basic/diluted earnings per share of ₱3.34 during the year 2023. Core net income attributable to equity holders of the parent stood at ₱3.52 per share. Total cash and cash equivalents was at ₱2.91 billion at the end of the year 2023. Meanwhile, as

at end of the year 2023, consolidated total assets amounted to ₱43.48 billion and total stockholders' equity amounted to ₱10.70 billion.

<i>Amounts in ₱ '000, except per share data</i>	CY 2023
Consolidated core net income (In ₱ Mn)	₱1,673,661
Less: consolidated core net income attributable to the non-controlling interests	(666,267)
Consolidated core net income attributable to equity holders of the Parent	1,007,394
Divided by: Weighted average number of common shares outstanding	286,326
Consolidated core net income attributable to equity holders of the Parent per share	₱3.52

Material Changes in Statement of Financial Position Accounts

As of December 31, 2023, the Group's total consolidated assets stood at ₱43.48 billion, higher by 35.82% than the ₱32.01 billion total consolidated assets as of December 31, 2022.

Similarly, total consolidated liabilities amounted to ₱32.78 billion, higher by 57.07% or by ₱11.91 billion than total consolidated liabilities as of December 31, 2022.

The following are the material changes in account balances:

Assets

Cash and cash equivalents

The movements in cash and cash equivalents are shown in the cash flow statement.

Investments held for trading

The decrease in the account is mainly attributable to redemption of investments in UITF of the Parent Company and schools, partially offset by consolidation of investments held for trading of APHI, PPHC and PHINMA Hospitality companies.

Current portion - Trade and other receivables

The net increase in trade and other receivables of ₱2.88 billion is driven by the consolidation of trade receivables of PPHC and PHINMA Hospitality companies amounting to ₱1.58 billion and an increase in receivables from CMG amounting to ₱745.36 million as business started to pick up in the third quarter. Receivables of schools likewise increased resulting from higher enrolment in SY 2024.

Current portion - Contract assets

This account with a balance of ₱3.11 billion as of December 31, pertains to contract asset of PPHC, which is consolidated into the balance sheet starting July 2023 as a result of the purchase of PPHC shares by the Parent company.

Inventories

The net increase in inventories of ₱1.39 billion is attributable to the first-time consolidation of inventory of PPHC amounting to ₱1.37 billion and APHI inventory amounting to ₱42.46 million. This was partially offset by CMG's inventory reduction initiatives through purchasing process improvements. In 2023, there is a reversal of inventory obsolescence amounting to P7.4 million. The reversal pertains to inventories which have been disposed of or sold during the year.

Input value-added taxes and other current assets

The increase in the account is attributable to input tax on the Company's purchase of shares and properties in July 2023, CMG's purchases of imported solar panels and mounting steels to support increased sales, and consolidation of PPHC and PHINMA Hospitality's input taxes and current assets.

Noncurrent portion - Trade and other receivables

The net increase in noncurrent portion of trade and other receivables of ₱150.78 million is driven by the consolidation of noncurrent trade receivables of PPHC and PHINMA Hospitality amounting to ₱73.67 million, in addition to the increase in receivables from CMG amounting to ₱77.11 million as business started to pick up in the third quarter.

Noncurrent portion - Contract assets

This account with a balance of ₱516.75 million as of December 31, pertains to contract asset of PPHC, which is consolidated into the balance sheet starting July 2023 as a result of the purchase of PPHC shares by the Parent company.

Investment in and advances to associates and joint ventures

The decrease of ₱794.11 million is mainly due to reclassification of investment in PPHC and PHINMA Hospitality companies from associates to subsidiaries as a result of the purchase of shares of said companies in July 2023.

Financial assets at fair value through profit or loss

The decrease of ₱292.85 million is due to the mark-to-market loss on investment in preferred shares of Song Lam.

Financial assets at fair value through OCI

The ₱40.15 million increase in this account pertains mainly to APhi, PPHC and PHINMA Hospitality's financial assets at fair value, consolidated starting the third quarter of 2023.

Property, plant and equipment

The 25% increase in this account represents the following: 1) purchase of lot and property by the schools as part of their expansion projects, amounting to ₱1.90 billion and CMG's mixer plant facility; 2) purchase of office space in July 2023 by the Parent company and 3) consolidation of property, plant and equipment of PPHC, PHINMA Hospitality and Coral Way starting Q3 of 2023.

Investment properties

The net increase in this account mainly represents the purchase of properties by the Parent company in July 2023, in addition to PPHC's investment property, which was consolidated starting Q3 2023.

Deferred tax assets - net

The 29% net increase in this account pertains mainly to an increase in deferred tax assets arising from lease liabilities, provision for ECL, accrued and pension expense of CMG as well as consolidation of PPHC and PHINMA Hospitality companies' deferred tax assets.

Derivative asset – non-current

The 37% increase in this account pertains mainly to the unrealized gain on put option of the Parent company, related to the investment in Song Lam preferred shares.

Other noncurrent assets

The ₱338.10 million net increase in this account pertains mainly to the cost of digital transformation projects of the schools which are currently under development plus the consolidation of PPHC and PHINMA Hospitality companies' other non-current assets.

Liabilities

Notes payable

The ₱4.85 billion increase in this account is attributable to the ₱ 3.49 billion notes payable of PPHC, consolidated for the first time in Q3 2023, plus the increase in short-term notes availed by CMG for working capital requirements, amounting to ₱1.35 billion.

Trade and other payables

The net increase in Trade and other payables is mainly due to consolidation of trade payables of PPHC and PHINMA Hospitality companies amounting to ₱1.13 billion as well as accrual of expenses by the schools.

Contract Liabilities

Tuition fees for the semester are accrued as receivable at the start of the semester and the corresponding liability is booked under Contract Liabilities. The account increased by ₱392.79 million mainly due to PPHC's contract liability

consolidated starting Q3 2023 plus the higher contract liability of the schools, resulting from high enrolment in SY2324.

Trust receipts payable

The increase of ₱754.86 million in the account is due to availment of new trust receipts payables in November and December 2023 by CMG, which allowed the group to maintain a sufficient cash balance at the end of the year.

Derivative liability

The decrease in this account is mainly attributable to lower forward rate on CMG's deliverable forward contracts compared to closing rate for the period.

Income and other taxes payable

The net increase in this account is mainly attributable to increase in tax payable from CMG and the schools.

Current portion - long-term debt

The increase in this account is mainly attributable to the reclassification to current portion of the Parent company's ₱3.0 billion corporate bond which will mature in August 2024.

Current portion - lease liabilities

The net increase in this account is mainly attributable to PPHC and Coral Way's lease liability consolidated beginning Q3 2023, partially offset by a decrease in CMG's and PEHI's lease liability.

Due to related parties

The net decrease in this account is mainly attributable to the decrease in the amounts due to the parent holding company.

Non-controlling interest put liability

The ₱382 million increase represents an increase in present value of the contingent amount payable by PHINMA Corporation to non-controlling shareholders of PHINMA Education.

Deferred tax liability

The net increase in the account amounting to ₱269.93 million resulted mainly from the first-time consolidation of PPHC's deferred tax liability.

Pension and other post-employment benefits

The net increase in the account amounting to ₱82.72 million represents accrual of retirement expense by the schools as well as consolidation of accrued retirement from PPHC and the PHINMA Hospitality companies, shares of which were purchased in July 2023.

Lease liabilities – noncurrent

The net increase is mainly due to PPHC and Coral Way's lease liabilities which were consolidated starting Q3 2023, plus increase in CMG's lease liability.

Other noncurrent liabilities

The net increase mainly represents PPHC's other non-current liabilities which were consolidated beginning Q3 2023.
Equity

Treasury shares

The movement in the account represents the Parent company's shares held for investment by a subsidiary, APHI, which are classified as treasury shares during consolidation.

Exchange differences on translation of foreign operations

The movement in the account represents the adjustments arising from the translation of the financial statements of OAL to Philippine Pesos.

Equity reserves

The movement in the account is related to the put option on shares in PHINMA Education and the non-cash consolidation adjustments resulting from the purchase of shares of PPHC, PHINMA Hospitality and PHINMA Microtel and PEHI in July 2023.

Other comprehensive income

The increase in this account is mainly attributable to the increase in fair market value of Parent company's investment in club shares, which the Company classified as financial assets at FVOCI.

Share in other comprehensive income of associates

The change is attributable to consolidation of PPHC, Coral Way and APHI, which were previously associates of the Parent company.

Retained earnings

The increase in the account represents increase in net income for the year, partially offset by dividends declared during the period amounting to ₱171.80 million.

Non-controlling interests

The increase is mainly attributable to the share of non-controlling shareholders in the income of the schools, CMG, PPHC and PHINMA Hospitality companies, offset by the impact of the accretion of the contingent NCI put liability.

For the year ended December 31, 2022 vs December 31, 2021

For the year ended December 31, 2022, consolidated revenue of PHINMA Corporation increased 10.14% to ₱17.66 billion. Consolidated net income declined 18.67% to P1.53 billion due to factors including higher raw materials costs driven by global supply chain disruptions, a strong US Dollar, and increased education costs due to a revision in school opening schedules.

PHINMA Education is the country's largest private education network. In SY 2022-23, PHINMA Education posted a 31.81% increase in annual enrollment resulting in consolidated revenue of ₱4.07 billion for 2022, an increase of 10.23% over the previous year. Enrollment of PHINMA Education is 124,501 students for SY 2022-23, making it the largest education network in the Philippines. Net income attributable to shareholders of the parent during the period

however was ₱633.69 million, a decrease from ₱838.60 million for the previous year, due to a revision in the school opening schedules, reflecting 9 months of regular semester for 2022 compared to eleven months in 2021.

The CMG achieved an increase of 9.07% over the previous year with combined revenues of ₱13.25 billion for 2022. Net income for the group of ₱494.88 million for 2022 was however lower than ₱902.08 million posted in the previous year due to higher input costs amidst global supply chain issues and a strong US Dollar.

During the year, PHN's subsidiary, Asian Plaza Inc. posted net income of ₱40.77 million mainly due to a gain on sale of real property.

From affiliates PPHC and Coral Way City Hotel Corporation ("Coral Way"), PHN equitized net income of ₱58.01 million in 2022, an increase from ₱32.94 million equitized in 2021, as both companies posted improved operating results during the year.

Consolidated net income attributable to equity holders of the parent amounted to ₱947.68 million in 2022 which represents a decrease of 16.06% compared to the previous year.

For 2023, PHINMA Corporation expects a recovery in profitability of its CMG and Properties business as global supply chains and foreign exchange rates continue to stabilize and input costs decrease. Profitability of the education business will gain clarity as school opening schedules become more regular every year. Our schools are also expanding capacity in anticipation of continuing growth in enrolment. Our hotels are also expected to post a strong recovery as occupancy rates and average daily rates continue to improve with leisure and business travel gaining momentum.

PHINMA Corporation ended the year 2022 with cash and cash equivalents of ₱3.42 billion. Consolidated Total Assets and Total Stockholders' Equity at December 31, 2022 stood at ₱32.01 billion and ₱11.14 billion, respectively.

Material Changes in Statement of Financial Position Accounts

As of December 31, 2022, the Group's total consolidated assets stood at ₱32.01 billion, higher by 6.19 % than the ₱30.15 billion total consolidated assets as of December 31, 2021.

Similarly, total consolidated liabilities amounted to ₱20.87 billion, higher by 3.44 % or by ₱694.83 million than total consolidated liabilities as of December 31, 2021.

The following are the material changes in account balances:

Assets

Cash and cash equivalents

The movements in cash and cash equivalents are shown in the cash flow statement

Investments held for trading

The drop in the account is mainly attributable to maturity of investments in UITFs of the parent company.

Trade and other receivables

The net increase in trade and other receivables is attributable to higher trade receivables from CMG on the back of improved selling prices and higher volume.

Inventories

The net increase in inventories of ₱401.95 million is attributable to higher input costs in 2022.

Input value-added taxes and other current assets

The net increase in this account is attributable to increase in prepaid expenses and prepaid taxes from CMG and the schools.

Derivative asset - current

Higher forward rates on CMG's deliverable forward contracts compared to closing rate resulted in a derivative liability, hence the decrease in this asset account.

Investment in associates and joint ventures

The increase of ₱165.55 million is mainly due to additional investment of PHINMA Education in IPM.

Financial assets at fair value through profit or loss

The increase of ₱103.84 million is due to the mark-to-market gain on investment in preferred shares of Songlam.

Property, plant and equipment

The ₱916.52 million increase is due to the purchase of land in COC, continuing construction activities in various school buildings and CMG plant site, hospital renovation and purchase of transportation and machinery equipment.

Right-of-use assets

The ₱20.21 million decrease represents the depreciation of the right-of-use assets of CMG.

Deferred tax assets - net

The 26.46% increase in this account pertains mainly to an increase in deferred tax assets of CMG, SWU and RCL.

Derivative asset – non-current

The increase of ₱137.62 million is due to unrealized gain on the put option on the investment in Song Lam preferred shares.

Other noncurrent assets

The 16.98% increase in this account pertains mainly to the increase in advances to suppliers and contractors, in relation to the on-going construction and renovation of the schools.

Liabilities

Notes payable

The ₱1.85 billion increase in this account is attributable to the short-term notes that CMG availed of in 2022.

Trade and other payables

The decrease of ₱172.79 million in trade and other payables represents increase in trade and other payables of the various schools partially offset by payments made by CMG and parent.

Contract Liabilities

The increase in contract liabilities is attributable to the higher enrolment in SY22-23 vs SY21-22. Tuition fees are accrued as payables at the start of the semester and decrease as the revenue is earned over the semester.

Trust receipts payable

The decrease of ₱1.58 billion in the account is attributable to settlement of CMG's trust receipts payable using the proceeds from the short-term loans.

Derivative liability

The increase in this account is mainly attributable to higher forward rate on CMG's deliverable forward contracts compared to closing rate for the period, resulting in a derivative liability.

Income and other taxes payable

The increase in this account is attributable to increase in tax payable from the schools.

Current portion - long-term debt

The increase in this account resulted mainly from re-classification of a portion of long-term debt of CMG which became current towards the latter part of 2022.

Due to related parties

The drop in this account is mainly attributable to payment of amounts due to the parent holding company.

Non-controlling interest put liability

The movement represents the increase in present value of the contingent amount payable by PHINMA Corporation to non-controlling shareholders of PHINMA Education.

Pension and other post-employment benefits

The increase in the account represents increased accrual of retirement benefits by CMG.

Lease liabilities

The decrease in the account amounting to ₱36.18 million represents periodic lease payments by UPang.

Equity

Treasury shares

The movement in the account represents the sale of 14.43 million treasury shares in 2022.

Exchange differences on translation of foreign operations

The movement in the account represents the adjustments arising from the translation of the financial statements of OAL to Philippine Pesos.

Equity reserves

The movement in the account is due to the increase in the contingent liability arising from the put option on shares in PHINMA Education.

Share in other comprehensive income of associates

The change is attributable to other comprehensive income of APHI.

Retained earnings

The increase in the account represents increase in net income for the year, partially offset by dividends declared during the period amounting to ₱135.93 million.

Non-controlling interests

The increase is mainly attributable to the share of non-controlling shareholders in the income of the schools and in CMG offset by the impact of the accretion of the contingent NCI put liability.

RESULTS OF OPERATIONS

For the six months ended June 30, 2024 vs June 30, 2023

The following discussion describes the performance of PHINMA's business segments for the first half of 2024:

Education Group

PHINMA Education provides accessible quality education to underserved youth, and is today one of the largest private education networks in Southeast Asia. Last September 2023, the company recorded its highest enrollment of 146,546 students for SY 2023-2024, an 18% increase over the previous school year.

Through maintaining its focus on growing enrollment and optimizing its retention efforts, PHINMA Education generated consolidated revenues of ₱2.46 billion and consolidated net income of ₱418.13 million for the first six months of 2024.

CMG

CMG, which is composed of UGC, Philcement, and PHINMA Solar, supports public and private infrastructure development by supplying galvanized iron and steel building products, cement, and solar rooftop generation solutions.

UGC recorded an increase in sales volume for the first half as its strategic reorganization begin to bear fruit. Meanwhile, Philcement continued to face challenges in improving prices amid tight competition. The company started producing Union Cement in the Petra Cement plant in Zamboanga del Norte, and concluded talks to acquire Petra Cement, Inc. The transaction is expected to close by the end of the year. PHINMA Solar received the service contracts for all 58 projects it secured under the second GEAP II), as well as the approval of incentives for the first batch of projects. Applications for incentives for the remaining projects are underway.

The three companies of CMG produced combined revenues of ₱6.87 billion. CMG's combined net income declined to ₱106.49 million, largely owing to a tight competitive environment.

Property Development Group

PPHC shapes new urban communities that nurture Filipinos to become better citizens. The affordable housing segment remains as the primary market this 2024, with its Maayo line still focused on the urban workforce in growth centers nationwide. Recently, PPHC launched its first township project in Bacolod, aiming to not only serve its residents but also enrich neighboring areas. This year, PPHC returned to the low-income market through the economic and socialized housing segment, addressing the country's growing housing backlog

During the first half of 2024, PHINMA Properties registered consolidated revenues of ₱590.43 million and a consolidated net loss after tax of ₱313.10 million.

Hospitality Group

PHINMA Hospitality remains steadfast to its commitment to provide clean, comfortable, and secure lodging to leisure and business travelers in the country through its Microtel by Wyndham and TRYP by Wyndham hotel properties. PHINMA Hospitality operates 14 Microtel by Wyndham hotels and one TRYP by Wyndham hotel in the Philippines.

During the first half of 2024, the Hospitality Group continued its recovery as PHINMA Hospitality and PHINMA Microtel posted an increase in revenues compared to the prior year, following the improved revenue generation of the hotels. The increase is attributable to improvements in both occupancy rates and average room rates of the hotels.

In addition, Coral Way, which owns Microtel by Wyndham and TRYP by Wyndham Mall of Asia maintained its strong performance owing to sustained demand for both leisure and business travel.

Material Changes in Income Statement Accounts

Revenues

The ₱1.48 billion net increase in revenues is mainly due to: 1) consolidation of sales and construction contracts of PPHC and revenue from hotel operations, management, royalty and franchise fees of the Hospitality businesses in the combined amount, for both businesses, of ₱865.74 million. The revenues of the Property Development and Hospitality businesses were consolidated starting July 2023; 2) increase of ₱357.44 million of PHINMA Education revenues arising from record enrollment and a ₱9.52 million increase in hospital income of SWU; 3) increase of ₱280.81 million of CMG sales and installation services; and 4) increase in rental and investment income offset by a decrease in consultancy income of the parent company.

Cost of Sales

The net increase in cost of sales is attributable to consolidation of cost of real estate and management of PPHC, and cost of sales and hotel operations of PHINMA Microtel and Coral Way amounting to ₱575.16 million. PPHC, PHINMA Microtel and Coral Way were consolidated starting July 2023. The increase is also due to increase in the schools' variable costs to support the higher enrollment for SY23-24 compared to previous school year.

General and administrative expenses

General and administrative expenses increased from previous year mainly due to consolidation of operating expenses of PPHC, PHINMA Microtel and Coral Way amounting to ₱401.90 million, increase in PHINMA Education expenses amounting to ₱122.79 million and one-off expenses for strategic business review for the parent and subsidiaries amounting to ₱67.3 million.

Selling expenses

The increase in the account can be attributed to the consolidation of selling expenses of PPHC, PHINMA Microtel and Coral Way partially offset by reduction in selling expenses of the schools.

Interest expense and other financing charges

The increase in interest expense is mainly due to availment of loans by the group.

Foreign exchange gains (losses) – net

The net forex gain is attributable to parent's and PHINMA Education's USD holdings restated at the forex rate of ₱58.61: \$1 compared to ₱55.37: \$1 as of December 31, 2023. This was partially offset by CMG's net forex loss.

Equity in net earnings (losses) of associates and joint ventures

Equity in net earnings of associates refers to PHINMA Education's equity in IPM and PHINMA Hospitality's equity in hotels.

Gain (loss) on derivatives

The gain on derivatives mainly resulted from the lower unrealized foreign exchange loss from the put option on the Song Lam preferred shares.

Gain (loss) on change in fair value of financial assets at FVPL

Gain on change in fair value of financial assets pertain to the unrealized foreign exchange gain from the investment in Song Lam preferred shares.

Gain (loss) on sale of property, plant and equipment

The loss arises mainly from the sale of transportation equipment of CMG.

Others – net

The increase in this account is mainly due to the increase in other income of the schools and PPHC.

Provision for (benefit from) income tax

The provision resulted mainly from the schools, CMG and the Hospitality Group.

For the year ended December 31, 2023 vs December 31, 2022

PHINMA Education provides accessible quality education to underserved youth, and is today one of the largest private education networks in Southeast Asia. In the 2023-2024 academic year (AY), the company recorded its highest enrollment of 146,546 students, an 18% increase over the previous AY.

2023 academic results showed a continued commitment to our students' needs. In Indonesia, Horizon Education secured full university status for its first institution, and in the Philippines, PHINMA Education achieved an 83.11% first-time pass rate across all licensure exams with 26 topnotchers.

This commitment resulted in significant financial growth with consolidated revenues of ₱5.44 billion and net income of ₱1.19 billion in Calendar Year (CY) 2023—up from ₱4.07 billion and PHP 818.12 million in CY 2022, respectively.

CMG—which is composed of UGC, Philcement, and PHINMA Solar—supports public and private infrastructure development by supplying galvanized iron and steel building products, cement, and solar rooftop generation solutions.

Buoyed by the country’s resilient economic performance in 2023, CMG improved its cost efficiency operations as the group coursed through geopolitical tensions from the lingering Russia- Ukraine war, delayed rebound of China’s economy, and delays in government infrastructure projects.

UGC’s Light Steel Frames and Insulated Panels divisions have been gaining ground from their launch in 2022—all in line with the company’s pivot towards the future. Philcement saw its sales volume increase but faced challenges in improving prices amid tough competition. The company also successfully concluded talks in 2023 with Petra Cement for a strategic partnership. On top of its highest-ever revenues, PHINMA Solar secured 58 projects totaling 9.39 mWp from the government’s second Green Energy Auction Program—making it the sole firm to bid successfully in the solar rooftop segment.

The three companies of CMG produced combined revenues of ₱13.27 billion, rising slightly year-on-year. The Company’s combined net income moderated to ₱430.95 million, largely owing to a tight competitive environment.

PHINMA Properties shapes new urban communities nurturing Filipinos to become better citizens, believing that supportive communities can help our countrymen achieve their full potential. The affordable housing segment remained PHINMA Properties’ primary market this 2023, with its Maayo line still focused on the urban workforce in growth centers nationwide. The company also reactivated its economic and socialized housing segment as the country’s housing backlog continues to grow.

For 2023, PHINMA Properties registered consolidated revenues of ₱2.52 billion and a consolidated net income after tax of ₱114 million—a 17% year-on-year climb.

PHINMA Hospitality remains steadfast to its commitment to provide clean, comfortable, and secure lodging to leisure and business travelers in the country through its Microtel by Wyndham and TRYP by Wyndham. PHINMA Hospitality operates 13 Microtel by Wyndham hotels and one TRYP by Wyndham hotel in the Philippines.

The hotels witnessed significant recovery from the pandemic owing to strong local tourism, the return of business travel, and the sustained increase in international travels. The uptick in face-to-face meetings and events likewise drove up demand for accommodations and function rooms.

PHINMA Corporation acquired shares of PHINMA Hospitality and PHINMA Microtel shares last July 2023. The Company consolidated net earnings of Coral Way, PHINMA Hospitality and PHINMA Microtel for the year 2023 of ₱26.56 million. This excludes the equitized net income in Coral Way amounting to ₱5.25 million in the first half of 2023.

The Group’s efforts to make lives better for Filipino families and communities go beyond our business operations. We participated in the Department of Education’s Brigada Eskwela program for the 17th straight year, where we revitalized nearly 160 classrooms in 50 public schools—directly benefiting 28,000 students and 570 teachers. Other efforts included tree plantation and bloodletting, all made possible by the mobilization of 2,000 PHINMA Hero volunteers.

This year, PHINMA Foundation, Inc. (“PFI”) welcomed 73 new college scholars into its flagship PHINMA National Scholarship (“PNS”) program. The PNS currently supports 150 scholars across partner institutions Philippine Normal University Manila, University of the Philippines Diliman, Technological University of the Philippines Manila, and PHINMA-University of Pangasinan (“Upang”). PHINMA employees also provide scholars mentorship through the Big Brother and Big Sister Program—accounting for over 70% of its total mentors. PHINMA Education also assists qualified students through the Hawak Kamay (“HK”) Scholarship Program in the Philippines, and the Beasiswa

Sahabat Horizon Program in Indonesia which reduce tuition fees by as much as 75%. This SY, some 66,759 college students or 58% of enrolled students within the network are covered.

This year, your Company has also promoted and fortified synergies among its strategic business units. PFI scholars and PHINMA Education students can pursue internships required by their degree programs under our businesses. Several PHINMA schools and property developments also utilize solar panels from CMG, while PHINMA Properties has exercised its construction capabilities in some schools. Our Ugnayan initiative includes hybrid groupwide townhalls and regional townhall meetings to help facilitate updates and networking among our businesses' employees nationwide.

PHINMA Corporation's strong business performance has allowed it to maintain a healthy balance sheet in 2023. We are also happy to report that the Board has declared a regular cash dividend of ₱0.60 per share, which is payable on 12 April 2024.

Material Changes in Income Statement Accounts

Revenues

The ₱3.61 billion increase in revenues is mainly due to an increase of ₱1.37 billion of PHINMA Education arising from record enrollment and revenues of the Property and Hospitality businesses amounting to ₱2.21 billion, which were consolidated beginning July 2023.

Cost of sales

The ₱1.64 billion net increase in cost of sales is attributable to first-time consolidation of cost of sales of PPHC, PHINMA Microtel and Coral Way and the increase in variable costs of the schools to support the increase in enrollment in SY2023-24.

General and administrative expenses

General and administrative expenses also increased from previous year mainly due to consolidation of administrative expenses of PPHC and PHINMA Hospitality companies, coupled with higher personnel cost to support enrollment growth in SY2023-24.

Selling expenses

The increase in the account can be attributed to CMG's initiatives to deliver budgeted sales volume by implementing various marketing strategies.

Interest expense and other financing charges

Interest expense is higher in 2023 mainly due to increase in notes payable and loans availed of by the Parent company, CMG and the schools at higher interest rates plus the consolidation of interest expense for the second half of 2023 of PPHC and Coral Way amounting to ₱134.94 million.

Equity in net earnings (losses) of associates and joint ventures

Equity in net loss of investees is mainly due to the equitized loss in PPHC for the first half of 2023.

Foreign exchange gains (losses) – net

The drop in foreign exchange gain is attributable to a relatively stronger peso in 2023, with an exchange rate of ₱55.37:₱1, compared to ₱55.76:₱1 as of December 31, 2022.

Unrealized gain on change in fair value of financial assets at fair value through profit or loss

Net loss is attributable to the unrealized foreign exchange loss from the investment in Song Lam preferred shares.

Gain (Loss) on derivatives

The gain on derivatives mainly resulted from the unrealized foreign exchange gain from the put option on the Song Lam preferred shares.

Gain on sale of investment properties

The amount represents the gain on sale of land by SWU.

Gain on sale of property, plant and equipment – net

The amount represents the gain on sale of service vehicles by CMG.

Others – net

The net increase in this account is attributable to the consolidation of PPHC's other income for the second half of 2023, partially offset by other charges from the schools

Provision for (benefit from) income tax

The provision for income tax increased as tax rates for schools reverted to 10% starting July 2023, compared to 1% for the same period last year. PHN also consolidated starting July 2023 tax provision of PPHC and PHINMA Hospitality companies amounting to ₱95.30 million, partially offset by provision for deferred income tax of CMG.

For the year ended December 31, 2022 vs December 31, 2021

PHINMA Education, the country's largest private education network, holds the group's investment in nine tertiary education schools in the Philippines and also oversees the Horizon Education tertiary institution brand in Indonesia. Despite the suspension of face-to-face classes in the country for most of 2022, PHINMA Education achieved record breaking enrolment for SY 2022 to 2023 of 124,501 students in the Philippines and Indonesia, an increase of over 30%.

To address inflation and its effect on affordability of its programs, PHINMA Education partnered with education financing platforms to intensify flexible tuition payment plans for students. In addition, six out of ten students in the Philippines benefit from scholarships which effectively reduce tuition fees. This resulted in high retention rates in both the Philippines and Indonesia. PHINMA Education continued to achieve strong results in key indicators like board exams and graduate employment. PHINMA Education's board exam passing rates in the Philippines averaged 76% in 2022, well above the national average. The PHINMA Education schools also produced two board topnotchers last year, producing 137 topnotchers since 2004. In its first ever tracer study, PHINMA Education found that over half of its 2020 graduates were employed within 6 months after graduation, perhaps the best testament to how the company makes lives better.

PHINMA Education posted consolidated revenues of ₱4.07 billion in 2022, an 10.23% increase over the previous year. Net income attributable to shareholders of the parent, on the other hand, decreased to ₱633.46 million due to revisions in the school opening schedules effectively shortening the 2022 school year with nine months of regular classes in CY2022 as compared to 11 months of regular classes in the previous year.

The PHINMA CMG, composed of UGC, Philcement, and PHINMA Solar, supply galvanized iron and steel building products, cement, and solar rooftop generation solutions, respectively, in support of our nation's infrastructure and construction sectors.

In 2022, even as the local construction industry began to recover following the easing of pandemic constraints, further disruptions in global supply chains as well as a strong US dollar following the Russia- Ukraine war resulted in a sharp increase in landed cost of inputs for the domestic construction industry. In response, the PHINMA CMG implemented cost management and margin optimization initiatives to continue its revenue growth while also positioning itself for improved operating results in the future.

UGC managed costs and improved margins to address the global volatility. More importantly, the company expanded two new distinct divisions to focus on promising businesses with potentially higher margins. The Light Steel Frames and Insulated Panels divisions position UGC to capture more growth as the global economy stabilizes. Philcement strengthened relationships with customers, maintained sales volumes, and recalibrated strategies to focus on higher margin products and markets in 2022. Meanwhile, PHINMA Solar continued to expand in the residential market, reduced build costs, and leveraged group synergies through joint selling efforts with UGC.

The CMG combined posted revenues of ₱13.23 billion for 2022, a 9.07% increase over the previous year. Net income for the group of ₱494.56 million was lower than the previous year due to the abnormal global supply chain issues and the strong US Dollar.

PPHC seeks to make lives better through creating sustainable communities and townships for middle-income Filipino families. In 2022, PHINMA Properties closed the year with record high net reservations and revenue recognition leading to improved financial results. In our hospitality business, the two hotels operating under Coral Way City Hotel Corporation began recovering leisure and corporate bookings as pandemic restrictions were removed. The Company correspondingly recognized higher earnings contributions from these two associates amounting to ₱58.01 million in 2022.

In 2022, the Company in coordination with its financial advisors facilitated several online corporate access events to enhance visibility in the capital markets in support of the overall plan to improve shareholder values. PHINMA launched the PHINMA Certificate of Readiness (PHINMA CORE) Program to continue to develop its bench and to prepare for the future growth of its businesses.

PHINMA Corporation's strong business performance has allowed it to maintain a healthy balance sheet in 2022 with total assets of ₱32.01 billion, and a current ratio and debt-to-equity ratio of 1.71:1.00 and 1.87: 1.00, respectively.

The Company is happy to report that the Board has declared a regular cash dividend of ₱0.60 per share, which is payable on 5 April 2023.

The Company is also delighted to share how it has made lives better outside the business, through its volunteer and scholarship programs. Last September, PHINMA Group mobilized over 800 employees, scholars, and their families to help with Brigada Eskwela, the Department of Education's annual school improvement initiative. The Company's efforts benefitted 40 public schools across the country. In November, as part of PHINMA's 66th anniversary, some 1,300 volunteers once again gave their time and talent in various PHINMA Reaches Out activities, which ranged from bloodletting, tree-planting, and coastal and river clean-up drives.

Last year, 47 deserving students were inducted into the PHINMA National Scholarship (PNS) program. With this recent addition, the program now nurtures 99 scholars from Philippine Normal University, University of the Philippines, Polytechnic University of the Philippines, and UPang. As these scholars complete their tertiary education, they will add to PNS' growing list of alumni which currently numbers 252. More significant to note is the fact that the PHINMA Education network supports the schooling of about 60% of its student population with the Hawak Kamay scholarship, which reduces tuition by up to 75%, based on the student's capacity to pay. Hawak Kamay boasts

of at least 74,000 beneficiaries, making it the single largest private sector-driven scholarship program in the country today.

Material Changes in Income Statement Accounts

Revenues

The ₱1.63 billion increase in revenues is mainly due to higher CMG revenues and higher enrollment in schools.

Cost of sales

The ₱1.76 billion increase in cost of sales is attributable to higher costs of raw materials, fuel and freight faced by CMG, and higher cost of learning materials and other direct costs as students returned to face-to-face classes.

General and administrative expenses

General and administrative expenses also increased from previous year due to higher costs resulting from volatile supply situation as well as higher personnel cost to support increased enrollment in SY2223.

Selling expenses

The decrease in the account can be attributed to the manpower rationalization in CMG.

Interest expense and other financing charges

The increase in interest expense and other financing charges resulted from the ₱3.00 billion corporate bond issued during third quarter of last year as well as the additional long-term debt obtained by Philcement during the last quarter of 2021.

Equity in net earnings (losses) of associates and joint ventures

Equity in net earnings of investees increased in 2022 due to higher equitized earnings in PPHC.

Foreign exchange gains (losses) – net

In 2021, the foreign exchange gain arose from the dollar-denominated assets of the parent company, earmarked for the investment in Song Lam. For 2022, the forex gain is attributable to PEHI's USD holdings restated at the forex rate of ₱55.755: \$1 compared to ₱50.99: \$1 as of December 31, 2021.

Unrealized gain on change in fair value of financial assets at fair value through profit or loss

Increase in this account is attributable to the increase in fair value of the investment in Song Lam preferred shares.

Net gains (losses) on derivatives

The gain on derivatives mainly resulted from the increase in value of the put option on the Song Lam preferred shares.

Gain on sale of property, plant and equipment – net

The amount represents the gain on sale of PPE of the CMG.

Others – net

The decrease in this account is mainly due to the lower other income of CMG and Phinma Education compared to CY 2021.

Provision for (benefit from) income tax

The provision resulted mainly from the deferred tax adjustments of PHINMA Education.

KEY PERFORMANCE INDICATORS (KPI)

The top five (5) KPI's used to measure the financial performance of PHINMA and its subsidiaries are shown in the following table for the periods indicated:

Financial KPI	Definition	For the years ended December 31,			For the six-months ended June 30,	
		2021	2022	2023	2023	2024
Profitability						
Return on Equity	Net income attributable to holders of the parent Average equity attributable to holders of the parent ⁶	16.05%	11.94%	11.92%	2.51%	-0.31%
Gross Profit Margin	Gross Profit ⁷ Total Revenues	28.05%	24.74%	29.81%	24.17%	26.78%
Efficiency						

- 6 Average Equity Attributable to Equity Holders of the Parent is derived by dividing in two (2) the sum of beginning Equity Attributable to Equity Holders of the Parent and ending Equity Attributable to Equity Holders of the Parent.
- 7 Gross Profit amounted to ₱4.50 billion, ₱ 4.37 billion, and ₱ 6.34 billion for the years ended December 31, 2021, 2022, 2023, respectively, and ₱ 2.15 billion, and ₱ 2.78 billion for the six-months ended June 30, 2024 and 2023, respectively. Gross Profit is calculated by deducting cost of sales, educational and hospital services, real estate and construction services, hotel operations, management and administrative expenses from total revenues.

Cash Flow Margin	$\frac{\text{Cash flows from operating activities}}{\text{Total Revenues}}$	5.80%	-7.30%	-0.16%	15.58%	-10.21%
Liquidity						
Current Ratio	$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$	1.71 : 1.00	1.71 : 1.00	1.13 : 1.00	1.57 : 1.00	0.85 : 1.00
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$	2.02 : 1.00	1.87 : 1.00	3.06 : 1.00	1.97 : 1.00	3.66 : 1.00

BUSINESS

CORPORATE HISTORY

On November 19, 1956, the Company's parent company, Philippine Investment Management ("PHINMA"), Inc. ("PHI") was incorporated and founded by Ambassador Ramon V. del Rosario, Sr., Don Filemon Rodriguez and Ernesto Escaler. In 1957 the Company, then named Bacnotan Cement Industries, Inc. ("BCII") was granted its corporate charter by the SEC and was listed on the PSE the following year. BCII was later renamed to Bacnotan Consolidated Industries, Inc. in 1969. On May 27, 2010, SEC approved the change in the Company's corporate name from Bacnotan Consolidated Industries, Inc. to PHINMA Corporation. Its principal activity is holding equity interests in various subsidiaries, associates and investees and other financial instruments.

On May 1957, BCII acquired the cement plant of the Cebu Portland Cement Company located in Bacnotan, La Union. BCII with its subsidiaries (Central Cement Corporation, Davao Union Cement Corporation, and Hi Cement Corporation) became the foremost producer of cement in the Philippines under the brand name, Union Cement. In 1958, BCII was listed on the PSE. In 2004, BCII sold its investment in the cement business to Holderbank (now Holcim). PHINMA re-entered the cement business in 2019 through Philcement, with the inauguration of its cement processing facility in Mariveles, Bataan in 2020.

BCII ventured into the manufacturing of galvanized iron ("GI") sheets in 1963, with its first steel plant in Poro Point, La Union. This company later became known as UGC.

Trans-Asia Oil and Mineral Company was formed in 1969 to undergo exploration in the northwest seas of Palawan. Its success resulted in subsequent energy related projects such as coal mining and energy generation, which eventually became PHINMA Energy Corporation. Trans-Asia Power Generation Corporation, the joint venture between Trans-Asia Oil and Hi Cement, commissioned its first 52 MW power plant in Bulacan in 1997. In 2019, PHINMA divested its energy business when PHINMA Energy Corporation was sold to AC Energy, Inc.

BCII and its affiliates entered the paper and packaging business with the United Pulp and Paper Company ("UPPC") in 1971. The plant in Calumpit, Bulacan initially produced sack Kraft paper, for use in the cement packaging business. In 2003, BCII sold its interest in UPPC to Siam Pulp and Paper Company, its joint venture partners.

In 1987, PHINMA Realty Corporation and FCI Development Corporation merged into PPHC. PPHC initially focused on property management, and eventually evolved into becoming a leading developer of low cost, medium-rise developments.

PHINMA ventured into the education sector in 2004 with the acquisition of AU. This was followed by several acquisitions of educational institutions in the Philippines from 2005 to 2021. PHINMA Education was incorporated in 2015 to hold PHINMA's investments in education.

Philcement was incorporated in 2017 as PHINMA's re-entry into the cement business. Philcement inaugurated its Mariveles Cement Facility I in January 2020 which allowed it to improve efficiencies and improve sales efforts.

In 2019, PHINMA Education welcomed new partners – (i) Kaizen Private Equity II Pte. Ltd. ("Kaizenvest"), (ii) the Dutch entrepreneurial development bank Nederlandse Financierings- Maatschappij voor Ontwikkelingslanden N.V. ("FMO"), and (iii) the Asian Development Bank ("ADB"), along with additional investments by local investors. The ₱2.2 billion investment supported PHINMA Education's acquisition and operation of schools in strategic urban areas in the Philippines as well as its expansion to Indonesia. In the same year, PHINMA invested US\$50 million in preferred shares of Song Lam Cement Joint Stock Corporation ("Song Lam"), a subsidiary of The Vissai Group, the largest, privately owned cement manufacturer in Vietnam. The investment in Song Lam assured Philcement of a steady supply of quality cement. Meanwhile, PHINMA divested its energy business - PHINMA Energy.

By 2021, PHINMA returned to the capital market with the successful ₱3-billion bond issuance. Proceeds of the bond were earmarked for investments in the group's strategic business units with priority given to the projects of the CMG and the Education Group.

In the following year, 2022, PHINMA Education became the largest tertiary education network in the Philippines in terms of total enrollment.

In 2023, PHINMA announced the consolidation of its investments and disclosed that its Board of Directors approved a plan to purchase common shares owned by PHI for ₱2.3 billion. This transaction increased PHINMA's direct ownership in its education, property development and hospitality businesses. The consolidation of investments expanded PHINMA's exposure to high growth sectors, improved the Group's diversification and enhanced synergies.

In 2024, PHINMA has entered into a number of key strategic partnerships that will bolster its businesses. The Education group signed an investment agreement with funds managed by leading global investment firm, KKR, with participation from existing shareholder, Kaizenvest. Concurrently, funds managed by KKR have entered into an agreement to acquire all of the shares in the Company owned, directly or indirectly, by ADB, FMO and Kaizenvest, who all invested in the Company in 2019. Meanwhile, CMG's Philcement signed a share purchase agreement with Petra Cement Inc ("Petra"). Philcement Mindanao Corporation, a subsidiary of Philcement, will pay a consideration of Php 500 million in exchange for 100% of the outstanding shares of Petra. This follows the signing of a manufacturing and sales agreement earlier in the year between Philcement and Petra to enable Philcement to operate the Petra Plant and to manufacture and produce, distribute and sell cement products. The plant comprises a cement grinding facility with a capacity of 500,000 metric tons per annum, which serves the growing and dynamic Northern Mindanao market. The deal is expected to be finalized by end of 2024. Philcement has also entered into a partnership with ANFLOCOR to build a modern cement manufacturing plant in Davao. In addition to these new partnerships, CMG has ventured into insulated panels with the recent groundbreaking of the facility.

PHINMA and its subsidiaries have not been the subject of any bankruptcy, receivership, or any similar proceedings.

CORPORATE STRUCTURE

As of June 30, 2024, PHINMA, Inc. directly and indirectly owns 193,868,029⁸ Common Shares, which represent 67.69% of total outstanding shares of stock of the Company.

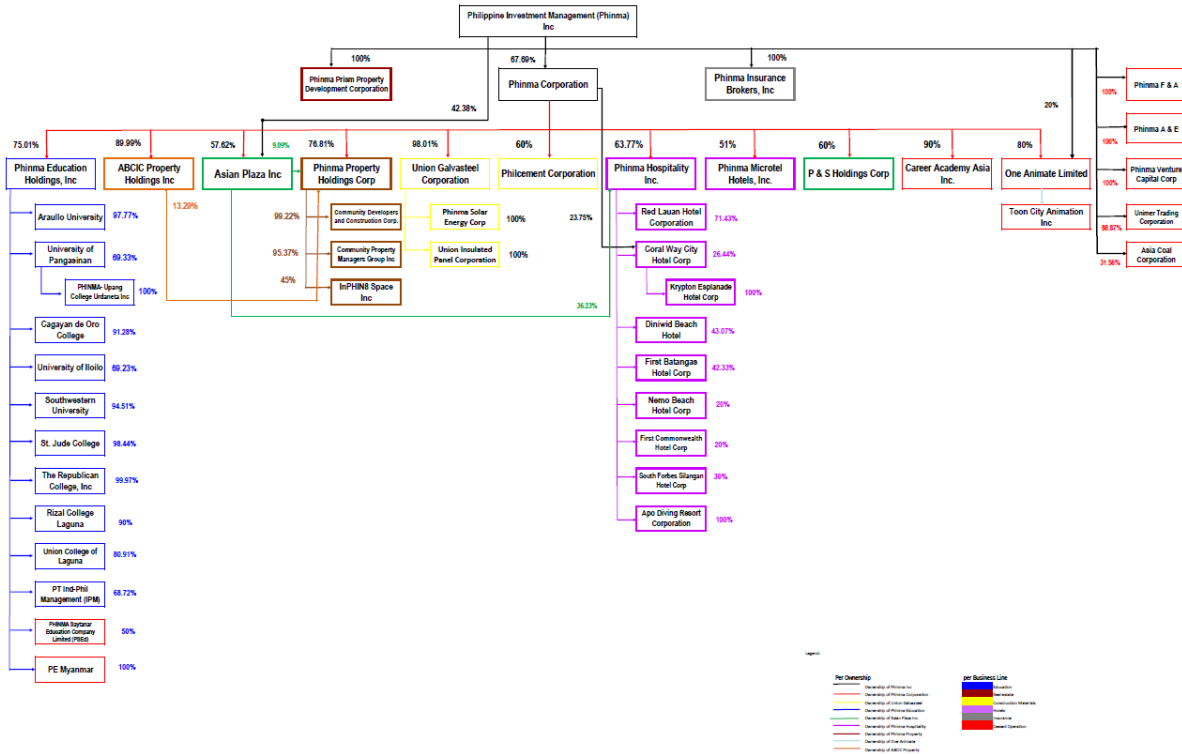
The Company is invested in four (4) major strategic business units: (1) Construction Materials Group, (2) Education, (3) Property Development, and (4) Hospitality.

The Corporate Structure of the Company is as follows:

⁸ 97,903,395 Common Shares are certificated shares, on the other hand, 95,964,634 Common Shares are scrippless shares lodged with brokers

PHINMA INC and Subsidiaries Investment Tree

as of June 30, 2024



A list of the subsidiaries of the Company is can be found in the annex.

BUSINESS OVERVIEW

Starting from an investment in a cement plant in Cebu, PHINMA now owns and manages strategic business units focused on construction materials, education, property development, and hospitality. Boasting a nationwide network of accessible, quality tertiary education institutions and the widest distribution network for construction materials, PHINMA has been making lives better for the Filipino people for more than 60 years.

The consolidated revenues, gross profit, and consolidated net income of PHINMA for the year ended 31 December 2023 were ₱21.27 billion, ₱6.34 billion, ₱1.63 billion respectively and for the year ended 31 December 2022 were ₱17.67 billion, ₱4.37 billion, and ₱1.53 billion respectively. The unaudited consolidated revenues, gross profit, and consolidated net income of PHINMA for the six (6) months ended June 30, 2024 were ₱10.37 billion, ₱2.78 billion, and ₱170.93 million respectively and for the six (6) months ended June 30, 2023 were ₱8.89 billion, ₱2.15 billion, and ₱456.75 million respectively.

BUSINESS SEGMENTS

PHINMA operates through four key strategic business units: (1) Construction Materials, (2) Education, (3) Property Development, and (4) Hospitality. Each key business units and the primary entities summarized below:

A. CMG

PHINMA operates its construction materials business under three (3) subsidiaries namely: (i) UGC, (ii.) Philcement, and (iii) PHINMA Solar. CMG aims to optimize synergies among the various companies within the group to provide innovative construction solutions to its customers, offering one-stop shop services, from floor to roofing, and providing superior convenience and service to customers nationwide.

UGC

UGC started as the Union Steel Plant Division of BCII. It began commercial operations in 1963 with a galvanizing plant in Poro, La Union for the manufacture of Galvanized Iron sheets, expanding to Ilang, Davao City in 1968 and to Calamba, Laguna in 1990. In 1993, the steel plant was spun off from BCII as a separate business unit, and incorporated as Bacnotan Steel Corporation. It was later renamed UGC in 1997 and established a modern Continuous Galvanizing Line and Color Coating Line for the manufacture of pre-painted galvanized steel coils in Calamba, Laguna. On December 22, 2010, the Philippine SEC approved the merger of UGC and Atlas Holdings Corporation, a 90%-owned subsidiary of PHINMA with UGC as the surviving entity.

It is a leading manufacturer of pre-painted galvanized iron roofing products and other steel products such as steel decking, frames, pre-engineered building systems and insulated panels used for cold storage and other facilities. UGC's main manufacturing facilities are located in Calamba, Laguna. It also operates roll-forming plants in Poro, San Fernando, La Union, Ilang, Davao City, Cebu City, Sta. Rosa, Nueva Ecija, Cagayan de Oro City, Zamboanga City, Calasiao, Pangasinan, Bacolod City, Iloilo City, Pili, Camarines Sur, San Fernando, Pampanga, Batangas City, Tacloban City, Leyte and Cainta Rizal.

In 2022, the Union Insulated Panels Corporation ("UIPC") was established under UGC. UIPC supplies and installs premium insulated panels for the roofing, walling, and cladding needs of various temperature-controlled facilities such as cold storages, blast freezers, and warehouses across the food, agricultural, and industrial sectors. The Company intends to grow its existing Insulated Panels Division in preparation for the operation of the UIPC plant in 2026.

Today, UGC is the market leader in manufacturing and distribution of pre-painted and other galvanized roofing, and of galvanized steel building products such as building system components like steel decking, c-purlins, door jambs, steel trusses, pre-engineered building structures ("PEBS") and insulated panels for commercial, industrial and residential applications. UGC has the largest and most diversified distribution network in the industry, with roll forming plants, warehouses and sales offices in strategic locations throughout the country.

UGC's production lines are located in: (i) Continuous Color Coating Line in Calamba City Laguna; (ii) PU Lines in Calamba City Laguna; (iii) Continuous and Discontinuous Lines in Davao City; and (iv) Discontinuous Rollforming Lines nationwide.

In 2024, UIPC broke ground on a multimillion-peso manufacturing plant that will produce insulated panels in Porac, Pampanga. The facility will have a yearly production capacity of one million square meters of panels.

Products and Services

Roofing, Walling and Claddings:



Duracorr



Duracurve



Durarib



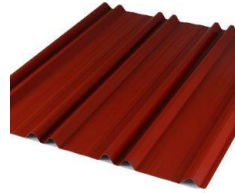
Duraseam



Duraspandrel



Duratile



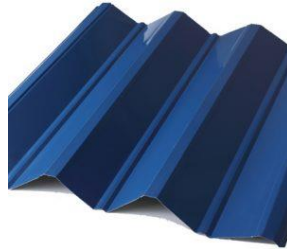
Duratwin



Hi Rib



Laverne



Mega Hi-Rib



Minirib

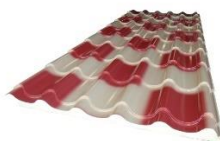


Multi-rib8

Insulated Panels which are ideal for walls, partitions and ceiling of building structures, cold storage for food processing and food storage, processing and production plants for food processing, commercial chillers, pharmaceutical products storage and controlled temperature rooms:



Roofing PU Panel

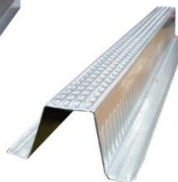


Standard PU Panel

Building System Components Steel such as deckings, purlins and light metal framings:



C-Purlins



Battens



Single Rabbet



Double Rabbet

C Purlins and Battens

Door Jamb



Duradeck



Pre-engineered Building Structures (“PEBS”) which are steel structures that are fully fabricated as designed in accordance with the specifications of the customer, shipped to site in completely knocked down condition; and assembled and erected onsite:



Roofing Accessories



Philcement

Philcement was incorporated on 22 September 2017 to engage in the processing, distribution, marketing and sales of cement products. Philcement represents PHINMA's re-entry into the cement industry, re-introducing PHINMA's legacy brand "Union Cement". Union Cement enjoyed market dominance and strong brand recognition for many years when PHINMA was in direct ownership or management of the majority of the country's integrated cement plants, until the Company sold its ownership stake to Holder Bank (now Holcim) in 2003. In 2017, Philcement re-introduced the Union Cement brand after a 14-year hiatus. The re-branding of Union Cement aims to combine world class standards with Filipino expertise to make the lives of Filipinos better through quality, affordable, and readily available cement products. Philcement imports cement from its partner. The Vissai Group, one of the biggest privately-owned cement companies in Vietnam. Philcement is owned 60% by PHINMA, 30% by Viet Cement Terminal Joint Stock Company and 10% by EDCOMMERCE Corporation.

Philcement is a Freeport Area of Bataan ("FAB")-registered enterprise permitted to engage in the processing, marketing, importing, trading – wholesale and retail, selling, and distribution of cement, cement products, and other by-products and establishing, operating and managing cement supply terminals at the FAB. As a FAB registered enterprise, Philcement is entitled to the benefits and incentives under Republic Act No. 9728, also known as "The Freeport Area of Bataan Act of 2009". The Authority of the Freeport Area of Bataan is further discussed under "Regulatory Framework".

Philcement's 7.8-hectare flagship cement processing complex is located in the FAB and is considered to be the first state-of-the-art cement facility in the Philippines and one of the largest independent cement terminals globally. The facility has an initial annual capacity of 2 million metric tons of cement or 400,000 bags a day. The cement processing complex serves as an importation, storage and bagging facility of Philcement in Mariveles, Bataan.

The cement processing complex is likewise strategically located and able to afford Philcement logistical advantage over competitors who transport cement mostly via land. Philcement is likewise able to leverage on its affiliate UGC's waterways distribution network, especially in its reach of the Visayas and Mindanao markets which is underserved by local cement manufacturers that rely heavily on trucking or land-based transportation.

In September 2019, PHINMA signed an agreement to invest USD50.00 million in Song Lam Cement Joint Stock Company, the flagship plant of The Vissai, the largest private cement manufacturing group in Vietnam. The investment was used to expand the capacity of the flagship plant located in Nge Anh province in Vietnam, and cements Philcement's relationship with Viet Cement Terminal JSC, who is a shareholder in Philcement. While these mutual partnerships assure Philcement a reliable supply of high-quality cement for its customers, out of the world-class facility in Mariveles Bataan, all transactions between different companies under the PHINMA Group and the Vissai Group are kept at arm's length and driven by market conditions. The Company finalized this investment on 12 May 2021.

Products and Services

Philcement distributes its products in 40-kg bags, jumbo bags, and bulk trucks, and continues to gain acceptance in key markets nationwide. Currently, Philcement has three types of cement:

Product Type	Description
Union V Ultra Strength 50	High strength cement, greatly suited for concrete applications, and exhibits high workability, early compressive strength, and consistency that exceeds both Philippine and international standards
Union V Super Strength 40	General-purpose cement blended with mineral additives and designed for higher levels of workability and improved yield that exceeds both Philippine and international standards
Union Extra Strength ES	High strength cement, greatly suited for concrete. It has high workability and a consistency that exceeds both Philippine and international standards.

To serve key markets, Philcement has built a cement facility in the FAB which started operations in February 2020. It is the first in the industry to use ship unloader for bulk cement. Further, in September 2019, Philcement entered into an agreement with Seasia Nectar Port Services, Inc. to purchase the port and port assets where its terminal is constructed on, thereby affording the company cost-efficiencies.

In May 2024, Philcement signed a share purchase agreement with Petra Cement Inc (“Petra”). Philcement Mindanao Corporation, a subsidiary of Philcement, will pay a consideration of Php 500 million in exchange for 100% of the outstanding shares of Petra. This follows the signing of a manufacturing and sales agreement earlier in the year between Philcement and Petra to enable Philcement to operate the Petra Plant and to manufacture and produce, distribute and sell cement products. The plant comprises a cement grinding facility with a capacity of 500,000 metric tons per annum, which serves the growing and dynamic Northern Mindanao market. The deal is expected to be finalized by end of 2024.

In June 2024, Philcement signed agreements with ANFLOCOR management and investment company ANFLOCOR to build a modern cement manufacturing plant in Davao del Norte. The facility is expected to be operational by 2026 with a production capacity of two million metric tons per year, allowing Philcement to better cater to customers of its legacy brand Union Cement by ensuring steady, reliable supply.

The facilities will be run by Philcement Mindanao Corp., a corporation which will be a 70% owned subsidiary of Philcement and 30% owned by ANFLOCOR. All these recent developments are aligned with Philcement’s growth strategy and its promise to assure Filipino consumers with reliable, high-quality supply of cement products under its legacy brand, “Union Cement”.

PHINMA Solar

PHINMA Solar, formerly Trans-Asia Wind Power Corporation, was incorporated in the Philippines and registered with the Philippine SEC on 26 July 2013.

PHINMA Solar is the Company’s venture into the solar rooftop market, providing solar rooftop generation solutions for industrial and commercial clients, capitalizing on the opportunity presented by the declining cost of solar energy panels, rising levels of environmental awareness, and government initiatives mandating the use of renewable energy sources. In 2019, it expanded its portfolio of clients, installing rooftop solar solutions equivalent to around 11% of total solar installations in the industry, according to company estimates. Since then, the company has evolved from a lease model to a sale on installment model to maximize cashflow and mitigate exposure on fluctuation in the energy generation and prices.

On 21 December 2020, PHINMA approved the sale of its 225,000,000 shares of PHINMA Solar to UGC. The sale rationalized PHINMA’s corporate ownership structure in its CMG by consolidating in UGC 100% ownership in PHINMA Solar. PHINMA Solar is 98.01% indirectly-owned by PHINMA and 100% owned by UGC.

PHINMA Solar’s value proposition for its customers comes from the savings the customers are able to achieve on their annual electricity costs from using the solar rooftop equipment. The customers not only save on their electricity costs but also support the environment.

In collaboration with UGC, PHINMA Solar not only promotes its own brand but is also able to extend UGC sales through PHINMA Solar’s network of customers and vice versa.

The consolidated financial performance of the CMG is as follows:

<i>Amounts in ₱ Mns</i>	For the years ended 31 December			Six months ended
	2021	2022	2023	31 June 2024
Revenues	12,144	13,246	13,268	6,874
Less: Cost and Expenses	10,922	12,440	12,435	6,450
Operating Income	1,222	806	833	424
Consolidated Net Income	902	495	431	106
Net Income attributable to Equity holders of the Parent	902	495	431	106

B. EDUCATION GROUP

PHINMA Education










The education services of PHINMA are held through its majority-owned subsidiary, PHINMA Education. PHINMA Education’s mission is to make lives better through accessible, quality tertiary education. By intent and design, the network caters to the underserved youth – high school graduates from low-income families who want to go to college and get better jobs.

PHINMA Education holds majority equity interests in nine tertiary institutions across the Philippines. Its four largest institutions have enrollment of around 20,000 to 30,000 students each - these are comprised of AU, which has campuses in Cabanatuan City and San Jose City; COC, which has campuses in Cagayan de Oro City and Iligan City; UPang, which has campuses in Dagupan City and Urdaneta City; and UI, which has a campus in Iloilo City. PHINMA Education also owns and operates SWU in Cebu City, which has enrollment of around 16,000 students and is the network’s only Philippine institution that caters primarily to the mid-income market. SWU owns a tertiary hospital, Southwestern University Medical Center (“SWUMed”), operated by Mount Grace Hospitals, Inc. of the United Laboratories Group. PHINMA Education has more recently established its presence in NCR through its NCR Network, comprised of PHINMA St. Jude College-Manila (“SJC – Manila”) and PHINMA St. Jude College Quezon City, Inc. (“SJC – QC”), and Laguna through its Laguna Network, comprised of PHINMA RCL located in Calamba and PHINMA UCL located in Sta. Cruz City. Its NCR and Laguna schools’ enrollment range from 1,500 to 10,000 students in each campus. All schools have ongoing capacity expansion plans in anticipation of strong enrollment growth.

As part of its growth strategy, PHINMA Education has also expanded to serve students outside the Philippines, particularly in Indonesia. In Indonesia, PHINMA Education entered into a joint venture agreement with PT Tripersada Global Manajemen to form PT Ind-Phil Management (“INDPHIL”). Since its inception in 2019, INDPHIL has been managing Horizon University Indonesia, which is located in Karawang City and has an enrollment of approximately 1,700 students. INDPHIL also recently expanded its footprint in Indonesia through Kalbis Institute, which is located in Jakarta and had enrollment of nearly 1,000 students as of school year 2022-2023.

Additionally, PHINMA Education is exploring entry into a third country and has been undergoing business development activities in areas like Vietnam and the Mekong Delta region.

The main business of PHINMA Education is to provide affordable and accessible quality tertiary education to a low-income market. Average annual tuition and other school fees across these schools which target the affordable segment ranges from ₱15,000 to ₱42,000. PHINMA Education also provides more opportunities to students from low-income families by offering scholarships and financial assistance on top of already accessible fees. The objectives of the programs are immediate employability of graduates, and as such, the quality of the programs is assessed through the performance of the graduates in board accreditation exams, particularly for courses aimed at immediate employability such as Nursing, Criminology, Education, and Medicine, as well as employment rates post-graduation.

PHINMA Education Institutions		Location	Beneficial Ownership of PHINMA Education as of June 30, 2024	Year Acquired/ Incorporated
 ARAUULLO UNIVERSITY PHINMA EDUCATION NETWORK	AU	Nueva Ecija, Philippines	97.76% ⁹	2004
 CAGAYAN DE ORO COLLEGE PHINMA EDUCATION NETWORK	COC	Misamis Oriental, Philippines	91.20% ¹⁰	2005
 UNIVERSITY OF ILOILO PHINMA EDUCATION NETWORK	UI	Iloilo, Philippines	69.23%	2008
 UNIVERSITY OF PANGASINAN PHINMA EDUCATION NETWORK	UPang	Pangasinan, Philippines	69.33%	2009
 SOUTHWESTERN UNIVERSITY PHINMA	SWU	Cebu, Philippines	94.51% ¹¹	2015
 SAINT JUDE COLLEGE PHINMA EDUCATION NETWORK	SJC - Manila	Metro Manila, Philippines	98.44% ¹²	2017
 SAINT JUDE COLLEGE PHINMA EDUCATION NETWORK	SJC - QC	Metro Manila, Philippines	99.97% ¹³	2019
 RIZAL COLLEGE OF LAGUNA	RCL	Laguna, Philippines	90.00% ¹⁴	2020
 UNION COLLEGE OF LAGUNA	UCL	Laguna, Philippines	65.76% ¹⁵	2021
	PT Ind Phil Management	Indonesia	66.00%	2019

⁹ PHINMA Education beneficially owns 97.76% of AU, tax clearances for 19.91% or 3,343,257 shares are still pending with the BIR.

¹⁰ PHINMA Education beneficially owns 91.29% of COC, tax clearances for 18.10% or 117,657 COC shares are still pending with the BIR.

¹¹ PHINMA Education beneficially owns 94.51% of SWU, tax clearance for 11.06% have been processed while the remaining are still pending with the BIR.

⁹ PHINMA Education beneficially owns 98.44% of SJC, tax clearances for 0.12% or 2,753 RCI shares are still pending with the BIR.

¹³ PHINMA Education beneficially owns 94.41% of RCI (SJC – QC), the relevant tax clearances are still pending with the BIR.

¹⁴ PHINMA Education beneficially owns 90.00% of RCL.

¹⁵ PHINMA Education beneficially owns 65.76% of UCL. The electronic Certificate Authorizing Registration (e-CAR) was obtained from the BIR

The following table outlines the owners of the educational institutions and relationship of the schools to the other owners:

%	AU	COC	SWU	UI	UPANG	PUCUI	SJC	RCI (SJC – QC)	RCL	UCL	PT IPM	PHINMA Saytanar	PE Myanmar
PEHI	97.77%	91.28%	94.51%	69.23%	69.33%	69.33%	98.44%	99.97%	90%	80.91%	68.72%	50%	100
Employee	0.88%	1.25%	0.27%	1.01%	0.76%	0.76%							0
3rd Party*	1.35%	7.47%	5.22%	29.76%	29.91%	29.91%	1.56%	0.03%	10%	19.09%	31.28%	50%	0

*Includes individuals not related to PHINMA Education nor the Company and former employees who availed of the employee stock option program (ESOP).

In 2019, PHINMA Education signed an Investment Agreement with Kaizenvest, FMO, and ADB, along with other local investors, for a ₱2.2 billion investment in the Company. This enabled the PHINMA Education’s expansion in NCR, Laguna, and Indonesia. The Education Group’s new investors also contributed to its organizational development, specifically, through improved sustainability and corporate governance practices.

In 2024, the Education Group signed an investment agreement with Phoenix Investments II Pte. Ltd., an investment vehicle of funds managed by international firm KKR Global Impact, and Rise Edu Pte. Ltd., which is managed by Kaizenvest III, a unit of shareholder Kaizen Private Equity II Pte Ltd. Concurrently, funds managed by KKR have entered into an agreement to acquire all of the shares in the Company owned, directly or indirectly, by ADB, FMO and Kaizenvest. The transaction is expected to close in September 2024, subject to customary regulatory approvals, including that of the Philippine Competition Commission (“PCC”).

Historically, the PHINMA Education Schools’ graduates have posted significant overall improvement in board accreditation exam passing rates since said schools were acquired and the programs taken over by PHINMA Education. PHINMA Education graduates have also historically placed among the top ten nationwide examinees in their respective board accreditation exams. In total, PHINMA Education has fielded 166 Board Exam Topnotchers as of SY2223 since acquiring its first school in 2004. In terms of employment, around 77% of graduates are accepted into their first job within one (1) year from graduation based on company tracer studies as of SY2324.

Selected key performance indicators of the school as of SY 2223 as provided below:

School	Enrollment Total	Enrollment Tertiary	Board Passers Since Acquisition	Board Placers Since Acquisition	Bachelor of Science Business Administration (BSBA ¹⁶) Tuition (₱)
AU	23,108	19,498	5,869	4	15,375
COC	31,089	21,980	6,537	31	17,215
UPang	25,970	21,033	8,089	42	18,020
UI	28,604	24,246	6,142	10	14,562
SWU	16,563	12,951	8,248	72	31,050
SJC-Manila	9,833	7,366	1,584	7	17,940
SJC-QC	1,776	1,178	70	0	17,940
RCL	3,743	2,710	30	0	14,010

¹⁶ BSBA tuition fees are used as a common reference to show the difference in the pricing among the PHINMA Education schools, since all the schools have a BSBA program.

School	Enrollment Total	Enrollment Tertiary	Board Passers Since Acquisition	Board Placers Since Acquisition	Bachelor of Science Business Administration (BSBA ¹⁶) Tuition (₱)
UCL	4,015	2,499	151	0	12,977
Total Philippines	144,701	113,461	36,720	166	N/A
Horizon University	1,773	1,773	1,506	0	22,000.00
Total	146,474	115,234	38,226	166	N/A

Selected operating data of PHINMA Education are provided below:

<i>Amounts in ₱ Mns</i>	For the fiscal years ended 31 December			Six Months Ended
	2021	2022	2023	30 June 2024
Revenues	3,691	4,068	5,439	2,458
Less: Cost and Expenses	2,546	3,181	4,006	1,949
Operating Income	1,145	887	1,433	509
Consolidated Net Income	1,019	818	1,194	418
Net Income attributable to Equity holders of the Parent	839	633	939	317

C. PROPERTY DEVELOPMENT GROUP

PHINMA holds business interests in property management and development through PHINMA Property Holdings Corporation (“PPHC”), P&S Holdings Corporation (“PSHC”), ABCIC Property Holdings, Inc. (“APHI”), and Asian Plaza, Inc. (“API”).

PPHC

PHINMA Property Holdings Corporation is primarily a property development company which focuses on residential projects. While the primary focus is on the middle-income segment though affordable and economic housing, PPHC has also expanded into mixed-use developments such as townships, to build integrated communities that provide a more vibrant and connected living experience for the homebuyers. Additionally, in 2024, the company re-entered the low-cost housing sector through its socialized housing segment. As of June 30, 2024, PPHC sold over 18,700 homes since 1987 and has had 32 developments in seven provinces PPHC’s overarching objective and just cause is to make lives better through shelter for first-time homebuyers by innovatively shaping new urban communities that nurture Filipinos to become better citizens.

In December 2018, PHINMA and APHI, transferred its properties with an appraised value of ₱328.11 million and ₱297.30 million, respectively, as subscription to 65,622 and 59,459 PPHC shares, respectively, at par value of ₱5,000 per share, pending the approval by the SEC of the request in the increase of PPHC’s capital. After securing approval of the SEC, PHINMA’s ownership share in PPHC increased to 40.20%. Consequently, APHI and API’s ownership in PPHC became 13.33% and 9.11%, respectively.

In July 2023, PHINMA Corporation increased its direct ownership stake in PPHC to 86.26% in a move to consolidate the group’s strategic business units.

PPHC’s subsidiary, Community Developers and Construction Corporation (“CDCC”), specializes in construction management for both PPHC projects and other developers. Operating in a diverse and competitive industry, CDCC engages in a wide array of projects, including institutional and residential developments. CDCC’s reach extends from the National Capital Region (“NCR”) to various provinces, showcasing its expansive operational capabilities. CDCC distinguishes itself in the market through its commitment to cutting-edge project management techniques, innovative construction solutions incorporating green technologies, and strategic partnerships that enhance project efficiency and effectiveness. These practices highlight CDCC’s dedication to quality and excellence and underscore its role as a forward-thinking leader. With a focus on sustainable growth and innovation, CDCC is well-positioned to meet the evolving demands of the Philippine construction industry.

Community Property Managers Group, Inc. (“CPMGI”) has rapidly emerged as a premiere property management firm, renowned for its innovative and specialized services. By 2022, CPMGI managed 34,000 units, and in 2023, it expanded by acquiring an additional 11,000 units. In 2024, CPMGI managed a total of 45,000 units across nearly 35 communities nationwide. CPMGI’s reputation for responsiveness and attentiveness to the diverse needs of the residential property groups it manages, coupled with its high sense of professionalism, dedication, and commitment to quality and excellence, distinguishes it from other property management firms.

PHINMA Properties Sales and Marketing Inc. (“PPSMI”) was officially established in 2024 as the exclusive sales and marketing arm of PPHC. This strategic initiative underscores PPHC’s dedication to delivering excellence in sales and customer service. As the exclusive sales and marketing entity for PPHC, PPSMI manages an extensive portfolio of residential and mixed-use developments. PPSMI is committed to elevating customer experiences and achieving exceptional sales performance by nurturing a team of dynamic and agile sellers. The Company’s team of experienced real estate professionals is proficient in adapting to the ever-changing market landscape. Leveraging innovative, data-driven strategies, PPSMI aims to connect Filipino families with their dream homes, ensuring a smooth and personalized homebuying experience.

Despite potential risks such as weak market demand within Metro Manila and high cancellation rates of booked units, PPSMI’s expansion into new geographic markets and demographic segments helps mitigate these risks. Additionally, year-to-date trends indicate lower cancellation rates, suggesting stabilization of income in the target market. The growth opportunities for CDCC’s expansion outside Metro Manila will support PPHC projects in various regions. PPSMI’s market expansion will further enhance PPHC’s reach, making lives better for first-time homebuyers. CPMGI’s growth in property management services will contribute to increasing customer satisfaction and retention, further strengthening PPHC’s market position. By having a dedicated sales and marketing arm, PPSMI ensures a personalized homebuying experience.

In 2022, PPHC was consistently named the Top 8 Developer in Mindanao and Top 9 Developer in NCR from the 1st to 3rd quarter of the year. PPHC received the highly-commended distinctions for Best Boutique Developer in PropertyGuru’s Philippines Property Awards, and Best Pandemic Pivot in Lamudi’s Philippine Real Estate Awards. In terms of projects, PHINMA Maayo San Jose and Metrotowne received several recognitions from the same award-giving bodies.

In yet another testament to PPHC’s commitment to excellence, it again received in 2023 recognition from PropertyGuru’s Philippines Property Awards and Lamudi’s The Outlook: Philippines Real Estate Awards, taking home multiple accolades including Boutique Developer of the Year in Luzon and Best Housing Interior Design for PHINMA Maayo San Jose.

Completed Projects of the Property Development Group as of June 30, 2024 include:

Project	Location	Year Completed	Area (sqm)	No. of Units Completed
Mariposa Square	C. Benitez Quezon City	1987	2,000	10
Mariposa Villas	Mariposa St. Quezon City	1988	20,600	40
Manila Polo Club Townhouses	Forbes Park Makati City	1989	24,000	43
Villa Milagrosa	San Pedro Laguna	1994	10,000	155
Villa Elisa	Imus, Cavite	1996	34,000	334
Smile Citihomes I	Novaliches Quezon City	1998	24,020	1,595
Smile Citihomes Annex – Phase 1 to 3	Camarin Rd. Caloocan City	2000	10,000	638
Sunny Villas	Pearl Drive, Commonwealth Ave., East Fairview, Quezon City	2005	14,380	812
Spazio Bernardo	Brgy. Sauyo, Bagbag, Quezon City	2006	16,650	957
Spazio Bernardo West Villas	Brgy. Sauyo, Quezon City	2007	6,610	319

Project	Location	Year Completed	Area (sqm)	No. of Units Completed
San Benissa Garden Villas	Quirino Highway Novaliches, Quezon City	2008	15,580	928
Fountain Breeze	Lombos Avenue, Sucat, Parañaque City	2011	31,240	1,640
Sofia Bellevue	Capitol Hills Drive, Quezon City	2011	17,000	840
Flora Vista	Peacock St., Brgy. Commonwealth, Quezon City	2010	18,770	870
Bistekville – Townhouse	Novaliches, Quezon City	2015	1,670	40
Bistekville RH	Novaliches, Quezon City	2015	660	23
ASiA Enclaves	Alabang, Muntinlupa City	2016	106,710	588
Solano Hills	Villongco St., Muntinlupa City	2016	29,000	1,260
Strikeville 4	Bacoor City, Cavite	2018	45,520	TH - 115
Aspire Homes	Cebu City	2019	18,000	238
L'Oasis	Malabon City	2020	108,000	626
Arezzo Place Pasig	Sandoval Avenue, Pasig City	2021	47,000	1,980
Hacienda Balai	Novaliches, Quezon City	2021	29,000	1,220
Arezzo Place Davao	Davao City	2022	27,000	1,080
TOTAL			657,410	16,351

The following are ongoing projects under PPHC as of June 30, 2024:

Project	Location	Year for Target Completion	Area (sqm)	No. Of Units Completed
Uniplace @ SWU	Cebu City	2024	4,100	220/456
Metrotowne	Las Pinas	2029	21,000	330/1,650
PHINMA Maayo San Jose	San Jose, Batangas	2027	95,000	235/545
PHINMA Maayo Tugbok	Tugbok, Davao City	2027	96,000	0/622
Likha Residences Davao	Davao City	2029	16,749.50	0/94
Saludad	Mandalagan, Bacolod City	2039	210,000	TBD
TOTAL			442,849.50	785/3,367

Through its projects, PPHC aims to empower first time homebuyers to live in nurturing communities. Uniplace @ SWU, a mixed residential and dormitory development, exemplifies this mission. Strategically located near Cebu's top schools, malls, office hubs, hospitals, and other establishments, it enables students and young professionals alike to thrive in a comfortable, supportive environment that fosters their well-being. The two-building project is scheduled for completion within 2024. Similarly, the Maayo and Likha projects focus on cultivating a sense of community and shared responsibility by integrating thoughtful designs such as green architecture and sustainable zoning, ultimately paving the way for secure and fulfilling lives for families. In the first half of 2024, PHINMA Maayo Tugbok and PHINMA Maayo San Jose have achieved EDGE Certification, underscoring PPHC's commitment to sustainability. This

commitment encompasses not only the environmental impact of construction practices but also the quality of life of homeowners.

PPHC also addresses the needs of low-income families through its re-entry into the socialized housing sector in 2024. Through its Community Housing segment, PPHC aims to provide affordable shelter, elevating lives and nurturing a sense of pride and belonging among first-time homebuyers.

To further drive its mission, PPHC has launched its Bacolod Township named Saludad, aimed at serving the rising middle-income families who constitute the majority of the Filipino population. PPHC will also offer commercial lots and possibly operate a retail strip in Saludad. This development embraces the principles of new urbanism, fostering a vibrant and integrated community. By incorporating mixed-use developments, Saludad will not only serve its residents but also enrich neighboring areas, shaping urban landscapes to nurture Filipinos to become better citizens.

Owned 100% by PPHC, CDCC is engaged in real estate development, principally low-cost and affordable housing and vertical development. Projects under CDCC include:

Project	Location	Year Completed	No. Of Units Completed
Nuvista San Jose-Senna	Brgy. Sto. Cristo, San Jose Del Monte Bulacan	2017	23
Nuvista San Jose-Anthea and Tiara	Brgy. Sto. Cristo, San Jose Del Monte Bulacan	2018	177
Joseph Calamba-Alyana and Amira	Brgy.Laquerta, Calamba Laguna	2018	400
Saint Joseph Calamba-Annex	Brgy.Laquerta, Calamba Laguna	2019	308
Saint Joseph Windfield-Brisa	Brgy. Gulod, Cabuyao City, Laguna	2019	213
Saint Joseph Calamba-Amora	Brgy. Laquerta, Calamba Laguna	2019	93
Bistekville 15 and 16	Brgy. Nagkaisang Nayon and Sauyo	Jul-19	255
Araullo University - San Jose Phase 2	Nueva Ecija	2022	1
Uniplace Cebu	Cebu	2022	220
Likha Residences Alabang	Muntinlupa City, National Capital Region	2023	8
PHINMA Maayo San Jose	Batangas	2023	197
PHINMA Maayo San Jose	Batangas	2024	133
TOTAL			1,919

As stakeholders in the real estate economy, CPMGI provides efficient management of its clients' properties and the provision for their needs, with value for money and customer service as its priority.

CPMGI members are trained and equipped with certifications in the field of property management. Their experience and competency help ensure the delivery of excellent service to unit owners, tenants, and properties within the care of CPMGI.

CPMGI services include property management, technical services, unit improvement, leasing & resale services, pest control & termite services and general home cleaning services.

Stakeholders of CPMGI are condominium corporations of condominium communities developed by PPHC and other developers in Metro Manila.

Project	Project Type	Location	No. Of Buildings/Units
PPHC Group Projects:			
Sunny Villas	MRB	Quezon City	9 Bldgs./812 Units
Spazio Bernardo	MRB	Quezon City	14 Bldgs./1,276 Units
San Benissa	MRB	Quezon City	12 Bldgs./936 Units
Flora Vista	MRB	Quezon City	9 Bldgs./870 Units
Sofia Bellevue	MRB	Quezon City	5 Bldgs./840 Units
Hacienda Balai	MRB	Quezon City	14 Bldgs./1,260 Units
Fountain Breeze	MRB	Paranaque City	16 Bldgs./1,640 Units
Arezzo Place Pasig	MRB	Pasig City	22 Bldgs./1,980 Units
Asia Enclaves Alabang	MRB	Alabang City	5 Bldgs./588 Units
Solano Hills	MRB	Muntinlupa City	13 Bldgs./1,170 Units
L'Oasis	MRB	Malabon City	6 Bldgs./674 Units
Arezzo Place Davao	MRB	Davao City	12 Bldgs./1,080 Units
Aspire Cebu	MRB	Cebu City	2 Bldgs./238 Units
Uniplace Cebu	MRB	Cebu City	2 Bldgs./456 Units
Likha Residences Alabang	Horizontal	Muntinlupa City	68 Units
Metrotowne Las Pinas	MRB	Las Pinas City	5 Bldgs./1,650 Units
PHINMA Maayo San Jose	Horizontal	San Jose, Batangas	545 Units
TOTAL			146 Bldgs./20,203 Units
Non-PPHC Projects:			
MRB Projects			154 Bldgs. / 38,856 Units
Hi-Rise Projects			1 Bldg./1,148 Units
Horizontal Projects			19,310 Units
TOTAL			59,314 Units

Below is a breakdown of sales for each type of financing/mode of payment for years 2022 and 2023:

2023	Sales by Financing Scheme (in PHP Mio)				TOTAL
	IN-HOUSE	HDMF	BANK	CASH	
PPHC	202.38	1,857.18	163.22	21.74	2,244.51
CDCC	-	-	-	91.74	91.74
CPMGI	-	-	-	179.81	179.81
CONSO	202.38	1,857.18	163.22	293.29	2,516.06
% of Total	8%	74%	6%	12%	

2022	Sales by Financing Scheme (in PHP Mio)				TOTAL
	IN-HOUSE	HDMF	BANK	CASH	
PPHC	130.58	1,367.97	30.68	21.29	1,550.52
CDCC	-	-	-	33.71	33.71
CPMGI	-	-	-	144.27	144.27
TOTAL	130.58	1,367.97	30.68	199.27	1,728.50
% of Total	8%	79%	2%	12%	

In 2019, INPHIN8 was established as a joint venture between PPHC and Acceler8, creating a recurring-income business line operating in the shared economy space as a co-working facility in Rockwell Center.

Accerler8 Rockwell has 25 private office suites, a co-working space with 30 seats, and technology-ready meeting rooms with 20 seats. The facility has four main service types categorized into (1) co-working memberships and passes; (2) private office rentals; (3) virtual offices memberships; and (4) meeting room passes.

Co-working memberships and passes allow users to gain access to the space's co-working area and high-speed internet. Various amenities are also available depending on the membership tier. Co-working spaces are geared towards individuals who need access to a conducive work or study environment.

Private office suite rentals give clients access to premium furnished office spaces complete with modern furniture, reliable equipment, and high-speed internet. These are geared towards small to medium sized companies who are in need of an office in the middle of the central business districts but without the need to expend capital to purchase or build a space of their own.

Virtual office memberships allow clients to use an official business address as their virtual office. In addition to the above, mail and parcel handling, notification, and forwarding is also offered to clients. With additional perks depending on the particular plan availed.

Meeting room passes or Day Passes allow clients to use meeting rooms and equipment for their needs.

Selected operating data of PPHC are provided below:

<i>Amounts in ₱ Mns</i>	For the years ended 31 December			Six months ended
	2021	2022	2023	31 June 2024
Revenues	1,979	1,728	2,516	590
Less: Cost and Expenses	1,699	1,589	2,157	750
Operating Income	280	139	359	(160)
Consolidated Net Income	124	98	114	(313)
Net Income attributable to the Equity holders of the Parent	124	97	113	(313)

PSHC

PSHC was incorporated and registered with the SEC on September 11, 1998. Its primary purpose is to invest in, hold, purchase, acquire, lease, or contract any and all real and personal properties. The company currently owns and leases land located in Bulacan.

APHI

API was incorporated and registered with the SEC on May 4, 2012 and is primarily engaged in selling real and personal properties. API currently owns residential properties in Island Park Subdivision in Dasmarinas, Cavite, condominium units in Canyon Cove and investments in shares of stock of PHINMA Property Holdings Corporation, a PHINMA Corporation subsidiary primarily engaged in the sale of condominium units.

API

API was incorporated on January 26, 2005 and started commercial operations on the same date. Its primary purpose is investment in real properties.

D. HOSPITALITY GROUP

PHINMA Hospitality

After the consolidation of its strategic business units last July 2023, PHINMA increased its ownership in its hospitality assets. PHINMA's direct ownership in PHINMA Hospitality Inc. ("PHINMA Hospitality") increased from [●]% to 63.77% from 36.23%, while its direct ownership in PHINMA Microtel Hotels, Inc. ("PHINMA Microtel") increased to 51.00%. PHINMA Hospitality Inc. is the management company that operates all the Microtel and TRYP by Wyndham properties in the Philippines. It is also a joint venture partner in several Microtel and TRYP developments. PHINMA Microtel is the Philippine master franchise holder of Microtel by Wyndham, an international chain of limited-service hotels with 300+ properties worldwide and TRYP by Wyndham, a select-service urban hotel chain with over 100 properties. Its revenue streams include franchise fees, license and advertising fees, as well as sale of hotel supplies.

PHINMA also has a direct 23.75% equity interest in Coral Way, owner of Microtel by Wyndham Mall of Asia. Coral Way has a wholly owned subsidiary, Krypton Esplanade Hotel Corporation, which owns the TRYP by Wyndham Mall of Asia.

PHINMA Hospitality, operates 14 Microtel by Wyndham hotels and one 191-room TRYP by Wyndham hotel in the country.

Entity	Location	No. of Rooms
TRYP Mall of Asia	Pasay City, Metro Manila	191
Microtel Mall of Asia	Pasay City, Metro Manila	150
Microtel UP Technohub	Quezon City, Metro Manila	120
Microtel Batangas	Sto. Tomas, Batangas	78
Microtel South Forbes	Silang, Cavite	61
Microtel Boracay	Malay, Aklan	51
Microtel Puerto Princesa	Puerto Princesa City, Palawan	50
Microtel Tarlac	Tarlac City, Tarlac	50
Microtel Cabanatuan	Cabanatuan City, Nueva Ecija	50
Microtel Baguio	Baguio City, Benguet	92
Microtel Acropolis	Quezon City, Metro Manila	84
Microtel Cavite	General Trias, Cavite	57
Microtel Davao	Davao City, Davao del Sur	51
Microtel General Santos	General Santos City, South Cotabato	65
Microtel Pampanga	San Fernando City, Pampanga	80
Total no. of rooms		1,230

Microtel by Wyndham is an international chain of limited-service hotels under Wyndham Hotel Group with 300+ Microtel properties worldwide, including 14 in the Philippines. Microtel by Wyndham pioneered the no-frills hotel concept in the country that targets the mid-market traveler. It focuses on providing consistently clean, comfortable and secure accommodations at value rates. The group's well-knit team of experienced and competent professionals is passionate about guest satisfaction, with a strong commitment to deliver excellent customer service, and value priced accommodations and services at international standards. Microtel by Wyndham Mall of Asia's guests are mostly business and leisure travelers. In 2023 the occupancy rate was about 78%, driven by conventions and events in SMX Convention Center, Mall of Asia Arena and other venues, increasing business activities in the area, and proximity to the airports, business hubs, malls, commercial centers, and leisure destinations.

TRYP by Wyndham is a select-service hotel chain located in many of the most exciting cities such as Paris, Berlin, Barcelona, New York, São Paulo, Brisbane and Manila. It targets today's modern travelers with its hip, young and energetic interiors, and amazing views of the city and Manila Bay. It offers specialty rooms such as the Family Room with bunk beds, Loft with spacious living area and bunk beds in the upper level, and Fitness Room complete with exercise equipment. The Company is preparing to introduce the condotel concept to some of its future Microtel and TRYP projects.

Below are occupancy rates of the PHINMA's investee hotels through Coral Way from 2021 to 2023:

Entity	No. of Rooms	Occupancy Rate (%)			
		2021	2022	2023	30 June 2024
Microtel Mall of Asia	150	83%	67%	79%	78%
TRYP Mall of Asia	191	83%	60%	62%	58%

E. OTHER BUSINESS SEGMENTS

Career Academy Asia, Inc.

Career Academy Asia, Inc. ("CAA") was incorporated and registered with the SEC on November 28, 2014. Its primary purpose is to organize, establish, maintain and conduct a non-sectarian institution of learning and to operate schools

for all levels below tertiary level. On July 12, 2019, the BOD and stockholders of CAA approved the cessation of its operations effective March 31, 2019. On November 11, 2022, the BOD approved the dissolution of CAA.

One Animate Limited

One Animate Limited was a limited liability company incorporated in Hong Kong in October 2008. It was primarily engaged in animation services and owns 100% of Toon City Animation, Inc. One Animate Limited is 80% owned by PHN and 20% by PHI. One Animate Limited, and its wholly owned subsidiary, Toon City Animation, Inc., ceased operations in April 2013. On November 11, 2022, the BOD approved the dissolution of One Animate Limited.

Toon City Animation, Inc.

Toon City Animation, Inc. was a wholly-owned subsidiary of One Animate Limited, and was incorporated to engage in the business of conducting, carrying on, and operating a film, video, television, and animation production company, and to produce film, video, television and animated productions for export. Toon City Animation, Inc. ceased operations in April 2013. On November 11, 2022, the BOD approved the dissolution of Toon City Animation, Inc.

KEY STRENGTHS

PHINMA believes that its principal strengths include the following:

Multi-Generational Management Expertise Across Multi-Sector Industries

PHINMA was founded and continues to be guided by well-respected leaders whose depth of experience is rooted in a legacy of leadership that has successfully navigated and adapted to the evolving business landscape over the decades. Each generation of leaders brings fresh perspectives while maintaining the core values and strategic vision that have consistently driven the company forward. PHINMA has had 3 Chief Executive Officers in its history, all of whom were recognized by the Management Association of the Philippines as Management Man of the Year:

- (iv) Ambassador Ramon V. del Rosario, Sr. – Management Man of the Year 1988
- (v) Mr. Oscar J. Hilado – Management Man of the Year 1991
- (vi) Mr. Ramon V. del Rosario, Jr. – Management Man of the Year 2010

The management teams of PHINMA and its strategic business units have the ability to integrate and harmonize the wisdom of the past with contemporary business practices to ensure that PHINMA remains resilient and competitive in diverse markets particularly in Construction Materials, Education, Property Development, and Hospitality.

PHINMA also benefits from the collective experience and management expertise of a highly regarded Board of Directors.

Strategic Cross-Business Synergies

CMG, composed of UGC, Philcement, and PHINMA Solar, aims to maximize synergies among the various companies within the group to provide innovative construction solutions to its customers by offering one-stop shop services from floor to roofing, providing superior convenience and service to customers nationwide. PHINMA Solar's synergy with UGC enables the Company to offer one-stop combination of roofing and solar power generation solutions to clients, gaining competitive advantage, particularly when rehabilitation of roofing is required prior to installation of the panels.

PHINMA Solar supplied and installed solar rooftop panels in COC and UPang to reduce electricity expenses, reduce carbon emissions and benefit from cross-selling opportunities with other businesses.

Additionally, CMG can supply construction materials to other PHINMA companies including but not limited to the Property Development Group. As PPHC's projects expand beyond NCR, they will need a supplier who can not only provide quality materials but also has a wide distribution network.

PHINMA Education has also been able to leverage on partnerships within the Group in improving its course offerings. For example, it has worked with PHINMA's Hospitality Group to enhance the learning experience of its hospitality courses.

The Property Development Group is also collaborating with the Hospitality Group through the latter's flagship travel and business hotel, which will serve as an anchor locator for the development of the township in Bacolod.

Wide Distribution Network with Flexible and Cost-Efficient Supply Chain

UGC leverages on its nationwide distribution and manufacturing footprint to ensure its products are readily available on the market. This advantage was proven during the pandemic, as products remained to be available despite travel restrictions. UGC can both manufacture and import supply, giving flexibility to quickly produce and fulfil large, customized orders, or import products for customers with less time sensitivity. The company maintains an optimum product inventory which balances availability and speed of order fulfillment versus cost of working capital.

On Philcement, its key strengths include its strategic partnerships, lean management team, and efficient distribution network. The Mariveles Cement Facility can easily load cement into vessels and transport products out to different ports nationwide, while being able to dispatch cement products via bulk or cargo trucks for land transport. This provides a significant competitive advantage compared to landlocked cement plants. Philcement has been able to competitively serve areas that are generally less accessible due to cost of transportation and location. During the lockdown, Philcement utilized efficient means of distribution to serve its customers despite various imposed restrictions.

Philcement's state of the art terminal in Mariveles uses the latest equipment that reduces truck loading and dispatch times. This results in superior dispatch speed, order fulfilment, and overall customer service compared to traditional integrated cement plants in the country. For bagged orders, cement is efficiently packed using mechanized packers, requiring minimum manual labor for bagging and loading. For bulk orders, the company uses bulk loaders to load cement from storage silos directly onto bulk trucks, also with minimum manual labor. A dedicated truck staging and dispatch area at the Mariveles Cement Facility I also ensures a quick and orderly loading process which also reduces total dispatch times. Resulting truck turnaround time at the Mariveles Cement Facility I average is comparatively short, allowing for a higher frequency of withdrawal by customers and less waiting time for trucks and logistics personnel.

CMG is also growing its presence in Mindanao with the recent partnership with Petra Cement Inc., as well as the establishment of another state-of-the-art cement manufacturing plant in the region through its joint venture agreement with ANFLOCOR.

Superior Product and Growing Brand Reputation

Philcement's high-quality cement has resulted in growing re-acceptance and preference for Union Cement, particularly by large institutional bulk cement buyers. Philcement's bulk cement exceeds the Philippines Standards Authority's 7-day strength test, meeting the requirements within 3.50 days, compared to an average of 6 to 7 days for locally manufactured cement. The superior strength enables substantial savings on the part of the buyers, building loyal bulk cement customers. Philcement's Cement Union V Ultra Strength 5, Union V Super Strength 40, Union Extra Strength bagged cement also exceeds local and international standards for cement.

PHINMA Education has fielded 174 Board Exam Topnotchers since acquiring its first school in 2004. Around 78% of graduates are accepted into their first job within one (1) year from graduation based on tracer studies. By placing

more resources into building meaningful relationships with partner companies and organizations, as well as focusing on core work skills, the company expects the employability of its graduates to increase in the coming years.

PPHC received in 2023 recognition from PropertyGuru's Philippines Property Awards and Lamudi's The Outlook: Philippines Real Estate Awards, taking home multiple accolades including Boutique Developer of the Year in Luzon and Best Housing Interior Design for PHINMA Maayo San Jose. PHINMA Properties has also been consistently recognized by the Pag-IBIG as one of the Top 10 Developers in NCR through the Pag-IBIG Fund StAR Award. These recognitions validate PPHC's excellence and growing reputation in the real estate market.

PHINMA's Hospitality arm is the master franchisor for Wyndham's Microtel and TRYP brands in the Philippines. Wyndham is the world's largest hotel franchisor with more than 9,000 hotels across 95 countries.

Sustainable and Integrated Expansion of the Educational Services Business

Upon acquisition of a new school, PHINMA Education undertakes a program to improve both physical facilities and the quality of education, which results in better marketability of the programs and increased enrolment. The schools are integrated into PHINMA Education's Learning Model, an in-house developed set of processes and best practices that combines traditional classroom instruction, guided exercises, and audio-visual instruction. Quality of education is improved while costs are also reduced, resulting in higher enrolment and improved profitability for the schools. Costs are also reduced due to economies of scale as uniform academic programs and processes are rolled out across several schools.

PHINMA Education grows enrollment organically by setting up school branches separate from the main campus which extend the geographic reach of the main campus while employing the required school licenses. In parallel to the company's organic growth, PHINMA Education actively pursues acquisition of more schools to increase its network. The company has a dedicated team developing a pipeline of acquisitions identified based on criteria including geographic priorities of the company.

In 2020, PHINMA Education acquired RCL, which offers Junior and Senior High and undergraduate courses in Education, Business Administration, Office Administration, and Industrial Technology. RCL is PHINMA Education's first school in a planned Laguna network. This strategy creates networks of schools with integrated operations, reducing average administrative costs and facilitates management and operation. Pursuant to said strategy, on 23 April 2021, PHINMA Education, with CARD, entered into a Share Purchase Agreement with controlling stockholders of UCL, an educational institution located in Sta. Cruz, Laguna, Philippines. Under the said Agreement, said stockholders agreed to sell, and PHINMA Education and CARD agreed to acquire, the shares of stock of said stockholders in UCL. PHINMA Education purchased shares equivalent to 65.76% of total outstanding shares including 90% of total voting shares, for the purchase price of ₱85.49 million for the voting shares and ₱2.67 million for the non-voting shares.

On February 18, 2022, SWUMed held a ceremonial signing with Mount Grace Hospitals Inc. ("MGHI"), a member of the United Laboratories Group, the country's largest pharmaceutical company. MGHI will be managing SWUMed, which includes handling day-to-day operations and improving medical services and providing exceptional training to the next generation health professionals. SWUMed officially turned over to MGHI the management of the facility's operation on April 2, 2022.

Strong Talent Management Across the Group

In line with its reputation for management excellence, PHINMA believes in developing talent within the organization to deepen the bench in anticipation of future growth. PHINMA has undertaken measures to provide our workforce with training programs for the development of their potential. The Company focuses on the continuous development of our people through leadership and competency-based training.

PHINMA employees regularly attend training programs such as coaching, management, sales, technical skills, and employee wellness. Mentorship and cross-function training were also made available to high-potential employees.

As part of a comprehensive succession planning initiative, the Company introduced the PHINMA Credential of Readiness (CORE), a strategic leadership development program. The primary objective of CORE is to expedite the growth of the PHINMA Group's talented employees, enabling them to be fully prepared to assume higher leadership positions within the organization. This program aims to equip employees with the necessary skills and abilities to confidently take on expanding leadership responsibilities.

PHINMA also values diversity in its workforce and provides equal opportunity to all stakeholders. No preference is given on the basis of gender, cultural background, religion, political affiliation, and/or ethnicity.

Strategic Partnerships

The PHINMA Group has engaged in key strategic partnerships that give it access to global expertise, best practices and local knowledge.

In 2019, PHINMA Education entered into a joint venture agreement with Tripersada Global Management for the establishment of PT Ind Phil Management (IPM). IPM oversees tertiary institutions for Yayasan Triputra Persada Horizon Education, the first of which is located in Karawang, West Java, Indonesia.

In 2024, PHINMA Education signed an investment agreement with funds managed by leading global investment firm, KKR, with participation from existing shareholder, Kaizenvest Phoenix Investments II Pte. Ltd., an investment vehicle of funds managed by international firm, KKR Global Impact, and Rise Edu Pte. Ltd., which is managed by Kaizenvest III, a unit of shareholder Kaizen Private Equity II Pte Ltd. The transaction is expected to close in September 2024, subject to customary regulatory approvals, including that of the PCC.

CMG's Philcement has executed a share purchase agreement with controlling shareholders of Petra Cement Inc., a cement manufacturer with a facility in Zamboanga del Norte. The transaction is expected to be closed by December 31, 2024. Philcement has also entered into a partnership with ANFLOCOR to build a modern cement manufacturing plant in Davao.

Moreover, Philcement has an existing partnership with the Vissai Group which is one of the biggest privately-owned cement joint-stock companies in Vietnam. Song Lam Cement Joint Stock Corporation (Song Lam), a subsidiary of The Vissai Group, operates the biggest state-of-the-art cement plant in Vietnam and the partnership ensures supply reliability with both volume and quality assurance.

The Property Development Group has engaged a joint venture partner for Saludad, the Bacolod township. Furthermore, it has also signed a memorandum with the City Government of Iloilo to provide affordable housing.

The Hospitality group has the master franchise for the Microtel by Wyndham and TRYP by Wyndham brands. This allows the business to leverage on the brand reputation as well as the brand's quality standards. Wyndham has 25 brands, is present in 95 countries and has over 9,100 hotels.

CORPORATE STRATEGY

Head Office Strategy

Enhance the value of its various business segments through a structured portfolio approach

The Company is committed to fostering growth across all its business segments by leveraging synergies, optimizing resource allocation, implementing strategic initiatives, and fostering innovation and operational excellence. The company's growth narrative centers on a holistic approach that aligns with its mission to Make Lives Better, ensuring

sustainability and maximizing shareholder value. PHINMA's overarching strategy in attaining sustained growth involves organic and inorganic growth, investing in developing its pool of talent and embracing technological advancements to drive operational excellence.

In July 2023, PHINMA Corporation increased its ownership in its education, property development and hospitality businesses. This expands PHINMA Corporation's exposure to these high-growth sectors, improves the conglomerate's diversification, and provides a more streamlined avenue to leverage synergies across the group going forward.

With this updated structure, PHINMA Corporation is better-positioned to serve as a platform for growth for its two major business segments - Construction Materials and Education, as well as the emerging business units - Property Development and Hospitality.

Provide strong parent support to optimize growth opportunities and sustainability

The Company provides a clear vision and mission that guide all its business units and that is to ensure that Making Lives Better is always at the core of the businesses. As a parent company, PHINMA engages all its business units in long-term strategic planning, setting goals and providing a roadmap for growth and sustainability across the group.

PHINMA ensures optimal capital allocation to its subsidiaries, funding growth initiatives, and expansion projects. It also manages financial risks by diversifying investments and ensuring that subsidiaries have access to necessary financial resources.

Additionally, PHINMA promotes synergy, sharing of best practices, and fostering a culture of continuous improvement and operational excellence.

PHINMA embeds sustainability into its core business strategies, promoting eco-friendly practices and sustainable development across all subsidiaries. The parent company drives corporate social responsibility programs that align with its mission of creating positive sustainable social impact.

As parent company, PHINMA takes the lead in ensuring robust governance structures, promoting transparency, accountability, and ethical business practices across all subsidiaries are being observed.

The Company believes in developing and maintaining its bench of management talent through a mix of on-the-job training as well as formal training programs. PHINMA employees are deployed to support its strategic business units especially in sharing competencies developed at the Head Office level.

Provide prudent financial and liquidity management to support both growth and risk management

The Company provides prudent financial and liquidity management to support both growth and risk management through a multifaceted approach. It strategically allocates capital to high-growth and high-potential segments, ensuring optimal use of financial resources. It regularly assesses the performance of investments to ensure they are meeting expected returns and adjusting allocations as needed.

Careful financial planning and analysis are critical for prudent liquidity management. Hence, in the Company, the business units are required to have a long-term financial forecast and to conduct scenario planning to prepare for various financial contingencies and develop appropriate response strategies.

The Company implements efficient cash flow management practices such as, having cost control measures, maintaining working capital lines with banks, having adequate cash reserves and liquid assets to cover short-term obligations and unexpected disbursements.

Furthermore, a comprehensive risk assessment to identify and mitigate financial risks, including market, credit, and operational risks are being conducted across the organization.

Business Segment Strategy

A. CMG

Strong management presence and leadership to empower growing teams and businesses

CMG is led by a strong management team with decades-long experience in the industry, particularly in both steel building products and cement. In support of this management team, PHINMA employs a shared services business model to improve synergy across the three companies within the group and to realize resulting cost savings.

Develop superior products and services through strategic regional partnerships that elevate technical know-how

Outside the Philippines, PHINMA has entered into an agreement to invest USD50.00 million into Song Lam Cement Joint Stock Company, which will geographically diversify the construction materials portfolio and enable the Company to participate in the fast-growing cement market in Vietnam.

Agility to capture opportunities by continuously strengthening internal capabilities and improving operational efficiency

UGC, through its new subsidiary UIPC, will put up a manufacturing plant for insulated panels in Porac, Pampanga. The plant is designed to use advanced technology and manufacturing techniques to offer more technically advanced products and solutions needed for use in the cold chain industry. The cold chain sector is viewed to be a growth industry which will benefit as climate change increases the need for cold chain and storage for food producers and distributors, and will effectively enable nationwide food security. In addition, pharmaceutical handling also requires cold chain storage as an integral component in logistics.

Grow market presence by capitalizing on consumer trends and leveraging synergies and brand of the CMG and PHINMA Group

PHINMA Solar seeks to capitalize on the opportunity presented by the declining cost of solar energy panels, rising levels of environmental awareness, and government initiatives mandating the use of renewable energy sources, to offer rooftop solar energy power generation solutions to its clients. With renewable solar rooftop solutions becoming more acceptable to commercial and industrial customers, PHINMA Solar expects to grow its presence significantly over the medium-term.

Although the market for solar energy solutions providers is fragmented, PHINMA Solar's competitive advantage is its synergy with UGC, which enables the CMG to offer a one-stop combination of roofing and solar power generation solutions to clients. This gives the company an advantage over competitors particularly when rehabilitation of roofing is required prior to installation of the panels. PHINMA Solar plans to capitalize on such synergies by offering bundled value-added services.

Increase profitability through expanding capacity and diversifying product line

CMG is evaluating potential investments in projects that will increase profitability by expanding capacity. The CMG is a beneficiary of the fast-growing Philippine Construction sector. The government's "Build Better More" infrastructure program remains a key driver for the growing construction sector, with substantial investments poured into infrastructure projects. The construction industry achieved a noteworthy annual growth rate of 8.8% in 2023, largely propelled by investments from the public sector.

Philcement is also looking to pursue projects over the medium-term which will enable the company to produce blended cement domestically.

B. Education Group

Increase enrollment through organic growth as well as acquisitions

The main business of PHINMA Education is to provide affordable and accessible tertiary education to a low-income market. As the objective of programs such as Management and Accounting, Criminology, Education, and Allied Health is the immediate employability of graduates, the quality of such programs are assessed through the performance of graduates in board accreditation exams as well as employment rates post-graduation.

PHINMA Education will continue efforts to increase enrollment through its marketing initiatives and increasing capacity by constructing new classrooms to accommodate more students. Its larger schools, which have successfully established reputations for quality education, will also continue to grow enrollment through the establishment of additional campuses in other areas, expanding their reach. Moreover, PHINMA Education employs a “network strategy” in key urban locations, NCR and Laguna, in order to optimize resource allocation amid higher costs.

PHINMA Education also will continue its “Buy and Build” strategy for brownfield acquisitions of institutions that have the necessary licenses but are struggling with academic quality and excess capacity. Post-acquisition, PHINMA Education focuses on building academic quality, enhancing student focus, and strengthening operational efficiency and effectiveness, with the objective of growing enrollment and improving financial results.

Expand network in comparable international markets where best practices can be leveraged

PHINMA Education plans to enter markets in other countries with demographics like the Philippines where it can leverage on existing processes and best practices in the area of affordable education as well as where tertiary enrollment rates are, representing a large underserved market. Indonesia has been identified as an area of considerable opportunity due to its large population, similar demographics, and an underserved market. The target is to grow Indonesian enrollees to 150,000 within the next 10 to 12 years.

In Indonesia, PHINMA Education is majority shareholder in PT Ind, Phil Management which manages schools for the Yayasan Triputra Persada Horizon Education Foundation. The two programs under management are STMIK (Information Technology) and STIKES (Nursing) programs of Horizon Karawang, Indonesia. The company is in discussions with its Indonesian partners to add a third program in Karawang as well. Other than Indonesia, PHINMA Education is considering Southeast Asian countries with similar demographics, including Vietnam, Laos, and Cambodia.

Strengthen PHINMA Education’s learning system designed to deliver outcomes to the underserved at an affordable price

PHINMA Education’s distinct learning system is designed to address the skills and employment needs of first-generation college students from low-income families and with low college readiness. Its strategy focuses on providing core education with cost-efficient operations, allowing for delivery of a more effective and customized learning system at an affordable price. By balancing the aspirations of its students with the needs of the industry, PHINMA Education’s learning system delivers to students the skills and resources needed to complete their degrees, secure their first jobs, and uplift their lives.

Through the continuous improvement of its learning system based on the revolving needs of its students, PHINMA Education aims to maximize its impact by making the lives of its students and their families better through education.

C. Property Development Group

PPHC shall continue to implement its 5-year plan to support growth and shape new urban center in new locations outside of Metro Manila developing pipeline projects to secure future growth and profitability. Nationwide, a 2016 study conducted by the University of Asia and the Pacific projects the housing backlog to increase to 12.3 million by 2030.

Focus expansion on shaping new urban centers in next wave and emerging cities

Given the latent demand, limited supply, and increasing property prices within Metro Manila, PPHC will focus outward. PPHC has current and future planned developments in Davao City in both the affordable condominium as well as high-end townhouse segment. PPHC also continues to increase its presence in key cities in the Visayas region.

After establishing a presence in Davao through the Arezzo Place project, the company is developing other projects including Likha Residences Davao, a 1.7-hectare high-end townhouse project, and PHINMA Maayo Tugbok, a 10-hectare economic housing project in the South of Davao City. In Cebu, the company began construction last September 2020 at Uniplace Cebu at SWU Village and is scheduled for completion within 2024. This project consists of 440 units, some to be sold with a portion retained and operated as a dorm for students. PPHC is also undergoing development for PHINMA Maayo San Jose, a 10-hectare economic and affordable horizontal housing project in San Jose, Batangas. In July 2024, the company held the groundbreaking of its township project, Saludad, in Bacolod.

Building on the success of PHINMA Maayo Tugbok, PPHC commenced a 10-hectare expansion in 2024 to reinforce the company's ongoing commitment to providing quality homes to Filipino families. To further strengthen its presence in Cebu, the company is undergoing design development for the SWU West Condominium, an upcoming four-building high-rise residential project. Moreover, the company is advancing plans for an 8-storey development featuring retail, classroom, and dormitory spaces, designed to enrich the student and young professional lifestyle in the SWU area.

In Metro Manila, PPHC continues its development of the Metrotowne project in Las Pinas City—a 2.1-hectare vertical condominium project. The company also introduced Solano Hillside Residences as a follow-up to the 2016 launch of its 2.9-hectare medium rise condominium project, Solano Hills, in Muntinlupa City. Moving forward, PPHC is looking to remain focused on enhancing its project pipeline and building its brand and presence in major cities across emerging regions.

D. Hospitality Group

The COVID-19 pandemic has in the past severely affected the hospitality industry through reduction in the volume of business and leisure travel. With the easing of worldwide pandemic travel restrictions in early 2023, domestic and international travel has since resumed and is on the path toward recovery to pre-pandemic levels.

Capitalize on strong institutional relationships and corporate partnerships

With the resumption of business travel, PHINMA Hospitality will leverage on strong, existing institutional relationships and corporate partnerships to capitalize on the gradual reopening of the Meetings, Incentives, and Conferences, and Exhibition (MICE) market. The group continues to implement aggressive sales coverage of key corporate accounts. PHINMA Hospitality is likewise evaluating implementing new marketing campaigns in order to increase occupancy.

Implement flexible and agile operations amidst gradual recovery from the pandemic

As the industry recovers from the COVID-19 pandemic, it is important for PHINMA Hospitality to remain flexible and agile to address the needs of guests and to ensure that occupancy targets are attained. PHINMA Hospitality is led by an experienced management team with executive experience in hotel operations both in the Philippines and internationally.

When the Philippine government placed the country under community quarantine starting in March 2020, the two hotels quickly mobilized to serve as quarantine hotels, providing accommodations to returning Overseas Foreign Workers and returning Overseas Filipinos under the Overseas Workers Welfare Administration (OWWA) repatriation program. As business and leisure travel gradually increases, PHINMA Hospitality will ensure that the hotel operations will be able to respond to the changing market conditions accordingly

Continuously implement safety and health protocols as well as sustainable practices

Moving forward, PHINMA Hospitality will continue to be flexible and agile, and will continue to enhance health and safety measures and business processes to build trust and confidence among clients and stakeholders as it prepares for a recovery in the hospitality industry. PHINMA Hospitality also aims to reduce operations and overhead costs, implement cash preservation measures, and continue re-tooling of services offered to improve margins and to enable the hotel properties to sustain optimal room rates.

Response to COVID-19 Pandemic

In 2020, national and local government restrictions on work, travel, and face-to-face classes in response to the COVID-19 pandemic resulted in significant challenges to the Company's education, construction materials, hospitality, and properties businesses. PHINMA's immediate response was to prioritize the health and safety of its stakeholders - encouraging students to stay home, arranging for remote work for employees, instituting sanitation protocols at facilities, and enabling remote transactions for customers. After securing the safety of its people, the Company took a strategic view on how to adapt its businesses to improve its ability to provide essential products and services that make the lives of Filipinos better.

A. CMG

In response to the challenges brought about by the pandemic, the CMG recalibrated operations to future-proof its business. In line with PHINMA's priorities, the CMG prioritized the safety of its people and enhanced protocols to maintain a safe working environment for employees and customers. The CMG also automated facilities and digitized processes allowing it to manage operations remotely with fewer people on the ground, which proved beneficial in managing the transition from lockdown to full operations and vice versa.

Philcement leveraged strong partnerships to support reliability and availability of the legacy Union Cement brand in the market, delivering on its commitment to provide high-quality cement to Filipinos nationwide. During the lockdown, the Philcement utilized its ability to distribute cement through waterways when land travel was constricted.

PHINMA Solar shifted focus to serve more pandemic resilient industries with renewable rooftop solutions in response to increased customer demand. PHINMA Solar also explored various related products and solutions to further diversify its business portfolio.

The various CMG companies, after experiencing initial operations shutdowns in March 2020 due to COVID-19 lockdowns, all resumed full commercial operations by mid-2020.

B. Education Group

In response to national and local government suspension of face-to-face classes, PHINMA Education piloted distance learning models to continue to deliver affordable education to its core low-income market. Recognizing the challenges of limited access to the internet, the learning models involved independent student coursework supplemented by periodic teacher check-ins and peer support. Flex Learning allows the students the flexibility to revert to face-to-face classes once these are allowed, while Remote and Distance (RAD) Learning is largely home-based with a modular schedule. For both modes of learning, teachers conduct periodic check-ins via phone calls and online messaging platforms to keep students motivated and on track with their coursework. PHINMA Education also ensures that both teachers and students are equipped with the tools needed for the new environment. Partnerships

with leading telecommunications companies and an education financing platform provided access to affordable mobile data and gadget installment plans.

PHINMA Education provided both students and teachers the tools to work in the new environment, through tie-ups with telecommunication companies to provide students monthly mobile data allocation at no additional cost. For its graduates, PHINMA Education partnered with an international blockchain company to release digital graduation certificates so that fresh graduates could send credentials to prospective employers who could verify them remotely during the job application process.

SY 2020-2021 opened with PHINMA Education's first virtual gathering which brought together more than 2,000 students, alumni, faculty, and staff from the eight Philippine schools across the country. For its graduates, the company partnered with Edufied, a leading blockchain company in Singapore, on the issuance of digital certificates which facilitated online job applications. Despite the challenges faced by the education industry, PHINMA Education still welcomed 71,659 enrollees in the Philippines in 2020, only a 3.41% decrease from the previous year. PHINMA Education offered more scholarships this past year, to enable more students to continue their learning journey despite the economic challenges faced by their families.

PHINMA Education continued its focus on quality education, providing its graduates opportunities for a better life by ensuring they are fully equipped for their respective careers. PHINMA Education graduates continue to perform well in board exams despite the pandemic and the suspension of many of the board accreditation exams. Significantly, three (3) SWU PHINMA School of Medicine graduates topped the 2020 Physician Licensure Exams.

The various PHINMA Education Philippine schools, after experiencing operations shutdown in March 2020 due to government suspension of face-to-face classes, all resumed education operations using distance learning models by September 2020. As the Philippine government eventually allowed face-to-face classes in November 2022, PHINMA Education schools employ a combination of face-to-face and distance learning models that vary by school and year level.

C. Property Development Group

PPHC adapted to new ways of doing business by focusing efforts on the safety and well-being of employees and its residential communities. New project launches were postponed to conserve resources amid reduced demand and business activity, for resumption once market demand improves. PPHC also accelerated shifts to digital marketing and transactions processing to enable a safe resumption of operations. PPHC worked closely with regulators and other stakeholders to help formulate new policies to revive the Philippine Housing Industry in the wake of the pandemic. In response to the pandemic, the company has redesigned existing vertical developments to incorporate safety protocols and is considering more horizontal developments as it anticipates increased buyer preference for less dense living spaces.

In line with PPHC's new direction to shape urban center in next wave emerging cities around the country, PPHC continues to establish a presence in Davao City and is developing projects in Batangas and La Union. The company also continues to develop its presence in key cities in the Visayas region including Cebu and Bacolod.

PPHC, after experiencing initial operations shutdown in March 2020 due to lockdown restrictions, resumed construction operations by mid-2020 at various sites subject to initial inhouse workers quarantine restrictions which have since been removed.

D. Hospitality Group

Although Microtel and TRYP hotels experienced strong occupancy rates in previous years, the pandemic severely challenged the hospitality industry. The restrictions on land, air and sea travel worldwide, reduction in business and leisure travel, and health and safety concerns severely affected the demand for accommodations.

To address the COVID-19 situation, Microtel by Wyndham Mall of Asia and TRYP by Wyndham Mall of Asia enhanced their health and safety protocols and complied with the guidelines set by the Inter-Agency Task Force on Emerging Infectious Diseases, Department of Health, Department of Tourism and the local government units.

When the Philippine government placed the country under community quarantine starting in March 2020, the two hotels quickly mobilized to serve as quarantine hotels, providing accommodations to returning Overseas Foreign Workers and returning Overseas Filipinos under the Overseas Workers Welfare Administration (OWWA) repatriation program. The two hotels also provided accommodations to seafarers from various shipping companies and corporate personnel requiring quarantine and business continuity facilities. COVID-19 infections have been successfully avoided through strict and consistent protocols within the facilities.

With the gradual easing of Covid travel restrictions in mid-2020, the two hotels applied for and were granted accreditation to operate as multi-use hotels able to accommodate both quarantine and non-quarantine guests. By early 2022, the Philippine government removed mandatory quarantine requirements for arriving international passengers. By early 2023, most countries had removed Covid travel restrictions resulting in the resumption of international tourist travel and the gradual return of the hospitality industry's traditional tourist accommodation market.

REVENUE MIX

The breakdown of consolidated revenues per business segment for the years ended December 31, 2021, 2022, 2023, and for the six months ended June 30, 2024, are as follows:

	For the years ended 31 December						Six months ended	
	2021		2022		2023		30 June 2024	
	₱ Mn	%	₱ Mn	%	₱ Mn	%	₱ Mn	%
Construction Materials	12,144.10	75.72%	13,245.56	74.98%	13,268.17	62.37%	6,873.91	66.26%
Educational Services	3,690.80	23.01%	4,068.54	23.03%	5,438.75	25.57%	2,458.30	23.70%
Property Development ¹⁷	11.84	0.07%	37.04	0.21%	1,921.02	9.03%	595.11	5.74%
Hospitality	n/a		n/a		293.03	1.38%	296.97	2.86%
Others ¹⁸	503.96	3.14%	521.77	2.95%	766.96	3.61%	208.20	2.01%
Eliminations ¹⁹	-312.52	-1.95%	-208.32	-1.18%	-414.11	-1.95%	-58.01	-0.56%
Total	16,038.19	100.00%	17,664.58	100.00%	21,273.82	100.00%	10,374.48	100.00%

- 17 Property Development segment includes revenues from PPHC, APHI, and API
- 18 Others includes revenues of PHN Parent Company, PSHC, and OAL
- 19 Eliminations include adjustments in PHN Parent Company, including eliminations of dividend income from subsidiaries

Except for operations of PHINMA Education affiliates in Indonesia and Myanmar, the Group conducts its business in the Philippines. The percentage of foreign income to consolidated net income for calendar years December 31, 2021, 2022, 2023, and for the six months ended June 30, 2024, are as follows:

<i>Amounts in ₱ Mns</i>	For the years ended 31 December			Six months ended
	2021	2022	2023	30 June 2024
*Total Foreign Income (Loss)	4.34	0.47	(5.03)	2.64
Consolidated Net Income	1,880	1,529	1,627	171
% of Total Foreign Income (Loss) to Consolidated Net Income	0.23%	0.03%	-0.31%	1.54%

*Equity in net earnings (losses) of joint ventures

Consolidated revenues of the Group is primarily derived from the Philippines. Foreign income (loss) are equitized earnings of PHINMA Education from its investments in joint ventures.

DISTRIBUTION

Through its various business segments, the Group is present in the following areas:

Strategic Business Unit	Location	Method of Distribution
Construction Materials	Agusan del Norte Bataan Batangas Benguet Cagayan de Oro Camarines Sur Cavite Davao Isabela Ilocos Sur La Union Leyte Metro Manila Misamis Occidental Negros Occidental Pampanga Pangasinan Quezon Rizal South Cotabato Zamboanga del Sur Zamboanga del Norte	Construction materials are distributed through a nationwide network of resellers including retailers, hardware stores and dealers. Construction materials are also sold directly to large institutional buyers such as contractors and developers.
Education	Cebu Iloilo Laguna Metro Manila Misamis Oriental Nueva Ecija Pangasinan Indonesia	Education services are provided where the various PHINMA Education schools are located, principally in the Philippines and also in Indonesia.
Properties	Bulacan Cavite Cebu Davao	PPHC offers affordable housing at projects in various urban locations in the Philippines.

Strategic Business Unit	Location	Method of Distribution
	Laguna Metro Manila	
Hospitality	Aklan Batangas Benguet Cavite Davao del Sur Metro Manila Nueva Ecija Palawan Pampanga South Cotabato Tarlac	PHINMA Hospitality offers hotel accommodation services at 15 hotels located in various cities in the Philippines. These include hotels owned and/or operated by PHINMA Hospitality

COMPETITION

A. CMG
UGC

For steel roofing, UGC’s main competitors are Puyat Steel, DN Steel, and Sonic Steel/United Steeltech Group. In terms of relative nationwide market share size in this category, it is estimated that UGC is roughly the same size as Puyat Steel and DN Steel, and a little over half the size of Sonic Steel/United Steeltech Group.

UGC’s range of products in this category include: pre-painted galvanized sheets, galvanized sheets, light steel frames, purlins, and metal decking. In comparison, UGCs major competitors have a similar product range. UGC has a nationwide distribution network. In comparison, UGCs major competitors are also present nationwide. UGC effectively competes in the area of customer service, where its wide distribution network and speed of order fulfilment ensure its products are readily available in the market at the location and within the timeframe required by its customers.

For PU products, UGCs main competitors are DYD/Ultra, and iSteel. UGCs Range of products in this category includes Insulated Roofing, Insulated Sandwich Panels and Doors.

Philcement

Philcement’s main competitors are Holcim, Republic Cement, Eagle Cement, Northern Cement, and Cemex. It is estimated that in terms of relative nationwide market share size, Holcim has the largest share, while Philcement has the smallest share among the aforementioned market players. Holcim, with cement plants in La Union, Bulacan, Misamis Oriental, and Davao and terminals in Visayas and South Luzon, has nationwide market presence. Eagle Cement and Northern Cement’s integrated cement plants are primarily focused on Luzon, with Northern Cement covering the areas of Northern Luzon while Eagle Cement Bulacan operations concentrate on Central Luzon, NCR, and South Luzon. It is estimated that Eagle Cement is the biggest player in Luzon. Republic Cement, similar to Lafarge Holcim, maintains a nationwide market presence with several plants located mostly in Luzon, a grinding plant in Cebu, and its Iligan Cement plant in Lanao Del Norte. Cemex Philippines, with the Solid/Rizal cement plants in Antipolo City, Rizal and Apo cement plants in Naga, Cebu, has market presence in NCR and South Luzon and Visayas, respectively. Apart from Eagle Cement, many of these plants have been and continue to import clinker and, previously cement, to augment their supply. These cement importers source their cement mostly from Vietnam but also has supply from other parts of Asia.

Although Philcement’s main facility is in Mariveles Bulacan, its port facilities provide transport flexibility to its customers. The facility can easily load cement to vessels and transport them out to different ports nationwide, while

it can also dispatch cement products for land transport. This provides a significant competitive advantage compared to landlocked cement plants which have no choice but to traverse congested road networks. Philcement has been able to competitively serve areas such as Ilocos in North Luzon, Metro Manila, and islands in the MIMAROPA and the Visayas regions through vessels - markets which are very hard and costly to reach unless a cement plant is nearby.

In terms of pricing, Philcement recognizes the importance of quality of cement for its customers, while understanding the competitiveness of the market. As a new competitor, Philcement prices its products competitively against local cement brands. For the bulk market segment where quality is of paramount significance, Philcement is also able to price competitively, while ensuring that it maintains consistent quality and reliability of supply for its customers.

B. Education Group

The competitors of each PHINMA Education school vary depending on the location of each school, as well as the presence of both private and public schools in the area catering to the low-income market. In general, the PHINMA Education Schools in terms of enrolment are among the top 5 private schools operating in their respective localities, with the exception of the newer acquisitions: SJC- Manila, SJC – QC, UCL, and RCL.

In SY 2023-2024, PHINMA Education achieved its highest enrolment yet by welcoming 146,474 students across the Philippines and Indonesia, comprising of around 49,000 tertiary freshmen students. This marks an 18% overall increase versus the previous school year’s enrollment and represents nearly double of the network’s pre-pandemic enrollment of 75,375 students in SY 2019-2020.

Total tertiary enrolment in the Philippines is currently estimated at around 4.792 million, resulting in an estimated nationwide market share of around 2.6% for the PHINMA Education Schools in aggregate. Table below presents top private higher educational institutions nationwide by enrolment:

Top 5 Private Higher Educational Institutions by Enrollment, SY 2015/2016²⁰

University of Sto. Tomas	44,769
Saint Louis University	32,725
South UPI College	29,052
ICCT Colleges	26,833
University of Cebu	26,593

Table below presents the top 5 state universities and colleges nationwide in terms of enrolment. While the passage of the Universal Access to Tertiary Education Act removed tuition as an admission requirement, the SUCs’ capacity to accept enrollees is still limited by capacity constraints and by its academic admission requirements. Hence, even with the passage of this law, PHINMA Education enrollments have continued to grow.

Top 5 State Universities and Colleges by Enrollment, SY 2019/2020²¹

University of the Philippines	57,387
Polytechnic University of the Philippines	56,928
Cavite State University	43,634
Cebu Technological University	41,395
Batangas State University	39,955

In terms of tuition fees, average annual tuition fees of PHINMA Education schools are around ₱18,000-25,000 per annum, compared to the following schools which are direct competitors. SWU, PHINMA Education’s mid-income school, charges average annual fees of ₱35,000 which is in the mid-range of the private school market in Cebu.

²⁰ <https://ched.gov.ph/2023-higher-education-facts-and-figures/> (last accessed July 2024)

²¹ <https://ched.gov.ph/wp-content/uploads/Top-10-SUCs-in-terms-of-Enrollment-AY-2019-20.pdf> (last accessed July 2024)

In terms of Program offerings, the PHINMA Education Schools carry course offerings designed toward employability of graduates, including programs such as BS Business Administration, Education, Nursing, IT, and Civil Engineering. These same programs have the highest enrollment in the country and are likewise offered by competitors.

PHINMA Education schools have an established track record in producing national licensure exam topnotchers in programs such as Nursing, Medical Technology, Medicine, Engineering and Criminology. COC is recognized by the Commission on Higher Education as a Center of Excellence in Criminology.

Competitors in Indonesia

PHINMA Education entered into a joint venture agreement with Tripersada Global Management for the establishment of IPM in 2019, which manages tertiary institutions for Yayasan Triputra Persada Horizon Education. The first school in Indonesia is Horizon University in Karawang with enrollment of 1,773 students. Horizon University offers tertiary education programs in the fields of Health Sciences, Management and Business, and Information & Computer Technology.

PHINMA Education Schools and Their Major Competitors, Indonesia, SY 2022/2023

School	Freshmen Enrollment	Total Enrollment	Tuition (In ₱ Mn)
STIKES / STMIK Horizon Karawang	673	1,274	20,000 - 59,000 12,000 – 52,000 scholarships
Universitas Singaperbangsa Karawang (State University)	4,332	12,065	25,000 - 43,000
Universitas Buana Perjuangan (Business & IT Programs)	2,026	8,628	24,000 – 26,000
STIKes/STMIK Bani Saleh (Health Science & IT Programs)	466	2,489	22,000 – 63,000
Universitas Medika Suherman (Health Science Only)	454	1,173	53,000 – 56,000
STMIK Rosma (IT Programs Only)	161	1,009	14,000-22,000

C. Property Development Group

The majority of PPHC's buyers are first-time homeowners with monthly household incomes ranging from ₱50,000 to ₱150,000. Across all projects, the average selling price is ₱3.6Mn, targeting the middle-income segment.

PPHC, while holding a smaller market share compared to Camella by Vista Land, focuses on middle-income medium-rise condominiums and has expanded its offerings to include horizontal products such as houses and lots, and townhouses. Camella, with a broader geographic presence across 149 cities and municipalities, has a more extensive reach than PPHC's concentration in the Greater Metro Manila area. As PHINMA aims to expand, it will encounter stiff competition from both national powerhouses and beloved local developers, particularly in next-wave and emerging cities.

In addition to Camella, other significant players in the mid-income market include Avida from Ayala Land Inc. and SMDC. Initially concentrating on vertical developments, both Avida and SMDC, like PPHC, have diversified into horizontal projects, with strategic placements near central business districts enhancing their appeal. SMDC is well-known for its high-rise condominiums, whereas Avida started with high-rise developments before branching into houses and lots. Presently, Avida boasts around 26 condominiums and 22 horizontal projects, while SMDC has more than 60 ongoing projects across the country. In contrast, PPHC differentiates itself by focusing on customer-oriented facilities and amenities, meticulous home designs, and superior construction quality. Each PHINMA home is designed to be sustainable, future-proof, and ergonomically sound, enhancing the quality of life for Filipino homebuyers.

Despite being relatively smaller in scale, PHINMA competes by delivering attractive and quality properties at competitive price points. This commitment to excellence is reflected in the accolades received from PropertyGuru's Philippines Property Awards and Lamudi's The Outlook: Philippines Real Estate Awards in 2023, including Boutique Developer of the Year in Luzon and Best Housing Interior Design for PHINMA Maayo San Jose. Additionally, PHINMA Properties has consistently been recognized by the Pag-IBIG Fund StAR Award as one of the Top 10 Developers in NCR, underscoring its growing reputation and commitment to the real estate market.

D. Hospitality Group

Microtel by Wyndham Mall of Asia and TRYP by Wyndham Mall of Asia, the two investee hotels of the Company, are both located in the Mall of Asia complex by Manila Bay. Competing hotels in this area include Hotel 101, Golden Phoenix, Hop Inn, Citadines, Hotel Jen, Midas, and Heritage. Microtel MOA and TRYP MOA are considered 3-star hotels, with average room rates, prior to the pandemic, of around ₱4,300. In contrast, other hotels in the area have pre-pandemic average room rates ranging from ₱3,300 to ₱4,800.

When the Philippine government placed the country under different levels of community quarantine starting in March 2020, the two hotels served as quarantine hotels and accommodated returning Overseas Foreign Workers under the Overseas Workers Welfare Administration repatriation program, returning Overseas Filipinos, seafarers from various shipping companies, and corporate accounts for their quarantine and business continuity program requirements. As a result, 2020 average room rates of both hotels are around 25%-27% lower than pre-pandemic levels. The other competing hotels in the area including Hotel 101, Golden Phoenix, Citadines, and Hotel Jen are also operating as quarantine hotels and as such their average rates are in the same range.

In 2023, Microtel by Wyndham Mall of Asia and TRYP by Wyndham Mall of Asia were able to increase their average room rates to ₱4,700 and ₱5,000 respectively. Meanwhile, other hotels in the area had an average room rate of ₱3,900 to ₱7,800.

SUPPLIERS

A. CMG

UGC

UGC's major raw materials in the production of color-coated sheets are galvanized iron sheets in coils or zinc-aluminum coated sheets in coils. The sources of galvanized and zinc aluminum coated materials are China and other Asian countries. As of today, there are no local manufacturers of these materials that can meet the quality of substrates for pre-painting.

UGCs sources steel coils from a minimum of five different suppliers and as such believes its supplier base is diverse enough so as not to pose a concentration risk to the company from the loss of any single supplier.

Philcement

Philcement currently sources substantially all of its imported cement from one of the biggest privately-owned cement joint-stock companies in Vietnam. The Vissai Group, through Viet Cement Terminal JSC, and PHINMA, are shareholders of Philcement and it is in the mutual interest of both companies that the Vissai Group continues to supply Philcement with cement. The cement supply agreements between Philcement and The Vissai Group are non-exclusive and as such, Philcement is free to source cement from other parties to ensure reliability in its supply chain.

To this end, Philcement has negotiated and developed cement supply arrangements with another supplier in Asia and continues to develop other sources of cement.

PHINMA Solar

PHINMA Solar's major inputs are provided by solar panel suppliers and Engineering, Procurement and Construction (EPC) contractors for turnkey solar projects. Supply contracts are done on a per project basis. Prior to finalizing contracts, PHINMA Solar evaluates offers from a minimum of 3 different suppliers. The company purchases from several competing suppliers and believes there is no concentration risk from any one particular supplier.

B. Education Group

PHINMA Education schools have common suppliers for items including computers, providers of school IT systems, and learning materials. For others like construction contractors and uniforms, suppliers vary across schools due to their geographic dispersion. Hence, PHINMA Education believes there is no concentration risk because no single supplier exerts any monopoly and there are several competing suppliers. The company benchmarks its supply costs across its schools and undertakes bidding exercises for major contracts in order to negotiate fair prices.

C. Property Development Group

The main suppliers of PPHC for construction materials are Steelasia Manufacturing Corporation, Pag-Asa Steel works Inc, Philcement, Holcim Philippines Inc., Republic Cement, Omnico Consortium Inc., UGC, Sycwin Coatings and Wires Inc., Moldex Products Inc. and Atlanta Industries Inc. PPHC believes there is no supplier concentration risk because no single supplier exerts any monopoly over its industry and PPHC is free to select among several competing suppliers.

D. Hospitality Group

PHINMA Hospitality's Microtel by Wyndham and TRYP by Wyndham franchise hotels are free to select suppliers for major hotel items, including building construction contracts and furniture, fixtures, and equipment, on the condition that building designs and branding must adhere to hotel franchise requirement. PHINMA Hospitality believes there is no concentration risk because no single supplier exerts any monopoly and there are several competing suppliers for each category.

CUSTOMERS

The Company believes its customer base across all four (4) major business segments are diverse enough and no single customer make up more than 20% or more of PHINMA or the business segments' group revenue.

A. CMG

UGC

UGC serves the steel roofing requirements of end-users, developers, contractors, and dealers for residential, and commercial building applications and government projects including school buildings and military housing units. UGC also caters to the agribusiness sector such as the cold storage and poultry industries.

Philcement

Philcement's customers are grouped into the following segments: Contractor, Dealers, Developers, End-User, Hardware stores and Retailer, and Ready-Mix Players. Notably, despite the short time since the start of its operations, Philcement has supplied a number of big commercial and infrastructure projects across the country.

PHINMA Solar

PHINMA Solar's customers are mainly in industries including mall operations, manufacturing, schools, agri-businesses, hospitals, and hotel operations.

B. Education Group

PHINMA Education's mission is to make lives better through accessible, quality education. By intent and design, the network caters to the underserved youth – high school graduates from low-income families who want to go to college and get better jobs. In particular, the group mainly caters to students of socio-economic class C and D, and formulates tuition fees and scholarship offerings with their needs in mind.

In addition, PHINMA Education has one school, SWU, which targets the mid-income market.

C. Property Development Group

PPHC serves a diverse range of customers, primarily first-time homeowners aged 30 to 40. Data from 2018 and 2019 revealed that over 60% of PPHC clientele fell into this category—these are highly skilled professionals such as engineers, analysts, managers, and business owners, with monthly incomes ranging from ₱25,000 to ₱100,000.

In recent years, from 2020 to 2023, there has been a shift towards a younger demographic. The emerging market of 20 to 30-year-olds, often employed in high-paying remote jobs, reflects the changing work landscape where remote work opportunities have expanded economic possibilities, making homeownership more accessible for them. During this period, PPHC saw a 10% increase in customers who are Overseas Filipino Workers (OFWs), highlighting a significant rise in the financial capabilities of young professionals and OFWs who earn over ₱50,000 monthly who are actively investing in real estate.

As PPHC moves through 2024, this trend is expected to continue. Most homebuyers are now younger, single individuals to young families within the 20-40 age bracket, many of whom work in IT-related fields like programming and virtual assistance. This demographic shift underscores a growing purchasing power among younger Filipinos, who are keen to invest in their futures and step into homes of their own. PPHC is committed to accommodating the aspirations of these young dreamers, ensuring they find not just a house, but a home that resonates with their values and lifestyle aspirations.

D. Hospitality Group

Prior to the pandemic, in terms of demographic profile, for guests staying at Microtel and TRYP Mall of Asia, 67% of guests are Filipino, with the balance of foreign guests primarily from China, Japan, Korea, and the USA. 51% are guests are leisure travelers, with the balance business travelers. In 2020, the greatest contribution to revenue came from the long-staying, corporate and government business segments at 38.34%, 21.69% and 14.13% respectively.

As of 2023, about 90% of guests staying in Microtel Mall of Asia were locals. The remaining 10% were foreigners from the USA, Australia, China, Singapore and Malaysia. 69% were leisure travelers while the balance was mostly business travelers. Meanwhile, 80% of the guests of TRYP Mall of Asia were locals while 20% were foreigners from the USA, India, France, China and the Netherlands. About 60% of the guests were Leisure travelers while majority of the balance were also for business travelers.

TRANSACTIONS WITH AND/OR DEPENDENCE ON RELATED PARTIES

Other than transaction disclosed in "Related Party Transactions", PHINMA has no dependence on any related parties.

INTELLECTUAL PROPERTY

Under the Intellectual Property Code of the Philippines, the rights to a trademark are acquired through the registration with the Bureau of Trademarks of the Intellectual Property Office, which is the principal government agency involved in the registration of brand names, trademarks, patents and other registrable intellectual property materials.

Upon registration, the Intellectual Property Office shall issue a certificate of registration to the owner of the mark, which shall confer the right to prevent all third parties not having the consent of the owner from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the mark is registered. The said certificate of registration shall also serve as prima facie evidence of the validity of registration and the ownership of the mark of the registrant. A certificate of registration shall remain in force for an initial period of ten (10) years, and may be renewed for periods of ten (10) years at its expiration.

As of December 31, 2023, PHINMA and its subsidiaries have the following registered trademarks:

A. PHINMA, INC.




Registered Trademark	Date of Registration	Registration No.	Date of Expiration
Making Lives Better	2 October 2015	4/2015/00001382	2 October 2025




B. CMG

The CMG holds several trademarks for the Union brand. UGC's logos and product names are registered with Philcement's Union Cement products are all registered. In 2022, PHINMA Solar secured the registration of its brand, Union Solar.




The Group is actively monitoring and registering its trademarks with the Intellectual Property Office.




Registered Trademark	Date of Registration	Registration No.	Date of Expiration
UGC Logo 1 	30 November 2017	4/2016/00014189	30 November 2027
UGC Logo 2 	30 November 2017	4/2016/00014190	30 November 2027
UGC Logo 3 UNION GALVASTEEL	2 March 2017	4/2016/00014188	2 March 2027
UGC Logo 4 	8 June 2016	4/2001/00007745	8 June 2026
Duratile	4 September 2014	4/2014/00000624	4 September 2024

Registered Trademark	Date of Registration	Registration No.	Date of Expiration
Duraseam DURASEAM	18 October 2018	4/2018/00000734	18 October 2028
Ecolume (Inactive)	7 April 2019	4/2018/00015871	7 April 2029
Union Cement	19 February 2021	4/2020/505431	19 February 2031
Union V Super	11 May 2018	4/2017/16641	11 May 2028
Union V Ultra	11 May 2018	4/2017/16644	11 May 2028
Union Astig	28 September 2018	4/2018/6692	28 September 2028
Sementong Astig	3 February 2019	4/2018/6691	3 February 2029
Union Connects With PHINMA CMG		PH/4/2023/531145	-
Usap Tayo With PHINMA CMG		PH/4/2023/531148	-
Union Superwall		PH/4/2021/511661	24 October 2031
Union V Maestro		PH/4/2021/511658	24 October 2031
Union V Eksperto		PH/4/2021/511656	24 October 2031
Union Extra		PH/4/2021/508060	03 September 2031
Union Solar		PH/4/2022/505703	01 September 2032
Union Galvasteel		PH /4/2024/504232	
Tatak Union 		PH/4/2021/51098 7	14 November 2031
Union Steel 		PH/4/2020/50078 1	09 October 2030
Duralume		PH/4/2018/015869	
Durazinc		PH/4/2018/015870	
Union DuraStrong Light Steel Frames 		PH /4/2022/528551	10 April 2024
Galvatech		PH/4/2018/012188	
Duraweb		PH/4/2018/000736	07 April 2029
Duratherm		PH/4/2018/000735	
Laverne Tile		PH/4/2018/000733	

Registered Trademark	Date of Registration	Registration No.	Date of Expiration
Union Therma 		PH/4/2023/51757 9	04 December 2033
Union Thermacool		PH/4/2023/517589	
Union Thermarroof		PH/4/2023/517586	
Union Insulated Panels 		PH/4/2023/51582 9	30 October 2033
UIPC 		PH/4/2023/51582 8	23 23 March 2034

C. Education Group

Registered Trademark	Date of Registration	Registration No.	Date of Expiration
Araullo University	28 November 2005	4/2004/005672	28 November 2025
Araullo University Seal 	19 March 2007	4/2004/007972	19 March 2027
"Moving Minds, Changing Lives!"	10 June 2016	4/2015/00505108	10 June 2026
Southwestern University	14 January 2016	4/2015/00011472	14 January 2026
University of Iloilo Seal 	13 January 2011 and renewed on 13 January 2021	4/2010/005386	13 January 2031
University of Iloilo	13 January 2011 and renewed on 13 January 2021	4/2010/005385	13 January 2031
University of Iloilo 	14 December 2020	4/2020/0003018	14 December 2030

Registered Trademark	Date of Registration	Registration No.	Date of Expiration
UI Sun Logo (No Verbal Elements) 	7 June 2018	4/2018/0000163	7 June 2028
University of Pangasinan Seal 	21 August 2014	4/2012/00012182	21 August 2024
University of Pangasinan Logo 	21 August 2014	4/2012/00012181	21 August 2024


D. Property Development Group

Logo	Date Of Registration	Registration No.	Date Of Expiration
GRAND STRIKEVILLE 4 Grand Strikeville 4	November 14, 2019	4/2019/00011509	November 14, 2029
 <i>Hacienda Balai</i> NORTH QUEZON CITY Hacienda Balai Quezon City	January 5, 2020	4/2019/00011511	January 5, 2030
 <i>Hacienda Balai</i> NORTH QUEZON CITY A Safe Community for New Beginnings Hacienda Balai Quezon City A Safe Community for New	January 5, 2020	4/2019/00011512	January 5, 2030

Logo	Date Of Registration	Registration No.	Date Of Expiration
Beginnings			
 <p>METROTOWNE Metrotowne</p>	March 7, 2019	4/2018/0000544 6	March 7, 2029
 <p>PHINMA PROPERTIES MAKING ROOM TO BUILD YOUR FUTURE PHINMA Properties Making Room to Build Your Future</p>	February 22, 2020	4/2019/0001150 1	February 22, 2030
 <p>AREZZO PLACE DAVAO Arezzo Place Davao</p>	March 4, 2020	4/2019/0001151 3	March 4, 2030
 <p>ASIA ENCLAVES ALABANG Asia Enclaves Alabang</p>	July 17, 2020	4/2019/0001150 6	July 17, 2030

Logo	Date Of Registration	Registration No.	Date Of Expiration
 <p>CDCC Community Developers and Construction Corporation</p>	April 4, 2020	4/2019/00011499	April 4, 2030
 <p>Uniplace @ SWU Village</p>	September 11, 2020	4/2019/00011503	September 11, 2030
 <p>Arezzo Place Pasig</p>	March 5, 2020	4/2019/11516	March 5, 2030
 <p>PHINMA Properties (horizontal)</p>	February 19, 2021	4/2020/00000784	February 19, 2031


Logo	Date Of Registration	Registration No.	Date Of Expiration
 <p>PHINMA Properties (vertical)</p>	February 19, 2021	4/2020/00000783	February 19, 2031
 <p>Arezzo Place Pasig - Live Fulfilled</p>	December 11, 2020	4/2019/00011517	December 11, 2030
 <p>Asia Enclaves Alabang</p>	February 26, 2021	4/2019/00011504	February 26, 2031
 <p>PHINMA Maayo Tugbok - It Begins here</p>	April 4, 2022	4/2021/00518706	April 4, 2032

Logo	Date Of Registration	Registration No.	Date Of Expiration
<p>PHINMA MAAYO - UNRAVEL THE COMFORT IN NEW BEGINNINGS</p> <p>PHINMA Maayo - Unravel the Comfort in new beginnings</p>	16-Jun-22	4/2022/0050709 7	June 16, 2032
<p>PHINMA LIKHA - A FILIPINO MASTERPIECE INSPIRED BY TRADITION</p> <p>PHINMA Likha - A Filipino Masterpiece Inspired by Tradition</p>	June 16, 2022	4/2022/0050709 8	June 16, 2032
<p>PHINMA MAHARLIKA - A WARM WELCOME TO LUXE LIVING.</p> <p>PHINMA Maharlika - A warm welcome to luxe living</p>	June 16, 2022	4/2022/0050709 9	June 16, 2032
<p>PHINMA PROPERTIES - WEAVING FILIPINO TRADITION INTO HOMES</p> <p>PHINMA Properties - Weaving Filipino Tradition into homes</p>	June 16, 2022	4/2022/0050710 7	June 16, 2032
 <p>Uniplace @ SWU Village - Invest Well, Earn Well, Live Well</p>	November 24, 2022	4/2021/0051870 8	November 24, 2032

Logo	Date Of Registration	Registration No.	Date Of Expiration
	November 24, 2022	4/2021/0051870 7	November 24, 2032

E. Hospitality Group

Logo	Date Of Registration	Registration No.	Date Of Expiration
<p>MICROTEL BY WYNDHAM - IPOP HL (Philippines)</p> 	May 14, 2022	529627	May 14, 2032
<p>MICROTEL INN SUITES BY WYNDHAM AND DESIGN - IPOP HL (Philippines)</p> 	June 28, 2012	500106	June 28, 2022
<p>MICROTEL INN SUITES BY WYNDHAM AND DESIGN - IPOP HL (Philippines)</p>	August 30, 2012	501553	August 30, 2032

Logo	Date Of Registration	Registration No.	Date Of Expiration
			

MATERIAL PERMITS AND LICENSES

The Company’s material permits and licenses are enumerated in the annex of this prospectus.

RESEARCH AND DEVELOPMENT

The Company has not allocated fund for research and development activities.

A. CMG

One of the main functions of UGC’s Quality Department is to take the lead in the Continuous Improvement Program in order to enhance product quality, customer service and cost competitiveness. UGC also has a full time Special Products Management Group that looks at new profiles and new products. UGC is an ISO-certified company for its Quality and Environmental Management Systems.

In its pursuit of delivering consistent and high-quality cement, Philcement Corporation has constructively completed its cement laboratory at its Mariveles Facility in 2021. The investment allows Philcement to do its own physical and chemical cement tests to ensure the consistent quality of its cement sold and distributed to customers. The Head of Plant Management is the lead for Product Quality and R&D activities for cement.

In Q3 2021, Philcement’s Mariveles facility received the Philippine Standards license accreditation from DTI, allowing the Company to produce Type IP cement products locally. Philcement is an ISO-certified company for its Quality, Environmental, and Health and Safety Management Systems.

B. Property Development Group

PPHC is engaged in Research & Development through its Design & Engineering team, and aims to improve the features of its housing products. The current approach, however, is more of an "as-needed" basis. The company has future plans of organizing a dedicated Research & Development team to improve data-based decision-making approach.

HEALTH, SAFETY, AND ENVIRONMENTAL MATTERS

PHINMA has created programs to align its policies and operational procedures with government laws and regulations. The Company mitigates the impact of its operations on the environment and makes efficient use of raw materials. PHINMA also looks after the responsible use of resources including water, energy, and raw materials. These programs are guided by the need to sustainably make lives better for people, planet and progress through the below sustainability framework:



PHINMA has incurred no significant, additional costs in ensuring environmental compliance as costs are embedded within operation through the preventive maintenance of equipment, the installation of new technologies that reduce emissions, and the training and development of employees. The Company remains steadfast in creating measures to leave positive handprints in areas where it operates.

For projects that might have an adverse effect on the environment, the Company secures an Environmental Compliance Certificate ("ECC") and abides by the conditions set by the Department of Environment and Natural Resources ("DENR"). In case the project is in an environment-critical area, an Environment Impact Statement (EIS), a document containing the project's impact to the ecological and social conditions of local stakeholders, as well as the mitigation measures to be undertaken, is prepared as a prerequisite to obtaining the ECC. The Company secures all environment-related permits and licenses before construction and commercial operation of its operating companies.

In addition to the ECC-mandated requirements from the DENR, PHINMA complies with all relevant environmental laws. For resource management, PHINMA creates measures to reduce its overall water consumption through conservation initiatives in project sites and installation of new technologies. Effluents are aligned with the Philippine Clean Water Act of 2004 standards and pass all requirements set by the DENR. Likewise, PHINMA is compliant with local and national regulations of air quality standards as guided by the Philippine Clean Air Act of 1999. Each strategic business unit has integrated business practices on monitoring air emissions and have installed facilities to improve air quality such as dust collection system, carbon filtration system and water scrubber. 3rd party laboratories accredited by DENR-Environmental Management Bureau administer quarterly tests to ensure accuracy and transparency of the report. Below are the key environmental data for the period 2022 and 2023.

	2022	2023
Water		
Total Water Consumption	1,261,270 cu. meter	1,325,523 cu. meter
Total volume of water discharges	690,144 cu. meter	919,525 cu. meter
Energy		
Direct by PHINMA Group		
Total Energy Consumption	17,854,241 Kwh	21,810,899 Kwh
Total Energy Used from Renewable Resources	853,809 Kwh	1,839,497 Kwh
Total Energy Used from Fuels	74,564 Liters	236,917 Liters
Indirect for PHINMA Solar Clients		
New Solar capacity Installed	2.307 MWp	7.075 MWp
Incremental Renewable Energy Generated	2,883,750 kWh	8,843,750 kWh
Incremental CO2 Avoided	1,462,350 kg.	4,484,666 kg.
Equivalent Trees Planted	33,571 trees	103,506 trees
Effluents and Waste		
Solid Waste Generated	3,297.0 MT	5,701.8 MT
Solid Waste Reused/Recycled	1,168.0 MT	678.7 MT
Hazardous Waste Generated	57.4 MT	69.5 MT
Hazardous Waste Transported	60.6 MT	54.4 MT
Hazardous Waste Stored	0.76 MT	16.3 MT

EMPLOYEES

As of June 30, 2024, the Company has a total of 26 permanent staff. The table below presents a breakdown of PHINMA employees by type:

Function	No. of Employees
Management	7
Staff	19
Total	26

Part of the Company's management team are seconded from PHINMA, Inc., the Company's ultimate parent, who designs the overall corporate strategy of the Group. The Company has a 5-year management contract with PHINMA, Inc. up to June 30, 2024, renewable thereafter upon mutual agreement. Approval to renew the management contract for another five years from July 1, 2024 to June 30, 2029 was secured in the March 05, 2024 board meeting of the Company. Under this contract, PHINMA, Inc. has the general management authority with the corresponding

responsibility over all operations and personnel of the Company including the top-level planning, direction and supervision of all operations, marketing, financial and other developmental and business activities of the Company. PHINMA, Inc. also provides support services such as human resource, information technology, and legal services to the Company.

As of June 30, 2024, none of the Company's employees belonged to any union nor were they parties to any collective bargaining agreements. As of the date of this Preliminary Prospectus, the Company has not experienced any strikes or other disruptions due to labor disputes in the past three (3) years. The Company consistently benefited from low staff turnover rates and strong management-employee relations.

Apart from the government-mandated benefits (Social Security System, Pag-IBIG, and PhilHealth), compensation received by Officers who are not members of the Board of Directors of the Company include salaries, bonuses and other benefits.

All permanent and regular employees of the Company and its subsidiaries are covered by PHINMA Group retirement plan (the "Plan"). The Plan provides benefits upon normal retirement beginning at age sixty (60), early retirement beginning at age fifty (50) with completion of at least ten (10) years of service, voluntary separation beginning upon completion of at least ten (10) years of service, total and physical disability, death and involuntary separation. The benefits are based on the employee's final monthly basic salary and length of service.

The Company also provides a defined contribution plan that covers all regular full-time employees under which the Company pays fixed contributions based on the percentage contributed by the employees from their monthly salaries.

There has been no significant lay-offs at PHINMA due to the COVID-19 pandemic and the Company does not expect a substantial change in the workforce in the next twelve (12) months.

INSURANCE

PHINMA's assets are properly secured in terms of insurance protection. This includes coverage for fire, electronic equipment and motor insurance, property floater for paintings and works of arts, and general comprehensive liability. The Company has also group life and accident insurance for its employees as well as directors' liability insurance coverage through PHINMA, Inc.

Similar to PHINMA, the subsidiaries' assets are properly secured in terms of insurance protection. Insurance coverage includes surety bond, performance bond, fidelity insurance, property all risk insurance, fire and allied perils, industrial all risk insurance, group health, group life, motor insurance, marine insurance for shipment of inventory (Philcement and UGC) and general comprehensive liability.

REGULATORY FRAMEWORK

The statements herein are based on the laws in force as of the date of this Preliminary Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The write-up set forth below does not represent to be a comprehensive description of all of the regulatory and environmental considerations that may be relevant to the Company, its subsidiaries, and the offering.

The Group adheres to the various statutes and regulations that affect its activities and the various businesses of each of its subsidiaries and affiliates. Below is a discussion of the relevant laws, rules and regulations applicable to the Group's businesses.

RELEVANT REGULATIONS APPLICABLE IN GENERAL

Revised Corporation Code

Republic Act No. 11232, also known as the Revised Corporation Code, was signed into law on February 20, 2019 and took effect on February 23, 2019, following the completion of its publication in the Manila Bulletin and the Business Mirror.

The Revised Corporation Code dispensed with the absolute requirement of having a minimum of five (5) incorporators in the formation of Corporations, and allowed for the establishment of a One-Person Corporation composed of a single shareholder who may be a natural person, trust, or an estate. The maximum number of directors is retained at 15 directors. For trustees of non-stock corporations, however, the Revised Corporation Code has removed the maximum number which can be elected. Some of the changes in the qualification and term of the board of director or trustees include the removal of the residency requirement for a majority of the board and the extension of the term of trustees from 1 year to 3 years

The requirement that twenty five percent (25%) of the authorized capital stock be paid for purposes of incorporation as previously mandated under Section 13 of the Corporation Code was removed, but the 25%-25% requirement in the Corporation Code was retained in cases of increase in the authorized capital stock of a corporation.

Under the Revised Corporation Code, corporations are now granted perpetual existence, unless the articles of incorporation provide otherwise. Perpetual existence shall also benefit corporations whose certificates of incorporation were issued before the effectivity of the Code, unless a corporation, upon a vote of majority of the stockholders of the outstanding capital stock notifies the Philippine SEC that it elects to retain its specific corporate term under its current Articles of Incorporation.

In lieu of the expansion of application of the system of Independent Directors under the SRC, the Revised Corporation Code has classified the following corporations vested with public interest, whose board shall have independent directors constituting at least 20% of such board:

- a. Publicly-held corporations under the SRC whose securities are registered with the SEC, corporations listed with an exchange or with assets of at least Fifty Million Pesos (₱50,000,000.00) and having two hundred (200) or more holders of shares, each holding at least one hundred (100) shares of a class of its equity shares;
- b. Banks and quasi-banks, non-stock savings and loan associations, pawnshops, corporations engaged in money service business, preneed, trust and insurance companies, and other financial intermediaries; and
- c. Other corporations engaged in businesses vested with public interest similar to the above, as may be determined by the SEC.

A corporation vested with public interest must submit to its shareholders and to the SEC an annual report of the total compensation of each of its directors or trustees, and a director or trustee appraisal or performance report and the standards or criteria used to assess each director or trustee.

Material contracts between the Corporation and its own directors, trustees, officers, or their spouses and relatives within the fourth civil degree of consanguinity or affinity must be approved by at least two-thirds (2/3) of the entire membership of the Board, with at least a majority of the independent directors voting to approve the same.

The right of stockholders to vote in the election of directors or trustees, or in shareholders' meetings, may now be done through remote communication or in absentia if authorized by the corporate by-laws and by a majority of the board of directors. As to corporations vested with public interest, these votes are deemed available, even if not expressly stated in the corporate by-laws. The shareholders who participate through remote communication or in absentia are deemed present for purposes of quorum. When attendance, participation, and voting are allowed by remote communication or in absentia, the notice of meetings to the stockholders must state the requirements and procedures to be followed when a stockholder or member elects either option.

The Revised Corporation Code mandates a corporation vested with public interest to appoint a Compliance Officer, in addition to the mandatory positions of President, Treasurer, and Corporate Secretary. The law now also expressly requires that the Treasurer be a resident of the Philippines.

The election or non-holding of election of the directors, trustees, and officers of the corporation is required to be reported to the SEC, which is empowered under certain conditions to summarily order that an election be held. The Revised Corporation Code empowers the SEC, unilaterally or upon a verified complaint, and after due notice and hearing, to remove members of the Board of Directors/Trustees who are determined to be disqualified to be elected to or to hold such position.

When there is a vacancy in the Office of the Director/Trustee which prevents the remaining directors from constituting a quorum and emergency action is required to prevent irreparable loss or damage to the corporation, the remaining directors are allowed to temporarily fill the vacancy from among the officers of the corporation, thereby constituting an emergency board, subject to certain requirements.

In case of transfer of shares of listed companies, the Philippine SEC may require that these corporations whose securities are traded in trading markets and which can reasonably demonstrate their capability to do so, to issue their securities or shares of stock in uncertificated or scripless form in accordance with the Rules of the Philippine SEC.

Finally, the Revised Corporation Code refers to the Philippine Competition Act in case of covered transactions under said law involving the sale, lease, exchange, mortgage, pledge, or disposition of properties or assets; increase or decrease in the capital stock, incurring creating or increasing bonded indebtedness; or mergers or consolidations covered by the Philippine Competition Act thresholds.

The Philippine Competition Act

Republic Act No. 10667, otherwise known as the Philippine Competition Act, was signed into law on July 21, 2015 and took effect on August 8, 2015, and aims to codify anti-trust laws in the Philippines provide the competition framework in the country. The Philippine Competition Act was enacted to provide free and fair competition in trade, industry, and all commercial economic activities.

To implement its objectives, the Philippine Competition Act provides for the creation of a Philippine Competition Commission ("PCC"), an independent quasi-judicial agency to be composed of a Chairperson and four (4) Commissioners. Among the PCC's powers are to: conduct investigations, issue subpoenas, conduct administrative proceedings, and impose administrative fines and penalties. To conduct a search and seizure, the PCC must apply for a warrant with the relevant court.

The Philippine Competition Act prohibits anti-competitive agreements between or among competitors, and mergers and acquisitions which have the object or effect of substantially preventing, restricting, or lessening competition. It also prohibits practices which involve abuse of dominant position, such as selling goods or services below cost to drive out competition, imposing barriers to entry or prevent competitors from growing, and setting prices or terms that discriminate unreasonably between customers or sellers or the same goods, subject to exceptions. The Philippine Competition Act also introduced the pre-notification regime for mergers and acquisitions, which requires covered transactions to be notified to the PCC for its approval.

On September 15, 2017, the PCC published the 2017 Rules of Procedure (“Rules”) which apply to investigations, hearings, and proceedings of the PCC, except to matters involving mergers and acquisitions unless otherwise provided. It prescribes procedures for fact-finding or preliminary inquiry and full administrative investigations by the PCC. The Rules also include non-adversarial remedies such as the issuance of binding rulings, show cause orders, and consent orders.

On September 10, 2019, the Supreme Court of the Philippines approved the Rules on Administrative Search and Inspection under the Philippine Competition Act. The rules govern the application, issuance, and enforcement of inspection orders for administrative investigations of alleged violations of the Philippine Competition Act. Inspection orders will allow the PCC and its deputized agents to enter, search, and inspect business premises, offices, land, and vehicles and to examine, copy, photograph, record, or print information in order to prevent their removal, concealment, tampering with, or destruction.

In line with the government's continuing efforts to improve consumer welfare and market efficiency, the National Economic and Development Authority (“NEDA”) and the PCC issued Joint Memorandum Circular No. 001-20 (“NEDA-PCC Joint MC No. 001-20”), on July 30, 2020. The NEDA-PCC Joint MC No. 001-20 was issued to prescribe the guidelines on the adoption and implementation of the National Competition Policy (“NCP”), which aims to guide the design of government interventions to ensure the economic recovery of small business players and Micro-, Small and Medium-sized Enterprises (“MSMEs”) in the new normal, and to foster a culture of competition.

Under NEDA-PCC Joint MC No. 001-20, all government agencies must adopt and be guided by the following key elements of the National Competition Policy (“NCP”): (1) pro-competitive policies and government interventions, (2) competitive neutrality, and (3) enforcement of competition-related laws and issuances.

In view of these key elements, government agencies shall ensure that all policies, laws, rules and regulations, issuances, and other interventions shall promote market efficiency and enhancement of consumer welfare, and shall not distort competition by creating barriers to entry, promoting collusive market outcomes. Further, government-owned or -controlled corporations (“GOCCs”) shall not enjoy net competitive advantages or be subjected to disadvantages over private sector businesses simply by virtue of public sector ownership, unless the greater public interest will be served and there is lack of commercial viability. Lastly, all government agencies shall uphold the original and primary jurisdiction of the PCC over the enforcement and implementation of the provisions of the PCA.

On February 11, 2020, the PCC issued PCC Commission Resolution No. 02-2-2020, effective March 1, 2020, amending the thresholds for notification such that parties to a merger or acquisition are required to provide notification when: i) the aggregate annual gross revenues in, into or from the Philippines, or value of the assets in the Philippines of the ultimate parent entity of at least one of the acquiring or acquired entities, including that of all entities that the ultimate parent entity controls, directly or indirectly, exceed Six Billion Pesos (₱6,000,000,000.00); and ii) the value of the transaction exceeds Two Billion Four Hundred Million Pesos (₱2,400,000,000.00), as determined in the PCA-IRR; while parties to a joint venture transaction shall be subject to the notification requirement if either i) the aggregate value of the assets will be combined in the Philippines or contributed into the proposed joint venture exceeds Two Billion Four Hundred Million Pesos (₱2,400,000,000.00); or ii) the gross revenues generated in the Philippines by assets to be combined in the Philippines or contributed into the proposed joint venture exceed Two Billion Four Hundred Million Pesos (₱2,400,000,000.00). However, joint venture (JV) projects between government

agencies and private entities pursued under the framework of the National Economic and Development Authority are exempted from the compulsory merger notification, pursuant to PCC Memorandum Circular No. 20-001.

On November 22, 2017, the PCC published the Merger Rules which provides the procedure for the review or investigation of mergers and acquisition pursuant to the Philippine Competition Act. The Merger Rules provides, among others, that parties to a merger that meets the thresholds in Section 3 of Rule 4 of the PCA-IRR are required to notify the PCC within thirty (30) days from the signing of definitive agreements relating to the notifiable merger.

Subsequently, in response to the COVID-19 pandemic, Congress passed Republic Act No. 11494 or the “Bayanihan to Recover as One Act” (“Bayanihan Act”) which took effect on September 15, 2020. This exempted from compulsory notification all mergers and acquisitions with transaction values below ₱50 billion if entered into within two years from the effectivity of Bayanihan Act. A transaction is considered “entered into” upon signing by the parties of the definitive agreement. Under the PCC Resolution No. 22-2020 adopting the rules implementing Section 4 (eee) of the Bayanihan Act, mergers and acquisitions entered into within a period of two years from its effectivity shall still be subject to compulsory notification when:

- a. both the transaction value and the size of the ultimate parent entity of either party is at least ₱50 billion; and
- b. the transaction is entered into prior to the effectivity of the Bayanihan Act, and exceeds the thresholds applicable.

Additionally, the Bayanihan Act suspends PCC’s power to motu proprio review mergers and acquisitions for one year from the effectivity of the law. However, this exemption does not apply to transactions entered into before the Act's effectivity that have not yet been reviewed by the PCC, nor to transactions pending PCC review prior to the Act's effectivity. Further, mergers and acquisitions entered into during the effectivity of the Bayanihan Act may still be reviewed by the PCC motu proprio after one year from the effectivity of the law.

Any voluntary notification shall constitute a waiver to the exemption from review.

Beginning March 1, 2023, mergers and acquisitions which breach the ₱7 billion size of party threshold, and ₱2.9 billion size of transaction threshold shall require mandatory review from the PCC. However, these thresholds do not apply to mergers and acquisitions pending review by the PCC, notifiable transactions consummated before March 1, 2023, and transactions already subject of a decision by the PCC. Pursuant to Commission Resolution No. 01-2024, effective 1 March 2024, the threshold in relation to the Size of Party was increased to ₱7,800,000,000.00, and the threshold for the Size of Transaction was increased to ₱3,200,000,000.00.

Violations of the Philippine Competition Act and its Implementing Rules and Regulations (IRR) carry administrative and criminal penalties. A transaction that meets the thresholds set forth in the latest applicable issuance of the PCC and does not comply with the notification requirements and waiting periods shall be considered void and will subject the parties to an administrative fine of 1 to 5% of the value of the transaction. Criminal penalties for entities that enter into these defined anti-competitive agreements include: (i) a fine of not less than Fifty Million Pesos (₱50,000,000.00) million but not more than Two Hundred Fifty Million Pesos (₱250,000,000); and (ii) imprisonment for two (2) to seven (7) years for directors and management personnel who knowingly and willfully participate in such criminal offenses. Administrative fines of One Hundred Million Pesos (₱100,000,000.00) million to Two Hundred Fifty Million Pesos (₱250,000,000.00) may be imposed on entities found violating prohibitions against anti-competitive agreements and abuse of dominant position. Treble damages may be imposed by the PCC or the courts, as the case may be, where the violation involves the trade or movement of basic necessities and prime commodities.

Securities Regulation Code

Republic Act No. 8799, also known as the Securities Regulation Code, was enacted on July 19, 2000 and took effect on August 8, 2000. The SRC established a regulatory framework for the securities market in the Philippines, aiming to develop a socially conscious, free market that regulates itself, encourages wide participation of ownership in

enterprises, enhances democratization of wealth, promotes capital market development, protects investors, ensures full and fair disclosure about securities, and minimizes fraudulent or manipulative practices.

Under the SRC, securities offered or sold to the public must be registered with the Securities and Exchange Commission (SEC), unless they fall under exempt transactions as outlined in Section 10.

The SRC emphasizes full and fair disclosure of all material information about securities. For a rights offering, this includes details about the offer, use of proceeds, risks, and financial information about the issuer. Section 12 mandates the use of a prospectus for registered securities.

The Code prohibits insider trading and manipulative and deceptive devices and fraudulent practices, ensuring the integrity of the offering process. These provisions are particularly relevant during the planning and execution of a rights offering.

The SEC is granted broad powers to regulate, investigate, and supervise the securities market, including the authority to approve or reject registration statements for rights offerings. The Commission can also issue cease and desist orders to prevent fraud or injury to the investing public.

For public companies, ongoing reporting is required, which would include disclosures related to and following a rights offering. The SRC also imposes civil liabilities for false registration statements.

The Code requires various market participants such as brokers, dealers, and underwriters to be licensed. The SRC allows for the creation of a centralized securities depository and book-entry system for the transfer of securities. In relation to this, the Commission may require corporations whose securities are traded in trading markets to issue their securities or shares of stock in uncertificated or scripless form.

Finally, the SRC provides for international cooperation in securities regulation. Section 66.5 allows the Commission to provide assistance to foreign regulatory authorities in securities matters, facilitating cross-border enforcement and information sharing.

Foreign Investments Act of 1991

Republic Act No. 7042, as amended, otherwise known as the Foreign Investments Act of 1991 ("FIA"), liberalized the entry of foreign investment into the Philippines. Under the FIA, in domestic market enterprises, foreigners can own as much as one hundred percent (100%) equity except in areas specified in the Twelfth Regular Foreign Investment Negative List (the "Negative List"). This Negative List enumerates industries and activities which have foreign ownership limitations under the FIA and other existing laws. Nationalized activities include, among others, land ownership, educational institutions, telecommunications, mining, and the operation of public utilities.

In connection with the ownership of private land, the Philippine Constitution states that no private land shall be transferred or conveyed except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines at least 60% of whose capital is owned by such citizens. While the Philippine Constitution prescribes nationality restrictions on land ownership, there is generally no prohibition against foreigners owning buildings and other permanent structures. However, with respect to condominium developments, the foreign ownership of units in such developments is limited to forty percent (40%). A corporation with more than forty percent (40%) foreign equity may be allowed to lease land for a period of twenty five (25) years, renewable for another twenty five (25) years.

In addition, under the Philippine Constitution, educational institutions shall be owned solely by citizens of the Philippines or corporations or associations at least sixty percent (60%) of the capital of which is owned by such citizens, except those established by religious groups and mission boards.

For the purpose of complying with nationality laws, the term Philippine National is defined under the FIA as any of the following:

- a citizen of the Philippines;
- a domestic partnership or association wholly-owned by citizens of the Philippines;
- a corporation organized under the laws of the Philippines of which at least sixty percent (60%) of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines;
- a corporation organized abroad and registered to do business in the Philippines under the Revised Corporation Code, of which one hundred percent (100%) of the capital stock outstanding and entitled to vote is wholly-owned by Filipinos; or
- a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine National and at least sixty percent (60%) of the fund will accrue to the benefit of Philippine Nationals.

In SEC Memorandum Circular No. 08 dated May 20, 2013, 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, it is provided that for purposes of determining compliance with the nationality requirement, the required percentage of Filipino ownership shall be applied both to (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. A petition for certiorari questioning the constitutionality of SEC Memorandum Circular No. 8 dated May 20, 2013 was filed in June 2013. In Jose M. Roy III v. Chairperson Teresita Herbosa (G.R. No. 207246) dated April 18, 2017, the Supreme Court affirmed the validity of SEC Memorandum Circular No. 08 dated May 20, 2013.

Data Privacy Act of 2012

Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012 (the “DPA”) is a comprehensive and strict privacy legislation aimed to protect the fundamental human right to privacy of data subjects by: (a) protecting the privacy of individuals while ensuring free flow of information; (b) regulating the collection, recording, organization, storage, updating or modification, retrieval, consultation, use, consolidation, blocking, erasure or destruction of personal data; and (c) ensuring that the Philippines complies with international standards set for data protection. The DPA mandated the creation of the National Privacy Commission, which shall administer and implement the provisions of the DPA and ensure compliance of the Philippines with international standards set for data protection. The Philippines recognizes the need to protect the fundamental human right of privacy and of communication, while ensuring free flow of information to promote innovation and growth. It also identifies the vital role of information and communications technology in nation building and its inherent obligation to ensure that personal information in ICT in the government and in the private sector are secured and protected.

The Data Privacy Act aims to protect the privacy of individuals, and mandates companies to inform the individuals about how their personal information are collected and processed. It also ensures that all personal information must be (a) collected and processed with lawful basis, which includes consent, and only for reasons that are specified, legitimate, and reasonable; (b) handled properly, ensuring its accuracy and retention only for as long as reasonably needed; and (c) discarded properly to avoid access by unauthorized third parties.

Its Implementing Rules and Regulations (“IRR”) took effect on September 9, 2016, mandating all Philippines companies to comply with the following: (a) appointment of a Data Protection Officer; (b) conduct of a privacy impact assessment; (c) adoption of a privacy management program and privacy policy; (d) implement privacy and data protection measures; and (e) establish a breach reporting procedure. In addition, companies with at least two hundred fifty (250) employees or access to sensitive personal information of at least one thousand (1,000) individuals are required to register their data processing systems with the Privacy Commission. The IRR, furthermore, provides the only instances when data sharing is allowed, to wit: (a) data sharing is authorized by law, provided that there are adequate safeguards for data privacy and security, and processing adheres to principles of transparency, legitimate purpose, and proportionality; (b) in the private sector, data sharing for commercial purposes is allowed upon (i)

consent of data subject, and (ii) when covered by a data sharing agreement; (c) data collected from parties other than the data subject for purpose of research shall be allowed when the personal data is publicly available; and (d) data sharing among government agencies for purposes of public function or provision of a public service shall be covered by a data sharing agreement.

Violation of the provisions of the Data Privacy Act and its IRR on the unauthorized processing of personal information may warrant the penalty of imprisonment ranging from one (1) year to three (3) years and a fine not less than Five Hundred Thousand Pesos (₱500,000.00) but not more than Two Million Pesos (₱2,000,000.00). For unauthorized processing of sensitive personal information, the penalty may be imprisonment ranging from three (3) years to six (6) years and a fine not less than Five Hundred Thousand Pesos (₱500,000.00) but not more than Four Million Pesos (₱4,000,000.00).

Local Government Code

Republic Act No. 7160, otherwise known as the Local Government Code of 1991 (“LGC”), establishes the system and powers of provincial, city, municipal, and barangay governments in the country. The LGC general welfare clause states that every local government unit (“LGU”) shall exercise the powers expressly granted, those necessarily implied, as well as powers necessary, appropriate, or incidental for its efficient and effective governance, and those which are essential to the promotion of the general welfare.

The power to tax and police power are exercised by the LGU through their respective legislative bodies. Specifically, the LGU, through its legislative body, has the authority to enact such ordinances as it may deem necessary and proper for sanitation and safety, the furtherance of the prosperity, and the promotion of the morality, peace, good order, comfort, convenience, and general welfare of the locality and its inhabitants. Ordinances can reclassify land, impose real property taxes, order the closure of business establishments, and require permits and licenses from businesses operating within the territorial jurisdiction of the LGU.

Social Security System, PhilHealth and the Pag-IBIG Fund

An employer or any person who uses the services of another person in business, trade, industry, or any undertaking is required under Republic Act No. 11199, the Social Security Act of 2018 to ensure coverage of employees following procedures set out by the law and the Social Security System (“SSS”). Under the said law, an employer must deduct from its employees their monthly contributions in an amount corresponding to their salary, wage, compensation, or earnings during the month in accordance with the monthly salary credits, the schedule and the rate of contributions as may be determined and fixed by the Social Security Commission, pay its share of contribution and remit these to the SSS within a period set by law and/or SSS regulations. This enables the employees or their dependents to claim their pension, death benefits, permanent disability benefits, funeral benefits, sickness benefits, and maternity-leave benefits.

The failure of the employer to comply with any of its obligations may lead to sanctions, including the imposition of a fine of not less than Five Thousand Pesos (₱5,000.00) nor more than Twenty Thousand Pesos (₱20,000.00), or imprisonment for not less than six (6) years and one (1) day nor more than twelve (12) years, or both, at the discretion of the court. The erring employer will also be liable to the SSS for damages equivalent to the benefits to which the employee would have been entitled had his name been reported on time to the SSS and for the corresponding contributions and penalties thereon.

Employers are likewise required to ensure enrolment of its employees in a National Health Insurance Program (“NHIP”) administered by the Philippine Health Insurance Corporation, a government corporation attached to the Department of Health tasked with ensuring sustainable, affordable, and progressive social health insurance pursuant to the provisions of Republic Act No. 10606, the National Health Insurance Act of 2013.

On February 20, 2019, Republic Act No. 11223, the Universal Health Care Act, was enacted, which amended certain provisions of the National Health Insurance Act of 2013. Under the said law, all Filipino citizens are now automatically

enrolled into the National Health Program. However, membership is classified into two types, direct contributors and indirect contributors. Direct contributors refer to those who have the capacity to pay premiums, are gainfully employed and are bound by an employer-employee relationship, or are self-earning, professional practitioners, migrant workers, including their qualified dependents, and lifetime members. On the other hand, indirect contributors refer to all others not included as direct contributors, as well as their qualified dependents, whose premium shall be subsidized by the national government including those who are subsidized as a result of special laws. Every member is also granted immediate eligibility for health benefit package under the program.

Any employer who deliberately or through inexcusable negligence, fails or refuses to register employees regardless of their employment status, accurately and timely deduct contributions from the employee's compensation or to accurately and timely remit or submit the report of the same to PhilHealth shall be punished with a fine of Fifty thousand pesos (P50,000.00) for every violation per affected employee, or imprisonment of not less than six (6) months but not more than one (1) year, or both such fine and imprisonment, at the discretion of the court.

Any employer who deducts, directly or indirectly, from the compensation of the covered employees or otherwise recover from them the employer's own contribution on behalf of such employees shall be punished with a fine of Five Thousand Pesos (P5,000.00) multiplied by the total number of affected employees or imprisonment of not less than six (6) months but not more than one (1) year, or both such fine and imprisonment, at the discretion of the court.

Under Republic Act No. 9679, the Home Development Mutual Fund Law of 2009, all employees who are covered by the SSS must also be registered with and covered by the Home Development Mutual Fund, more commonly referred to as the Pag-IBIG Fund. It is a national savings program as well as a fund to provide affordable shelter financing to Filipino workers. Coverage under the HDMF is compulsory for all SSS members and their employers. Under the law, an employer must deduct and withhold two percent (2%) of the employee's monthly compensation, up to a maximum of Five Thousand Pesos (P5,000.00), and likewise make a counterpart contribution of two percent (2%) of the employee's monthly compensation, and remit the contributions to the HDMF.

Refusal of an employer to comply, without any lawful cause or with fraudulent intent, particularly with respect to registration of employees as well as collection and remittance of contributions, is punishable by a fine of not less but not more than twice the amount involved, or imprisonment of not more than six years, or both such fine and imprisonment. When the offender is a corporation, the penalty will be imposed upon the members of the governing board and the president or general manager, without prejudice to the prosecution of related offenses under the Revised Penal Code and other laws, revocation and denial of operating rights and privileges in the Philippines and deportation when the offender is a foreigner.

The Labor Code

The Department of Labor and Employment ("DOLE") is the Philippine government agency mandated to formulate policies, implement programs and services, and serves as the policy-coordinating arm of the Executive Branch in the field of labor and employment. The DOLE has exclusive authority in the administration and enforcement of labor and employment laws such as the Labor Code of the Philippines and the Occupational Safety and Health Standards (which sets out, among others, the guidelines applicable to different establishments intended for the protection of every workingman against the dangers of injury, sickness, or death through safe and healthful working conditions), as amended, and such other laws as specifically assigned to it or to the Secretary of the DOLE.

Other Labor-Related Laws and Regulations

The Labor Code recognizes subcontracting arrangements, whereby a principal puts out or farms out with a contractor the performance or completion of a specific job, work, or service within a definite or predetermined period, regardless of whether such job, work, or service is to be performed or completed within or outside the premises of the principal. Such arrangements involve a "trilateral relationship" among: (i) the principal who decides to farm out a job, work, or service to a contractor; (ii) the contractor who has the capacity to independently undertake the

performance of the job, work, or service; and (iii) the contractual workers engaged by the contractor to accomplish the job, work, or service.

On March 16, 2017, the DOLE issued DOLE Department Order No. 174-17 or Rules Implementing Articles 106 to 109 of the Labor Code, as Amended (“D.O. No 174-17”), under the principle that non-permissible forms of contracting and subcontracting arrangements undermine the constitutional and statutory right to security of tenure of workers. D.O. No 174-17 empowered the Secretary of Labor and Employment to regulate contracting and subcontracting arrangement by absolutely prohibiting labor-only contracting, and restricting job contracting allowed under the provisions of the Labor Code. Labor-only contracting refers to an arrangement where (a) the contractor or subcontractor does not have substantial capital, or the contractor or subcontractor does not have investments in the form of tools, equipment, machineries, supervision, or work premises, and the contractor’s or subcontractor’s employees recruited and placed are performing activities which are directly related to the main business operation of the principal; or (b) the contractor or subcontractor does not exercise the right to control over the performance of the work of the employee. D.O. No. 174-17 expressly requires the registration of contractors with the Regional Office of the DOLE where it principally operates, without which, a presumption that the contractor is engaged in labor-only contracting arises.

The Department Order provides that in the event that there is a finding that the contractor or subcontractor is engaged in labor-only contracting and other illicit forms of employment arrangements, the principal shall be deemed the direct employer of the contractor’s or subcontractor’s employees. Further, in the event of violation of any provision of the Labor Code, including the failure to pay wages, there exists a solidary liability on the part of the principal and the contractor for purposes of enforcing the provisions of the Labor Code and other social legislations, to the extent of the work performed under the employment contract.

Subsequently, the DOLE issued Department Circular No. 1 (2017) clarifying that the prohibition under D.O. 174 does not apply to business process outsourcing, knowledge process outsourcing, legal process outsourcing, IT Infrastructure outsourcing, application development, hardware and/or software support, medical transcription, animation services, and back-office operations or support.

On May 2, 2018, former President Duterte signed Executive Order No. 51, reiterating the prohibition of the practice of illegal contracting or subcontracting in the country. The executive order aims to protect the worker’s right to security of tenure, self-organization and collective bargaining and peaceful concerted activities.

DOLE Mandated Work-Related Programs

Under the Comprehensive Dangerous Drugs Act, a national drug abuse prevention program implemented by the DOLE must be adopted by private companies with 10 or more employees. For this purpose, employers must adopt and establish company policies and programs against drug use in the workplace in close consultation and coordination with the DOLE, labor and employer organizations, human resource development managers, and other such private sector organizations. DOLE Department Order No. 053-03 sets out the guidelines for the implementation of Drug-Free Workplace policies and programs for the private sector.

The employer or the head of the work-related, educational or training environment or institution, also has the duty to prevent or deter the commission of acts of sexual harassment and to provide the procedures for the resolution, settlement, or prosecution of such cases. Under the Anti-Sexual Harassment Act, the employer will be solidarily liable for damages arising from the acts of sexual harassment committed in the workplace if the employer is informed of such acts by the offended party and no immediate action is taken. Notwithstanding, the victim of sexual harassment is not precluded from instituting a separate and independent action for damages and other affirmative relief. Any person who violates the provisions of this law shall, upon conviction, be penalized by imprisonment of not less than one (1) month nor more than six months, or a fine of not less than ₱10,000 nor more than ₱20,000, or both such fine and imprisonment, at the discretion of the court. Any action arising from the violation of the provisions of this law shall prescribe in three years.

Moreover, Department Order No. 102-10 requires all private workplaces to have a policy on Human Immunodeficiency Virus (“HIV”) and Acquired Immunodeficiency Syndrome (“AIDS”) and to implement a workplace program in accordance with the Philippines AIDS Prevention and Control Act. The workplace policies aim to manage sensitive issues, such as confidentiality of medical information and continuation of employment for HIV-positive staff, and to avoid the discrimination of any employee due to HIV/AIDS. Any HIV/AIDS-related information of workers should be kept strictly confidential and kept only on medical files, whereby access to it are strictly limited to medical personnel.

All private workplaces are also required to establish policies and programs on solo parenting, Hepatitis B, and tuberculosis prevention and control.

During the height of the COVID-19 pandemic, DTI and DOLE released Interim Guidelines on Workplace Prevention and Control of COVID-19 which implemented safety and health standards in all workplaces aligned with the objectives of the minimum health standards of the Department of Health. Similarly, DOLE released Guidelines on the Implementation of Flexible Work Arrangements as Remedial Measure due to the ongoing outbreak of COVID-19, the effectivity thereof being subject to the prevailing conditions of the company.

Safe Spaces Act

In 2019, Republic Act No. 11313 or the Safe Spaces Act, was enacted to safeguard both men and women against gender-based sexual harassment not only in private, but also on the streets, public spaces, online, workplaces, and educational and training institutions. The law criminalizes gender-based streets and public spaces sexual harassment that includes catcalling, wolf-whistling, unwanted invitations, misogynistic, transphobic, homophobic, and sexist slurs, persistent uninvited comments or gestures on a person's appearance, relentless requests for personal details, statement of sexual comments and suggestions, public masturbation, or flashing of private parts, groping, or any advances, whether verbal or physical.

In the workplace, punishable gender-based sexual harassment includes acts involving any unwelcome sexual advances, requests, or demand for sexual favors or any act of sexual nature; any conduct of sexual nature and other conduct-based on sex affecting the dignity of a person, which is unwelcome, unreasonable, and offensive to the recipient; and any conduct that is unwelcome and pervasive and creates an intimidating, hostile, or humiliating environment for the recipient, among others.

Under the law, employers or other persons of authority, influence, or moral ascendancy are obliged to prevent, deter, or punish the performance of acts of gender-based sexual harassment in the workplace. Also, employees and co-workers are compelled to refrain from committing acts of gender-based sexual harassment; provide emotional or social support to co-workers, colleagues, or peers who are victims of gender-based sexual harassment; and report acts of gender-based sexual harassment witnessed in the workplace.

For educational and training institutions, Safe Spaces Act requires all schools, whether public or private, to designate an officer-in-charge to receive complaints regarding commissions of acts of gender-based sexual harassment, and to ensure that the victims are provided with a gender-sensitive environment that is both respectful to the victims' needs and conducive to truth-telling.

R.A. No. 11313 designates the Metro Manila Development Authority, the local units of the Philippine National Police for other provinces, the Women and Children's Protection Desk, and the Philippine National Police Anti-Cybercrime Group as implementing bodies that shall have the authority to apprehend perpetrators and enforce the law. The Safe Spaces Act likewise provides for the corresponding penalties of imprisonment, community service, and fines for the acts committed in violation of R.A. No. 11313.

Occupational Safety and Health (“OSH”) Program

In 2018, Republic Act No. 11058 (R.A. No. 11058), also known as “An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations Thereof”, was enacted to ensure safe and healthful workplace for all working people. The law covers all establishments, projects, sites, including PEZA establishments, and all other places where work is being undertaken in all branches of economic activity, except in the public sector.

Under the law, every employer, contractor or subcontractor, and any person who manages, controls, or supervises the work being undertaken shall furnish the workers a place of employment free from hazardous conditions that are causing or are likely to cause death, illness, or physical harm to the workers; and every worker shall participate in ensuring compliance with OSH standards in the workplace. Establishments are responsible in determining its own level of classification (i.e., low risk, medium risk, high risk) based on hazards identification and risk assessment and control conducted by the company. The results of such evaluation shall be the bases for determining the required minimum number of safety officer, occupational health personnel, medical services and facilities pursuant to the R.A. No. 11058 and its IRR.

All workers are guaranteed the right to safety and health at work, and the right of refusal to work if (1) an imminent danger situation exists in the workplace that may result in illness, injury, or death; or (2) when corrective actions to eliminate said dangers have not yet been undertaken by the employer. They shall also have the right to report accidents, dangerous occurrences, and hazards to the employer, to the DOLE, and to other concerned government agencies; and the right to be provided with protective equipment.

R.A. No. 11058 required covered workplaces to have a safety and health program that shall include policies, guidelines, or information on commitment to comply with OSH requirements; general safety and health, including a drug-free workplace; HIV and AIDS/tuberculosis/hepatitis prevention and control; occupational safety and health personnel and facilities; safety and health promotion, training and education; accident/incident/illness investigation, recording and reporting; provision of workers' welfare facilities; and prohibited acts and penalties for violations, among others.

Mental Health

Emphasizing the importance of promoting workers' mental health, the DOLE issued Department Order No. 208, series of 2020 (D.O. No. 208), otherwise known as the “Guidelines for the Implementation of Mental Health Workplace Policies and Programs for the Private Sector”, which aims to guide employers and workers in the private sector for effective implementation of mental health policies and programs in accordance with R.A. No. 11036 (Mental Health Act) and other related laws.

Under the D.O. No. 208, all workplaces and establishments are mandated to formulate a Mental Health Workplace Policy and Program, which shall be prepared jointly by management and employees' representatives and shall be made an integral part of the company's OSH policies and programs. In organized establishments, a mental health program may be included as part of the collective bargaining agreement (CBA).

Components of the Mental Health Workplace Policy and Program shall include advocacy, information, education, training as well as promotion and enhancement of workers' well-being; non-discriminatory policies and practices; confidentiality of information; disclosure of medical or mental condition; work accommodation and work arrangement; treatment, rehabilitation, and referral system; benefits and compensation, among others.

Family Welfare Program

In 1987, the DOLE formulated the Family Welfare Program (“FWP”) to promote and protect the welfare of workers and their families through the integration of family welfare concerns at the workplaces nationwide, whether

organized or unorganized. The FWP aims to introduce the concept of family welfare to establishments with 200 or more workers and eventually to establishments with less than 200 workers.

In 2003, DOLE issued Department Order No. 056-03 (D. O. No. 056-03), also known as “Rationalizing the Implementation of FWP in DOLE”, which shifted the FWP’s focus from promoting family planning to providing family welfare services to workers.

D. O. No. 056-03 mandates the DOLE to provide orientation-seminars on the FWP focusing on reproductive health, gender equality, and nutrition. Further, D. O. No. 056-03 required establishments employing more than two hundred (200) workers in any locality to form a Family Welfare Committee (“FWC”), which will be responsible for planning, organizing, and implementing an in-plant family welfare program; and encouraging establishments with less than two hundred (200) workers to establish/organize an FWC and implement a family welfare program.

Thereafter, DOLE Advisory No. 003-09, also known as “Intensifying Implementation of the Family Welfare Program through Provision of Family Health Program Services”, was issued to enjoin all Regional Offices and concerned central offices of the DOLE to intensify the implementation of the FWP in all establishments in collaboration and coordination with partner agencies, family welfare federations, and other relevant organizations.

Intellectual Property Code

Under the Intellectual Property Code of the Philippines, the rights to a trademark are acquired through the registration with the Bureau of Trademarks of the Intellectual Property Office, which is the principal government agency involved in the registration of brand names, trademarks, patents, and other registrable intellectual property materials.

Upon registration, the Intellectual Property Office shall issue a certificate of registration to the owner of the mark, which shall confer the right to prevent all third parties not having the owner’s consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the mark is registered. The said certificate of registration shall also serve as prima facie evidence of the validity of registration and the registrant’s ownership of the mark. A certificate of registration shall remain in force for an initial period of 10 years and may be renewed for periods of 10 years at its expiration.

The IP Code applies to franchise agreements and software license agreements which generally fall within the definition of technology transfer arrangements (“TTAs”). The IP Code defines TTAs as “contracts or agreements involving the transfer of systematic knowledge for the manufacture of a product, the application of a process, or rendering of a service including management contracts; and the transfer, assignment or licensing of all forms of intellectual property rights, including licensing of computer software except computer software developed for mass market.” TTAs must comply with Sections 87 and 88 of the IP Code, *i.e.*, TTAs cannot contain the provisions which are prohibited under Section 87 but must contain the mandatory provisions under Section 88. Failure to comply with these provisions of the IP Code will automatically render the entire arrangement unenforceable.

RELEVANT REGULATIONS RELATING TO EDUCATION

General

All private educational institutions offering basic education are subject to the 2010 Revised Manual promulgated on June 24, 2010 by virtue of DepEd Order No. 088-10. Basic education encompasses early childhood, elementary education, high school education, as well as alternative learning systems for out-of-school youth and adult learners.

Basic education has five (5) main programs, namely: pre-school, elementary, secondary, special needs education, and alternative learning system. Preschool, elementary, and secondary education must have a minimum duration set forth below as prescribed under Republic Act No. 10533, otherwise known as the “Enhanced Basic Education Act of 2013”:

- (a) pre-school, consisting of at least one (1) year of kindergarten education;
- (b) elementary, consisting of at least six (6) years' education;
- (c) secondary, consisting of at least 6 years' education divided into four (4) years of junior high school and two (2) years of senior high school.

The DepEd has issued Department Order No. 024-2022, adopting the Basic Education Development Plan 2030 ("BEDP 2030") as the medium-term plan for the DepEd covering all formal education (kindergarten, elementary, junior high school, and senior high school) as well as nonformal education through the Alternative Learning System. The BEDP 2030 aims to serve as the blueprint for DepEd in the next decade in formulating, implementing, coordinating, monitoring, evaluating, and supervising policies, plans, programs, and projects in basic education. Pursuant thereto, all DepEd offices and units shall align their actions with the BEDP 2030.²²

The Enhanced Basic Education Act of 2013

Governing Law

Republic Act No. 10533, otherwise known as the Enhanced Basic Education Act of 2013, aims to provide a functional basic education system that will develop productive and responsible citizens equipped with the essential competencies, skills and values for both life-long learning and employment. In order to achieve this, the State shall:

- a) Give every student an opportunity to receive quality education that is globally competitive based on a pedagogically sound curriculum that is at par with international standards;
- b) Broaden the goals of high school education for college preparation, vocational and technical career opportunities as well as creative arts, sports, and entrepreneurial employment in a rapidly changing and increasingly globalized environment; and
- c) Make education learner-oriented and responsive to the needs, cognitive and cultural capacity, the circumstances and diversity of learners, schools and communities through the appropriate languages of teaching and learning, including mother tongue as a learning resource.

The above shall be achieved by expanding the years of basic education from 10 to 12 years. The enhanced basic education program encompasses at least one (1) year of kindergarten education, six (6) years of elementary education, and six (6) years of secondary education, in that sequence. Secondary education includes four (4) years of junior high school and two (2) years of Senior High School (SHS).

- Kindergarten education shall mean one (1) year of preparatory education for children at least five (5) years old as a prerequisite for Grade I.
- Elementary education refers to the second stage of compulsory basic education which is composed of six (6) years. The entrant age to this level is typically six (6) years old.
- Secondary education refers to the third stage of compulsory basic education. It consists of four (4) years of junior high school education and two (2) years of senior high school education. The entrant age to the junior and senior high school levels are typically twelve (12) and sixteen (16) years old, respectively.

The DepEd was tasked to formulate the design and details of the enhanced basic education curriculum. Alongside the CHED, a harmonized basic and tertiary curricula for the global competitiveness of Filipino graduates is to be crafted. Further, to ensure college readiness and to avoid remedial and duplication of basic education subjects, the DepEd shall coordinate with the CHED and the TESDA. RA 10533 also outlined the standards and principles to be used in developing the enhanced basic education curriculum.

²² The DepEd, through Department Order No. 024-2022, thereafter developed and adopted the Basic Education Monitoring and Evaluation Framework ("BEMEF"), a policy framework to track and measure the achievement of BEDP 2030.

Recognizing the need for student financial support due to the added 2 years of education, RA 10533 expanded the benefits accorded by Republic Act No. 8545, or the “Expanded Government Assistance to Students and Teachers in Private Education Act”, to provide extended financial assistance to qualified students enrolled under the enhanced basic education. To further implement RA 10533, the DepEd issued DepEd Department Order No. 11 series of 2015 (DO 11 s. 2015) where the SHS Voucher Program, a mechanism to provide financial assistance to SHS students, was introduced.

Through the SHS Voucher Program, the DepEd engages private institutions which are SHS-providers to enroll students who are qualified voucher recipients from both Public and Private Junior High Schools so they can be provided assistance, through a voucher subsidy paid to the private institution SHS provider.

Establishment of private schools offering basic education

The establishment of a private educational institution refers to the creation, founding, or organization of a school resulting in its legal existence as an institution. Recognition applies only to an existing school and refers to the authorization granted by the DepEd for the school to undertake educational programs and related operations. Establishment precedes recognition. Generally, a private school must be established and incorporated as a non-stock or as a stock educational corporation in accordance with the Revised Corporation Code of the Philippines (“RCC”). However, this requirement may be waived in the case of family-administered pre-school institutions. The establishment of a private school shall be subject to prior approval of the DepEd through its Regional Director having jurisdiction over the place where the school or branch thereof shall be established. A school which intends to incorporate with the SEC as a stock or non-stock corporation is required to present its proposed articles of incorporation and by-laws to, and secure the endorsement of, such DepEd Regional Director. The minimum paid up capital stock for stock educational institutions engaged in elementary education shall not be less than One Million Pesos (₱1,000,000.00). On the other hand, the minimum paid up capital stock for stock educational institutions offering elementary and secondary courses shall not be less than Two Million Five Hundred Thousand Pesos (₱2,500,000.00), except for educational institutions organized as stock corporations prior to the passage of Republic Act No. 7798 (amending the Education Act of 1982), which may retain their original capitalization.

A school that is established or organized as a stock corporation shall be ineligible for any form of government subsidy, incentive or assistance, except those given to individual students and teachers in the form of scholarship, student loans or other forms of subsidy as already mandated under existing laws. Government assistance to non-stock schools for educational programs shall be used exclusively for that purpose.

In the incorporation of an educational institution, the SEC shall not accept or approve the Articles of Incorporation and By-Laws except upon favorable recommendation of the DepEd. All private educational institutions shall be subject to the reasonable supervision and regulation by the DepEd.

Permit and Recognition

No educational institution may undertake educational operations except when so authorized by the DepEd. The Regional Director concerned shall have the authority, accountability, and responsibility of approving the establishment of private pre-schools, elementary schools, high schools, and learning centers. The government authority issued for the operation of private schools offering basic education may be of 2 kinds, namely: (1) permit to operate, or (2) certificate of recognition.

(a) Permit to operate

A permit to operate issued to a school is specific to an educational program. Moreover, a permit to operate for each year level or course shall be effective for a period of 1 school year, unless earlier revoked by the DepEd. A permit to operate shall nevertheless continue to be valid and deemed renewed where the school has applied for a certificate of recognition and the DepEd has not officially responded to such application, whether favorably or unfavorably.

(b) Certificate of recognition

The certificate of recognition, once issued by the DepEd for a particular educational program or course of study, transforms the permit to operate to a permanent authority for the school to operate the relevant programs, subject to such conditions prescribed in the certificate of recognition. The certificate of recognition for each year level or course shall remain valid for an indefinite period provided that the requirements of law, rules and standards are satisfied, and unless revoked by the DepEd.

A certificate of recognition may be revoked after due process if the circumstances so warrant, or reverted to a permit to operate for a period of one (1) school year, for any of the following causes, without prejudice to instituting appropriate actions and imposing appropriate sanctions against the responsible school officials:

- (1) fraud or deceit committed by the school in connection with the application for the permit to operate or certificate of recognition, as the case may be;
- (2) the unauthorized operation of a new school or branch, or a new program or course of study, or major components thereof; and/or
- (3) violation of DepEd orders or regulations.

A revoked government recognition for a private school may be restored when the basis for such revocation no longer exists, all requirements having been met and after the school has conformed with the department rules and prescribed standards; provided, that the school concerned shall resume operations under permit status for one school year. Government recognition may be restored after 1 school year of satisfactory operation of the course under permit in terms of administration and management, instruction and all other requirements of the DepEd.

A certificate of recognition that is issued to a school that does not operate for more than 1 school year is deemed automatically cancelled. A school whose certificate of recognition was cancelled due to its failure to operate for more than 1 school year may nevertheless reopen under a permit to operate subject to its compliance with applicable DepEd rules and standards.

A school that has changed ownership is considered a new school, and the course recognition issued to the former owner shall be deemed cancelled. In the event of a change in ownership, the new owner is required to apply for and secure from the DepEd a new permit to operate or certificate of recognition.

Administration and Personnel

A private school must have a governing board which shall exercise general supervision, have exclusive control and direction of all funds, prescribe policies, prescribe rules and regulations, and establish practices consistent with applicable law for the governance and direction of the school. The control and administration of educational institutions shall be vested in citizens of the Philippines. Moreover, trustees or directors of educational institutions must possess at least a bachelor's degree.

(a) Qualifications of the school head

The school head must be a Filipino citizen and possess at least a master's degree or a professional license requiring at least a bachelor's degree. He or she must have adequate teaching experience, managerial competence, and technical expertise in school management, or have a background of demonstrated service and competence in his previous field of endeavor. He or she must be of good moral character.

(b) Qualifications of the principal

A principal of a school offering elementary and/or secondary school education must hold a master's degree and should have at least 5 years of relevant teaching or of administrative experience.

(c) Qualifications of school supervisory official

Personnel of private schools assigned with supervisory instructional functions in the different levels of instruction must have the following minimum qualifications:

- (1) Principal of kindergarten or elementary school – must be a Master of Arts in education or equivalent, with three (3) years of successful teaching experience in the elementary grades or equivalent;
- (2) Principal of secondary school – must be a Master of Arts in education, or equivalent, with 3 years of successful teaching experience in the high school grades or equivalent;
- (3) School personnel charged with supervisory academic functions in vocational/technical schools or courses must possess appropriate educational qualifications as may be prescribed by the DepEd, as well as at least 1 year of successful experience in the work regularly assigned to them.

(d) Minimum qualifications of teaching personnel

Teaching personnel in pre-school and elementary levels of basic education in a private school must have, as a minimum, a bachelor's degree in education. Teaching personnel in the secondary level must have the following minimum qualifications:

- (1) for academic subjects, a bachelor's degree in education or equivalent, or be a bachelor of arts, with such additional number of professional education subjects as may be required to teach in their major or minor fields of concentration; and
- (2) for vocational subjects, a bachelor's degree in any subject, with knowledge of the vocational courses to be taught.

Teaching personnel in pre-school, elementary, and secondary levels must pass the licensure examinations for teachers.

All school personnel must be given each a contract or appointment, as the case may be, which shall define in specific terms the stipulations and conditions of employment with the private school in accordance with law, school policies, and the provisions of any applicable collective bargaining agreement. School personnel under temporary status shall each be provided with a written contract, with a period of at least 1 school term which may be renewed for a similar period subject to the agreement of the parties. School personnel under permanent status, either part-time or full-time, shall each be provided with a written appointment for an indefinite period which shall be deemed subsisting and effective, unless otherwise terminated in accordance with law and the existing rules and policies of the school.

Accreditation

The accreditation of a private school involves the issuance of a certificate of accredited status by an organized body of educational institutions, which certificate attests to the quality or standards of the relevant private school or to any of its educational programs or courses, and to the effectiveness of the management and operations of the private school offering the program as exceeding the minimum standards or criteria for government recognition.

Accreditation is voluntary in nature.

Schools, educational programs, and courses of study are classified into levels of accreditation, the conferment of which shall entitle the subject school to additional administrative or academic prerogatives, such as the authority to graduate students from accredited courses or programs of study without the prior approval of the DepEd. The benefits resulting from accreditation shall be valid only for as long as its accreditation status is current. Schools are granted greater flexibility from government supervision and regulation as a result of accreditation. Accredited schools may also receive financial and other assistance that may be extended to member-schools by law or through regulation by the DepEd.

The DepEd encourages the voluntary membership of private schools in accrediting associations. Only private schools possessing a certificate of recognition shall be eligible for membership in such accrediting associations.

Senior High School Program

Republic Act No. 10533, signed into law on 15 May 2013, implemented the Enhanced Basic Education Program (also known as the "K-12 Program"), which encompasses at least one (1) year of kindergarten education, six (6) years of elementary education, and six (6) years of secondary education, in that sequence. Secondary education covers four (4) years of junior high school and two (2) years of senior high school education.

Private educational institutions may only offer Senior High School-level education ("SHS") when so authorized by the DepEd following an application for the purpose. Applications to undertake a SHS program shall be evaluated by the SHS National Task Force ("SHS-NTF") and thereafter endorsed to the DepEd Secretary. A provisional permit shall be issued to qualified applicants by the DepEd Secretary through the Regional Director. The provisional permit shall remain valid until formally revoked by the DepEd. The issuance of a certificate of recognition for the SHS program shall be subject to the favorable endorsement of the SHS-NTF.

Higher Education Act of 1994

The CHED was established by virtue of Republic Act. No. 7722, otherwise known as the Higher Education Act of 1994, which was signed into law on May 18, 1994. The creation of CHED abolished the Bureau of Higher Education, and confined the jurisdiction of the DepEd to elementary and secondary levels of education.

CHED is an independent and separate entity from the DepEd and attached to the Office of the President for administrative purposes only. It has supervision over both public and private institutions offering higher education, as well as post-secondary educational institutions offering degree-granting programs.

CHED is mandated to (a) promote quality education; (b) broaden access to higher education; (c) protect academic freedom for continuing intellectual growth; and (d) ensure the advancement of learning and research. The Higher Education Act of 1994 grants unto CHED the following powers and functions:

- a) formulate and recommend development plans, policies, priorities, and programs on higher education and research;
- b) formulate and recommend development plans, policies, priorities and programs on research;
- c) recommend to the executive and legislative branches, priorities and grants on higher education and research;
- d) set minimum standards for programs and institutions of higher learning recommended by panels of experts in the field and subject to public hearing, and enforce the same;
- e) monitor and evaluate the performance of programs and institutions of higher learning for appropriate incentives as well as the imposition of sanctions such as, but not limited to, diminution or withdrawal of subsidy, recommendation on the downgrading or withdrawal of accreditation, program termination or school closure;

- f) identify, support and develop potential centers of excellence in program areas needed for the development of world-class scholarship, nation building and national development;
- g) recommend to the Department of Budget and Management the budgets of public institutions of higher learning as well as general guidelines for the use of their income;
- h) rationalize programs and institutions of higher learning and set standards, policies and guidelines for the creation of new ones as well as the conversion or elevation of schools to institutions of higher learning, subject to budgetary limitations and the number of institutions of higher learning in the province or region where creation, conversion or elevation is sought to be made;
- i) develop criteria for allocating additional resources such as research and program development grants, scholarships, and other similar programs: provided, that these shall not detract from the fiscal autonomy already enjoyed by colleges and universities;
- j) direct or redirect purposive research by institutions of higher learning to meet the needs of agro-industrialization and development;
- k) devise and implement resource development schemes;
- l) administer the Higher Education Development Fund which will promote the purposes of higher education;
- m) review the charters of institutions of higher learning and SUCs including the chairmanship and membership of their governing bodies and recommend appropriate measures as basis for necessary action;
- n) promulgate such rules and regulations and exercise such other powers and functions as may be necessary to carry out effectively the purpose and objectives of this Act; and
- o) perform such other functions as may be necessary for its effective operations and for the continued enhancement, growth or development of higher education.

The Manual of Regulations for Private Higher Education (the “Manual of Regulations”) was adopted and promulgated by the CHED and applies to all private higher education institutions (“HEI”) operating under the authority of the CHED. A HEI is defined under the Manual of Regulations as an educational institution, private or public, undertaking operations of higher education program/s with an organized group of students pursuing defined studies in higher education, receiving instructions from teachers, usually located in a building or group of buildings in a particular site specifically intended for educational purposes. Higher Education Degree Programs are the specific courses of study in the higher level of education system leading to a bachelor’s, master’s or doctoral degree.

Under the Manual of Regulations, formal education in the higher level may consist of the following:

(a) Undergraduate level

- (i) Pre-baccalaureate – a stage of post-secondary study usually ranging from one 1 to 2 years leading to a certificate or diploma, and is considered a preparatory level for degree programs.
- (ii) Baccalaureate – a programs that is typically 4 or 5 years in length, leading to a bachelor’s degree in a given discipline or profession.

(b) Graduate level

- (i) Master’s – requiring a bachelor’s degree as a minimum qualification for entry, this program lasts for 1 or 2 years of study and typically necessitates the preparation of a thesis.
- (ii) Doctoral – this requires a master’s degree as a minimum qualification for entry and also requires the student to do significant original research for his or her dissertation.

Given the dramatic change in the landscape of graduate programs and the undergoing reforms in the Philippine education system (e.g., K to 12 program in basic education, the implementation of a new General Education curriculum and adoption of outcomes-based education as a teaching-learning framework in higher education, and the enactment of Universal Access to Quality Tertiary Education Act), CHED issued CHED Memorandum Order No. 15, series 2019 which adopted general policies, standards and guidelines for graduate programs (“PSG for Graduate Programs”).

Establishment of Private HEIs

The establishment of a private HEI refers to the creation, founding or organization of an entity resulting in its legal existence as a higher education institution. On the other hand, recognition applies to an existing HEI and refers to the authority granted by the CHED for the institution to conduct or operate a degree program. Establishment precedes recognition.

A private HEI shall be established and incorporated as a non-stock or as a stock educational corporation in accordance with the RCC and only upon favorable recommendation of the CHED, following the submission of a petition for the purpose.

Article XIV of the 1987 Constitution provides that educational institutions, other than those established by religious groups and mission boards, must be owned by citizens of the Philippines or corporations or associations at least sixty percent (60%) of whose outstanding capital stock is owned by Philippine citizens. The minimum paid-up capital for an HEI organized as a stock corporation must be at least Five Million Pesos (₱5,000,000.00), subject to certain exceptions.

As a general rule, the school site of every private HEI is required to be owned by the institution itself. Otherwise, there should be a definite and feasible program for ownership of the site within a reasonable period, or reasonable and adequate provisions for the continued use of the school through a long-term lease or usufruct of at least ten (10) years. The Manual of Regulations provides for the standards required for the selection of prospective school sites taking into consideration the capacity, location, distance from existing schools and other distractive establishments. School sites and buildings are likewise required to comply with the requirements of applicable laws, such as but not limited to the Fire Code of the Philippines and the National Building Code of the Philippines.

Governance

Each private HEI must have a governing board that shall exercise general supervision, have exclusive control and direction of all funds, prescribe policies, make rules and regulations and establish practices that are not inconsistent with law and the policies and rules of the CHED.

The control and administration of HEIs shall be vested in citizens of the Philippines, except those established by religious groups or foreign mission boards. Every member of the board of trustees or directors of a private HEI must possess at least a bachelor's degree.

(1) Head

The head of every private HEI may be the president, rector or director, and shall be the chief executive officer responsible for the efficient and effective administration of the institution. He/she must be a Filipino citizen, except for institutions established by religious groups or foreign mission boards; possess at least a master's degree or a professional license requiring at least a bachelor's degree; have managerial competence or have a background of demonstrated service and competence in his previous field of endeavor; and be of good moral character.

(2) Dean

The dean for undergraduate degree programs shall hold at least a master's degree and, where applicable, a professional license requiring at least a bachelor's degree. However, in specific fields where there is dearth of holders of master's degree, a holder of a professional license requiring at least a bachelor's degree may be qualified.

On the other hand, the dean for graduate degree programs must hold an appropriate doctoral degree, with published research works to his or her name.

A dean must have at least five (5) years of satisfactory teaching experience and at least two (2) years of satisfactory managerial experience. He/she has the duty to assist the school head in the attainment of institutional goals and objectives, and shall perform the functions and responsibilities as may be expressly and legitimately prescribed by the school.

Operation and Recognition of Programs

No private HEI shall operate any higher education degree program without CHED approval as evidenced by an authority to operate. The authority to operate for undergraduate courses is issued in 2 phases, namely the permit phase (evidenced by a permit to operate) and the recognition phase (evidenced by a certificate of recognition). The authority to operate for graduate courses is issued as a certificate of recognition.

The permit to operate and the certificate of recognition is specific to the grantee, and a permit or recognition is exclusive to the grantee and subject to the conditions set forth therein. The permit to operate and the certificate of recognition may not in any way be alienated or otherwise be subject of a contract.

The initial permit to operate issued in favor an HEI shall apply only to the first- and second-year levels of the program applied for. On the second year of operation of the degree program, the HEI must either apply for a permit to operate the third-year level, or apply for recognition if the applicant institution has complied with all the requirements for the continuous operation of the degree program applied for.

A certificate of recognition issued by the Commission to a HEI for a particular degree program shall:

- (i) authorize the HEI to confer upon the students who completed such program, a certificate, title, diploma, or degree, whichever is applicable; and
- (ii) entitle the graduates of recognized programs to all the benefits and privileges enjoyed by graduates of similar recognized programs in all HEI's authorized by the government.

A certificate of recognition for a particular degree program shall remain valid, unless withdrawn or revoked for cause after due process.

The PSG for Graduate Programs requires that all private HEIs, state universities and colleges ("SUCs"), and local universities and colleges ("LUCs") intending to offer graduate program/s in-campus and/or off-campus through any delivery mode must first secure proper authority from the CHED. Private HEIs, SUCs, and LUCs with CHED Institutional Recognition are eligible to apply for the appropriate government authority to offer graduate programs if they meet any of the following conditions:

- (i) With Center of Excellence ("COE") or Center of Development ("COD") status in the discipline being applied for; or
- (ii) With international accreditation such as ASEAN University Network ("AUN") or Accreditation Board for Engineering and Technology ("ABET"), in the corresponding undergraduate degree program; or
- (iii) With at least Level III program accreditation or equivalent from CHED recognized accrediting agency in the corresponding undergraduate degree program.

Actions for Revocation of a Permit to Operate or Certificate of Recognition

An action for closure or termination of a degree program may be initiated by a verified complaint or petition for

revocation filed before the CHED. When public welfare demands, CHED may order the HEI to cease and desist from operating the degree program pending the outcome of the complaint.

The certificate of recognition may also be revoked or reverted to a permit to operate for a period of 1 academic year, without prejudice to the institution of actions and imposition of appropriate sanctions against the responsible HEI officials, for any of the following causes:

- (a) fraud or deceit committed by the institution in connection with the application to CHED for issuance of the permit to operate or certificate of recognition;
- (b) unauthorized operation of a new institution or branch, or a new degree program or course of study, or any major components thereof;
- (c) mismanagement or gross inefficiency in the operation of the institution or its degree programs or courses of study;
- (d) gross inefficiency of the academic personnel in the discharge of their assigned functions;
- (e) violation of approved standards governing institution advertisements or announcements;
- (f) violation of the constitutional prohibition on ownership and control of educational institutions, or the appointment of administrators who do not meet the qualification standards set by CHED;
- (g) operation or re-opening of a recognized degree program not operated for 2 academic years or more, without confirmation from CHED that the minimum requirements or standards continue to be met;
- (h) transfer of the institution to a site or location detrimental to the operation of its programs, or the transfer of which resulted to failure of the institution to maintain compliance with minimum requirements for the operation of its programs; and
- (i) permission, approval, or commission of practices or activities that are contrary to law, public policy, public order, or morals or inimical to the integrity of the Philippine educational system.

Prohibited Acts

The following acts are subject to civil and criminal penalties and administrative sanctions:

- (a) the operation of an HEI or degree program, or branch or extension thereof (whether local or foreign-based), and/or the operation of an entity representing itself as an HEI absent the required regulatory permits; and/or
- (b) the issuance of any certificate, degree or title by an institution without prior permit or authorization issued by CHED.

It shall be unlawful for a HEI to enroll, or offer to enroll, any student in any degree program without a prior permit to operate or authority issued by CHED.

Any person convicted of any of the above offenses shall be subject to a fine of not less than ₱20,000.00 but not more than ₱100,000.00, or imprisonment for a maximum period of 2 years, or both, at the discretion of the court. If the prohibited act is committed by the HEI, the official responsible for the offense shall be liable, without prejudice to the imposition by CHED of any administrative sanction against the HEI concerned.

Accreditation

The CHED recognizes the following entities (all federated under the Federation of Accrediting Agencies of the Philippines) as accrediting agencies that certify the compliant status of private HEIs and their programs with common standards:

- (a) Philippine Accrediting Association of Schools, Colleges and Universities (“PAASCU”);
- (b) PACU-COA;
- (c) Association of Christian Schools, Colleges and Universities Accrediting Agency, Inc. (“ASCU-AAI”); and
- (d) Technical Vocational Education Accrediting Agency of the Philippines (“TVEAAP”).

There are various levels of accreditation status based on the levels of standards and requirements provided for in

the Manual of Regulations. In general, accredited status grants, among others, the benefit of administrative and academic deregulation as well as the grant of subsidies and other similar financial incentives subject to approval of fund appropriations as part of the national budget process.

No Permit, No Exam Prohibition Act (Republic Act No. 11984)

In line with the State's policy to protect and promote the right of all citizens to quality education, Republic Act No. 11984 was enacted to allow "disadvantaged" students who are unable to pay tuition and other relevant fees to take the scheduled periodic and final examinations without requiring a permit. This applies to all public and private basic (K to 12) institutions, higher education institutions, and technical-vocational institutions for courses exceeding one (1) year. It bears noting that this law shall be without prejudice to the right and power of educational institutions to require the submission of a promissory note, withhold records and credentials of students and such other legal and administrative remedies available to them for the collection of the unpaid fees. The determination of what constitutes a disadvantaged student rests on the DSWD and other relevant stakeholders and this shall be the subject of a separate rules and regulations.

Free College Entrance Examinations Act (Republic Act No. 12006)

The Free College Entrance Examinations Act mandates private higher education institutions (HEIs) to waive the college entrance examination fees and charges imposed on qualified graduates and graduating students who are applying for college admission. To be eligible for the waiver of college entrance examination fees and charges, the graduate or graduating student must:

1. Be natural-born Filipino citizen;
2. Belong to the top 10% of his or her graduating class;
3. Belong to a family whose combined household income falls below the poverty threshold as defined by the National Economic and Development Authority or cannot afford in a sustained manner to provide for their minimum basic needs of food, health, education, housing and other essential amenities of life duly certified as such by the Department of Social Welfare and Development;
4. Apply for college entrance examination to any private HEI within the country;
5. Satisfy all other requirements as specified by the private HEI concerned.

Taxation

Under the 1987 Constitution, proprietary educational institutions, including those owned by cooperatives, may be entitled to tax exemptions subject to the limitations provided by law, including restrictions on dividends and provisions for reinvestment.

Subject to conditions prescribed by law, all grants, endowments, donations, or contributions used actually, directly, and exclusively for educational purposes shall be exempt from tax. Likewise, all lands, buildings and improvements actually, directly, and exclusively used for educational purposes shall be exempt from taxation. However, such tax exemption covers property taxes only regardless of whether the educational institution is proprietary or non-profit.

The BIR has issued Revenue Memorandum Circular No. 78-2022 ("RMC No. 78-2022") to clarify the classification and tax treatment of educational institutions referred to in the National Internal Revenue Code of 1997, as amended ("Tax Code"). Under RMC No. 78-2022, the income of a proprietary educational institution, i.e., private schools having permits to operate from the DepEd, CHED, or TESDA, that is considered a "corporation," as defined under Section 22(B) of the Tax Code, and is organized in or existing under the laws of the Philippines, is subject to the 10% preferential income tax rate under Section 27(B) of the Tax Code, provided, that beginning 1 July 2020 until 30 June 2023, the tax rate imposed shall be one percent (1%). The BIR issued Revenue Memorandum Circular No. 69-2023 stating that, effective 1 July 2023, the rate of regular corporate income tax (RCIT) for proprietary educational institutions shall revert to 10% of its taxable income.

All domestic non-stock, non-profit ("NSNP") educational institutions whose net income or assets accrue/inure to or

benefit any member or specific person shall likewise be subject to the 10% preferential income tax rate under Section 27 (B) of the Tax Code, provided, that beginning 1 July 2020 until 30 June 2023, the tax rate imposed shall be 1%.

If the gross income of the domestic corporation proprietary educational institution — including NSNP educational institution in the preceding paragraph insofar as its revenues or income not used actually, directly and exclusively for educational purposes are concerned — from “unrelated trade, business or other activity”²³ exceeds fifty percent (50%) of the total gross income it derived from all sources, the regular corporate income tax prescribed in Section 27(A) of the Tax Code shall be imposed on the entire taxable income of the said institution.

Reiterating the constitutional exemption, RMC No. 78-2022 states that all revenues and assets of NSNP educational institutions used actually, directly and exclusively for educational purposes shall be exempt from taxes and duties. For the constitutional exemption to be enjoyed, the NSNP educational institution must comply with the 2 requisites: (1) the school must be NSNP; and (2) the income is actually, directly and exclusively used for educational purposes. To avail of the exemption, the taxpayer must factually prove that its income or revenues are used actually, directly and exclusively for educational purposes, and that no net income or asset accrues to the benefit of any member of the corporation. For this purpose, the NSNP educational institution shall submit, together with the required annual income tax return, a detailed breakdown of the expenses defrayed from each nature of revenues/income or an accounting for those actually, directly and exclusively used for educational purposes for the exemption to set in.

CHED Policies, Standards, and Guidelines Governing the Sale, Merger, or Consolidation of Private Higher Education Institutions in the Philippines.

In accordance with the pertinent provisions of Section 2, Article XIV of the 1987 constitution, Section 8 (paragraphs d and n) of the Higher Education Act of 1994, and in consonance with Batas Pambansa Blg. 68 otherwise known as the “Corporation Code of the Philippines”, CHED issued Memorandum Order (“CMO”) No. 41 s. 2016 – to institute a mechanism and procedure to govern the acquisition, sale, merger, or consolidation of higher education institutions in the Philippines.

As a general policy, the sale, merger, acquisition, or consolidation of higher educational institutions shall require the endorsement and/or approval of CHED.

The CHED must be informed of any contemplated sale involving HEIs. A Buyer, or any of its appropriate representatives, shall inform CHED of its intent to purchase a particular HEI or any interest therein within 30 days before the Buyer has firmed up preliminary plans to negotiate acquisition of the said HEI. Whether the sale pushes through or not, the Buyer shall communicate to CHED the results of their final negotiations with the HEI. In case of successful negotiations, the Buyer shall fully disclose in writing the identities of the parties in interest, and the new owners or shareholders.

Upon notification of the CHED of the change of ownership of the HEI subject of sale, the new owners may immediately apply for the confirmation of permits, recognitions, and other status or entitlements. The government permits or recognitions and other status or similar conditions of the HEI shall be acquired by or transferred to the buyer, the absorbing entity, or the new entity (as the case may be), subject to the evaluation and approval of the CHED, only in the following cases:

- (a) where the sale/transfer of assets of the school involves all or substantially all of the property or assets necessary or required for the operation of the school established as a non-stock corporation;

²³ The term “unrelated trade, business or other activity” means any trade, business or other activity, the conduct of which is not substantially related to the exercise or performance by such educational institution of its primary purpose or function.

- (b) where the sale/transfer or assets of the school involves at least a majority of the shares of stock in case of stock corporations, provided that foreign ownership shall not in any case exceed forty percent (40%) of the outstanding capital stock of the corporation.

On the part of the HEI, in the event that there is a change in ownership of the higher education institution either through sale of, transfer/assignment of rights/interests or ownership, or similar modes, it shall be the duty of the Chairman of the Board of Trustees/Directors of the private higher education institution to fully disclose in writing, within fifteen (15) days, to the CHED the change in ownership specifying the identities of the new owners or shareholders and other pertinent information.

The Commission, through its appropriate offices and officials, within thirty (30) days, shall confirm the permits, recognition, status, or similar conditions of the HEI subject of sale or merger effected either through the sale/transfer or acquisition of assets in the case of non-stock corporation, or of shares of stock in the case of stock corporations, or through any of the mergers or consolidation contemplated therein, if compliant under the CMO provided that the sale or merger shall result to better quality education.

In case of a partial sale, merger, or consolidation, the acquisition or transfer of the permits, recognition, and/or status of the HEI to the buyer or transferee shall be subject to the approval of CHED and such stipulations as CHED may deem appropriate. A partial sale, merger, or consolidation may involve only the tangible assets of the school such as real property, or a portion of the school's operations.

Technical Education and Skills Development Authority

The TESDA was established through the enactment of Republic Act No. 7796, otherwise known as the "Technical Education and Skills Development Act of 1994". It aims to encourage the full participation of and mobilize the industry, labor, local government units, and technical-vocational institutions in the skills development of the country's human resources. It also integrated the functions of the former National Manpower and Youth Council ("NMYC"), the Bureau of Technical-Vocational Education of the Department of Education, Culture and Sports ("BTVE-DECS"), and the Office of Apprenticeship of the Department of Labor and Employment ("DOLE").

The mandate of TESDA includes (i) integration, coordination, and monitoring of skills development programs; (ii) restructuring efforts to promote and develop middle-level manpower; (iii) approving skills standards and tests; (iv) developing accreditation systems for institutions involved in middle-level manpower development; (v) funding of programs and projects for technical education and skills development; and (vi) assisting in training programs.

On June 30, 2016, the Philippines adopted Executive Order No. 1 ("E.O. No. 1"). It effectively placed TESDA and other government agencies under the supervision of the Cabinet Secretary. Moreover, the said E.O. No. 1 mandates that the covered agencies shall primarily evaluate existing poverty reduction programs and, if deemed necessary, formulate a more responsive set of programs complementing existing ones, channeling resources as necessary to reduce both the incidence and magnitude of poverty. Other duties and responsibilities have also been ascribed to the concerned agencies under the said E.O. No.1. TESDA was later placed under the Department of Trade and Industry on October 31, 2018, following the reorganization of the Office of the Cabinet Secretary.

All Training, Vocational, Education and Training ("TVET") programs offered to the public in exchange for a fee shall be subject to the Amended Omnibus Guidelines on Program Registration under the Unified Technical Vocational Education and Training Program Registration and Accreditation System issued by TESDA under TESDA Memorandum Circular No. 7, series of 2016. Institutions offering TVET programs (such as TESDA technology institutions, public and private technical vocational institutes, HEIs, state universities and colleges, and local college and university training centers) must register their TVET programs with the TESDA. Successful registration attests to the capacity of such institution to undertake and deliver the stated curricula to learners in compliance with the minimum standards prescribed by TESDA, and is evidenced by a certificate of TVET program registration.

REGULATIONS RELATING TO THE PROPERTIES BUSINESS

The Subdivision and Condominium Buyer's Protective Decree

Presidential Decree No. 957 ("PD No. 957") is the principal statute which regulates the development and sale of real property as part of a condominium 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, lightning systems, and other similar basic requirements in order to guarantee the health and safety of home and lot buyers. The National Housing Authority (NHA) was created and granted exclusive jurisdiction to regulate the real estate trade and business in accordance with PD No. 957.

The registered owner of a parcel of land who wishes to convert the same into a subdivision project shall submit his subdivision plan to the NHA which shall act upon and approve the same, upon a finding that the plan complies with the Subdivision Standards' and Regulations enforceable at the time the plan is submitted. The same procedure shall be followed in the case of a plan for a condominium project except that, in addition, said Authority shall act upon and approve the plan with respect to the building or buildings included in the condominium project in accordance with the National Building Code.

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

Batas Pambansa Blg. 220 and its Implementing Rules and Regulations apply to the development of economic and socialized housing projects in urban and rural areas. To carry out the foregoing policy, the Ministry of Human Settlements was authorized to establish, and promulgate different levels of standards and technical requirements applicable to the development of either a house and lot or a house or lot only.

Under Executive Order No. 71, Series of 1993, cities and municipalities assume the powers of the Housing and Land Use Regulatory Board (HLURB) over the: a) Approval of preliminary and final subdivision schemes and development plans for all subdivisions, residential, commercial, industrial projects; 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.

Urban Development and Housing Act of 1992

Republic Act No. 7279 or the Urban Development and Housing Act of 1992, as amended recently by Republic Act No. 10884 or the Balanced Housing Development Program Amendments, requires developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least fifteen percent (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 HLURB 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.

The HLURB subsequently passed Board Resolution No. 965, Series of 2017, or the Revised Implementing Rules and Regulations of RA 7279, which enumerated the procedure and manners of compliance for the aforementioned socialized housing requirements.

The Condominium Act

Republic Act No. 4726, otherwise known as “The Condominium Act”, regulates the development and sale of condominium projects, and requires the annotation of the master deed or the declaration of restrictions on the title of the land on which the condominium project shall be located. The master deed contains, among other things, the description of the land, building/s, common areas, and facilities of the condominium project. The declaration of 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.

Republic Act No. 7899 amended relevant provisions of the Condominium Act. Under the amendment, the Master Deed may be amended upon registration of an instrument executed by a simple majority of the registered owners of the property provided that, there must be prior notifications to *all* the registered owners. When the simple majority of the registered owners agree to such amendment, a Board Resolution reflecting such agreement shall be submitted to the HLURB and the city or municipal engineer for approval. It also provides that 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 prior notification to all registered owners are done.

Department of Human Settlements and Urban Development Act

Republic Act No. 11201, otherwise known as “Department of Human Settlements and Urban Development Act” (“DHSUD”), was signed by former President Duterte on February 14, 2019. The Implementing Rules and Regulations of the Act was approved on July 19, 2019. This Act created DHSUD through the consolidation of the Housing and Urban Development Coordinating Council (“HUDCC”) and HLURB, simultaneously with the reconstitution of HLURB into Human Settlement Adjudication Commission (“HSAC”). The functions of the HUDCC and the planning and regulatory functions of HLURB shall be transferred to and consolidated in the DHSUD, while the HSAC shall assume and continue to perform the adjudication functions of HLURB.

The DHSUD shall:

1. Act as the primary national government entity responsible for the management of housing, human settlement and urban development;
2. Be the sole and main planning and policy-making, regulatory, program, coordination, and performance monitoring entity for all housing, human settlement and urban development concerns, primarily focusing on the access to an affordability of basic human needs. The following functions of HLURB are transferred to DHSUD:
 - a. The land use planning and monitoring function, including the imposition of penalties for noncompliance to ensure that LGUs will follow the planning guidelines and implement their Comprehensive Land Use Plans and zoning ordinances;
 - b. The regulatory function, including the formulation, promulgation, and enforcement of rules, standards and guidelines over subdivisions, condominiums and similar real estate developments, and imposition of fines and other administrative sanctions for violations, pursuant to P.D. 957, as amended, B.P. 220 and other related laws; and
 - c. The registration, regulation and supervision of Homeowners Associations, including the imposition of fines for violations, pursuant to Republic Act No. 9904 or the “Magna Carta for Homeowners and Homeowners’ Associations”, Section 26 of Republic Act No. 8763 or the “Home Guaranty Corporation Act of 2000” in relation to Executive Order No. 535, series of 1979, and other related laws.
3. Develop and adopt a national strategy to immediately address the provision of adequate and affordable housing to all Filipinos, and ensure the alignment of the policies, programs, and projects of all its attached agencies to facilitate the achievement of this objective.

All existing policies and rules and regulations of the HUDCC and the HLURB shall continue to remain in full force and effect unless subsequently revoked, modified, or amended by the DHSUD or the HSAC, as the case may be.

All applications for permits, licenses, and other issuances pending upon the effectivity of the Act and filed during the transition period shall continue to be acted upon by the incumbents until transition shall have been completed.

All cases and appeals pending with the HLURB shall continue to be acted upon by the HLURB Arbiters and the Board of Commissioners, respectively, until transition shall have been completed and the Commission's operations are in place. Thereafter, the Regional Adjudicators and the Commission shall correspondingly assume jurisdiction over those cases and appeals. All decisions of the Commission shall thenceforth be appealable to the Court of Appeals under Rule 43 of the Rules of Court.

Indigenous Peoples Rights of 1997

Republic Act No. 8371, otherwise known as the "Indigenous Peoples Rights Act of 1997" recognizes and promotes the rights of indigenous cultural communities (ICCs) and indigenous peoples (IPs). The National Commission on Indigenous Peoples (NCIP) is the primary government agency that formulates and implements policies and programs for the promotion and protection of the rights of ICCs and IPs and the recognition of their ancestral domains and their rights thereto. It is mandated the proponent of any activity undertaken within any area covered by a Certificate of Ancestral Domain/Land Claim/Title issued by the NCIP to any ICC or IP must obtain the free and prior informed consent of all members of the ICCs/IPs, and, thereafter, the Certification of Pre-condition issued by the NCIP.

In case no ICCs or IPs claim any rights over the site of the proposed activity, a Certificate of Non-Overlap issued by the NCIP is required to be obtained by the proponent of such activity from the NCIP.

RELEVANT REGULATIONS RELATING TO THE CONSTRUCTION MATERIALS BUSINESS

Safeguard Measures Act

Republic Act No. 8800, otherwise known as the Safeguard Measures Act, was established to protect domestic industries and producers from increased imports that cause or threaten to cause serious injury to domestic industries and producers. The Safeguard Measures Act provides temporary protection to a Philippine industry affected by the surge in imports. Moreover, it authorizes the Philippine government to restrict imports, after results of the investigations carried out by competent authorities establish that imports are taking place in such increased quantities as to cause or threaten to cause serious injury to the domestic industry that produces similar or directly competitive products. The measure is applied to imports of like or directly competitive products from all sources. Further, in critical circumstances where a delay would cause damage which would be difficult to repair, and pursuant to a preliminary determination that increased imports are a substantial cause of, or threaten to substantially cause, serious injury to the domestic industry, the DTI or Department of Agriculture Secretary shall immediately issue, through the Secretary of Finance, a written instruction to the Commissioner of Customs authorizing the imposition of a provisional general safeguard measure.

Anti-Dumping Act

Republic Act No. 8752, known as the Anti-Dumping Act, was established to protect Philippine industries from unfair competition resulting from the importation of goods sold at a price lower than their normal value in the country of origin. This practice, known as dumping, can harm domestic industries by undercutting local prices, leading to loss of market share and potential closure of businesses. The Anti-Dumping Act provides a mechanism for domestic producers to seek relief through the imposition of anti-dumping duties on imported goods found to be sold at dumped prices. The Philippine government, through the Department of Trade and Industry (DTI) or the Tariff Commission, conducts investigations to determine whether dumping is occurring and if it is causing material injury to the domestic industry. If both are established, anti-dumping duties may be imposed to offset the price difference and level the playing field for local producers. The law also allows for the imposition of provisional anti-dumping duties during the investigation period if there is sufficient evidence of dumping and injury to the domestic industry.

Tatak Pinoy (Proudly Filipino) Act

Republic Act No. 11981, known as the Tatak Pinoy Act, is a legislative measure aimed at strengthening and promoting Filipino products, industries, and services to enhance their competitiveness in both local and global markets. The Act seeks to establish a comprehensive framework for supporting the development of a "Tatak Pinoy" or "Proudly Filipino" brand, which signifies high-quality, locally made goods and services. The law encourages the use of Filipino-made products in both public and private sectors through incentives and procurement policies. The overarching goal of the Tatak Pinoy Act is to enhance the country's industrial base, create jobs, and drive sustainable economic growth by making Filipino products competitive on a global scale.

Consumer Act of the Philippines

Republic Act No. 7394, otherwise known as the Consumer Act of the Philippines ("Consumer Act"), seeks to protect consumers against hazards to health and safety as well as deceptive, unfair, and unconscionable sales acts and practices. The Consumer Act establishes quality and safety standards for the composition, contents, packaging, labeling, and advertisement of products, and prohibits the manufacture for sale, offer for sale, distribution, or importation of products that are not in conformity with the applicable consumer product quality or safety standards promulgated thereunder. It is primarily enforced by the Department of Trade and Industry.

Violation of the provisions of the Consumer Act imposes fines ranging from One Thousand Pesos (₱1,000.00) to Ten Thousand Pesos (₱10,000.00) or jail time of not less than two (2) months but not more than one (1) year or both, upon discretion of the court. At present, Senate Bill 942 or the proposed Enhanced Consumer Act which seeks to strengthen consumer rights and contribute to the improvement of commerce for the benefit of the economy, is pending deliberations in Congress.

The Standards Law

The Bureau of Philippine Standards of the Department of Trade and Industry ("DTI-BPS") serves as the National Standards Body ("NSB") of the Philippines and is mandated to develop, promulgate, and implement standards for all products in the Philippines, to promote standardization activities in the country, and to ensure the manufacture, production, and distribution of quality products for the protection of the consumer. The Bureau was created on 20 June 1964 through Republic Act No. 4109, otherwise known as the Standards Law.

The mandate of RA 4109 is reiterated by the Consumer Act which declares that it is the duty of the State to develop and provide safety and quality standards for consumer products, including performance or use-oriented standards, codes of practice and methods of tests. Crucial to the fulfillment of mandate of DTI-BPS is the availability of relevant Philippine National Standards ("PNS") that are responsive to the needs of consumers and technological developments.

DTI Department Administrative Order No. 2, Series of 2002, prescribed the rules and regulations that cover the responsibilities and liabilities of manufacturers, importers, traders, wholesalers, distributors, retailers and or their agents of all products covered by mandatory standards, the procedures for compliance, and to ensure compliance as well as corrective measures and penalties in the event of non-compliance and violations.

DTI Department Administrative Order No. 17-06, series of 2017 (DAO 17-06) was issued to ensure that cement products strictly meet the specified safety and/or quality requirement/s prescribed by the DTI-BPS. Only cement sourced from cement manufacturing plants holding a valid PS Quality and/or Safety Certification Mark License/s shall be permitted to be distributed in the Philippines.

To supplement DAO 17-06 and address the confusion amongst consumers on cement product labeling, DTI subsequently issued Memorandum Circular No. 20-56. It specified the portland cement and/or blended hydraulic cement marking requirements for all locally manufactured and imported cement products shipped in bulk and bagged in the Philippines, and for those locally manufactured and imported cement products in tonner/jumbo bags.

As of January 25, 2021, BPS Memorandum Circular No. 21-05, Series of 2021 includes cement and other construction materials under the list of products which requires mandatory certification.

Import Regulations

Pursuant to the Department of Finance Department Order No. 011-2018 dated 9 February 2018, the authority to accredit and register importers and custom brokers was reverted solely to the Bureau of Customs (“BOC”) for purposes of simplification of process pursuant to Section 1200 of R.A. No. 10863, otherwise known as the Customs and Modernization and Tariff Act (“CMTA”). The BOC is, however, mandated to transmit to the BIR on a quarterly basis the list of approved/accredited customs brokers and importers for post-accreditation validation of tax compliance. In case of any findings of tax deficiency or non-compliance, the BIR must notify the BOC of such findings immediately.

Cement manufacturers who shall engage in importation and exportation of goods subject to the regulation of the BOC must comply with the provisions of the CMTA on securing the necessary goods declaration or export declaration, clearances, licenses, and any other requirements, prior to importation or exportation, as well as the accreditation as importer under Customs Administrative Order No. 07-2022 (“CAO No. 07-22”).

For new importers, the following documents are to be submitted:

- a. Duly completed application form;
- b. Bureau of Customs Official Receipt evidencing payment of Processing Fee;
- c. Printed CPRS of the Company and updated notification of “STORED” status, unless dispensed by AMO or equivalent office;
- d. Written Authority as Signatory in the Application Form and Authorized Signatories in the Goods Declaration, to wit:
 - d.1. Corporate Secretary’s Certificate (Corporation);
 - d.2 Partnership Resolution (Partnership);
 - d.3 Cooperative Resolution (Cooperative);
 - d.4 Affidavit of Proprietor as sole signatory (Sole proprietorship);
- e. PhilID or PhilSys Number (PSN) issued the Philippines Statistics Authority (PSA), subject to authentication, or in the absence thereof, two (2) valid government issued IDs (with picture) of Applicant, President and Responsible Officers;
- f. BIR Registration Form 2303;
- g. Proof of Business Registration, to wit:
 - g.1. Copy of SEC, Articles of Incorporation and latest GIS (For corporations);
 - g.2 Copy of SEC Registration, Articles of Partnership (For partnership);
 - g.3 Copy of Cooperative Development Authority (CDA) Registration, Articles of Cooperation, Latest Cooperative Annual Progress Report (CAPR) (For cooperatives);
 - g.4 Copy of DTI Certificate of Business Name Registration (For sole proprietorship);
- h. Proof of financial capacity to import, (Bank Certificate or other forms of financial certification), excluding Top 1000 Taxpayers and those with SGL accreditations;
- i. Valid Mayor’s Permit where the main office is located;
- j. Company Profile with pictures of the office with proper and permanent signage, and warehouse/storage facility, if available;
- k. Location Map of office address, and warehouse/storage facility if available;
- l. Proof of Lawful Occupancy of Office Address, and warehouse if available, such as:
 - l.1. Lease contract entered into by the applicant;
 - l.2. Title of the property in the name of the applicant;
 - l.3. Affidavit of Consent from the owner and the title of the property under his/her name in case of usufruct; or
 - l.4. Notarized certification from the lessor or owner allowing the sharing of office in case of sublease;
- m. Income Tax Return (ITR) for the past three (3) years duly received by the BIR, if applicable;

- n. NBI Clearance of authorized signatory in the Application Form;
- o. Personal Profile of the applicant or authorized signatory in the application, the President, and Responsible Officer;
- p. Company Profile with Geotagged Photos of office with proper and permanent signage, and Geotagged Photos of warehouse/storage area, if applicable.
- q. Endorsement from the District Collector, if applicable; and
- r. List of Importables with pictures.

Contractor's License

The issuance of P.D. 1746 on 28 November 1980 created the Construction Industry Authority of the Philippines (the "CIAP") to promote, accelerate and regulate the growth and development of the construction industry in conformity with national goals. The Board was then composed of the Minister of Industry as Chairman, the Chairmen of the Philippine Contractors Accreditation Board, Philippine Overseas Construction Board, Philippine Domestic Construction Board, and Construction Manpower Development Foundation, the President of the Philippine Contractors Association, and a representative from the private construction sector, as members.

Republic Act. No. 4566 (R.A. No. 4566), as amended by Presidential Decree No. 1746 and Republic Act No. 11711, or the "Contractor's License Law" created the Construction Industry Authority of the Philippines ("CIAP") and authorized it, among others, to evolve an overall strategy and exercise centralized authority for the optimum development of the construction industry. Under Section 3 of P.D. 1746, the CIAP shall be attached to the then Ministry of Industry, now Department of Trade and Industry (the "DTI") for policy and program coordination. It shall exercise authority, jurisdiction, and supervision over the following agencies which shall act as its implementing arms: (i) Philippine Contractors Accreditation Board ("PCAB"); (ii) Philippine Overseas Construction Board ("POCB"); (iii) Philippine Domestic Construction Board ("PDCB"); and (iv) Construction Manpower Development Foundation ("CMDF"). On 04 February 1985, E.O. No. 1008 was implemented, creating arbitration machinery in the construction industry of the Philippines known as the Construction Industry Arbitration Commission ("CIAC").

The PCAB was mandated to assume the functions of the abolished Philippine Licensing Board for Contractors under R.A. No. 4566. The POCB's objective is to formulate, policies, plans, programs, and strategies for developing the Philippine overseas construction industry; regulate and control the participation of construction contractors in overseas construction projects; and administer the grant of incentives for Filipino overseas contractors. The functions of the PDCB are to formulate, recommend and implement policies, rules, regulations, and guidelines and adjudicate disputes arising from public construction projects. On the other hand, CMDF's function is to formulate an overall construction manpower development plan and strategies, and develop and implement manpower training programs for the construction industry, among others. Finally, CIAC's objective is to formulate and adopt an arbitration program for the construction industry as well as the supervision of the said program, and to enunciate policies and prescribe rules and procedures for construction arbitration.

The Contractors' License Law provides that no contractor, including sub-contractor and specialty contractor, shall engage in the business of contracting without first having secured a PCAB license to conduct business. The purpose of the Contractors' License Law is to ensure, for the safety of the public, that only qualified and reliable contractors are allowed to undertake construction in the country. The law also aims to promote for the benefit of the public and private sectors and the national interest, the orderly growth of the contracting sector, and the upgrading of construction capability. Failure to obtain a license as required will result in penalties to be imposed by the PCAB.

In granting such a license, the PCAB takes into consideration the applicant-contractor's qualifications and compliance with certain minimum requirements in the following criteria: (a) financial capacity, (b) equipment capacity, (c) experience of the firm, and (d) experience of technical personnel. Philippine laws also require a contractor to secure construction permits and environmental clearances from appropriate Government agencies before actually undertaking each project.

All contractors are required to secure either a regular or special license from PCAB.

A regular license is issued to a domestic construction firm (a Filipino sole proprietorship or a partnership/corporation with at least sixty percent (60%) Filipino equity) and is renewed annually, on or before June 30 of each year. PCAB has issued Resolution No. 333, Series of 2013 allowing foreign construction firms with more than forty percent (40%) foreign equity to qualify for a regular AAAA license provided that such firms comply with the following requirements:

- One Billion (₱1,000,000,000.00) minimum capitalization;
- Compliance with SEC Registration and Equity Requirements;
- Engagement is limited to private domestic construction projects with contract cost of at least One Billion (₱1,000,000,000.00);
- Procurement of civil liability insurance;
- Compliance with Philippine laws; and
- Provided there is compliance with the PCAB qualification standards for a Filipino Authorized Managing Officer, such firms may hire a Foreign Authorized Managing Officer.

A foreign contractor who is not able to meet the One Billion (₱1,000,000,000.00) capitalization may be granted a special license to engage in the construction of a single specific project or undertaking with a project cost of at least One Billion (₱1,000,000,000.00) if there is limited local capability in technology as determined by the Philippine Domestic Construction Board.

Furthermore, on March 27, 2017, PCAB issued Resolution No. 079, Series of 2017 which categorizes a regular AAAA license into two types:

- AAAA Platinum – This may be granted to locally-owned contractors with at least One Billion (₱1,000,000,000.00) minimum capitalization; and
- AAAA Gold – This may be granted to foreign-owned domestic corporations with at least One Billion (₱1,000,000,000.00) minimum capitalization.

AAAA Gold contractors may undertake private projects under the following contract costs: (1) minimum contract cost of Five Billion (₱5,000,000,000.00) for vertical projects; and (2) minimum contract cost of Three Billion (₱3,000,000,000.00) for horizontal projects.

AAAA Platinum contractors may undertake government and private projects of any contract cost.

AAA category shall be limited to general contractors. However, AAAA contractors may engage licensed subcontractor/specialty contractors to work on portions of its projects.

A special license is issued to a joint venture, a consortium, foreign contractor, or a project owner who authorizes the licensee to engage only in the construction of a single, specific project or undertaking, and is cancelled by PCAB upon completion of the single specific undertaking or project authorized by the license.

However, The Philippine Supreme Court, in *Philippine Contractors Accreditation Board Vs. Manila Water Company, Inc.* (G.R. No. 217590. March 10, 2020), which was released to the public on August 26, 2020, has struck down for being void the nationality requirement in the grant of a regular PCAB license. As of September 2020, there are still pending Motions for Reconsideration before the Philippine Supreme Court.

In addition to the above, the CIAP Revised Guidelines for Registration and Classification of Contractors issued on 1 March 1991 provides that a contractor must first meet all of the following requirements before it can be legally qualified for registration with the Inter-Agency Committee tasked to provide for registration and classification of contractors:

- (a) Possession of a valid Contractor's License for the current year pursuant to Republic Act No. 4566;

- (b) For a joint venture, a subscribed joint venture agreement making the parties jointly and severally liable for a particular contract and compliance with Letter of Instructions No. 630 (at least seventy five percent (75%) Filipino capital);
- (c) Also, for a joint venture, a separate Joint Venture License per R.A. No. 4566 on a project to project basis; and
- (d) In the case of foreign contractors, a special license duly issued by the PCAB for a particular project and a certificate as bona-fide contractor in their own country duly authenticated by their respective embassies/consulates.

To settle the foreign equity limitations on contractors, the SEC in SEC-OGC Opinion No. 27-14 dated 2 October 2014, opined that construction corporations catering exclusively to private construction contracts are not subject to limitation on foreign ownership and that the same can be majority-owned by foreign nationals, provided that it is not engaged in any of the industries indicated in the current Negative List, and the minimum capitalization requirement therein is satisfied.

Any contractor who, for a price, commission, fee or wage, submits or attempts to submit a bid to construct, or contracts to or undertakes to construct, or assumes charge in a supervisory capacity of a construction work, without first securing a license to engage in the business of contracting in the Philippines shall be penalized with a fine of not less than One hundred thousand pesos (₱100,000.00) but not more than Five hundred thousand pesos (₱500,000.00) plus the equivalent of one-tenth of one percent (0.1%) of the project cost. Furthermore, the offending party shall be prohibited from obtaining a contractor's license for a period of one (1) year from the time that party is found guilty under this provision.

A contractor's license is generally valid for one (1) year from the date of its issuance. However, with the enactment of Republic Act No. 11711, a contractor that has been in operation in good standing for twenty-five (25) years or more may be granted a license that is valid for three (3) years. If the contractor has only been operating in good standing for ten (10) years but not more than twenty-five (25) years, the license to be granted may have a validity period of two (2) years.

Authority of the Freeport Area of Bataan

In 1972, the Bataan Export Processing Zone ("BEPZ") became the first official economic zone in the Philippines. The BEPZ was one of the most progressive communities in Luzon during its first decade of operation. However, in the 1990s, the development in the BEPZ stagnated and then declined rapidly. This led to the enactment of Republic Act No. 9728, otherwise known as the Freeport Area of Bataan ("FAB") Act in October 2009, which converted the BEPZ into the FAB, a special economic zone and freeport with a dedicated governing authority, the Authority of the Freeport Area of Bataan ("AFAB").

The FAB Act was then amended in 2019 with the enactment of Republic Act No. 11453, which extends the Bataan freeport's territory to include the rest of Mariveles outside the former Bataan Economic Zone and its municipal waters, as well as the alienable and disposable public lands and municipal waters of the expansion areas. Under the law, foreign citizens and companies owned by non-Filipinos in whatever proportion may set up enterprises in the FAB by themselves or in a joint venture with Filipinos in any sector of industry, international trade, and commerce. The said law also authorizes the FAB to require a minimum investment in freely convertible currencies from any enterprise seeking registration as a FAB enterprise. FAB-registered enterprises enjoy several tax incentives granted under the law.

Occupational Health and Safety Standards

Please see discussion under "*Relevant Regulations Applicable in General*".

Environmental Impact Statement System

Please see discussion under “*Environmental Regulations*”.

Toxic Substances, Hazardous and Nuclear Wastes Control Act

Please see discussion under “*Environmental Regulations*”.

Philippine Clean Air Act

Please see discussion under “*Environmental Regulations*”.

Philippine Clean Water Act

Please see discussion under “*Environmental Regulations*”.

Municipal Laws / Business Permit

A Mayor’s Permit from the local government unit having jurisdiction over the area where an entity is operating must be secured before doing business in the said city or municipality. A Mayor’s Permit is issued only after compliance with certain local government requirements, including, but not limited to, obtaining the Sanitary Permit, Certificate of Electrical Inspection, Fire Safety Inspection, Locational Clearance, Barangay Business Clearance, and payment of the corresponding fees. These ancillary permits are valid for one (1) year and must be renewed before the Mayor’s Permit is issued. Failure to obtain a mayor’s permit may expose an entity to fines and penalties, and even suspension or closure of its business.

REGULATIONS RELATING TO THE HOSPITALITY BUSINESS

Philippine Tourism Act (Republic Act No. 9593) and Department of Tourism Certificate of Accreditation

Republic Act No. 9593, or the Philippine Tourism Act of 2009, authorized the Department of Tourism (“DOT”) to be the primary planning, programming, coordinating, implementing and regulatory government agency in the development and promotion of the tourism industry, both domestic and international, in coordination with attached agencies and other government instrumentalities. It requires primary tourism enterprises, such as accommodation establishments (e.g. hotels and resorts), to secure accreditation from the DOT. A DOT Certificate of Accreditation is a precondition to the issuance by the pertinent local government unit of a license or permit to operate a primary tourism enterprise. Moreover, only accredited enterprises are entitled to participate in the DOT’s promotional, training, and other programs.

Hotel Code of 1987

The Philippine Department of Tourism promulgated the Hotel Code of 1987 in order to govern the business and operation of all hotels in the Philippines. Investors who wish to operate a hotel must first register and apply for a license with the local government of the city or municipality where the hotel is located. A certificate of registration and license as a hotel will not be granted unless the relevant establishment has passed all the conditions of the Hotel Code, the Fire and Building Codes, Zoning Regulations, and other municipal ordinances. The Hotel Code provides minimum standards for the establishment, operation, and maintenance of hotels depending on the hotel’s classification.

This Code was further supplemented with the “Rules and Regulations to Govern the Accreditation of Hotels, Tourist Inns, Motels, Apartels, Resorts, Pension Houses and Other Accommodation Establishments” pursuant to the devolution of DOT’s regulatory functions over tourist establishments under Republic Act No. 7160 or the Local Government Code.

For purposes of registration, licensing, and accreditation, hotels are classified into four (4) categories: (a) De Luxe Class; (b) First Class; (c) Standard Class; and (d) Economy Class. The minimum requirements for the location, bedroom facilities and furnishings, front office/reception, housekeeping, food and beverage, recreational facilities, entertainment, engineering and maintenance, general facilities, service and staff, and special facilities, vary depending on the classification of the hotel, or if it is an apartel, tourist inn, or motel.

No certificate of registration and license as a hotel or any building, edifice or premises, or a completely independent part thereof, shall be granted unless it has passed all the conditions of the Hotel Code, the Fire and Building Codes and other municipal ordinances.

The certificate of registration of the hotel shall be applied with the DOT only once at the start of operation of the hotel. It should only be reapplied for if the hotel has ceased operations for at least six (6) months or if its license has been revoked for some reason or the other.

The license to operate the hotel is valid for one (1) year from the date of issue, to be renewed every year on or before the date of expiration thereof. No hotel owner or operator shall transfer or alienate the certificate of registration and license of the hotel without the prior approval of the DOT. Further, the DOT shall be notified of any transfer of ownership in a majority interest of the outstanding capital stock of a hotel.

The Tourism Act of 2009 further provides that primary tourism enterprises shall be periodically required to obtain accreditation from the DOT as to the quality of their facilities and standard of services. Meanwhile, accreditation shall be voluntary for secondary tourism enterprises. However, only accredited enterprises shall be beneficiaries of promotional, training and other programs of the DOT and its attached agencies and corporations.

For purposes of accreditation, the Rules and Regulations previously mentioned direct that the application form must be submitted with the following documents:

- (a) In the case of corporation or partnership, a certified true copy of the Articles of Incorporation, its by-laws, or Articles of Partnership and amendments thereof, duly registered with the SEC, and Business Name Certificate; in case of single proprietorship, Business Name Certificate and amendments thereof, if any.
- (b) Applicant's latest income tax return and audited financial statements for the preceding year of its operation (not applicable for new establishments).
- (c) List of the names of all officials and employees and their respective designations, nationalities, home addresses; for alien personnel — valid visa from the Bureau of Immigration (“BI”) and the appropriate permit from the DOLE.
- (d) Mayor's permit and/or municipal license.
- (e) Such other papers or documents as may be required from time to time by the DOT.

If the applicant has satisfactorily complied with the requirements, the DOT may issue the Certificate of Accreditation which shall be valid for a period of one (1) year from its issuance, unless sooner revoked.

ENVIRONMENTAL REGULATIONS

Philippine Environmental Impact Statement System

Presidential Decree No. 1586 (“P.D.1586”), otherwise known as the Philippine Environmental Impact Statement System, was established in furtherance of the State’s policy to attain and maintain a rational and orderly balance between socio-economic growth and environmental protection. Development projects that are classified by law as environmentally critical or within statutorily defined environmentally critical areas are required to obtain an Environmental Compliance Certificate (“ECC”) before commencement. As a prerequisite for the issuance of an ECC, an environmentally critical project is required to submit an Environment Impact Statement (“EIS”) to the Environmental Management Bureau (“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, without prejudice to the power of the DENR to require a more detailed EIS. The EIS refers to both the document and the environmental impact assessment of a project, including a discussion of direct and indirect consequences to human welfare and ecology 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.

The ECC is a government certification certifying 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 implementing its approved environmental management plan in the EIS or, if an IEE was required, that it will comply with the mitigation measures suggested therein. The ECC contains specific measures and conditions that the project proponent must undertake before and during the operation of a project, and in some cases, during the abandonment phase of the project to mitigate identified environmental impact.

Under Section 9 of P.D. 1586, non-securing of ECC when required or the non-compliance with any of the provisions of the ECC shall be sufficient cause for its cancellation or suspension and/or imposition of a fine in an amount not to exceed Fifty Thousand Pesos (₱50,000.00) for every violation thereof, as may be applicable.

In certain instances, the EMB may determine and issue a certification that a certain project is not covered by the EIS System and an ECC is not required. Consequently, a Certificate of Non-Coverage ("CNC") may be issued instead of an ECC.

EMB Memorandum Circular No. 2014-05 ("EMB MC No. 2014-05") provides the "Revised Guidelines for Coverage Screening and Standardized Requirements under the Philippine EIS System". As explained therein, projects or undertakings are classified into 4 categories:

- (a) Category A - projects or undertakings which are classified as ECPs under Presidential Proclamation No. 2146 (1981), Proclamation No. 803 (1996), and any other projects that may later be declared as such by the President of the Philippines. Proponents of these projects implemented from 1982 onwards are required to secure an ECC.
- (b) Category B - projects or undertakings which are not classified as ECP under Category A, but which are likewise deemed to significantly affect the quality of the environment by virtue of being located in ECA as declared under Proclamation No. 2146 and according to the other parameters in EMB MC. No. 2014-05. Proponents of these projects implemented from 1982 onwards are required to secure an ECC.
- (c) Category C - projects or undertakings not falling under Category A or B which are intended to directly enhance the quality of the environment or directly address existing environmental problems.
- (d) Category D - projects or undertakings that are deemed unlikely to cause significant adverse impact on the quality of the environment according to the parameters set forth in EMB MC. No. 2014-05. These projects are not covered by the Philippine EIS system and are not required to secure an ECC. However, such non-coverage shall not be construed as an exemption from compliance with other environmental laws and government permitting requirements.

EMB Memorandum Circular No. 2021-02 ("EMB MC No. 2021-02") amends Annex A of EMB MC No. 2014-05 relative to the reclassification of steel and other steel-related projects as Metal Industries. In particular, the following projects were regrouped under Metal Industries: (a) Non-ferrous Metal Industries; (b) Iron and Steel Mills; (c) Smelting Plants; and (d) Metal-Based Products Manufacturing.

Non-Ferrous Metal Industries, Iron and Steel Mills and Smelting Plants are classified as ECP Category A regardless of production capacity. Thus, an ECC must be acquired prior to operation from the EMB Central Office which shall process the application within a period of forty (40) working days.

Philippine Clean Air Act of 1999

Republic Act No. 8749, otherwise known as the Philippine Clean Air Act of 1999 (“Clean Air Act”), focuses primarily on pollution prevention and provides for a comprehensive management program for air pollution. Consistent with the policies of the Clean Air Act, DENR Administrative Order No. 2000-81, as amended by DENR Administrative Order No. 2004-26, a Permit to Operate for each source emitting regulated air pollutants, which shall be issued by the EMB is required. The permittee shall display the permit upon the installation itself in such a manner as to be visible and accessible at all times. If the permit cannot be so placed, it shall be mounted in an accessible and visible place near the installation covered by the permit.

The Permit to Operate is valid for five (5) years from the date of issuance, unless sooner suspended or revoked. It may be renewed by applying for renewal at least thirty (30) days before its expiration date and upon payment of the required fees and compliance with requirements.

Moreover, under DENR Administrative Order No. 2014-02, the managing heads of establishments required to have pollution control officers must apply for accreditation of their appointed/designated Pollution Control Officer at the concerned EMB Regional Office within fifteen (15) days from the date of appointment/designation.

Pursuant to the same law, the DENR or its duly accredited entity shall, after proper consultation and notice, may require any person who owns or operates any emission source or who is subject to any requirement therein to (a) establish and maintain relevant records; (b) make relevant reports; (c) install, use and maintain monitoring equipment or methods; (d) sample emission, in accordance with the methods, locations, intervals, and manner prescribed by the DENR; (e) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical; and (f) provide such other information as the DENR may reasonably require.

Philippine Clean Water Act of 2004

Republic Act No. 9275, otherwise known as the Philippine Clean Water Act of 2004 (“Clean Water Act”), focuses primarily on water quality management in all water bodies and the abatement and control of pollution from land-based sources. It prohibits the discharge of material of any kind into water bodies, which shall cause pollution or impede the natural flow of water, discharge of substance into soil or sub-soil which would pollute groundwater, operating facilities that discharge regulated water pollutants without valid permits, and other related acts. The Clean Water Act also regulates the discharge of effluents on land. All owners or operators of facilities that discharge regulated effluents under this Act are required to secure a permit to discharge. The discharge permit shall be the legal authorization granted by the DENR to discharge wastewater. This permit is valid for five (5) years and renewable for five (5)-year periods.

DENR Administrative Order No. 2016-08, otherwise known as the Water Quality Guidelines and General Effluent Standards of 2016 (“Water Quality Guidelines”) was issued on May 24, 2016 which provides for: (a) the classification of water bodies in the Philippines, (b) determination of time trends and evaluation of stages of deterioration or enhancement in water quality, (c) the designation of water quality management areas and (d) the general effluent standards. On the general effluent standards, the Water Quality Guidelines provide that discharges from any point of source (regardless of volume) shall, at all times, meet the effluent standards prescribed by the guidelines to maintain the required water quality per water body classification. The general effluent standards apply regardless of the industry category.

The Water Quality Guidelines has since been amended by DENR Administrative Order No. 2021-19 issued on June 30, 2021. It updated the water quality guidelines for selected parameters based on the current classification of water bodies and on its beneficial use. The effluent standards for selected parameters were also updated based on its perceived impact to the activities in the area and to the environment.

Ecological Solid Waste Management Act

Republic Act No. 9003, otherwise known as the Ecological Solid Waste Management Act of 2000, provides for the proper management of solid waste which includes discarded commercial waste and non-hazardous institutional and industrial waste. The said law prohibits, among others, the transporting and dumping of collected solid wastes in areas other than prescribed centers and facilities. The same law mandates all, especially, the local government units, to adopt a systematic, comprehensive, and ecological solid waste management program which shall ensure protection of public health and environment, utilize environmentally sound methods, set targets and guidelines for solid waste avoidance and reduction, and ensure proper segregation, collection, transport, and storage of solid waste.

The National Solid Waste Management Commission, together with other government agencies and the different local government units, are responsible for the implementation and enforcement of the said law.

Toxic Substances and Hazardous and Nuclear Wastes Control Act

Republic Act No. 6969, otherwise known as the Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990, mandates control and management of the import, manufacture, process, distribution, use, transport, treatment, and disposal of toxic substances and hazardous and nuclear wastes. It seeks to protect public health and the environment from unreasonable risks posed by these substances. A waste generator or a person who generates or produces hazardous wastes through any institutional, commercial, industrial, or trade activities must register online and pay the registration fee to the EMB Regional Office having jurisdiction over the location of the waste generator. Upon registration, the EMB shall issue a DENR identification number, which is generally a one-time permit unless there is a change in the hazardous wastes produced.

Under DENR Administrative Order No. 2013-22, a duly registered waste generator must, among others: (i) designate a full-time Pollution Control Officer; (ii) disclose to the DENR the type and quantity of waste generated; (iii) implement proper waste management from the time the wastes are generated until they are rendered non-hazardous; (iv) continue to own and be responsible for the wastes generated in the premises until the wastes have been certified by an accredited waste treater as adequately treated, recycled, reprocessed, or disposed of; (v) adhere to the hazardous waste transport manifest system when transporting hazardous wastes for offsite treatment, storage, and/or disposal; (vi) prepare and submit to the DENR comprehensive emergency preparedness and response program to mitigate spills and accidents involving chemicals and hazardous wastes; (vii) communicate to its employees the hazards posed by the improper handling, storage, transport, use and disposal of hazardous wastes and their containers; and (viii) develop capability to implement the emergency preparedness and response programs and continually train core personnel on the effective implementation of such programs. Failure to comply with DENR Administrative Order No. 2013-22 shall make the violator liable for a fine of Fifty Thousand Pesos (₱50,000.00). In addition to such a penalty, a violation of any of its Governing Rules or rules covering the Contingency Program shall result in the immediate suspension of the permit. Accreditation of the Pollution Control Officer may also be revoked for gross violations of the Order.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The Company's Board of Directors is responsible for the overall management and direction of the Company. The Board meets quarterly or as often as required, to review and monitor the Company's financial position and operations. The directors of the Company are elected at the Annual Stockholders' Meeting to hold office for one (1) year and until their respective successors have been elected and qualified. No director has resigned nor declined to stand for re-election to the Board since the date of the last annual meeting of the Company because of a disagreement with the Company on matters relating to the Company's operations, policies, and practices. The Board of Directors has no reason to believe that any of the aforesaid nominees will be unwilling or unable to serve if elected as a director.

At the Annual Stockholders' Meeting of PHINMA conducted on April 23, 2024 the following were elected as Directors of the Company:

Directors	Citizenship	Age	Position
Oscar J. Hilado	Filipino	86	Chairman Emeritus
Ramon R. del Rosario, Jr.	Filipino	79	Chairman and CEO
Magdaleno B. Albarracin, Jr.	Filipino	87	Vice Chairman
Amb. Jose L. Cuisia, Jr.	Filipino	79	Director
Victor J. del Rosario	Filipino	75	Director
Eduardo A. Sahagun	Filipino	66	Director, Executive Vice President – Construction Materials
Meliton B. Salazar, Jr.	Filipino	58	Director, President & COO, Head of Education
Guillermo D. Luchangco	Filipino	83	Non-Executive Director
Edgar O. Chua	Filipino	67	Independent Director
Juan B. Santos	Filipino	85	Lead Independent Director
Lilia B. de Lima	Filipino	83	Independent Director
Rizalina G. Mantaring	Filipino	64	Independent Director
Dr. Edilberto C. De Jesus	Filipino	84	Independent Director
Dato Timothy Ong Teck Mong	Bruneian	70	Independent Director
Dr. Cielito F. Habito	Filipino	70	Independent Director

The qualifications of the Directors, including their current and past positions held and business experience for the past five years, are set forth below:

Oscar J. Hilado is the Chairman Emeritus of the Company and was the Chairman of the Board from 2003 to 2021. He is also Chairman of the Board of PHINMA, Inc., Chairman Emeritus of PPHC, and Vice Chairman of UGC. Mr. Hilado is also an Independent Director and Chairman of the Audit Committee of A. Soriano Corporation, Philex Mining Corporation, Smart Communications, Inc., Rockwell Land Corporation and Roxas Holdings Inc. He is also a Director of Seven Seas Resort and Leisure, Inc. PHINMA Solar Corporation, Digital Telecommunications Philippines, Inc., Manila Cordage Company, Beacon Property Ventures, Inc., Pueblo de Oro Development Corporation, UPPC, Philcement, PHINMA Hospitality, PHINMA Education and the PHINMA Education Schools.

Mr. Hilado is a Certified Public Accountant with a Bachelor of Science Degree in Commerce from the De La Salle College in Bacolod and a Master's Degree in Business Administration from the Harvard Graduate School of Business. He has been a Director of the Company since 1969 and is also the Chairman of the Executive Committee and Retirement Committee and member of the Nominations Committee and Executive Compensation Committee

of the Company. He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Ramon R. del Rosario, Jr. is the Chairman and Chief Executive Officer of PHINMA Corporation whose business portfolio includes educational institutions, the manufacture and distribution of construction materials, property development, and hotels and hospitality management. He is also Chairman of the educational institutions under the PHINMA Education Network: AU, COC, UI, UPang, SWU, SJC – Manila, SJC – QC, , RCL and UCL and a number of other PHINMA companies. He is President of the Board of Commissioners of PT Ind Phil Management. He serves as a member of the Board of Directors of the Bank of the Philippines Islands (BPI).

Mr. Del Rosario served as the Philippines' Secretary of Finance from 1992 to 1993 and is a Masters in Business Administration graduate of Harvard Business School and of De La Salle University, Manila with an AB-BSC degree, magna cum laude. He is a 1978 Ten Outstanding Young Men (TOYM) awardee in the field of Investment Banking and Finance and was conferred the "Management Man of the Year Award for 2010" by the Management Association of the Philippines. Mr. Del Rosario was honored in 2010 by the Philippine District of the De La Salle Brothers as an Affiliated Member of the Institute of the Brothers of the Christian Schools. He was also awarded the "Business as a Noble Vocation Award", the first recipient of this global award presented by the International Christian Union of Business Executives or UNIAPAC in Lisbon, Portugal during its XXVI World Congress on November 24, 2018. In addition to two earlier honorary doctorate degrees from other institutions, Mr. Del Rosario was recently conferred the Degree of Doctor of Business Administration, Honoris Causa, by De La Salle University last December 10, 2022.

Mr. Del Rosario is Chairman of Philippine Business for Education (PBE). He is Vice Chairman of Caritas Manila and PHINMA Foundation, and is a member of the Board of Trustees and former chairman of the Makati Business Club and the Ramon Magsaysay Award Foundation. He is a member of the World Bank-Civil Service Organizations (CSO) Advisory Group and of the Board of Advisors of Ramon V. del Rosario, Sr.-AIM Center for Corporate Social Responsibility. He also served previously as Chairman of the National Museum of the Philippines and the Integrity Initiative.

He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Dr. Magdaleno B. Albarracin, Jr. is the Vice-Chairman of PHINMA Corporation and Philippine Investment Management, Inc. (PHINMA, Inc.) and the Chairman of PHINMA, Inc.'s Executive Committee. He is a Member of the Board of all the companies in the PHINMA Group. He was President and a former Director of Holcim Philippines, Inc. Dr. Albarracin was a member of the Board of Regents of the University of the Philippines (U.P.) as well as Board of Trustees of U.P. Engineering Research and Development Foundation, Inc. (UPERDF) He was the Chairman of the Board of Trustees of the University of San Carlos, Cebu City. He served as Dean of the UP College of Business Administration and was President of the ASEAN Federation of Cement Manufacturers.

Dr. Albarracin has a Bachelor of Science degree in Electrical Engineering from the University of the Philippines and a Master of Science degree in Electrical Engineering from the University of Michigan. He obtained his Master in Business Administration degree from the University of the Philippines and his Doctorate in Business Administration from Harvard University. He has been with PHINMA, Inc. since June 23, 1971 and has been a Director of PHINMA Corporation since 1980. He attended the Corporate Governance Orientation Program of the Institute of Corporate Directors on November 7 & 8, 2023.

Jose L. Cuisia, Jr. was the Philippine Ambassador Extraordinary and Plenipotentiary to the United States of America and non-resident Ambassador to Trinidad & Tobago, the US Virgin Islands, Grenada, Puerto Rico, the Commonwealth of Jamaica and the Republic of Haiti, Antigua & Barbuda, Barbados, the Commonwealth of Dominica, The Federation of St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines. Ambassador Cuisia previously served the Philippine Government as Governor of the Philippine Central Bank and Chairman of its Monetary Board from 1990-1993, was

Governor for the Philippines to the International Monetary Fund and Alternate Governor to the World Bank. He was also Administrator and CEO of the Philippine Social Security System from 1986-1990. He was also appointed Commissioner, representative of the Employer's Group, for the Social Security System (SSS) from September-December 2010. He was President and CEO of Philam Life for 16 years. He is the Chairman of the Board of The Covenant Car Company, Inc. and FWD Life Insurance Company, Adlemi Properties Inc., Five J's Diversified Inc. and JVC Holdings Corporation. He was Vice-Chairman of the Board and Lead Independent Director of SM Prime Holdings and former director of Manila Water Company, Inc. He holds directorates in Century Properties Group, Inc., PHINMA, Inc., and Asian Breast Center, Inc. He previously held the Chairmanship of the Board of Far East Bank and Trust Company, Union Bank of the Philippines, Asian Institute of Management, BPI-Philam Life Assurance Co., Philam Foundation, Tower Club, Inc., and De La Salle University. Ambassador Cuisia was elected as Chairman of the Board of Trustees of the University of Asia & the Pacific in 2019; elected to the Board of Trustees of the De La Salle Medical & Health Sciences Institute and De La Salle University -Dasmarias in December 12, 2019 and the former Chairman, Current Trustee and Treasurer of the Ramon Magsaysay Awards Foundation. He is a Convenor-Trustee of the PBED and a Trustee of the Makati Business Club. Ambassador Cuisia is a recipient of numerous awards including 2016 Ten Outstanding Filipino, 2016 Order of the Sikatuna, and Management Man of the Year Award for 2007 from the MAP, among others. He obtained his BSC-Accounting and AB-Social Sciences degrees (Magna cum Laude) from De La Salle University and Master's degree in Business Administration from University of Pennsylvania. He has been a Director of the Company since 1994. He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Victor J. del Rosario is an Economics and Accounting graduate of De La Salle University and holds a Master's degree in Business Administration from Columbia University. He was elected as director on September 15, 2008. He is the Chairman of Union Galvasteel Corporation and Philcement Corporation. He is also a member of the Board of Directors of PHINMA, Inc. and other PHINMA-managed companies. Mr. Del Rosario is the brother of Mr. Ramon R. del Rosario, Jr. and Mr. Jose Mari del Rosario. He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Eduardo A. Sahagun, is the President and Chief Executive Officer of UGC, PHINMA Solar, and Philcement. He has held the roles for these companies since 2017. He is also a director of UGC, Philcement, PHINMA Solar, PPHC, PHINMA Insurance Brokers, Inc. (Formerly T-O Insurance Brokers, Inc.), PHINMA Renewable Energy Corporation, PHINMA Corporation, Song Lam Joint Stock Company, First Batangas Hotel Corporation, and COC, Inc., as well as a member of the PHINMA Foundation, Inc.'s Board of Trustees. He is also the Chairman of Edcommerce Corporation and an Independent Director of Philippine Savings Bank. He formerly served as Chairman and President of Holcim Philippines, Inc., as a Director of Holcim Philippines Manufacturing Corporation, and as a Director of Holcim Mining and Development Corporation. He attended the Senior Management Program, Senior Leadership Program, and Managing Change Program at the Institute for Management Development, based in Lausanne, Switzerland. He obtained his graduate degree in Management Science from the Arthur D. Little Management Education Institute (now known as Hult International Business School) in Cambridge, MA, USA, in 1994. Prior to that, he obtained a Master's in Business Administration from the Ateneo Graduate School of Business in the Philippines and is a Certified Public Accountant. In 1978, he obtained his Bachelor of Science in Commerce degree, with a major in Accounting, from Holy Angel University. Mr. Sahagun was first elected as a Director of the Company at the Annual Stockholders' Meeting held on April 14, 2021, and will serve as such for the ensuing year, until his successor is duly elected. He attended the Annual Corporate Governance Seminar on Governance of Data Privacy Management, Executive Briefing on Cybersecurity for Board and Management, Updates on Anti-Money Laundering Laws and Regulations, The Corporate Board's Roadmap to ESG-Driven Sustainability Strategy and Reporting conducted by SEC-accredited training provider Center for Global Best Practices on October 20, 2023.

Dr. Meliton B. Salazar, Jr., is the President & COO, Head of Education of PHINMA Corporation. Concurrently, he is the President and Chief Executive Officer of PHINMA Education and a Senior Vice President of PHINMA, Inc. Dr. Salazar was first elected as Director of the Company at the Annual Stockholders' Meeting held on April 14, 2021, and will serve as such for the ensuing year, until his successor is duly elected.

He is also the President and Co-Founder of PBE, a nonprofit organization founded by the country's top business leaders that works for education policy reform, the Vice-Chairman of the Board of Trustees of Ateneo de Manila University (ADMU), and Governor of the Management Association of the Philippines (MAP).

Dr. Salazar has a PhD in International Relations, Major in International Development and Development Management from the School of International Service at The American University in Washington, D.C.; an M.A. in International Political Economy and Development from Fordham University in New York, and a B.S. Management Engineering degree from ADMU.

Prior to joining PHINMA, he was a part-time Associate Professor at the School of Management and at the School of Social Sciences from 2007 to 2010 and Part-Time Lecturer at the Department of Economics, Department of English and Department of Math at the Ateneo de Manila University (ADMU) from 1988 to 1992. He was also a part-time Lecturer at the Economics Department of Assumption College and an Associate Professor at the Asian Institute of Management (AIM). From 1997 to 1998 he served as a Consultant at the Institute of Environmental Studies and United National Environmental Programme Project. He became a Research Assistant to both Dr. James Mittelman, Chair of the Department of Regional and Comparative Studies and Dr. Steven Arnold, Director of the International Development Program at the American University from 1993 to 1995. In 1991, he was an Assistant to Dr. Henry Schwalbenberg, Director of the Program in International Political Economy and Development of Fordham University.

Guillermo D. Luchangco was elected as a Non-Executive Director of the Company in April 2024. He is currently a member of the Risk Oversight Committee. He was an Independent Director of PHINMA Corporation from 2005 to 2021 and PHI from 2021 to June 2024.

He is the Chairman of Investment & Capital Corporation of the Philippines (ICCP) since 1987 and Ionics, Inc. since 1991. He is currently the Chairman and Chief Executive Officer of the ICCP Group and the Chairman of ICCP Ventures. He is the Chairman of Ways and Means Committee Philippines-British Business Council, Committee on Trade and Investments Philippines-US Business Council and Co-Chairman of the Philippines-Singapore Business Council.

Mr. Luchangco was an Independent Director of Roxas & Co., Inc. from 2009 to 2021 and PHINMA Energy Corporation from 2013 to 2019. He is a former Managing Director and Regional Coordinator for Management Services of SGV & Company and former Executive Director of SGV Goh Pte Ltd Singapore.

Mr. Luchangco earned his Bachelor of Science Degree in Chemical Engineering from De La Salle University and obtained his Master of Business Administration Degree from Harvard Business School.

Edgar O. Chua is currently the Chairman of Makati Business Club, Philippine Business for the Environment and De La Salle Philippines. He is the Lead Independent Director of Integrated Micro- Electronics, Inc., Independent Director of Metropolitan Bank and Trust Company since 2017, Philcement since 2021, and First Gen since 2021. He is currently the Chairman for the College of Saint Benilde, University of La Salle Bacolod and CEO of De La Salle Philippines. He is a Trustee/Treasurer of PBE and Trustee for the De La Salle Greenhills since 2019, The English-Speaking Union of the Philippines, Inc. since 2009, Gawad Kalinga Community Development Foundation Inc. since 2005, and Pilipinas Shell Foundation Inc. since 2003. He is also a Member of the Advisory Board of Mitsubishi Motors Phil. Corp. and Coca Cola Bottlers Phils. Mr. Chua is affiliated with the Integrity Initiative, National Resilience Council, and the Phil. Disaster and Resilience Foundation. He held senior positions within various Shell Group of Companies, both locally and outside of the Philippines, including but not limited to being the Chairman and President of Pilipinas Shell Petroleum from September 2003 to May 2017 and being the Country Chairman of Shell companies in the Philippines from September 2003 to October 2016. He earned his Bachelor of Science degree in Chemical Engineering from De La Salle University in 1978 and attended various international seminars and courses including the senior management course in INSEAD in Fontainebleau, France.

Mr. Chua was first elected as Director of the Company at the Annual Stockholders' Meeting held on April 14, 2021 and will serve as such for the ensuing year, until his successor is duly elected. He attended the PHINMA Group Annual

Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Juan B. Santos was elected as an Independent Director in 2018 and was appointed as Lead Independent Director in June 2021. He is also a Director of Rizal Commercial Banking Corporation and Lead Independent Director of House of Investments, Inc. He is a Director of Sunlife Grepa Financial, Inc., Allamanda Management Corporation. He is a Member of the Advisory Board of Mitsubishi Motors Phils Corp. and East-West Seeds Co.; Trustee of St. Luke's Medical Center. His past experiences include: Chairman of Social Security System; Secretary of Trade and Industry, Philippines ; Chairman and CEO of Nestle Philippines, Singapore and Thailand; Director of Philex Mining Corporation, Philippine Long Distance Telephone Company, San Miguel Corporation; Educational Background: Advanced Management from International Institute of Management Development (IMD), Lausanne, Switzerland; Postgraduate studies on Foreign Trade from Thunderbird School of Global Management, Arizona, USA; and Bachelor of Science in Business Administration from Ateneo De Manila University, Philippines. He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Dr. Lilia B. de Lima received the 2017 Ramon Magsaysay Award for her sustained leadership as Director General of the Philippine Economic Zone Authority, in building a credible and efficient ("PEZA") during her 21 years of service from its creation in 1995 to 2016. She is the first woman honored as "Management Man of the Year" by the Management Association of the Philippines in 2010. In 2014, The Philippine-Japan Society recognized her Outstanding Achievement in the Promotion of Philippine-Japan Relation, the first woman to receive the award in 36 years. The Joint Foreign Chambers of Commerce of the Philippines awarded her The Arangkada Lifetime Achievement Award in 2014. She was awarded the Robert Storey International Award for Leadership by The Center for American and International Law in Dallas, Texas in 2013. She was awarded the ASEAN CEO Award in 2011 and in 2010 the Government of Japan bestowed on her the highest award given to a non-head of State, the Order of the Rising Sun, Gold and Silver Star. She is twice a recipient of the Presidential Medal of Merit from the Philippine government. Miss de Lima was also recognized as Outstanding Women in the Nation's Service Award in the field of law in 1983. She was elected Delegate to the 1971 Constitutional Convention, served as Director of the Bureau of Domestic Trade, Executive Director of the Price Stabilization Council, Department of Trade and Industry, Chief Operating Officer of World Trade Center Manila and Commissioner of the National Amnesty Commission.

She earned her Associate in Arts from the Centro Escolar University and her Bachelor of Laws from the Manuel L. Quezon University and subsequently passed the Philippine BAR. She was conferred a Doctor of Laws Honoris Causa by Manuel L. Quezon University and is a fellow of the Center for American and International Law in Dallas, Texas, USA. She is an Independent Director of IONICS, Inc., IONICS EMS, FWD Insurance Philippines Dusit Thani Philippines, Science Park of the Philippines, RFM Science Park of the Philippines, Pueblo de Oro Development Corporation, Regatta Properties Inc., and Cadence Property Development. She is a Director/Trustee of Fatima Center for Human Development, Senior Adviser to the Board in RCBC, and a Board Advisor of AC Industries. She was elected as Independent Director of the Company on April 19, 2018. She attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Rizalina G. Mantaring was the CEO of Sun Life Financial Philippines until her retirement in June 2018, after which she assumed the chairmanship of Sun Life Financial Philippine Holding Co. until she stepped down in August 2019. She started her career in Information Technology, joining Sun Life in 1992 as Senior Manager for Asia Pacific of its Information Systems Department and progressively took on a variety of roles until she was appointed Chief Operations Officer for Asia in 2008. She is the Lead Independent Director of First Philippine Holdings Corporation Inc. and Bank of the Philippine Islands. She is an Independent Director of Ayala Corporation Inc., Universal Robina Corporation, BPI Asset Management & Trust Company (BPI Wealth), GoTYME Bank, Maxicare Healthcare Corporation Inc. and East Asia Computer Center Inc. She is also a director of Sun Life Grepa Financial Inc. Among her other affiliations are as Board of Trustees of Makati Business Club and Philippine Business for Education. She was also President of the Management Association of the Philippines and the Philippine Life Insurance Association. A recipient of the Asia Talent Management Award in the Asia Business Leaders Award organized by the global business

news network Consumer News and Business Channel (CNBC), she has also been recognized by the International Association of Business Communicators (Philippines) with the CEO Excel award, and was named by Moneysense Magazine as one of the 12 Most Influential in Personal Finance. She was selected as one of the 100 Most Outstanding Alumni of the past century in 2010 by the University of the Philippines College of Engineering and received the PAX award, the highest award given to outstanding alumnae, in 2019 from St. Scholastica's College Manila. She holds a BS Electrical Engineering degree from the University of the Philippines where she graduated with honors. She obtained her MS degree in Computer Science from the State University of New York at Albany. She is also a Fellow, Life Management Institute (with distinction) and Associate, Customer Service (with honors) of the Life Office Management Association. She was elected as Independent Director of the Company on April 12, 2019. She attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Dr. Edilberto De Jesus was elected as an Independent Director of the Company in April 2024. He is currently the Chairman of the Nominations Committee and a member of the Audit and Related Party Transactions Committee. He was an Independent Director of PHINMA, Inc. from 2009 to June 2024.

He was the former Secretary of the Department of Education, a former President of the Asian Institute of Management, a former President of the University of the Cordilleras and a former President of Far Eastern University (FEU). He was the Lead Independent Trustee of FEU from 2012 to 2022. He was a Director of Centro Escolar University from 2006 to 2008, the Chairman of the Institute of Environmental Sciences for Social Change from 2000 to 2002 and was a member of the Board of Trustees of the Coordinating Council for Private Educational Associations from 1996 to 2002. He was also a former Secretariat Director of Southeast Asia Ministers of Education Organization in Bangkok and a former member of the Board of Advisers of the PBEd.

Dr. de Jesus obtained his Bachelor of Arts Honor Degree in Humanities from the Ateneo de Manila University, and his Master of Philosophy and PhD in History from Yale University

Dato Timothy Ong Teck Mong was elected as an Independent Director of the Company in April 2024. He is currently a member of the Corporate Governance Committee and Risk Oversight Committee.

He has been a Non-Executive Independent Director of YOMA Strategic Holdings Ltd. since 2016.. He has been an Independent Director of PHINMA Education Holdings, Inc. since 2016. He is the Chairman of Asia Inc. Forum since 2003. He is a Board Member of Baiduri Finance since 2006, Baiduri Bank since 1994 and National Insurance Co. since 1985. He is a member of the Board of Governors of the Asian Institute of Management (AIM) and a Trustee of the Ramon Magsaysay Awards Foundation (RMAF).

Dato Ong earned his Bachelor of Arts Degree in Economics and Political Science from the Australian National University and took up Master of Science in International Relations from London School of Economics.

Dr. Cielito F. Habito was elected as an Independent Director of the Company on April 23, 2024. He is currently a member of the Corporate Governance Committee and Executive Compensation Committee.

Dr. Habito is the former Secretary of Socioeconomic Planning and Director-General of the National Economic and Development Authority. He is a Professor of Economics at the Ateneo de Manila University. He currently heads the USAID Trade-Related Assistance for Development (TRADE) Project. He is also a member of the Advisory Committee of the Japan International Cooperation Agency since 2013.

He has been an Independent Director of First Gen Corporation since 2016 and Sun Life Prosperity Funds since 2019. He is a member of the Board of Governors of Economic Research Institute for ASEAN and East Asia from 2021, Management Association of the Philippines from 2022, and the Board of Trustees of Ramon Magsaysay Awards Foundation since 2018.

Dr. Habito holds Bachelor of Science Degree in Agriculture from the University of the Philippines Los Baños, Master of Economics from the University of New England (Australia), and a Ph.D. in Economics and Master of Arts in Economics from Harvard University.

Executive Officers

The officers of PHINMA are elected annually by the Board of Directors and serve for one (1) year and until their respective successors are elected and qualified.

Name	Citizenship	Age	Position
Oscar J. Hilado	Filipino	86	Chairman Emeritus
Ramon R. del Rosario, Jr.	Filipino	79	Chairman and CEO
Magdaleno B. Albaracin	Filipino	87	Vice Chairman
Meliton B. Salazar, Jr.	Filipino	58	President and COO, Head of Education
Eduardo A. Sahagun	Filipino	66	Executive Vice President, Construction Materials
Jose Mari R. del Rosario	Filipino	66	Senior Vice President, Hospitality
Raphael B. Felix	Filipino	52	Senior Vice President, Properties
Edmund Alan A. Qua Hiansen	Filipino	40	Senior Vice President, Chief Financial Officer
Regina B. Alvarez	Filipino	57	Senior Vice President, Group Controller
Nanette P. Villalobos	Filipino	51	Vice President, Treasurer
Annabelle S. Guzman	Filipino	50	Vice President, Controller
Rolando D. Soliven	Filipino	49	Vice President, Corporate Governance and Chief Compliance Officer
Peter Angelo V. Perfecto	Filipino	58	Vice President, Public Affairs
Alejandro Diego Luis Giles R. Katigbak	Filipino	53	Assistant Vice President, Chief Risk Officer
Ivy V. Villasquez-Bermas	Filipino	43	Chief Audit Executive
Troy A. Luna	Filipino	62	Corporate Secretary
Daneaia Isabelle F. Palad	Filipino	35	Assistant Corporate Secretary
Sheila M. Barce	Filipino	41	Assistant Vice President, Finance
Karen B. Seno	Filipino	44	Assistant Vice President, Human Resources
Melvin S. Mendoza	Filipino	51	Assistant Vice President, Information Technology
Robert James G. Pabustan	Filipino	52	Assistant Vice President, Business Development
Ma. Gracia M. Purisima	Filipino	42	Assistant Treasurer

Jose Mari del Rosario Senior Vice President – Hospitality, is concurrently the President and CEO of PHINMA Microtel Hotels Inc. and PHINMA Hospitality. These two companies are the master franchise holder and management company respectively of Microtel by Wyndham & TRYP by Wyndham in the Philippines. Microtel & TRYP are international hotel chains under Wyndham Hotels & Resorts with properties operating in key business hubs and leisure destinations in the country. Mr. Del Rosario is also the President and CEO of Paramount Hotels & Facilities Management Co. Inc., which provides property management and consultancy services to hotels, food & beverage facilities, and office/commercial buildings. Presently, he sits on the Board of Directors of the Philippine Hotel Owners Association and Philippine Franchise Association. In 2015, he was honored with the Ernst & Young Entrepreneur of the Year – Industry Entrepreneur award for his game-changing role in the hospitality industry. In 2007, he was recognized by GoNegosyo as Most Inspiring Tourism Entrepreneur. He earned his Diploma in Hotel & Restaurant Management in Hotelconsult Schulhotels (now César Ritz Colleges) Valais, Switzerland. He is also an alumnus of Cornell University’s General Managers Program. He took up his MBA at Arthur D. Little School of Management (now Hult International Business School) in Cambridge, Massachusetts. He is the brother of Mr. Ramon R. del Rosario, Jr. and Mr. Victor J. del Rosario. He attended the PHINMA Group Annual Corporate Governance Enhancement Session

on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Raphael B. Felix, Senior Vice President – Properties is concurrently the President and Chief Executive Officer of PPHC, the real-estate subsidiary of PHN. He also serves as the President of PHINMA Prism Development Corporation since 2019, involved in upscale housing developments. He also serves as Chairman of CDCC, PPHC’s construction arm. He joined PHINMA Properties in 2007 as Business Planning Manager. Mr. Felix is a graduate of AB Economics from the Ateneo de Manila University and has attended business planning and strategy courses from Asian Institute of Management, Ateneo Graduate School and Harvard Business Review. He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV.

Regina B. Alvarez is the Senior Vice President and Group Controller. She was appointed as Senior Vice President – Finance of the company in April 2005. Ms. Alvarez is concurrently Senior Vice President and Group Controller of PHINMA, Inc. and holds various executive posts in PHINMA-managed companies. She is also a director of AU and SWU. Ms. Alvarez is a Certified Public Accountant and holds a Bachelor of Science degree in Business Administration and Accountancy from the University of the Philippines and a Master’s degree in Business Administration from the Wharton School of Business.

Nanette P. Villalobos was appointed Vice President and Treasurer in January 2019. She was previously the Treasurer for PHINMA Energy (PHEN) from 2018 to 2019 and Treasurer for South Luzon Thermal Energy Corporation from 2015-2019. Currently, she also holds the following positions: Vice President and Treasurer for PHINMA, Inc., Assistant Treasurer for PPHC, Treasurer for PHINMA Education, Treasurer and Compliance Officer for PHINMA Insurance Brokers, Inc. (Formerly TO Insurance Brokers, Inc.) and Treasurer for PHINMA Hospitality. She obtained her degree in Bachelor of Science in Accountancy from University of the East. She completed the Ateneo-BAP Treasury Certification Program in 2004. She attended the Basic Management Program at the Asian Institute of Management in 2008. She attended and completed a Certification study for Macro Economics at University of Asia and the Pacific in 2014. She took up the Diploma Program in Corporate Finance of the Ateneo Graduate School of Business-Center for Continuing Education in 2022. She is a member of Fund Managers Association of the Philippines (FMAP) and Financial Executives Institute of the Philippines (FINEX). She attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Edmund Alan A. Qua Hiansen was appointed as Senior Vice President, Chief Financial Officer (CFO) on April 1, 2024. His concurrent positions include CFO of Song Lam Cement Joint Stock Company and Deputy CFO of PHINMA Prism Development Corporation. He holds a Bachelor of Science degree in Finance from Butler University in Indianapolis, Indiana, USA where he was recognized as one of the Top 100 Outstanding Students in 2005 and a Master’s degree in Global Finance from HKUST-NYU Stern. He is the Chairman of the FINEX Research and Development Foundation Junior FINEX Committee and a Vice Chairman of the Financial Executive Institute of the Philippines Ethics Committee. He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Annabelle S. Guzman joined the company in September 2020 and was appointed Vice President and Controller on April 14, 2021. She is a Certified Public Accountant and holds a Bachelor of Science degree in Business Administration and Accountancy from the University of the Philippines. Prior to joining the Company, she worked in the financial services industry, as VP – Fund Administration Manager with JP Morgan Chase & Co. and as Finance Head with Pepper Financial Services. She attended the SEC accredited training on Strategic Thinking for Board Directors and Leaders on November 17, 2023.

Rolando D. Soliven was elected Compliance Officer on April 14, 2021 and is concurrently Vice President – Group Corporate Governance since April 2019 and Data Protection Officer since May 2022. He has been an officer of the company since March 2012. He holds a Bachelor of Science degree in Accountancy from San Beda College. He has

also completed the Enterprise-Wide Risk Management Program and the Business Analytics Program of the Asian Institute of Management. He is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Certified in Risk Management Assurance (CRMA), ISO 31000 Certified Risk Manager (CRM), and Certified Fraud Examiner (CFE). He is a Fellow of the Institute of Corporate Directors (ICD) and a member of both the Institute of Internal Auditors (IIA) and the Association of Certified Fraud Examiners (ACFE). He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Peter Angelo V. Perfecto was appointed Vice President, Public Affairs in April 2019. As former Executive Director of the Makati Business Club from 2011 to 2018, he also took on leadership and secretariat roles in the Integrity Initiative, Bishops-Businessmen's Conference for Human Development, National Competitiveness Council and the APEC Business Advisory Council. He also helped establish PBE and became its first Executive Director, driving business-led advocacies for education reform and mobilizing resources from corporates as well as international agencies. Today, he concurrently serves as Vice President of PHINMA Foundation, Chairman of the Oxfam Pilipinas Board as well as its Country Governance Group, and private sector representative of the People's Survival Fund. His other past positions include Director V for Media and Public Affairs of the Office of the Presidential Adviser on the Peace Process and Executive Director of Amnesty International Philippines where he had the opportunity to join various international meetings and working groups on human rights. An alumnus of the Ateneo de Manila University, he completed his Bachelor of Science in Management Engineering in 1987. He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Alejandro Diego Luis Giles R. Katigbak was appointed as Assistant Vice President, Chief Risk Officer effective April 12, 2022. He received his Bachelor's degree in Management Economics from the Ateneo de Manila University and an MBA with concentration in Finance and Corporate Accounting from the University of Rochester in New York. Prior to joining PHINMA Corporation he was employed at various Philippine firms including Investment & Capital Corporation of the Philippines, Jardine Fleming Exchange Capital Group, Inc., and SGV & Co. He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Troy A. Luna was elected as the Corporate Secretary in March 2017. He also acts as Corporate Secretary of PHINMA, Inc., and other PHINMA-related corporations such as the AU, COC, UPang, UI, SWU, SJC – Manila, SJC – QC, RCL, UCL, PHINMA Education, Asian Plaza, Inc., UGC, Philcement, ABCIC, Toon City Animation, Inc. and other unrelated companies such as TCL Sun, Inc., Newminco Pacific Mining Corporation and PBE, a Trustee of the Licensing Executives Society of the Philippines and a Trustee and President of the Intellectual Property Alumni Association. He was elected as Director of the Company on November 5, 2020 until April 2021. He holds a Liberal Arts in Economics degree from the De La Salle University. He is a lawyer by profession, having earned his Bachelor of Laws degree from the Ateneo de Manila University School of Law in 1986 and was admitted to the Philippine Bar in 1987. He is a Senior and name Partner of the Migallos & Luna Law Offices. He attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Ivy V. Villasquez-Bermas received her degree in Bachelor of Science in Accountancy in Miriam College. She completed her Master of Business Administration in De La Salle Lipa, Batangas. She is a member of the Institute of Internal Auditors, Philippines and Philippine Institute of Public Accountants. She is a Certified Public Accountant and Certified Internal Auditor.

Atty. Daneia Isabelle F. Palad was elected Assistant Corporate Secretary in 2024. She also acts as Assistant Corporate Secretary in other PHINMA-related corporations such as PHI, PHINMA Education, and SWU, and Corporate Secretary of other unrelated companies such as Morph Animation, Inc., Mariposa Foundation, Inc., Blue River Holdings, Inc. and 4 Hermanitas, Inc. Atty. Palad holds a Bachelor of Arts in Economics and Development Studies, with a Minor in Chinese Studies from Ateneo de Manila University. She is a lawyer by profession, having earned her Juris Doctor

degree from the Ateneo de Manila University School of Law in 2014. She was admitted to the Philippine Bar in 2015. She is a Partner of the Migallos & Luna Law Offices.

Melvin S. Mendoza received his Bachelor of Science in Business Administration Major in Computer Management from the Lyceum University of the Philippines, Intramuros Manila. He is a member of IT Interaction Philippines (ITIP) and Information Security Officers Group (ISOG).

Karen B. Seno took up Bachelor of Arts in Communication Arts major in Broadcast Journalism at De La Salle University and studied Introduction to Organizational Development at the Ateneo Center for Organization Research and Development. She completed the Chief Human Resource Officer Development Program at the Asian Institute of Management. She recently completed an Objectives and Key Results (OKR) training from Knowles Training Institute. She is also concurrently AVP, Human Resources of PHI.

Sheila M. Barce is a Certified Public Accountant and received her Bachelor's Degree in Accountancy from the Ateneo De Naga University (Cum Laude) and a Master's Degree in Business Administration from the University of the Philippines Diliman. She attended the CFO Leadership Development Program at the AIM in 2023. Currently, she is also the Controller of PHINMA Foundation, Inc.

Robert James G. Pabustan received his Bachelor of Arts degree in Humanities with the field of specialization in Business Administration from the Center for Research and Communication (now University of Asia & Pacific). He completed his Master's in Business Management degree with specialization in Finance from the Asian Institute of Management. He has held various positions in PHINMA Group including as AVP Treasurer for SLTEC and in 2017 he was seconded to the CMG where he served as AVP- Supply Chain.

Ma. Gracia M. Purisima joined the company in 2011 and was elected Assistant Treasurer in April 2019. She is also the Assistant Treasurer of PHINMA, Inc. She completed the Treasury Certification Program from the Ateneo de Manila University Graduate School of Business and Bankers Association of the Philippines (Ateneo-BAP) in 2012. She holds a Bachelor of Arts degree in Management Economics from Ateneo de Manila University. She attended the PHINMA Group Annual Corporate Governance Enhancement Session on October 2, 2023 on Data Analytics and Artificial Intelligence (AI), Workplace Reimagined and Overview of Corporate Governance conducted by SGV & Co.

Significant Employees

Other than the Directors and Officers identified in the item on Directors and Executive Officers in this Information Statement, there are no other employees of the Company who may have significant influence in the Company's major and/or strategic planning and decision-making.

Family Relationships

Ramon R. del Rosario, Jr. is the brother of Mr. Victor J. del Rosario and Mr. Jose Mari R. del Rosario. Other than the foregoing family relationships, none of the directors, executive officers or persons nominated to be elected to PHN's Board are related up to the fourth civil degree, either by affinity or consanguinity.

Pending Legal Proceedings

The Company is not aware of any of the following events having occurred during the past five years up to the date of this report that are material to an evaluation of the ability or integrity of any director, nominee for election as Director, executive officer, underwriter or controlling person of the Company:

- 1) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time;

- 2) any conviction by final judgment, including the nature of the offense in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- 3) being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- 4) being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended or vacated.
- 5) A securities or commodities law or regulation, and the judgment has not been reversed, suspended or vacated.

Independent Directors

On June 30, 2004, the SEC approved the amendment to the Amended By-Laws of PHINMA Corporation to incorporate a provision stating that it shall conform to the requirement of law to have independent directors. On May 27, 2010, the SEC approved a further amendment to the Amended By-laws adopting and stating that the Company shall comply with Securities Regulation Code (SRC) Rule 38 as amended and all rules and regulations relative to the requirements on nomination and election of independent directors.

The following are the Company's independent directors. The independent directors have been pre-screened by the Nomination Committee of the Company using the aforementioned guidelines, pertinent provisions of the Company's Manual on Good Corporate Governance and its Amended By-Laws. They are neither officers nor substantial shareholders of the Company. Mr. Ramon R. del Rosario, Jr. nominated the candidates for independent directors. Mr. Del Rosario is not related to the independent director-nominees by consanguinity or affinity.

1. Mr. Juan B. Santos
2. Atty. Lilia B. de Lima
3. Ms. Rizalina G. Mantaring
4. Mr. Edgar O. Chua
5. Dr. Edilberto C. De Jesus
6. Dato Timothy Ong Teck Mong
7. Dr. Cielito F. Habito

All the independent directors possess the qualifications and none of the disqualifications under Securities Regulation Code or the Company's Manual of Corporate Governance.

Compensation of Directors and Executive Officers

The Directors are paid a bonus based on the net income of the Company for each calendar year. The compensation received by the officers who are not included in the Board of Directors of the Company represents salaries and bonuses.

For the calendar years ended December 2022 and 2023, the total salaries, allowances and bonuses paid by the Company to the directors and executive officers as well as estimated compensation of directors and executive officers for CY2024 are as follows:

Name and Principal Position	Year	Salary	Bonus	Others
CEO and the Top 4				
Oscar J. Hilado Chairman Emeritus				
Ramon R. del Rosario, Jr. Chairman and CEO				
Meliton B. Salazar, Jr. President and COO, Head of Education				
Pythagoras L. Brion, Jr. Former Executive Vice President, Group CFO				
Regina B. Alvarez Senior Vice President, Group Controller				
Total	2024*	27,718,664	12,223,284	1,525,000
	2023	25,198,785	10,250,700	1,525,000
	2022	20,296,660	14,586,400	2,193,813
All Other Directors and Officers as a Group Unnamed	2024*	25,010,552	15,572,223	5,025,000
	2023	22,736,865	14,224,850	5,025,000
	2022	21,646,908	17,690,695	4,125,000

**Estimated compensation of directors and executive officers for the year*

The Directors receive per diem and bonus based on a percentage of the net income of the Company for each calendar year.

There are no other existing arrangements/agreements to which said Directors are to be compensated during the last completed calendar year and the ensuing year.

PRINCIPAL SHAREHOLDERS

The following table sets forth the Company's Top 20 common shareholders and their corresponding number of shares held as of August 31, 2024.

Shareholders	No. of Shares	% of Ownership
PCD Nominee Corporation (Filipino)	177,047,031	61.83%
Philippine Investment Management, Inc. (PHINMA, Inc.) ²⁴	97,903,395	34.19%
Philippine Remnants Co.	1,176,308	0.41%
Salud D. De Castro	550,000	0.19%
Kayumanggi Publishers Co.	517,762	0.18%
Victor Juan Del Rosario	439,356	0.15%
PCD Nominee Corporation (Non-Filipino)	433,235	0.15%
Doris Teresa Ho	185,461	0.06%
Virginia S. Syjuco	178,204	0.06%
Daughters of Charity of St. Vincent de Paul	175,533	0.06%
The Roman Catholic Bishop of the Diocese of Juan de Dios	169,268	0.06%
United Life Assurance Corporation	153,916	0.05%
Regina B. Alvarez	153,413	0.05%
United Insurance Co. Inc.	149,860	0.05%
Rosalia M. Amando	142,632	0.05%
Blanquita S. Gonzalez	141,051	0.05%
Caridad Sanchez Babao	115,484	0.04%
Bella S. Barrera	115,108	0.04%
Roman L. Santos	115,108	0.04%
Gloria S. Vergel-De Dios	115,096	0.04%
Total	279,977,221	97.78%

As of August 31, 2024, the Company has 286,325,265 common shares outstanding held by 1,207 shareholders.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security ownership of certain record and beneficial owners holding more than 5% of the company's voting securities as of date of this prospectus.

The table below shows persons or groups known to PHINMA as of August 31, 2024 to be directly or indirectly the record or beneficial owners of more than 5% of the company's voting securities:

²⁴ Philippine Investment Management, Inc. (PHINMA, Inc.) directly and indirectly owns 67.61% of PHINMA Corporation.

Title of Class	Name & Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	# of Shares held	% Ownership
Common	Phil. Investment Mgmt.(PHINMA), Inc. Level 12, PHINMA Plaza, No. 39 Plaza Drive Rockwell Center , Makati City <i>Stockholder</i>	Phil. Investment Mgmt. (PHINMA), Inc. which is also the record owner.	Filipino	193,868,029*	67.71%
		Mr. Oscar J. Hilado, Chairman of Board, is the person appointed to exercise voting power.			
Common	Philippine Depository and Trust Corporation MSE Bldg. Ayala Avenue Makati City <i>Stockholder</i>	Various	Filipino	51,473,503	17.98%

*This is composed of 97,903,395 certificated shares and 95,964,634 scripless shares lodged with brokers

Security Ownership of Directors and Management

The table below shows the securities beneficially owned by all directors, nominees and executive officers of PHINMA as of August 31, 2024:

Title of Class	Name of Beneficial Owner	No. of shares	Nature of Beneficial Ownership	Citizenship	% of Ownership
Common	Oscar J. Hilado	400,000	Direct	Filipino	0.140%
		1,807,776	Indirect		0.631%
Common	Ramon R. del Rosario, Jr.	432,661	Direct	Filipino	0.151%
		10,894,563	Indirect	Filipino	3.805%
Common	Magdaleno B. Albarracin, Jr.	11,251,000	Direct	Filipino	3.929%
Common	Victor J. del Rosario	1,069,245	Direct	Filipino	0.373%
		1,849,136	Direct	Filipino	0.646%
Common	Jose L. Cuisia, Jr.	17,927	Direct	Filipino	0.006%
Common	Meliton B. Salazar, Jr.	1	Direct	Filipino	0.000%
		20,270	Indirect	Filipino	0.007%
Common	Eduardo A. Sahagun	1	Direct	Filipino	0.000%
Common	Rizalina G. Mantaring	13,201	Direct	Filipino	0.005%
Common	Juan B. Santos	50,001	Direct	Filipino	0.017%
Common	Lilia B. de Lima	1	Direct	Filipino	0.000%
Common	Edgar O. Chua	1	Direct	Filipino	0.000%
Common	Cielito F. Habito	1	Direct	Filipino	0.000%
Common	Dato Timothy Ong Teck Mong	1	Direct	Filipino	0.000%
Common	Edilberto C. de Jesus	28,501	Direct	Filipino	0.010%
Common	Guillermo D. Luchangco	1	Direct	Filipino	0.000%
Common	Regina B. Alvarez	449,571	Direct	Filipino	0.157%
Common	Rolando D. Soliven	31,000	Direct	Filipino	0.011%

Common	Nanette P. Villalobos	26,450	Direct	Filipino	0.009%
Common	Peter V. Perfecto	29,000	Direct	Filipino	0.010%
Common	Edmund Alan A. Qua Hiansen	22,900	Direct	Filipino	0.008%
Common	Annabelle S. Guzman	10,000	Direct	Filipino	0.004%
Common	Ma. Gracia M. Purisima	2,900	Direct	Filipino	0.001%
Common	Jose Mari R. del Rosario	349,785	Direct	Filipino	0.122%
		1,087,612	Indirect	Filipino	0.380%
Common	Raphael B. Felix	25,000	Direct	Filipino	0.009%
Common	Alejandro Diego Luis Giles R. Katigbak	-	Direct	Filipino	0.000%
Common	Shiela M. Barce	2,000	Direct	Filipino	0.001%
Common	Karen B. Seno	3,900	Direct	Filipino	0.001%
Common	Ivy V. Bermas	1,000	Direct	Filipino	0.000%
Common	Melvin S. Mendoza	-	Direct	Filipino	0.000%
Common	Robert James G. Pabustan	-	Direct	Filipino	0.000%
Common	Troy A. Luna	-	Direct	Filipino	0.000%
Common	Daneia Isabelle F. Palad	-	Direct	Filipino	0.000%
Directors and Officers as a Group		29,875,406			10.434%

Voting Trust Holder of 5% or More

There are no persons holding more than five percent of a class of shares of the Company under a voting trust or similar agreement as of the date of this Preliminary Prospectus.

Changes in Control

As of the date of this Preliminary Prospectus, there are no arrangements that may result in a change in control of the Company, nor has there been any change in control since the beginning of the last calendar year.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates. Related parties may be individual or corporate entities.

The Company, in the regular conduct of business, has entered into transactions consisting of management fees, reimbursement of expenses, office space rentals, consultancy fees and grant of non-interest bearing advances with associates and other related parties. Transactions entered into with related parties are at arm's length and have terms similar to the transactions entered into with third parties.

The significant related party transactions entered into by the Company with its associates and entities under common control and the amounts included in the consolidated financial statements with respect to such transactions follow:

June 30, 2024 (Unaudited)						
Company	Nature	Amount/ Volume	Amount Due to Related Parties	Amount Due from Related Parties	Terms	Conditions
<u>Ultimate Parent</u>						
PHINMA Inc.	Share in expenses, management fees and bonus	P163,181	P176,476	P2,256	Noninterest-bearing	Unsecured, no impairment
<u>Other related parties</u>						
PHINMA Insurance Brokers, Inc. (PHINMA Insurance), PHINMA Foundation, Inc., Phinma Plaza Condominium Corporation, Phinma Prism Property Development Corp.	Advances (PHINMA Prism)	-	-	56,142	Interest-bearing at range of 4.7% - 6.3% for 95 days	Unsecured, no impairment
	Interest income (PHINMA Prism)	1,940	-	-	Interest at 4.7% to 6.3%	Unsecured, no impairment
	Share in expenses	8,508	2	78,883	Noninterest-bearing	Unsecured, no impairment
PTC Myanmar, IPM, PHINMA Saytanar (PSEd), PE International, Yayasan	Share in expenses	3,856	74	15,539	Noninterest-bearing	Unsecured, no impairment

June 30, 2024 (Unaudited)

Company	Nature	Amount/ Volume	Amount Due to Related Parties	Amount Due from Related Parties	Terms	Conditions
Triputra Persada						
UPPC	Consultancy Fee	2,514	–	6,451	Noninterest-bearing	Unsecured, no impairment
InPHIN8, DBHC, FBHC, SFSHC	Management And Incentive Fees Rent (Inphin8)	7,174	–	–	Noninterest-bearing	Unsecured, no impairment
		4,626	–	–		
			₱176,552	₱159,271		

2023

Company	Nature	Amount/ Volume	Amount Due to Related Parties	Amount Due from Related Parties	Terms	Conditions
<u>Ultimate Parent</u>		₱333,022	₱70,636	₱5,660		
PHINMA Inc.	Share in expenses, management fees and bonus				Noninterest-bearing	Unsecured, no impairment
	Purchase of shares	2,335,451	–	–	Noninterest-bearing	Unsecured, no impairment
	Purchase of properties	452,787	–	–	Noninterest-bearing	Unsecured, no impairment
<u>Other related parties</u>						
PHINMA Insurance Brokers, Inc. (PHINMA Insurance), PHINMA Foundation, Inc., Phinma Plaza Condominium Corporation, Phinma Prism Property Development Corp.	Advances (PHINMA Prism)	–	–	56,142	Interest-bearing at range of 4.7% - 6.3% for 95 days	Unsecured, no impairment
	Interest income (PHINMA Prism)	3,597	–	–	Interest at 4.7% to 6.3%	Unsecured, no impairment
	Share in expenses	10,344	1,345	68,970	Noninterest-bearing	Unsecured, no impairment
PTC Myanmar, IPM, PHINMA Saytanar (PSEd),	Share in expenses	5,384	–	17,066	Noninterest-bearing	Unsecured, no impairment

2023						
Company	Nature	Amount/ Volume	Amount Due to Related Parties	Amount Due from Related Parties	Terms	Conditions
PE International, Yayasan Triputra Persada						
UPPC	Consultancy Fee	2,437	–	3,032	Noninterest- bearing	Unsecured, no impairment
InPHIN8, DBHC, FBHC, SFSHC	Management And Incentive Fees	10,714	–	–	Noninterest- bearing	Unsecured, no impairment
	Rent (Inphin8)	8,943	–	–		
			₱71,981	₱150,870		

In the last two years, the Company was not a party in any transaction in which a Director or Executive Officer of the Company, any nominee for election as a director, any security holder owning more than 10% of the Company's issued and outstanding shares and/or any member of his immediate family had a material interest thereon, except as disclosed below.

The Company has a management contract with Philippine Investment-Management (PHINMA), Inc. up to June 30, 2024 renewable thereafter upon mutual agreement. Under this contract, PHINMA has a general management authority with the corresponding responsibility over all operations and personnel of the Company including planning, direction, and supervision of finance and other business activities of the Company. Under the existing management agreement, the Company pays PHINMA, Inc. a fixed monthly management fee plus an annual incentive based on a certain percentage of the Parent Company's net income. Renewal has been approved by the Board on March 5, 2024 and has been approved by the shareholders during the Annual Shareholders' Meeting on April 23, 2024.

As of June 30, 2024, PHINMA Inc. owns 193,868,029²⁵ Common Shares, which represent 67.69% of total outstanding shares of stock of the Company.

Material related party transactions are reviewed by the Audit and Related Party Committee of the Board. The Company have approval requirements and limits on the amount and extent of related party transactions in compliance with the requirements under Revised SRC Rule 68. In last two years, the Company was not a party in any transaction in which a Director or Executive Officer of the Company, any nominee for election as a director, any security holder owning more than 10% of the Company's issued and outstanding shares and/or any member of his immediate family had a material interest thereon, except as disclosed below.

²⁵ 97,903,395 Common Shares are certificated shares, on the other hand, 95,964,634 Common Shares are scrippless shares lodged with brokers.

MARKET PRICE OF THE COMPANY'S STOCK AND RELATED STOCKHOLDER MATTERS

Market Information

The Company's Common Shares are listed and traded on the PSE under the symbol "PHN."

The following table sets out, for the periods indicated, the high and low share price for the Company's Common Shares as reported on the PSE:

	Low	High
2020		
January - March	7.90	10.0
April - June	8.20	9.00
July - September	8.36	9.10
October - December	8.00	10.00
2021		
January - March	18.00	21.05
April - June	18.90	19.94
July - September	18.90	21.25
October – December	18.50	20.65
2022		
January - March	18.00	21.05
April - June	18.90	19.94
July – September	18.90	21.25
October – December	18.50	20.65
2023		
January – March	18.90	19.78
April – June	18.00	19.78
July – September	19.02	20.75
October – December	19.50	20.45
2024		
January – March	19.40	20.40
April – June	19.50	29.65

Source: Philippine Stock Exchange, Inc., Bloomberg

On [●], the closing price of the Company's Common Shares on the PSE was ₱[●] per Common Share.

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, as may be amended from time to time.

SHARE CAPITAL INFORMATION

As of the date of this Prospectus, PHINMA has an authorized capital stock of ₱5,210,000,000.00 divided into 420,000,000 common shares, 100,000 Preferred A shares, 900,000 Preferred B shares 50,000,000 Preferred AA shares. and 50,000,000 Preferred BB shares, each with a par value of ₱10.00, and its issued share capital consists of 286,325,265 common shares. Once the Offer is completed, it is expected that the issued and outstanding capital stock of the Company shall be [337,818,571] common shares.

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 its articles of incorporation and by-laws. A Philippine corporation may also increase or decrease its authorized capital stock, provided that the increase or decrease 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 and is duly approved by the Philippine SEC.

The Company may acquire its own shares for a legitimate corporate purpose as long as it has unrestricted retained earnings or surplus profits sufficient to pay for the shares to be acquired, such as in the following instances: (i) elimination of fractional shares arising out of stock dividends, (ii) the purchase of shares of dissenting shareholders exercising their appraisal right and (iii) the collection or compromise of an indebtedness arising out of an unpaid subscription in a delinquency sale or to purchase delinquent shares during such sale. Upon repurchase of its own shares, the shares become treasury shares, which may be resold at a reasonable price fixed by the board of directors.

The Board is authorized to issue shares from the treasury from time to time.

RIGHTS RELATING TO SHARES

Voting Rights

The Company's Common Shares and Preferred Shares have full voting rights. However, the Revised Corporation Code of the Philippines provides that for the following shares and shareholders, voting rights cannot be exercised: (i) delinquent shares as declared by the board of directors, (ii) treasury shares, or (iii) if the shareholder elected to exercise his right of appraisal referred to below.

Each Common Share and Preferred Share is entitled to one vote. At each meeting of the shareholders, every stockholder entitled to vote on a particular question or matter involved shall be entitled to one vote for each share of stock standing in his name in our books as of record for such meeting.

In accordance with Section 23 of the Revised Corporation Code of the Philippines, at each election of directors, every stockholder entitled to vote at such election shall have the right to vote, in person or by proxy, the number of shares owned by them as of the relevant record date for as many persons as there are directors to be elected and for whose election they have a right to vote, or to cumulate their votes by giving one candidate the number of votes equal to the number of directors to be elected multiplied by the number their shares shall equal, or by distributing such votes on the same principle among any number of candidates as the stockholder shall see fit.

Dividends and Dividend Rights

Shareholders have rights to dividends when declared by the Board of Directors from the unrestricted retained earnings of a company, subject to compliance with legal requirements, at such times and in such percentages as may be determined by its Board of Directors. The unrestricted retained earnings represent the undistributed earnings of the Company which have not been allocated for any managerial, contractual or legal purposes and which are free for distribution to the shareholders as dividends. The dividends shall be payable in cash, property or stock of the corporation, as determined by the Board of Directors, as the case may be. The Common Shares shall have full dividend rights.

Under the Revised Corporation Code of the Philippines, the Board of Directors may declare dividends in cash, property or in stock to all stockholders on the basis of outstanding stock held by them, provided that any cash dividends due on delinquent stock shall first be applied to the unpaid balance on the subscription plus costs and expenses. On the other hand, stock dividends shall be withheld from the delinquent stockholders until their subscription is fully paid. While cash and property dividends may be declared by the Board of Directors, no stock dividend shall be issued without the approval of stockholders representing at least two-thirds (2/3) of the outstanding capital stock at a regular or special meeting duly called for the purpose.

Moreover, such Revised Corporation Code of the Philippines 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.

Holders of Preferred "A" stock shall be entitled to dividends at the rate of eight percent (8%) yearly on the par value thereof for each share. Holders of Preferred "B" stock are entitled to dividends at the rate of nine percent (9%) on the par value thereof for each share.

Holders of Preferred "AA" shares shall be entitled to dividends at the rate of Ninety Percent (90%) of Ninety-One (91) days Treasury Bills rate plus not more than Seven-Eighths of One Percent ($\frac{7}{8}$ of 1%); while the holders of Preferred "BB" shares shall be entitled to dividends at the rate of Ninety Percent (90%) of Ninety-One (91) days Treasury Bills rate plus not more than One Percent (1%).

The Board of Directors is authorized to fix terms and conditions other than set forth in the Company's articles of incorporation to which the preferred shares shall be subject.

Pre-Emptive Rights

Pre-emptive rights are available to existing stockholders of a Philippine corporation unless expressly denied in a corporation's articles of incorporation or waived by the shareholder in writing. The pre-emptive rights entitle shareholders the right 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.

The Company's articles of incorporation denies the holders of common shares the pre-emptive rights to subscribe to any issues of preferred shares and vice-versa.

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

Under the Revised Corporation Code of the Philippines, dissenting stockholders have the right of appraisal to demand payment of the fair value of their shares in the following instances where they voted against any of the following proposed corporation actions:

- a. 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;
- b. the extension of the term of corporate existence;
- c. the sale, lease, exchange, transfer, mortgage, pledge or other disposal of all or substantially all the assets of the corporation;
- d. a merger or consolidation; or
- e. 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 the above instances, the dissenting stockholders may require the corporation to purchase their shares at a fair value to be determined by three disinterested persons (one named by the shareholder, one by the corporation, and the third by the two previously chosen) in the absence of any agreement on the value. In the event of a dispute, the Regional Trial Court will 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 of the shareholders 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.

To exercise the appraisal right, a dissenting shareholder who votes against a proposed corporate action must make a written demand to the corporation for the payment of the fair value of shares held within 30 days from the date on which the vote was taken. Failure to make the demand within this period is deemed a waiver of the appraisal right.

Right to Inspect Corporate Books and Records

A shareholder has the right to inspect the records of the corporation, including all business transactions 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 the 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.

Right to Stock Certificates

Each shareholder whose shares of stock have been paid in full shall be entitled to a stock certificate for such shares of stock.

Right to be Elected as Director

Any shareholder having at least one share registered in his or her name may be elected director, provided that he or she has such qualifications and none of the disqualifications provided for in the Revised Corporation Code of the Philippines, Securities Regulation Code, the Company's Manual on Corporate Governance, and other relevant laws and regulations.

Change of Control of the Company

There are no provisions in the Company's Articles of Incorporation or By-Laws that would delay, deter, or prevent any change in control of the Company.

BOARD OF DIRECTORS

The Board of Directors of a corporation are vested with its corporate powers, which allows it to control the conduct of business and the property of a corporation, unless otherwise provided by law or in its articles of incorporation. Pursuant to the Company's Articles of Incorporation, as amended, the general management of the Company shall be vested in a board of seven (7) directors who shall be stockholders and who shall serve until the election and qualification of their successors.

The Board of Directors are elected during each regular meeting of the shareholders, wherein shareholders representing at least a majority of the issued and outstanding capital stock of the Company are present, either in person or by proxy. Any vacancy in the Board of Directors shall be filled by a majority vote of the Board of Directors at a regular meeting or at a special meeting called for that purpose, and the director or directors so chosen shall serve for the unexpired term. Philippine law requires that representation of foreign ownership on the Board is limited only to the proportion of the foreign shareholding.

The exercise of corporate powers belongs to the Board as a whole. Individual directors have no power as such, unless otherwise authorized by the Board. A majority of the directors shall be necessary at all meetings to constitute a quorum for the transaction of any business, and every decision of a majority of the quorum duly assembled as a Board shall be valid as a corporate act. Eight (8) 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.

As a corporation publicly listed in the PSE, the Company shall conform with the requirement to have three (3) independent directors within the meaning set forth under Section 38 of the SRC. An independent director shall hold no interests or relationships with the Company that may hinder his or her independence from the Company or Management which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and which he or she shall certify in a letter of confirmation to the Corporate Secretary.

Pursuant to its Articles of Incorporation, the Board of Directors of the Company shall have the management of the business of the Issuer and such powers and authorities as are by the By-Laws or by statutes of the Philippines expressly conferred upon it. The Board of Directors shall have the following express powers, to quote the Company's By-Laws:

- a. From time to time, to make and change rules and regulations not inconsistent with these by-Laws for the management of the Company's business and officers;

- b. To purchase or otherwise acquire for the Company rights and privileges which the company is authorized to acquire at such price and on such terms and conditions and for such consideration as it shall from time to time see fit;
- c. To pay for any property or rights acquired by the company or to discharge obligations of the Company either wholly or partly in money or in stocks, debentures, or other securities of the company;
- d. To borrow money for the company and such purpose to create, make and issue mortgages, bonds, deeds of trusts and negotiable instruments or securities, secured by mortgage or pledge of property belonging to the company; provided, that as hereinafter provided, the proper officers of the company have these powers unless expressly limited by the Board of Directors
- e. to delegate, from time to time, any of the powers of the Board in the course of the current business or businesses of the company to any standing or special committee or any person to be agent of the company with such powers (including the power to sub-delegate), and upon such terms, as may be deemed fit.

SHAREHOLDERS' MEETINGS

Annual or Regular Shareholders' Meeting

Under the Revised Corporation Code of the Philippines, Philippine corporations are required 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 third week of April of each year, on a working day to be fixed by the Board of Directors year to be held at its principal office.

Special Shareholders' Meeting

Under the Company's By-Laws, special meetings of the shareholders may be called at the principal office of the Company at any time by the President, at his discretion, any two directors, or on demand of the stockholders holding the majority of the subscribed capital stock of the corporation. Pursuant to Section 49 of the Revised Corporation Code of the Philippines, stockholders may propose the holding of a special meeting and items to be included in the agenda.

Notice of Shareholders' Meeting

The Company is required to have a written or printed notice for every regular or special meeting of the shareholders to be mailed to the last known place of address, or in any other manner as the Philippine SEC shall allow under its guidelines and within such period as may be required under existing laws, whether within or outside the Philippines, of each stockholder not less than ten (10) days prior to the date set for a regular meeting and five (5) days for a special meeting. The notice must contain the objects of the meeting.

In addition, in accordance with Section 49 of the Revised Corporation Code of the Philippines and SEC Memorandum Circular No. 6, series of 2020, for meetings to be held via remote communication, written notice must be sent at least 21 days prior to the scheduled regular meeting. The Company must also comply with SEC Circular No. 3, Series of 2020 which requires a corporation to send written notice of regular meetings of shareholders at least 21 calendar days prior to the date of the meeting. The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called. In case of special meetings, only matters stated in the notice can be the subject of motions or deliberations at such meeting. Notice of any meeting may be waived, expressly or impliedly, by any shareholder, in person or by proxy, before or after the meeting.

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 decided. At the reconvened meeting, any business may be transacted that might have been transacted on the original date of the meeting.

For a special stockholders' meeting called pursuant to SEC Circular No. 7, the Board shall issue the notice to convene the stockholders' meeting at least seven days prior to the proposed date of the special meeting after a determination that the objectives and conditions in the written call are consistent with the requirements of SEC Circular No. 7.

Quorum

Unless otherwise provided by law, in all regular or special meetings of the stockholders, at least a majority of the outstanding capital stock of the corporation must be present or represented in order to constitute a quorum for the transaction of business. A majority of the quorum shall decide any question that may come before the meeting, save and except in those several cases in which the laws of the Philippines require the affirmative vote of a greater proportion.

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

The Board of Directors has the authority to fix in advance the record date for shareholders entitled: (a) to notice of, to vote at, or to have their shares voted at, any shareholders' meeting; (b) to receive payment of dividends or other distributions or allotment of any rights; or (c) for any lawful action or for making any other proper determination of shareholders' rights. In lieu of fixing the record date, the Board of Directors may, by resolution, direct the stock transfer books of the Company be closed.

Pursuant to 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 and not more than 30 days from the date of declaration of cash dividends.

In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date shall be fixed by the Philippine SEC and shall be indicated in the Philippine SEC order, which shall not be less than 10 days nor more than 30 days after all clearances and approvals by the Philippine SEC shall have been secured. Regardless of the kind of dividends, the record date set shall not be less than 10 trading days from receipt by the PSE of the notice of declaration of the dividend.

SHARES OF STOCK

Each shareholder of the Company whose stock has been paid in full shall be entitled to a certificate or certificates showing the amount of stock of the Company in his or her name.

Under the PSE Rules, only fully-paid shares may be listed with the PSE.

ISSUE OF SHARES

Subject to otherwise applicable limitations, the Company may issue additional shares to any individual for consideration deemed fair by the Board, provided said consideration shall not be less than the par value of the issued 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 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.

TRANSFER OF COMMON SHARES

All transfer of shares on the PSE shall be done by means of a book-entry system. Pursuant to this system of trading and settlement, a registered shareholder transfers legal title over the shares to such nominee, but retains beneficial ownership over the shares. A shareholder transfers legal title by surrendering the stock certificate representing his shares to participants of the PDTC System (i.e., brokers and custodian banks) that, in turn, lodge the same with the PCD Nominee. A shareholder may request his shares to be uplifted from the PDTC, in which case a certificate of stock is issued to the shareholder and the shares are registered in the name of the shareholder. See *"The Philippine Stock Market."*

Under Philippine law, transfer of the Common Shares is not required 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 stock transfer tax applicable to transfers effected on an exchange. See *"Taxation."* All transfers of Shares on the PSE must be effected through a licensed stockbroker in the Philippines.

SHARE REGISTER

The Company's share register is maintained at the principal office of the share transfer agent, Stock Transfer Service, Inc.

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. For Shareholders who wish to split their certificates, they may do so through application to the Company's stock transfer agent. Shares may also be lodged and maintained under the book-entry system of the PDTC. See *"The Philippine Stock Market."*

MANDATORY TENDER OFFER

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 of the Philippines provides that the following acts of the corporation require the approval of shareholders representing at least two-thirds (2/3) of the issued and outstanding capital stock of the corporation: (i) amendment of the articles of incorporation; (ii) removal of directors; (iii) sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the assets of the corporation; (iv) 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; (v) delegation to the board of directors of the power to amend or repeal by-laws or adopt new by-laws; (vi) merger or consolidation; (vii) an increase or decrease in capital stock; (viii) dissolution; (ix) extension or shortening of the corporate term; (x) creation or increase of bonded indebtedness; (xi) declaration of stock dividends; (xii) management contracts with related parties; and (xiii) ratification of contracts between the corporation and a director or officer.

Further, the approval of shareholders holding a majority of the outstanding capital shares of a Philippine corporation, including non-voting 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 Group's operations for the preceding year. This report is required to include audited financial statements.

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 Underwriters or any of their respective subsidiaries, affiliates or advisors in connection with sale of the Offer Shares.

THE EXCHANGE

The PSE is the only stock exchange in the Philippines. It is one of the oldest stock exchanges in Asia, having been in continuous operation since the establishment of the Manila Stock Exchange in 1927. The PSE previously maintained two 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. Beginning March 19, 2020, trading in the PSE ran from 9:30 a.m. to 1:00 p.m. daily on account of the COVID-19 pandemic. At present, however, trading hours have been extended, with market open from 9:30 a.m. to 3:30 p.m., Monday to Friday.

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-regulating, governed by its respective Board of Governors elected annually by its members.

Several steps initiated by the Philippine government have resulted in the unification of the two bourses into the PSE. The PSE was incorporated in 1992 by officers of both the Makati and the Manila Stock Exchanges. In March 1994, the licenses of the two exchanges were revoked. While the PSE maintains two trading floors, one in Makati City and the other in Pasig City, these floors are linked by an automated trading system, which integrates all bids, and ask quotations from the bourses. In February 2018, the PSE transferred to its new office located at the PSE Tower, Bonifacio Global City, Taguig City. The PSE Tower houses the PSE corporate offices and a single, unified trading floor.

In June 1998, the SEC granted the PSE a “Self-Regulatory Organization” (SRO) status, which meant that the bourse can implement its own rules and establish penalties on erring trading participants and listed companies. In 2011, Capital Market Integrity Corporation (“CMIC”) was incorporated to function as the independent audit, surveillance and compliance arm of PSE. The mandate of CMIC is to ensure that trading participants adhere to all pertinent rules, regulations, and code of conduct of CMIC and PSE, as well as all related legislative and regulatory requirements.

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 Philippine Securities Regulation Code. The PSE had an authorized capital stock of ₱120 million, of which 61.2 million shares were subscribed and fully paid-up as of June 30, 2018. Each of the 184 member-brokers was granted 50,000 common 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 of the PSE.

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. Recently, the PSE issued Rules on 245 Exchange Traded Funds (“ETF”) which provides for the listing of ETFs on an ETF Board separate from the PSE’s existing boards.

The PSE has a benchmark index, referred to as the PSEi, which reflects the price movements of the 30 largest and most active stocks at the PSE. The PSEi is a free float market capitalization-weighted index.

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. 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 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 issuer.

With the increasing calls for good corporate governance and the need to consistently provide full, fair, accurate and timely information, the PSE has adopted an online daily disclosure system to support the provision of material information coming from listed companies and enhance access to such reports by the investing public. In December 2013, the PSE Electronic Disclosure Generation Technology (EDGe), a new disclosure system co-developed with the Korea Exchange, went live. The EDGe system provided a dedicated portal for listed company disclosures and also offered a free-to-download mobile application for easy access by investors.

The main index for PSE is the PSEi, which is a capitalization-weighted index composed of stocks representative of the Industrial, Properties, Services, Holding Firms, Financial and Mining & Oil Sectors of the PSE. It measures the relative changes in the free float-adjusted market capitalization of the 30 largest and most active common stocks listed at the PSE. The selection of companies in the PSEi is based on a specific set of public float, liquidity and market capitalization criteria. There are also six sector-based indices as well as a broader all shares index.

In June 2015, the PSE shifted to a new trading system, the PSEtrade XTS, which utilizes NASDAQ's Xstream Technology. The PSEtrade XTS, which replaced the NSC trading platform provided by NYSE Euronext Technologies SAS, is equipped to handle large trading volumes. It is also capable of supporting the future requirements of the PSE should more products and services be introduced.

In November 2016, the Exchange received regulatory approvals to introduce new products in the stock market – the Dollar Denominated Securities and the Listing of PPP Companies. In June 2018, the PSE received approval from the Philippine SEC to introduce short selling in the equities market.

The PSE launched its Corporate Governance Guidebook in November 2010 as another initiative of the PSE to promote good governance among listed companies. It is composed of 10 guidelines embodying principles of good business practice and based on internationally recognized corporate governance codes and best practices.

The table below sets out movements in the composite index as of the last business day of each calendar year from 2013 to 2023, 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 (in ₱ billions)	Combined Value of Turnover (in ₱ billions)
2013	5,889.8	257	11,931.3	2,546.2
2014	7,230.6	263	14,251.7	2,130.1
2015	6,952.1	265	13,465.1	2,172.5
2016	6,840.6	265	14,438.8	1,929.5
2017	8,558.4	267	17,583.1	1,958.4
2018	7,466.0	267	16,146.7	1,736.8
2019	7,815.3	271	16,710.0	1,770.0
2020	7,139.7	271	15,890.0	1,770.0
2021	7,122.6	276	18,081.1	2,233.1

2022	6,566.4	286	16,558.5	1,788.7
2023	6,540.0	283	16,740.6	1,475.7

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

Trading

The PSE is a double auction market. Buyers and sellers are each represented by stockbrokers. 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. 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.

Equities trading on the PSE starts at 9:30 a.m. and ends at 12:00 p.m. for the morning session, and resumes 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’s PhilPaSS and the PCHC (or, in the event of the discontinuance of their respective functions, their respective replacements) are closed and such other days as may be declared by the SEC or the PSE, to be a non-trading day. The PSE, through PSE CN 2024-0010, allows volume weighted average price (“VWAP”) transactions executed by trading participants on a pre-arranged basis, for different clients or through its proprietary account through the VWAP trading facility. VWAP transactions can only be executed within fifteen minutes after run-off/trading-at-last period.

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 (3) 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:

- synchronizing the settlement of funds and the transfer of securities through Delivery versus Payment clearing and settlement of transactions of Clearing Members, who are also Trading Participants of the PSE;
- guaranteeing the settlement of trades in the event of a Trading Participant’s default through the implementation of its Fails Management System and administration of the Clearing and Trade Guaranty Fund; and
- performance of Risk Management and Monitoring to ensure final and irrevocable settlement.

As of August 23, 2023, SCCP settles PSE trades on a two-day rolling settlement environment, which means that settlement of trades takes place three days after transaction date (T+2). The deadline for settlement of trades is 12:00 noon of T+2. 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 (9) existing Settlement Banks of SCCP which are BDO Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank & Trust Company, Deutsche Bank, Union Bank of the Philippines, The Hongkong and Shanghai Banking Corporation Limited, Maybank Philippines, Inc., Asia United Bank, and China Banking Corporation. Payment for securities bought should be in good, cleared funds and should be final and irrevocable. Settlement is presently on a broker level.

SCCP implemented its Central Clearing and Central Settlement (“CCCS”) system on May 29, 2006. CCCS employs multilateral netting, whereby the system automatically offsets “buy” and “sell” transactions on a per issue and a per flag basis to arrive at a net receipt or a net delivery security position for each clearing member. All cash debits and credits are also netted into a single net cash position for each clearing member. Novation of the original PSE trade contracts occurs, and SCCP stands between the original trading parties and becomes the Central Counterparty to each PSE-eligible trade cleared through it.

Scripless Trading

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

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 in favor of the 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 lodged in 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 in the account of the PCD Nominee through the PDTC participant will be recorded in the issuing corporation’s registry. This trust arrangement between the participants and PDTC through the 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 the 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 their 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 their interests in the shares must course the trade through a participant. The participant can execute PSE trades and non-PSE trades of lodged equity securities through the PDTC system. All matched transactions in the PSE trading system will be fed through the SCCP, and into the PDTC system. Once it is determined on the settlement date (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 SCCP Central Clearing and Central Settlement 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 shareholdings from the PDTC system, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the upliftment of 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. The expenses for upliftment are for the account of the uplifting shareholder.

The difference between the depository and the registry would be on the recording of ownership of the shares in the issuing corporations' books. In the depository set-up, shares are simply immobilized, wherein customers' certificates are cancelled and a confirmation advice is issued in the name of PCD Nominee to confirm new balances of the shares lodged with the PDTC. Transfers among/between broker and/or custodian accounts, as the case may be, will only be made within the book-entry system of the PDTC. However, as far as the issuing corporation is concerned, the underlying certificates are in the PCD 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 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 to wit:

- For a new company to be listed at the PSE as of 1 July 2009, the usual procedure will be observed but the transfer agent of the company shall no longer issue a certificate to PCD Nominee but shall issue a Registry Confirmation Advice, which shall be the basis for the PDTC to credit the holdings of the depository participants on the listing date.
- On the other hand, for an existing listed company, the PDTC shall wait for the advice of the transfer agent that it is ready to accept surrender of PCD Nominee jumbo certificates and upon such advice the PDTC shall surrender all PCD Nominee jumbo certificates to the transfer agent for cancellation. The transfer agent shall issue a Registry Confirmation Advice to PDTC evidencing the total number of shares registered in the name of PCD Nominee in the listed company's registry as of confirmation date.

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

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 their broker or custodian-participant for a 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 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 PCD Nominee. The expenses for upliftment are on the account of the uplifting shareholder.

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 ("MPO"), listed companies are required, at all times, to maintain a minimum percentage of listed securities held by the public of 10% 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": (i) individuals (for as long as the shares held are not of a significant size (i.e., less than 10%) and are non-strategic in nature); (ii) trading participants (for as long as the shares held are non-strategic in nature); (iii) investment and mutual funds; (iv) pension funds; (v) 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 (vi) social security funds.

Listed companies which 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 noncompliant 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.

On August 4, 2020, the PSE issued Guidelines on MPO Requirement for Initial and Backdoor Listings, effective immediately. Under the guidelines, companies applying for initial listing through an IPO are required to have a minimum public offer size of 20% to 33% of its outstanding capital stock, as follows:

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

A company listing through an IPO is required to maintain at least 20% public ownership level at all times, whether the listing is initial or through backdoor listing. For companies doing a backdoor listing, the 20% MPO requirement shall be reckoned from the actual issuance or transfer (as may be applicable) of the securities which triggered the application of the Backdoor Listing Rules or from actual transfer of the business in cases where the Backdoor Listing Rules are triggered by a substantial change in business.

In accordance with the SEC Memorandum Circular No. 13 Series of 2017 issued on December 1, 2017, the MPO requirement on initial public offerings is increased from 10% to 20%. For existing publicly listed companies, the existing rules and/or guidelines of an exchange on minimum public float duly approved by the SEC still apply. 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% of the listed companies' issued and outstanding shares, exclusive of any treasury shares, or a percentage that may be prescribed by the PSE. As of date, the SEC is looking at increasing the MPO requirement of existing listed companies to 15%, such proposed rules on MPO is yet to be issued by SEC for comments by the public.

Rule on Mandatory Allocation to Local Small Investors

The PSE issued Memorandum CN No. 2024-0024 dated 16 April 2024 which makes allocation to LSIs mandatory for up to ten percent (10%) of the entire initial public offering ("IPO"), which shall be offered only after the effectivity of the registration statement and during the formal offering period. This mandate was implemented to achieve the objective of a wider dispersal of shares of the IPO and expansion of local investors.

LSIs refer to share subscribers willing to subscribe to a minimum board lot and whose subscription does not exceed ₱100,000.00. However, the PSE may increase the maximum subscription amount for the LSI on a case-to-case basis, taking into account the offer size of the IPO consistent with the objective of facilitating and achieving maximum participation and subscription to the LSI allocation. In the event of an over or under subscription in the ten percent (10%) offer, a "clawback" or a "clawforward" mechanism shall be implemented.

A book-building program for the domestic market and simultaneously with the international tranche, if any, shall involve up to sixty percent (60%) of the total amount of the offer shares wherein QIBs may be allowed to participate in the book-building. QIBs shall be limited to the following: mutual funds, pension or retirement funds, commercial or universal banks, trust companies, investment houses, insurance companies, investment companies, finance companies, venture capital firms; government financial institutions, trust departments of commercial or universal banks, non-bank quasi banking institutions, Trading Participants of the PSE, non-stock savings and loan associations, educational assistance funds, and other institutions of similar nature.

The balance of at least thirty percent (30%) may be distributed by the underwriters directly to their clients/general public, to include institutional investors and high net worth individuals. Stockbroker/dealers may be allowed to subscribe to IPOs for their dealer accounts, provided, that if they opt to sell the shares to their customers during the

offering period it must be at a price not higher than the IPO price. Likewise, stockbrokers/dealers are prohibited from selling these shares after the offering period and before listing. While the stockbrokers/dealers may be allowed to purchase IPO shares for their dealer accounts, their first responsibility is to give priority to their customers' orders. Their books and records shall be subject to post listing audit by the Commission to make certain that they do not purchase IPO shares ahead of their customers' orders. The shares allocated to the general public shall include twenty percent (20%) of the amount of the offer shares, to be sold by the Trading Participants of the PSE.

Securities Borrowing and Lending

Securities borrowing and lending ("SBL") involves the loan of securities by a lender who owns or controls them, to a borrower who needs the securities to support settlement obligations or trading strategies. The risk of a failed trade occurring can be minimized if a borrower has access to loanable securities that will allow the borrower to meet settlement obligations. SBL also facilitates the development of short selling, which can be utilized as a tool for arbitrage or hedging.

In an SBL transaction, the borrower provides collateral in the form of cash, equity securities and government securities. The collateral is marked-to-market on a daily basis and is increased or decreased as necessary to maintain the agreed margin or at a prescribed value under local regulations. Cash collateral may be re-invested by the Lender as agreed upon by the parties. The income earned is then returned to the Borrower as rebate with a certain percentage of the earnings retained by the lender in lieu of the borrowing fee. The borrower is charged a lending fee quoted as a percentage of the value of the securities loaned at the time of the transaction.

Pursuant to the Rules on Securities Borrowing & Lending, any lending agent must be duly registered with the SEC and must furnish the PSE a certified true copy of its registration as such, before entering into an SBL transaction. The lender / lending agent and borrower must execute a Master Securities Lending Agreement ("MSLA") which must comply with the SBL Revenue Regulations. Such MSLA must be registered with the BIR.

Each SBL transaction must be evidenced by a Confirmation Notice that specifies the details of the SBL transaction. The borrower is then required to submit to the PSE a Certification that it has filed the bi-annual summary report of outstanding and liquidated SBL transactions and stock returns required by the SBL Revenue Regulations.

PHILIPPINE TAXATION

The following is a general description of certain Philippine tax aspects of the investment in the Company. The following discussion is based on the laws, regulations, rulings, income tax treaties, administrative practices and judicial decisions in effect as of the date of this Prospectus and is subject to any changes in law or regulation occurring after such date, which changes can be made on a retroactive basis. The following discussion does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own, or dispose of the Common Shares.

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 address all tax aspects that may be important to an investor.

This general description does not purport to be a comprehensive description of the Philippine tax aspects of the investment in shares and no information is provided 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 consequence in light of particular situations of acquiring, owning, holding, and disposing of the shares in such other jurisdictions.

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; while a "foreign corporation" is one which is not domestic.

A "resident foreign corporation" is a foreign corporation engaged in trade or business in the Philippines; and a "non-resident foreign corporation" is a foreign 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.

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, which contained an initial package of the tax reforms, amended provisions of the NIRC including provisions on DST, tax on income and other distributions, capital gains tax on the sale and disposition of shares of stock, estate tax, and donor's tax. On April 11, 2021, the second package of the Comprehensive Tax Reform Program ("CTRP") became effective. While the first package of the TRAIN Law brought about extensive changes to individual income taxation, the second package, Republic Act No. 11534, or the Corporate Recovery and Tax Incentives for Enterprises Act ("CREATE"), lowered corporate income tax rates for micro-, small-, and medium-sized enterprises, from 30% to 20%; while Large Corporations are now taxed at a lowered rate of 25%. CREATE also provided for a uniform tax rate of 15% imposed on capital gains from sale of shares of stock not traded in the stock exchange on all types of taxpayers, as well as other forms of tax relief and a new tax incentive system.

Corporate Income Tax

A domestic corporation is subject to a tax of 25% of its taxable income (gross income less allowable deductions) from all sources within and outside the Philippines except, among other things, (a) interest income from Philippine currency bank deposits and yield or any other monetary benefit from deposit substitutes, trust funds, and similar arrangements as well as royalties from sources within the Philippines are subject to final withholding tax rate of 20%; and (b) interest income from a depository bank under the expanded foreign currency deposit system which is subject to a final tax at the rate of 15%.

A minimum corporate income tax of 2% of the gross income as of the end of the taxable year is imposed on a domestic corporation beginning on the fourth taxable year immediately following the year in which such corporation commenced its business operations, when the 2% minimum corporate income tax is greater than the corporate tax rate of 30% on taxable income.

Nevertheless, any excess of the minimum corporate income tax over the ordinary corporate income tax shall be carried forward and credited against the latter for the three immediately succeeding taxable years. Furthermore, subject to certain conditions, the minimum corporate income tax may be suspended with respect to a corporation which suffers losses on account of a prolonged labor dispute, force majeure, or legitimate business reverses.

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, a sale, barter, exchange or other disposition of shares of stock listed at and effected through the facilities of the PSE by a resident or a non-resident holder, other than a dealer in securities, is subject to a stock transaction tax at the rate of 0.6% of the gross selling price or gross value in cash of the shares of stock sold, bartered, exchanged or otherwise disposed, unless an applicable treaty exempts such sale from the said tax. The stock transaction tax is classified as a percentage tax and is paid in lieu of the capital gains tax. In addition, a value added tax of 12% is imposed on the commission earned by the PSE-registered broker who facilitated the sale, barter, exchange or disposition through the PSE, and is generally passed on to the client.

The stock transaction tax will not apply if the shares are sold outside the facilities of the PSE, including during a trading suspension. On November 7, 2012, the BIR issued Revenue Regulations No. 16-2012 which provides that the sale, barter, transfer, and/or assignment of shares of listed companies that fail to meet the minimum public ownership (“MPO”) requirement (*i.e.*, the rule that requires listed companies to maintain a minimum percentage of listed securities held by the public or “public float” at 10% of such companies’ issued and outstanding shares, exclusive of treasury shares, at all times) after December 31, 2012 will be subject to capital gains tax and documentary stamp tax. For further discussion on the MPO, see section on *The Philippine Stock Exchange - Amended Rule on Minimum Public Ownership*.

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 be subject to capital gains tax and documentary stamp tax.

Capital Gains Tax, if the Sale Was Made Outside the PSE

The net capital gains realized by an individual taxpayer or domestic corporation other than a dealer in securities during each taxable year from the sale, exchange or disposition of shares of stock in a Philippine corporation listed at and effected outside of the facilities of the local stock exchange, are subject to a final tax at the rate of 15% beginning January 1, 2018. Net capital gains realized by resident and non-resident foreign corporations during each taxable year from the sale, exchange or disposition of shares of stock in a Philippine corporation listed at but effected outside of the facilities of the local stock exchange, are also subject to the final tax rate of 15% based on the net capital gains realized during the taxable year.

Capital gains tax will also apply if the publicly listed company that issued the shares sold does not comply the MPO requirement.

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.

Exemption from capital gains tax may be provided under income tax treaties executed between the Philippines and the country of residence or domicile of the non-resident holder. If an applicable income tax treaty exempts net gains from such sale from capital gains tax, either a request for confirmation on the propriety of the withholding tax applied or 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.

The transfer of shares shall not be recorded in the books of the Company unless the BIR certifies that the capital gains, documentary stamp taxes, and other internal revenue 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 income tax at the rate of 10%. Cash and property dividends received by non-resident alien individuals engaged in trade or business in the Philippines from a domestic corporation are subject to a 20% 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 from a domestic corporation are subject to tax at 25% of the gross amount, subject, however, to the applicable preferential tax rates under tax treaties executed between the Philippines and the country of residence or domicile of such non-resident foreign individuals.

Cash and property dividends received from a domestic corporation by another domestic corporation or by resident foreign corporations are not subject to tax while those received by non-resident foreign corporations are subject to withholding tax at the rate of 25%.

The 25% final withholding tax rate for inter-corporate cash and/or property dividends paid by a domestic corporation to a non-resident foreign corporation may be reduced depending on the country of domicile of the non-resident foreign corporation if it has an existing tax treaty with the Philippines. A country with a tax treaty may have a reduced preferential tax rate depending on the provisions of the corresponding tax treaties. On the other hand, the tax rate for a country without a tax treaty may be reduced to 15% if (i) the country in which the non-resident foreign corporation is domiciled imposes no tax on foreign-sourced dividends or (ii) if the country of domicile of the non-resident foreign corporation allows a credit equivalent to 15% for taxes deemed to have been paid in the Philippines. Provided, effective July 1, 2020, the credit against tax due shall be equivalent to the difference between the regular income tax rate and the 15% of tax dividends.

In order to avail of the 15% tax sparing rate, a non-resident foreign corporation must file an application with the BIR for a confirmatory ruling on its entitlement pursuant to Revenue Memorandum Order No. 46-20 (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). The application has to be filed within 90 days from "the remittance of the dividends or from the determination by the foreign tax authority of the deemed paid tax credit/non-imposition of tax because of the exemption, whichever is later." 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.) Most tax treaties to which the Philippines is a party provide for a reduced tax rate of 15% 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.

The submission of a Certificate of Residence for Tax Treaty Relief (CORTT) Form for dividends, interest and royalties has been officially discontinued. The BIR has 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 by the nonresident taxpayer, with the required supporting documents in either case.

Request for Confirmation (“RFC”)

The withholding agent or income payor may apply the preferential tax treaty rate on the dividend income of the non-resident foreign shareholder by relying on the submission by such shareholder of the following documents before the dividend income is paid: (a) an application form for treaty purposes (BIR Form 0901-D for dividends); (b) an authenticated or 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’s International Tax Affairs Division (“ITAD”) a RFC of the use of the tax treaty rate. The RCL 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 RFC 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 RCL.

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 RCL will be denied and it will require the withholding agent/income payor to pay the deficiency taxes plus surcharge, interest and penalties.

Tax Treaty Relief Application (“TTRA”)

In case the withholding agent or 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 RCL, 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.

The Company shall withhold taxes at a reduced rate on dividends to a non-resident holder if the nonresident submitted to the Company a Tax Residency Certificate ("TRC") and BIR Form No. 0901-D prior to the payment of dividends. TRC is a certificate issued by the tax authority of the country of residence and shall establish the fact of residency in a contracting state of the non-resident.

On March 31, 2021, the BIR issued Revenue Memorandum Order No. 14-2021 ("RMO 14-2021"). RMO 14-2021 was issued to streamline the procedures and documents for the availment of the tax treaty benefits. To avail of the tax treaty relief benefits, the following guidelines and procedures will be observed:

1. The non-resident income recipient should submit to the withholding agent or income payor the submitted Application Form for Treaty Purposes, Tax Residency Certificate duly issued by the foreign tax authority, and the relevant provision of the applicable tax treaty on whether to apply a reduced rate of, or exemption from, withholding at source on the income derived by the non-resident income recipient. The documents should be submitted to each withholding agent or income payor prior to the payment of income for the first time. The failure to provide the said documents when requested may lead to the withholding using the regular withholding rates without the tax treaty benefit rate.
2. When the preferential tax rates have been applied by the withholding agent, it shall file with the ITAD a RCL on the propriety of the withholding tax rates applied by the withholding agent. On the other hand, if the regular withholding rates have been imposed on the income, the non-resident income recipient shall file a TTRA with ITAD. In either case, each RCL and TTRA shall be supported by the documentary requirements set out in the issuance.
3. The RCL shall be filed by the withholding agent at any time after the payment of withholding tax but shall in no case be later than the last day of the fourth month following the close of each taxable year. On the other hand, the filing of the TTRA may be filed by the non-resident income recipient at any time after the receipt of the income.

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 nonresident income recipient is not entitled to treaty benefits, it will issue a BIR Ruling denying the RCL or TTRA. Consequently, the withholding agent shall pay the deficiency tax plus penalties. On the contrary, 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 nonresident income recipient's entitlement to the treaty benefits. In this case, the nonresident income recipient may apply for a refund of the excess withholding tax.

The original or certified true copy of the following documents, as may be applicable, shall be submitted to the International Tax Affairs Division of the BIR when claiming the tax treaty relief:

A. General Requirements

1. Letter-request
2. Application Form duly signed by the non-resident income earner or its/his/her authorized representative
3. Tax Residency Certificate for the relevant period, duly issued by the tax authority of the foreign country in which the Bondholder is a resident
4. Bank documents/certificate of deposit/telegraphic transfer/telex/money transfer evidencing the payment/remittance of income
5. Withholding tax return with Alphabetical List of Payees
6. Proof of payment of withholding tax
7. Notarized Special Power of Attorney issued by the non-resident income earner to its/his/her authorized representative(s), which shall expressly state the authority to sign the Application Form as well as to file the tax treaty relief application or RCL.

B. Additional general requirements for legal persons and arrangements, and individuals:

1. Authenticated copy of the non-resident legal person or arrangement's Articles/Memorandum of Incorporation/Association, Trust Agreement, or equivalent document confirming its establishment or incorporation, with an English translation thereof if in foreign language.
2. Original copy of the Certificate of Non-Registration of the Bondholder or certified true copy of License to Do Business in the Philippines duly issued by the Philippine SEC for legal persons and arrangements, or original copy of the Certificate of Business Registration/Presence duly issued by the Department of Trade and Industry for individuals.

C. Additional general requirements for fiscally transparent entities:

1. A copy of the law of the foreign country showing that tax is imposed on the owners or beneficiaries of the foreign fiscally transparent entity;
2. List of owners/beneficiaries of the foreign entity;
3. Proof of ownership of the foreign entity; and
4. Tax Residency Certificate issued by the concerned foreign tax authority to the owners or beneficiaries of the fiscally transparent entity.

The BIR may require additional documents during the course of its evaluation as it may deem necessary. Upon the confirmation of the entitlement to the tax treaty benefit or confirmation of the correctness of the withholding tax rates applied, the BIR will issue a certification to that effect. Any adverse ruling may be appealed to the Department of Finance within 30 days from receipt.

If the income of the nonresident Shareholder has been subjected to regular withholding rates, the Shareholder may file a claim for refund with the BIR independently of, or simultaneously with, the TTRA. Nonetheless, all claims for refund shall be filed within the two-year prescriptive period provided under Section 229 of the National Internal Revenue Code, as amended.

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.

If the dividends of the non-resident taxpayer have been subjected to the regular rate, said non-resident taxpayer may subsequently file a claim for refund of the difference between the amount of withholding tax actually paid in the Philippines and the amount of tax that should have been paid under the treaty after obtaining a certificate confirming the non-resident taxpayer's entitlement to treaty benefits. For this purpose, a duly accomplished BIR Form No. 1913 shall be filed together with the letter-request. The claim for refund may be filed independently of, or simultaneously with, the TTRA. (See RMO 14-2021, sec. 10). 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 obtaining such a refund.

The BIR, in Revenue Memorandum Circular 20-2022, clarified that there are two types of Certificate of Entitlement to Treaty Benefit ("COE") issued to taxpayers. Insofar as recurring transactions are concerned, the COE issued by the BIR shall contain a proviso stating that the same ruling shall apply to future or subsequent income payments to the same nonresident-income payee/recipient provided that the conditions set forth therein are present. On the other hand, the other type of COE limits the applicability of the ruling to a particular transaction or period of engagement and is usually issued for business profits, capital gains, income of teachers, and income from services. In the same RMC, the BIR clarified that taxpayers who were already issued a COE shall no longer file an RFC or TTRA every time an income of similar nature is paid to it. In applying the confirmed treaty benefit to future income payments, the

income payor or withholding agent shall be guided by the requisites mentioned in the COE. Hence, it is only when any of the requisites mentioned in the COE is absent that a new RFC, TTRA or tax sparing application shall be filed.

Preferential Rates under Income Tax Treaties

The following table lists some of the countries with which the Philippines has income 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:

- 15% if the recipient company which is a resident of Canada controls at least 10% of the voting power of the company paying the dividends; 25% in all other cases.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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 National Internal Revenue Code provided certain conditions are met.
- 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 National Internal Revenue Code as amended by the Section 39 of the TRAIN.
- Article 2(2)(b)(ii) 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.
- 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.
- Article 2(3)(a)(iv) of the Agreement between the Government of the Republic of the Philippines and the Federal Republic of Germany for the Avoidance of Double Taxation with Respect to Taxes on Income and Capital signed on September 9, 2013.
- Capital gains are taxable only in the country where the seller is a resident, provided the shares are not those of a corporation, the assets of which consist principally of real property situated in the Philippines, in which case the sale is subject to Philippine taxes.
- Under the income tax treaty between the Philippines and the United Kingdom, capital gains on the sale of the shares of Philippine corporations are subject to tax only in the country where the seller is a resident, irrespective of the nature of the assets of the Philippine corporation.

When availing of capital gains tax exemption on the sale of shares of stock under an income tax treaty, a certification on the exemption from capital gains tax pursuant to the tax treaty 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 of the issuing corporation. 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 certification from the BIR confirming the capital gains tax exemption of the seller should be submitted to the BIR office processing the CAR.

The requirements for an RFC 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 or an apostilled 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. The tax treaty relief application has to be filed with the BIR before the first taxable event as defined under Revenue Memorandum Order No. 72-2010, which in respect of capital gains tax, is before the due date for the payment of the DST on the sale of shares.

Documentary Stamp Tax

The original issuance of shares is subject to a DST of ₱2.00 for each ₱200.00, or a fractional part thereof, of the par value of the shares issued. The Philippines also imposes a DST upon the transfer of shares of stock issued by a Philippine corporation outside of the PSE at the rate of ₱1.50 on each ₱200, or 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. Conversely, the sale, barter, or exchange of shares of stock listed on the PSE, if traded or made through the facilities of the PSE, shall be exempt from DST.

Estate and Gift Taxes

Shares issued by a corporation organized or constituted in the Philippines in accordance with Philippine laws are deemed to have a Philippine situs and their transfer by way of succession or donation is subject to Philippine estate and donor's taxes.

The transfer by a deceased individual to his heirs of the Offer Shares by way of succession, whether such individual was a citizen of the Philippines or an alien and regardless of residence, shall be subject to an estate tax at a rate of 6% of the net estate of the deceased individual.

The transfer of the Offer Shares by way of gift or donation by an individual or corporate holder, whether or not a citizen or resident of the Philippines, shall be subject to donor's tax at a rate of 6% based on the total gifts in excess of ₱250,000.00 exempt gift made during the calendar year.

In case the Offer Shares 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 Offer Shares exceeded the value of the consideration may be deemed a gift, and donor's taxes may be imposed on the transferor of the Offer Shares, based on Section 100 of the NIRC, 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.

The estate or donor's taxes payable in the Philippines may be credited with the amount of any estate or donor's taxes imposed by the authority of a foreign country, subject to limitations on the amount to be credited, and the tax status of the donor. The estate tax and the donor's tax, in respect of the Offer Shares, shall not be collected: (1) if the decedent, at the time of 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 the foreign country.

Taxation Outside the Philippines

Shares of stock in a domestic corporation are considered under Philippine law as situated in the Philippines and the gain derived from their sale is entirely from Philippine sources; hence such gain is subject to Philippine income tax and capital gains tax and the transfer of such shares by gift (donation) or succession is subject to the donors' or estate taxes stated above. Sales or other dispositions of shares of stock in a domestic corporation through the facilities of the PSE by a resident or a non-resident holder, other than a dealer in securities, are, however, subject to a stock transaction tax at the rate of 0.6% of the gross selling price or gross value in money of the shares of stock sold or otherwise disposed, unless an applicable treaty exempts such sale from said tax. The tax treatment of a non-resident holder of shares of stock in jurisdictions outside the Philippines may vary depending on the tax laws applicable to such holder by reason of domicile or business activities and such holder's particular situation. This Prospectus does not discuss the tax consideration on non-resident holders of shares of stock under laws other than those of the Philippines.

EACH PROSPECTIVE HOLDER SHOULD CONSULT WITH HIS/HER OWN TAX ADVISER AS TO THE PARTICULAR TAX CONSEQUENCES TO SUCH HOLDER OF PURCHASING, OWNING, AND DISPOSING OF THE PREFERRED SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL, AND NATIONAL TAX LAWS.

LEGAL MATTERS

Certain legal matters as to Philippine law relating to the Offer were passed upon by Migallos & Luna Law Office for the Company and by Picazo Buyco Tan Fider & Santos Law Office for the Underwriters.

Atty. Troy A. Luna, Senior Partner of Migallos & Luna Law Offices, also serves as the Corporate Secretary of the Company. Atty. Luna does not have any shareholding in the Company nor does he have any financial interest thereto.

Each of the foregoing legal counsels has neither shareholding in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for securities in the Company. None of the legal counsels will receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

INDEPENDENT AUDITORS

In 2024, the Company appointed Isla Lipana & Co. (“PWC”) as their independent auditor for the calendar year ending December 31, 2024. PWC has been endorsed by the Audit Committee to the Board. The Board, in turn, approved the endorsement and the appointment of the said auditing firm was ratified during the stockholders’ Annual Meeting on April 23, 2024. Prior to PWC, SGV has been the Company’s independent auditor for the last thirty (30) years.

PWC/SGV has neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in the Company. PWC/SGV will not receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants, or rights thereto) pursuant to or in connection with the Offer.

Audit services of SGV for the calendar year ended December 31, 2023 included the audit of the parent company and consolidated financial statements of the Company.

The Company is in compliance with SRC Rule 68, paragraph 3(b) (ix) requiring the rotation of external auditors or engagement partners who have been engaged by the Company for a period of seven (7) consecutive years and the mandatory five-year cooling-off period for the re-engagement of the same signing partner or individual auditor. The SGV engagement partner who conducted the audit for Calendar Year 2023 is Ms. Belinda T. Beng Hui. This was the fifth year of Ms. Belinda T. Beng Hui as audit partner of the company. The PWC engagement partner who will conduct the audit for Calendar Year 2024 is Ms. Ma. Lois Gregorio-Abad.

The independent auditors for the current year and for the most recently completed calendar year are expected to be present at the shareholders’ meeting, will have the opportunity to make a statement if they desire to do so, and are expected to be available to respond to appropriate questions. The Audit Committee recommended SGV with Ms. Belinda T. Beng Hui as audit partner as the independent auditor for Calendar Years 2021, 2022, and 2023.

The Audit Committee discusses with the independent auditor before the audit commences, the nature and scope of the audit. The Committee also approves audit plans, audit fees, scope and frequency before the conduct of the external audit. It evaluates and determines non-audit work by the independent auditor and reviews the non-audit fees paid to the independent auditor, both in relation to their significance to the audit and in relation to the Company’s total expenditure on consultancy.

The Audit Committee, the Board of Directors and the stockholders of PHINMA approved the engagement of SGV as the Company’s independent auditor up to December 31, 2023.

Appointment of PWC as the succeeding independent auditor was approved by the Board of Directors on August 8, 2023 and by the stockholders on April 23, 2024.

Audit and Audit-Related Fees

The Company paid or accrued the following fees for professional services rendered by SGV for the past three (3) years:

Year	Audit Fees	Tax Fees and All Other Fees
2023	3,125,000	4,200,765
2022	3,400,000	-
2021	3,285,000	3,400,000

The above audit fees are for the audit of the Company's annual financial statements or services normally provided in connection with statutory and regulatory filings or engagements for calendar year 2021, 2022, 2023.

Tax Fees and All Other Fees

The Company did not engage SGV for tax advisory services for the years ended December 31, 2021, 2022, and 2023 thus fees amounting to nil, respectively. All Other Fees represent various SGV engagements like valuation of options, organizational optimization study and transfer pricing.

Changes in and Disagreements with Independent Auditors

The Company has not had any changes in or disagreements with its independent auditors on any matter relating to financial or accounting disclosures.

No Interest in the Company

There is no arrangement that PWC shall receive a direct or indirect interest in the Company or was a promoter, co-manager, voting trustee, director, officer, or employee of the Company.

ANNEX

MATERIAL PERMITS AND LICENSES

The Company and its subsidiaries are in possession of the material permits required for the conduct of their respective businesses. Details of these material permits are set out in the table below.

PHINMA Corporation

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit	City of Makati	Permit No. 28070	5 February 2024	31 December 2024
Barangay Business Clearance	Barangay Poblacion	Business Clearance: 2023-1011	22 February 2024	31 December 2024
Permit to Use Computerized Accounting System or CAS	Bureau of Internal Revenue	PTU No. 1910_0124_PTU_C AS_000656	4 October 2019	30 September 2024
Certificate of Registration	Bureau of Internal Revenue	OCN: 8RC0000019566	01 January 1997	N/A
Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 200276305938	9 June 2021	N/A
Certification of no pending case	Department of Labor and Employment	2107-283-C	26 July 2021	N/A
Certificate of Employer's Registration	Pag-IBIG	Employer ID No. 204165280003	16 February 2023	N/A
Certificate of Registration	National Privacy Commission	NPC Registration No. PIC-004-422-2024	N/A	1 August 2025
Seal of Registration	National Privacy Commission	N/A	N/A	1 August 2025
Sanitary Permit	Environmental Health and Sanitation Section – Lungsod ng Makati	Permit No. 008519	21 March 2024	31 December 2024
Certification of no pending case	Department of Labor and Employment	2307-00183	7 July 2023	N/A
Registration Plate	Social Security System	01-0000101-9-000	September 1957	N/A
Fire Safety Inspection Certificate	Bureau of Fire Protection	FSIC No. ReMKT No. 225193	29 May 2024	29 May 2025

API

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit	City of Makati	Permit No. 28100	5 February 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. CS200500993	26 January 2005	N/A
Certificate of Registration	Bureau of Internal Revenue RDO 049	OCN: 9RC0000160448	17 February 2005	N/A
Sanitary Permit	City of Makati	Permit No. 037059	12 March 2024	31 December 2024
Barangay Business Clearance	Barangay Poblacion	MV0373	22 February 2024	31 December 2024
Fire Safety Inspection Certificate	Bureau of Fire Protection	FSIC No. ReMKT No. 721151	6 June 2024	6 June 2025

APHI

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit	City of Makati	28076	5 February 2024	31 December 2024
Barangay Business Clearance	Barangay Poblacion	2023-1010	22 February 2024	31 December 2024
Certificate of Registration	Bureau of Internal Revenue – RDO 049	OCN: 9RC0000337270	13 June 2012	N/A
Sanitary Permit	City of Makati	Permit No. 037058	21 March 2024	31 December 2024
Fire Safety Inspection Certificate	Bureau of Fire Protection	FSIC No. R267327	30 June 2024	30 June 2025

PSHC

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit	City of Taguig	LCN 20-010968	17 January 2024	31 December 2024
Barangay Business Clearance	City of Taguig	Serial No. 000055	18 January 2024	
Mayor's Permit	Municipality of Calumpit	Permit No. 0637-2024	15 January 2024	31 December 2024
Barangay Business Clearance	Municipality of Calumpit		8 January 2024	
Sanitary Permit	Municipality of Calumpit	2024-0359	11 January 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. A1998-13883	11 September 1998	N/A
Certificate of Registration	Bureau of Internal Revenue RDO 044	OCN: 9RC0000394070	27 February 2014	N/A
Authority to Print	Bureau of Internal Revenue	9AU0000882165	17 April 2019	16 April 2024*

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
				*Still valid based on the BIR Revenue Regulation No. 6-2022 (“RR 6-2022”) issued in June 2023 which removed the five (5)-year validity period for receipts/invoices.

Philcement Corporation

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit Certificate, Brgy Clearance, Sanitary Permit, FSIC	City of Cagayan de Oro	Certificate No. 2024-12707	22 January 2024	31 December 2024
Business Permit / Mayor’s Permit	City of Davao	Permit No. B-159693-3	30 January 2024	31 December 2024
Certificate of Good Payment Standing	Philippine Health Insurance Corporation	Control No. LHIO Bataan Cert. 2021-0068	25 June 2021	N/A
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. CS201732074	22 September 2017	N/A
Amended Article of Incorporation & By-laws	Securities and Exchange Commission	Company Reg. No. CS201732074	5 April 2019	N/A
Amended Article of Incorporation & By-laws	Securities and Exchange Commission	Company Reg. No. CS201732074	12 April 2021	N/A
Certificate of Registration	Authority of the Freeport Area of Bataan	No. 2022-041	16 December 2021	N/A
Certificate of Registration	Bureau of Customs	CCN IM0007919093	26 April 2024	26 April 2025
Certificate of Registration – Mariveles	Bureau of Internal Revenue RDO 020	OCN: 4RC0001318643	15 April 2019	N/A
Certificate of Registration – Dinalupihan	Bureau of Internal Revenue RDO 020	OCN: 4RC0001385406	19 November 2019	N/A
Certificate of Registration – Currimao	Bureau of Internal Revenue RDO 001	OCN: 4RC0001416324	21 February 2020	N/A
Certificate of Registration – Davao City	Bureau of Internal Revenue RDO 132	OCN: 2RC0001692365	24 September 2019	N/A

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Certificate of Registration – Iloilo City	Bureau of Internal Revenue RDO 074	OCN: 2RC0001676175	24 September 2019	N/A
Certificate of Registration – Tagoloan	Bureau of Internal Revenue RDO 098	OCN: 2RC0001670489	19 December 2019	N/A
Certificate of Registration	Department of Labor and Employment	RO302-1903-RE-III-29	14 March 2019	N/A
Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 008030009963	10 August 2018	N/A
Certificate of Registration	Social Security System	Employer No. 02-1011269-4-000	11 March 2019	N/A
Environmental Compliance Certificate	Environment Management Bureau Region III	R03-09012018-4591	17 July 2019	N/A
Hazardous Waste Generator Registration Certificate	Environment Management Bureau Region III	OL-GR-R3-08-003281	20 October 2020	N/A
Mayor's Permit, Barangay Clearance, Sanitary Permit	Municipality of Tagoloan	Permit No. 2024-1004324000-0955	22 January 2024	31 December 2024
Permit to Operate Air Pollution Source and Control Installations	Environment Management Bureau Region III	PTO-OL-R03-2020-00816	11 Sep 2020	11 Jul 2025
Philippine Standard Quality Certification Mark – Portland Cement	Bureau of Philippine Standards	License No. Q-2433	16 January 2024	10 January 2027
Philippine Standard Quality Certification Mark – Blended Hydraulic Cement	Bureau of Philippine Standards	License No. Q-2434	16 January 2024	10 January 2027
Philippine Standard Quality Certification Mark – Portland Cement	Bureau of Philippine Standards	License No. Q-2595	4 September 2024	13 August 2027
Philippine Standard Quality Certification Mark – Portland Cement	Bureau of Philippine Standards	License No. Q-3338	7 December 2022	8 January 2026
Philippine Standard Quality Certification Mark – Blended Hydraulic Cement	Bureau of Philippine Standards	License No. Q-3339	7 December 2022	8 January 2026
Philippine Standard Quality Certification	Bureau of Philippine Standards	License No. Q-2596	4 September 2024	13 August 2027

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Mark – Blended Hydraulic Cement				
Registration	Pag-IBIG Fund (Home Development Mutual Fund)	Employer No. 207802040007	25 September 2017	N/A
Registry Certificate for the Importation of Recyclable Materials Containing Hazardous Substances	Environment Management Bureau	Registry Reference No. OL-RC-21-CEN-0004	7 April 2021	N/A
Start of Commercial Operations (SCO) Certification	Authority of the Freeport Area of Bataan	SCN-20-001	29 April 2020	N/A
Certificate of Tax Incentives	Authority of the Freeport Area of Bataan	SCN-20-001	28 December 2020	N/A
Business Permit (Petra Cement Inc.)	Municipality of Pres. Manuel A. Roxas, Province of Zamboanga del Norte	SPL 001 2024	6 January 2024	31 December 2024
Business Permit (PCC)	City of Manila	Permit No. 2024-000051609	05 June 2024	31 December 2024
Mayor’s Permit and Business License	City of San Jose	Permit No. 2024-0003940	19 February 2024	31 December 2024
Business Permit	Municipality of Mariveles	Permit No. 2024-0925	22 January 2024	31 December 2024
Permit to Engage in Business	City of San Fernando, La Union	Permit No. 07771	18 June 2024	31 December 2024

UGC

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Barangay Business Clearance	Bacolod	n/a	23 January 2024	31 December 2024
Barangay Business Clearance	Benguet	n/a	1 February 2024	n/a
Barangay Business Clearance	Butuan, Agusan Del Norte	Brgy. Clearance No. 2024-09-00252	1/24/2024	31 December 2024
Barangay Business Clearance	Cainta, Rizal	2024-1-0453	1/18/2024	n/a
Barangay Business Clearance	Calasiao, Pangasinan	n/a	5 January 2024	n/a
Barangay Business Clearance	Cugman, Cagayan De Oro	2024-12711	1/22/2024	31 December 2024

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Barangay Business Clearance	Cugman, Cagayan De Oro	2024-12709	22 January 2024	31 December 2024
Barangay Business Clearance	Pili, Camarines Sur	n/a	12 January 2024	n/a
Barangay Business Clearance	San Fernando, Pampanga	Business No. 9001-2009-0535	19 January 2024	31 December 2024
Barangay Business Clearance	Villasis, Pangasinan	n/a	5 January 2024	n/a
Barangay Business Permit	City of Iloilo	Permit Number 2024-01071	9 January 2024	31 December 2024
Barangay Clearance	Barangay Batal, City of Santiago	n/a	19 January 2024	n/a
Barangay Clearance	City of San Fernando, La Union	n/a	31 January 2024	n/a
Business License and Mayor's Permit	City of Ozamiz	Permit No. 2024-1004210000-1425	12 February 2024	31 December 2024
Business Permit	City of Iloilo	Business Permit No. E-2024-03561	18 January 2024	31 December 2024
Business Permit	City of Santiago	Business Permit No. 02653	19 January 2024	31 December 2024
Business Permit	Consolacion, Cebu	BP-2024-1092	1 February 2024	31 December 2024
Business Permit	General Santos City	Mayor's Permit No. 07196-0	19 January 2024	31 December 2024
Business Permit	Local Government Unit of Pili	Permit No. 1521	24 January 2024	31 December 2024
Business Permit	Municipality of Cainta	Permit No. 01956	18 January 2024	31 December 2024
Business Permit	Municipality of Consolacion / Philippine National Police	No. BP-2024-1092	12 February 2024	31 December 2024
Business Permit (Mayor's Permit, Sanitary permit)	City of Calamba	Permit No. 2024-07044	30 January 2024	31 December 2024
Business Permit (Retailer/Distributor)	Batangas City	Permit No. 2016-P0110	31 January 2024	31 December 2024
Business Permit (Services)	Batangas City	Permit No. 2024-P0125	31 January 2024	31 December 2024
Business Permit / Mayor's Permit	City of Butuan	BC-2009-00284 Permit No. 2024-07973	24 January 2024	31 December 2024
Business Permit / Mayor's Permit	General Santos City	Permit No. 07196-0	19 January 2024	31 December 2024
Business Permit / Mayor's Permit	Lucena City	Permit No. 2024-MM-18813	14 February 2024	31 December 2024
Business Permit Certificate (Manufacturing)	City of Cagayan de Oro	Certificate No. 2024-12711	22 January 2024	31 December 2024

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit Certificate (Retailer)	City of Cagayan de Oro	Certificate No. 2024-12709	22 January 2024	31 December 2024
Business/Mayor's Permit	Municipality of Villasis	Permit No. 2024-0105547000-0624	18 January 2024	31 December 2024
Certificate of Accreditation	Environment Management Bureau Region IV	COA No. 2022-18015	5 May 2022	5 May 2025
Certificate of Accreditation	Laguna Lake Development Authority	PCO-COA No. 2022-0485	21 April 2022	N/A
Certificate of Registration	Bureau of Customs	CCN: IM0006586139	31 May 2024	31 May 2025
Certificate of Registration	Bureau of Internal Revenue RDO 116	OCN: 8RC0001033540E	8 June 2017	N/A
Certificate of Registration	Department of Labor and Employment Region IV-A	Control No. RE-LPO-0918-537	6 September 2018	N/A
Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 200534300404	13 April 2018	N/A
Certificate of Registration	Social Security System	Employer No. 04-3500041-3-000	6 September 2018	N/A
Certificate of Registration – Bacolod City	Bureau of Internal Revenue RDO 116	OCN: 8RC0000517974	23 May 2016	N/A
Certificate of Registration – Bantay	Bureau of Internal Revenue LTS	OCN: 8RC0000080683	14 November 2019	N/A
Certificate of Registration – Batangas City	Bureau of Internal Revenue LTAD	OCN: 8RC0000046022	7 October 2013	N/A
Certificate of Registration – Butuan City	Bureau of Internal Revenue RDO 103	OCN: 2RC0000209142	8 August 2018	N/A
Certificate of Registration – Cagayan de Oro City	Bureau of Internal Revenue LTD	OCN: 8RC0000023688	11 July 2011	N/A
Certificate of Registration – Cainta	Bureau of Internal Revenue LTD	OCN: 8RC0000022073	17 June 2011	N/A
Certificate of Registration – Calasiao	Bureau of Internal Revenue LTD	OCN: 8RC0000022079	17 June 2011	N/A
Certificate of Registration – Consolacion	Bureau of Internal Revenue LTAD	OCN: 8RC0000045154	4 September 2013	N/A
Certificate of Registration – Davao City	Bureau of Internal Revenue LTD	OCN: 8RC0000023690	11 July 2011	N/A

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Certificate of Registration – General Santos City	Bureau of Internal Revenue LTD	OCN: 8RC0000023030	4 July 2011	N/A
Certificate of Registration – Iloilo City	Bureau of Internal Revenue RDO 116	OCN: 8RC0001338264E	18 January 2018	N/A
Certificate of Registration – La Trinidad	Bureau of Internal Revenue RDO 116	OCN: 8RC0001082752E	12 July 2017	N/A
Certificate of Registration – Lucena City	Bureau of Internal Revenue RDO 060	OCN: 1RC0000379367	9 September 2009	N/A
Certificate of Registration – Ozamiz City	Bureau of Internal Revenue LTAD	OCN: 8RC0000048263	24 February 2014	N/A
Certificate of Registration – Pili	Bureau of Internal Revenue LTS	OCN: 8RC0000025229	25 August 2011	N/A
Certificate of Registration – San Fernando City, La Union	Bureau of Internal Revenue LTD	OCN: 8RC0000023028	4 July 2011	N/A
Certificate of Registration – San Fernando City, Pampanga	Bureau of Internal Revenue RDO 116	OCN: 8RC0000590418	14 July 2016	N/A
Certificate of Registration – San Nicolas, Ilocos Norte	Bureau of Internal Revenue RDO 116	OCN: 8RC0000066119	2 October 2018	N/A
Certificate of Registration – Santa Rosa, Nueva Ecija	Bureau of Internal Revenue RDO 23B	OCN: 4RC0000971320	15 July 2003	N/A
Certificate of Registration – Santiago City	Bureau of Internal Revenue LTD	OCN: 8RC0000023689	11 July 2011	N/A
Certificate of Registration – Tacloban City	Bureau of Internal Revenue RDO 116	OCN: 8RC0000052536	2 September 2014	N/A
Certificate of Registration – Valencia City	Bureau of Internal Revenue LTS	OCN: 8RC0000040579	25 January 2013	N/A
Certificate of Registration – Villasis	Bureau of Internal Revenue LTS	OCN: 8RC0000080308	31 October 2019	N/A
Certificate of Registration – Zamboanga City	Bureau of Internal Revenue LTD	OCN: 8RC0000022077	17 June 2011	N/A
Certificate of Treatment	Environment Management Bureau Region IV-A	COT-R3-2021-03-032351	9 March 2021	N/A

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Certificate of Treatment	Environment Management Bureau Region IV-A	COT-R3-2021-03-032357	9 March 2021	N/A
Discharge Permit	Laguna Lake Development Authority	DP(R)-19a-2024-02964	21 May 2024	19 May 2027
Environmental Compliance Certificate	Environment Management Bureau Region IV-A	ECC-R4A-1608-0252	25 August 2016	N/A
Environmental Compliance Certificate	Environment Management Bureau Region XI	ECC-11-07-04-10-048-9999	13 April 2007	N/A
Fire Safety Inspection Certificate	Bacolod	FSIC No. FSICB RO6-24-RW-111367	18 July 2024	18 July 2025
Fire Safety Inspection Certificate	Benguet	FSIC No. R140304-2024-RW-009261	1 March 2024	01 March 2025
Fire Safety Inspection Certificate	Butuan, Agusan Del Norte	FSIC No. R13 A D N23-11-13923	14 November 2023	14 November 2024
Fire Safety Inspection Certificate	Calasiao, Pangasinan	FSIC No. R01-23-PANG-094-212	6 November 2023	06 November 2024
Fire Safety Inspection Certificate	City of Iloilo	FSIC No. R06-(RW)-24-057742	22 May 2024	22 May 2025
Fire Safety Inspection Certificate	Lucena City	FSIC No. R4A1034557	13 February 2024	13 February 2025
Fire Safety Inspection Certificate	Ozamiz	FSIC No. R10-75205	24 April 2024	25 April 2025
Fire Safety Inspection Certificate	San Fernando, La Union	FSIC No. R1-LU-071-00746	19 February 2024	19 Feb 2025
Fire Safety Inspection Certificate	Villasis, Pangasinan	FSIC No. R01-24-PANG-0125-0792	15 July 2024	16 July 2025
Fire Safety Inspection Certificate	Zamboanga City	FSIC No. R09-ZFD-24-0003072	23 April 2024	28 February 2025
Hazardous Waste Generator Registration Certificate	Environment Management Bureau Region IV-A	OL-GR-R4A-34-002177	17 August 2020	N/A
Hazardous Waste Generator Registration Certificate	Environment Management Bureau Region XI	OL-GR-R11-24-008244	13 November 2020	N/A

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
License to Handle Controlled Precursors and Essential Chemicals	Philippine Drug Enforcement Agency	P3-024150001-R142-D	20 October 2023	20 October 2024
Mayor's Permit	City of San Fernando, Pampanga	Permit No. 3723	22 January 2024	31 December 2024
Mayor's Permit	Zamboanga City	Permit No. BP-2024-04848-0	23 January 2024	31 December 2024
PCL Compliance Certificate	Environment Management Bureau	PCL-OL-2023-5053	22 March 2024	22 March 2025
Permit and License	Municipality of Talavera, Nueva Ecija	Permit No. 2024-01249	24 January 2024	31 December 2024
Permit to Engage in Business	City of San Fernando, La Union	Permit No. 02167 CSF-2024-2167	31 January 2024	31 December 2024
Permit to Operate	Municipality of La Trinidad	Permit No. 08626-24	28 February 2024	31 December 2024
Permit to Operate Air Pollution Source and Control Installations	Environment Management Bureau Region IV-A	PTO-OL-R4A-2021-08183-R	7 October 2021	7 October 2026
Permit to Operate Air Pollution Source and Control Installations	Environment Management Bureau Region XI	2020-POA-C-1124-2848	2 March 2020	9 March 2025
Regular Contractor's License	Philippine Contractors Accreditation Board	Contractor License No. 40079	27 October 2023	24 February 2025
Sanitary Permit	Bacolod	01-40676-2024SP	24 July 2024	31 December 2024
Sanitary Permit	Butuan, Agusan Del Norte	2024-07906		31 December 2024
Sanitary Permit	Calasiao, Pangasinan	No. 0464	1/18/2024	31 December 2024
Sanitary Permit	Consolacion, Cebu	NF-409	18 January 2024	31 December 2024
Sanitary Permit	Ozamiz	No. 2024-0306-1123	6 March 2024	31 December 2024
Sanitary Permit	San Fernando, Pampanga	RHU2-000573	18 January 2024	31 December 2024
Sanitary Permit	San Nicolas, Ilocos Norte	Permit No. 472	19 January 2024	31 December 2024
Sanitary Permit	Talavera, Nueva Ecija	PNo. 2024-01249	24 January 2024	31 December 2024
Sanitary Permit	Villasis, Pangasinan	No. F-44	18 January 2024	31 December 2024
Sanitary Permit - Manufacturing	Cagayan de Oro	2024-112663	1/22/2024	31 December 2024
Sanitary Permit - Retail	Cagayan de Oro	2024-112664	1/22/2024	31 December 2024

PHINMA Solar Energy Corporation

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit	City of Makati	Permit No. 23933	4 February 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. CS201313714	26 July 2013	N/A
Sanitary Permit - temporary			30 January 2024	
Fire Safety Inspection Certificate	City of Makati	FSIC No. R16-2024112	26 February 2024	
Occupancy Permit	City of Makati	Sep-02-24-0204	1 March 2024	
Certificate of Registration	Bureau of Internal Revenue RDO 049	OCN: 9RC0001549705E	19 April 2018	N/A
SEOC (Warehouse #1)	Department of Energy	SEOC No. 2023-11-725	14 December 2023	13 December 2048
SEOC (Warehouse #2)	Department of Energy	SEOC No. 2023-11-728	14 December 2023	13 December 2048
SEOC (Warehouse #3)	Department of Energy	SEOC No. 2023-11-721	14 December 2023	13 December 2048
SEOC (Warehouse #4)	Department of Energy	SEOC No. 2023-11-723	14 December 2023	13 December 2048
SEOC (Warehouse #5)	Department of Energy	SEOC No. 2023-11-722	14 December 2023	13 December 2048
SEOC (Warehouse #6)	Department of Energy	SEOC No. 2023-11-724	14 December 2023	13 December 2048
SEOC (OMG Rice Mill #3)	Department of Energy	SEOC No. 2023-11-751	12 December 2023	11 December 2048
SEOC (Warehouse C2)	Department of Energy	SEOC No. 2023-11-741	13 December 2023	12 December 2048
SEOC (3 Angels and 2 Princess Rice Mill)	Department of Energy	SEOC No. 2023-11-738	14 December 2023	13 December 2048
SEOC (Warehouse #18)	Department of Energy	SEOC No. 2023-11-726	14 December 2023	13 December 2048
SEOC (Warehouse #19)	Department of Energy	SEOC No. 2023-11-727	14 December 2023	13 December 2048
SEOC (Warehouse #20)	Department of Energy	SEOC No. 2023-11-730	14 December 2023	13 December 2048
SEOC (OMG Rice Mill #1)	Department of Energy	SEOC No. 2023-11-753	12 December 2023	11 December 2048
SEOC (Warehouse #22)	Department of Energy	SEOC No. 2023-11-769	13 December 2023	12 December 2048
SEOC (Warehouse #23)	Department of Energy	SEOC No. 2023-11-768	13 December 2023	12 December 2048
SEOC (Warehouse #24)	Department of Energy	SEOC No. 2023-11-773	13 December 2023	12 December 2048
SEOC (Warehouse #25)	Department of Energy	SEOC No. 2023-11-772	13 December 2023	12 December 2048

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
SEOC (Warehouse #26)	Department of Energy	SEOC No. 2023-11-771	13 December 2023	12 December 2048
SEOC (Warehouse #27)	Department of Energy	SEOC No. 2023-11-770	13 December 2023	12 December 2048
SEOC (VCCR Global Enterprises)	Department of Energy	SEOC No. 2023-11-736	14 December 2023	13 December 2048
SEOC (Warehouse No. B4)	Department of Energy	SEOC No. 2023-11-720	14 December 2023	13 December 2048
SEOC (Warehouse B7)	Department of Energy	SEOC No. 2023-11-765	13 December 2023	12 December 2048
SEOC (Warehouse B8)	Department of Energy	SEOC No. 2023-11-767	13 December 2023	12 December 2048
SEOC (Warehouse C5)	Department of Energy	SEOC No. 2023-11-750	12 December 2023	11 December 2048
SEOC (Warehouse C6)	Department of Energy	SEOC No. 2023-11-732	14 December 2023	13 December 2048
SEOC (Warehouse C7)	Department of Energy	SEOC No. 2023-11-739	14 December 2023	13 December 2048
SEOC (Warehouse C8)	Department of Energy	SEOC No. 2023-11-744	13 December 2023	12 December 2048
SEOC (Warehouse E2)	Department of Energy	SEOC No. 2023-11-749	13 December 2023	12 December 2048
SEOC (Warehouse E3)	Department of Energy	SEOC No. 2023-11-754	13 December 2023	12 December 2048
SEOC (Warehouse E4)	Department of Energy	SEOC No. 2023-11-756	12 December 2023	11 December 2048
SEOC (Warehouse E5)	Department of Energy	SEOC No. 2023-11-759	12 December 2023	11 December 2048
SEOC (Warehouse F1)	Department of Energy	SEOC No. 2023-11-761	13 December 2023	12 December 2048
SEOC (Warehouse F2)	Department of Energy	SEOC No. 2023-11-733	14 December 2023	13 December 2048
SEOC (Warehouse F3)	Department of Energy	SEOC No. 2023-11-737	14 December 2023	13 December 2048
SEOC (Warehouse F4)	Department of Energy	SEOC No. 2023-11-743	13 December 2023	12 December 2048
SEOC (Warehouse No. 1)	Department of Energy	SEOC No. 2023-11-766	13 December 2023	12 December 2048
SEOC (Warehouse No. 2)	Department of Energy	SEOC No. 2023-11-752	12 December 2023	11 December 2048
SEOC (Warehouse No. 3)	Department of Energy	SEOC No. 2023-11-758	12 December 2023	11 December 2048
SEOC (Warehouse No. 4)	Department of Energy	SEOC No. 2023-11-764	13 December 2023	12 December 2048
SEOC (RKR RICE Mill #2)	Department of Energy	SEOC No. 2023-11-745	13 December 2023	12 December 2048
SEOC (Sunmade Agri Warehouse #1)	Department of Energy	SEOC No. 2023-11-748	13 December 2023	12 December 2048

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
SEOC (Sunmade Agri Warehouse #2)	Department of Energy	SEOC No. 2023-11-762	13 December 2023	12 December 2048
SEOC (Sunmade Agri Warehouse #3)	Department of Energy	SEOC No. 2023-11-763	13 December 2023	12 December 2048
SEOC (Sunmade Agri Warehouse #4)	Department of Energy	SEOC No. 2023-11-760	13 December 2023	12 December 2048
SEOC (Sunmade Agri Warehouse #5)	Department of Energy	SEOC No. 2023-11-757	12 December 2023	11 December 2048
SEOC (OMG Rice Mill #2)	Department of Energy	SEOC No. 2023-11-731	14 December 2023	13 December 2048
SEOC (RKR RICE Mill #1)	Department of Energy	SEOC No. 2023-11-742	13 December 2023	12 December 2048
SEOC (RKR RICE Mill #3)	Department of Energy	SEOC No. 2023-11-746	13 December 2023	12 December 2048
SEOC (Warehouse C3)	Department of Energy	SEOC No. 2023-11-747	13 December 2023	12 December 2048
SEOC (UGC BATANGAS)	Department of Energy	SEOC No. 2023-11-740	13 December 2023	12 December 2048
SEOC (UGC BUTUAN)	Department of Energy	SEOC No. 2023-11-777	13 December 2023	12 December 2048
SEOC (UGC CALAMBA)	Department of Energy	SEOC No. 2023-11-734	14 December 2023	13 December 2048
SEOC (UGC CAGAYAN DE ORO)	Department of Energy	SEOC No. 2023-11-776	13 December 2023	12 December 2048
SEOC (UGC CEBU)	Department of Energy	SEOC No. 2023-11-775	13 December 2023	12 December 2048
SEOC (UGC LA UNION)	Department of Energy	SEOC No. 2023-11-755	12 December 2023	11 December 2048
SEOC (UGC PAMPANGA)	Department of Energy	SEOC No. 2023-11-729	14 December 2023	13 December 2048
SEOC (Warehouse C4)	Department of Energy	SEOC No. 2023-11-735	14 December 2023	13 December 2048
SEOC (UGC BACOLOD)	Department of Energy	SEOC No. 2023-11-774	13 December 2023	12 December 2048

UIPC

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date
Certificate of Non-Coverage	DENR	CNC-OL0R03-2024005-02965	31 May 2024
Certificate of Registration	BIR	OCN: 21ARC20240000004718	
Certificate of Incorporation	SEC	Reg. No 2022090066552-00	2 February 2022

PHINMA Education

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Business Permit	City of Makati	Permit No. 23259	6 February 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. CS201517311	28 August 2015	N/A
Certificate of Registration	Bureau of Internal Revenue RDO	OCN: 9RC0000217969	29 September 2015	N/A
Certificate of Registration	Social Security System	Employer No. 03-9502786-6-000	12 April 2016	N/A
Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 001000040779	19 April 2016	N/A
Certificate of Employer's Registration	Pag-IBIG Fund	Employer No. 205638800006	10 June 2022	N/A
Certificate of Registration	National Privacy Commission	NPC Registration No. PIC-004-800-2024	N/A	5 August 2025

AU

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Authority to Accept Foreign Students	Bureau of Immigration	Order No. ADD-2001-049	25 January 2012	N/A
Business Permit – Main	City of Cabanatuan	Permit No. 24-03542	14 February 2024	31 December 2024
Business Permit – South	City of Cabanatuan	Permit No. 24-03545	14 February 2024	31 December 2024
Certificate of Employer’s Registration	Pag-IBIG Fund (Home Development Mutual Fund)	Employer No. 201901790002	30 April 2021	N/A
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. 5000	20 March 1950	N/A
Certificate of Registration	Bureau of Internal Revenue RDO 23B	OCN: 4RC0001284337	7 February 2019	N/A
Certificate of Registration	Department of Labor and Employment	RO305-N.E.-1403-RE-III-007	12 March 2014	N/A
Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 007040000139	9 January 2007	N/A
Certificate of Registration	Social Security System	Employer No. 02-0012900-8-000	23 April 2021	N/A
Environmental Compliance Certificate	Environment Management Bureau Region III	03NE-2009-130037-120A	17 January 2019	N/A
Water Permit	National Water Resources Board	No. 020990	20 September 2006	N/A
Water Permit	National Water Resources Board	No. 020991	20 September 2006	N/A

AU Main - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
AB Political Science	Government Recognition	A.Y. 2008-2009	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Hotel and Restaurant Management	Government Recognition	A.Y. 2010-2011	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

Program	Status	Validity	
		Commencement	Expiration
BS in Hotel and Restaurant Management (Third Year Level)	Government Permit	A.Y. 2009-2010	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
BS in Tourism Management	Government Recognition	A.Y. 2013-2014	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Tourism Management (First and Second Year Levels)	Government Permit	A.Y. 2010-2011 and A.Y. 2011-2012	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Tourism Management (First to Third Levels)	Government Permit	A.Y. 2012-2013	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Accounting Technology	Government Recognition	A.Y. 2009-2010	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Entrepreneurship (First and Second Levels)	Government Permit	A.Y. 2018-2019	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Pharmacy	Government Recognition	A.Y. 2017-2018	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

Program	Status	Validity	
		Commencement	Expiration
BS in Pharmacy (First Level)	Government Permit	A.Y. 2014-2015	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Pharmacy (First and Second Levels)	Government Permit	A.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Pharmacy (First to Third Levels)	Government Permit	A.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Information Technology	Government Recognition	A.Y. 2011-2012	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Information Technology (Third Year Level)	Government Permit	A.Y. 2010-2011	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Civil Engineering	Government Recognition	A.Y. 2014-2015	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Civil Engineering (First and Second Year Levels)	Government Permit	A.Y. 2010-2011 and A.Y. 2011-2012	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

Program	Status	Validity	
		Commencement	Expiration
BS in Civil Engineering (First to Fourth Year Levels)	Government Permit	A.Y. 2013-2014	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Computer Science	Government Recognition	A.Y. 2009-2010	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Midwifery	Government Recognition	A.Y. 2011-2012	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Commerce	Government Recognition	June 1, 1955	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
First Level of Bachelor of Science in Medical Technology / Bachelor in Medical Laboratory Science Program	Government Permit	A.Y. 2014-2015	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Arts in English Language	Government Recognition	A.Y. 2011-2012	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Four-Year Bachelor of Science in Accountancy	Government Recognition	S.Y. 1993-1994	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.

Program	Status	Validity	
		Commencement	Expiration
First and Second Levels of the Bachelor of Science in Entrepreneurship Program	Government Permit	A.Y. 2018-2019	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Computer Science	Government Recognition	A.Y. 2009-2010	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Nursing	Government Recognition	November 3, 2014	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Four-Year Course in Bachelor of Science Major in Chemistry	Government Recognition	June 14, 1982	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Third and Fourth Years of the Liberal Arts Course	Government Recognition	June 13, 1960	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
First and Second Levels of the Bachelor of Science in Management Accounting Program	Government Recognition	A.Y. 2018-2019	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

AU Main - DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
Pre-elementary Course	Government Permit	S.Y. 2011-2012	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of authorized private school courses.
Elementary Course (Grade I to VI)	Government Recognition	S.Y. 2008-2009	In case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Complete Secondary Course (First to Fourth Year High School)	Government Recognition	S.Y. 2006-2007	In case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.

Program	Status	Validity	
		Commencement	Expiration
<p>Senior High School Program</p> <p>Academic: General Academics (“GAs”), Science, Technology, Engineering and Mathematics (“STEM”), Accounting, Business and Management (“ABM”), and Humanities and Social Sciences (“HUMSS”)</p> <p>Tech-Voc: Information and Communications Technology (Computer Programming)</p> <p>Tech-Voc: Home Economics (Bread and Pastry Production, Housekeeping, Food and Beverage Services, Tour Guiding Services, Tourism Promotion Services, Attraction and Theme Parks)</p>	Provisional Permit	S.Y. 2016-2017	<p>Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program.</p> <p>This permit shall remain valid until formally revoked by the DepEd.</p>
<p>Senior High School Program</p> <p>Academic: GAs, ABM, HUMSS, STEM</p>	Provisional Permit	S.Y. 2015-2016	<p>Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program.</p> <p>This permit shall remain valid until formally revoked by the DepEd.</p>

Program	Status	Validity	
		Commencement	Expiration
<p>Senior High School Program</p> <p>Academic: GAs, STEM, ABM, and HUMSS</p> <p>Tech-Voc: Information and Communications Technology (Computer Programming)</p> <p>Tech-Voc: Home Economics (Bread and Pastry Production, Housekeeping, Food and Beverage Services, Tour Guiding Services, Tourism Promotion Services, Attraction and Theme Parks)</p>	Provisional Permit	S.Y. 2016-2017	<p>Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program.</p> <p>This permit shall remain valid until formally revoked by the DepEd.</p>

AU Main - TESDA Permits

Program	Status	Validity	
		Commencement	Expiration
Food and Beverage Services NC III	Certificate of TVET Program Registration	31 May 2013	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs
Microfinance Technology NC II	Certificate of TVET Program Registration	31 May 2017	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs
Bartending NC II	Certificate of TVET Program Registration	11 September 2014	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs
Contact Center Services NC II	Certificate of TVET Program Registration	28 November 2017	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs

Computer Hardware Servicing NC II	Certificate of TVET Program Registration	18 August 2014	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs
Housekeeping NC II	Certificate of TVET Program Registration	31 May 2013	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs

AU South – CHED Permits

Program	Status	Validity	
		Commencement	Expiration
First and Second Levels of the Bachelor of Technical Vocational Teacher Education (Majors in Computer Programming, Animation and Food and Service Management) Program	Government Permit	AY 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of CHED for organization, administration and supervision of private HEIs in the Philippines
First and Second Levels of the Bachelor of Science in Tourism Management Program	Government Permit	AY 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of CHED for organization, administration and supervision of private HEIs in the Philippines
First and Second Levels of the Bachelor of Science in Accountancy Program	Government Permit	AY 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of CHED for organization, administration and supervision of private HEIs in the Philippines
First and Second Levels of the Bachelor of Science in Criminology Program	Government Permit	AY 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of CHED for organization, administration and

Program	Status	Validity	
		Commencement	Expiration
			supervision of private HEIs in the Philippines
First and Second Levels of the Bachelor of Science in Management Accounting Program	Government Permit	AY 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of CHED for organization, administration and supervision of private HEIs in the Philippines
First and Second Levels of the Bachelor of Science in Accounting Information System Program	Government Permit	AY 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of CHED for organization, administration and supervision of private HEIs in the Philippines
First and Second Levels of the Bachelor of Special Need Education Program	Government Permit	AY 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of CHED for organization, administration and supervision of private HEIs in the Philippines
First and Second Levels of the Bachelor of Science in Business Administration (Majors in Marketing Management, Banking and Microfinance, Human Resource Management) Program	Government Permit	AY 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of CHED for organization, administration and supervision of private HEIs in the Philippines
First and Second Levels of the Bachelor of Early Childhood Education Program	Government Permit	AY 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of CHED for organization, administration and supervision of private HEIs in the Philippines

AU South - DepEd Permit

Program	Status	Validity	
		Commencement	Expiration
<p>Senior High School Program</p> <p>Academic: GAs, STEM, ABM, HUMSS</p> <p>Tech-Voc: Information and Communications Technology (Computer Programming)</p> <p>Tech-Voc: Home Economics (Bread and Pastry Production, Housekeeping, Food and Beverage Services, Tour Guiding Services, Tourism Promotion Services, Attraction and Theme Parks)</p>	Provisional Permit	S.Y. 2016-2017	<p>Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program.</p> <p>This permit shall remain valid until formally revoked by the DepEd.</p>

COC

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Authority to Accept Foreign Students	Bureau of Immigration	AAFS No. ADD03-036	23 April 2003	N/A
Business Permit – Main	City of Cagayan de Oro	Certificate No. 2024-07379	16 January 2024	31 December 2024
Business Permit – Puerto	City of Cagayan de Oro	Certificate No. 2024-06894	15 January 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. 3697	11 June 1948	N/A
Certificate of Membership	Social Security System	Employer No. 08-0031600-4	4 February 1992	N/A
Certificate of Registration	Bureau of Internal Revenue RDO 098	OCN: 2RC0001615859	1 January 1997	N/A
Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 200543300633	18 May 2021	N/A
Certificate of Premium Payment	Philippine Health Insurance Corporation	Employer No. 200543300633	11 May 2021	N/A
Certificate of Registration – Main	Department of Labor and Employment Region X	EIN No. 002631	4 May 2021	N/A

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Certificate of Registration – Puerto	Department of Labor and Employment Region X	EIN No. 002630	4 May 2021	N/A
Certification (No Pending Cases)	Department of Labor and Employment Region X	N/A	22 June 2021	N/A

COC Main - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
Graduate Course in Education leading to the degree Master of Arts in Education, major in Elementary Education	Government Recognition	AY 1992-1993	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Bachelor of Elementary Education with Early Childhood Education as additional major	Government Recognition	AY 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Graduate Course in Education leading to the degree Master of Arts in Education, major in Secondary Education	Government Recognition	AY 1992-1993	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Third and Fourth Year of the Education Course leading to the degree of Bachelor of Science in Education (B.S.E.)	Government Recognition	July 3, 1972	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Bachelor of Science in Tourism Management	Government Recognition	AY 2014-2015	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Electrical Technology and Management	Government Recognition	SY 2012-2013	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction

Program	Status	Validity	
		Commencement	Expiration
			and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Electronics and Communications Technology and Management	Government Recognition	SY 2012-2013	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Accounting Technology	Government Recognition	SY 2011-2012	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Hotel and Restaurant Management	Government Recognition	CY 2007-2008	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Associate in Hotel and Restaurant Management	Government Recognition	SY 2010-2011	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Business Administration	Government Recognition	SY 2010-2011	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Information Technology	Government Recognition	CY 2007-2008	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Nursing	Government Recognition	CY 2006-2007	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
AB in Mass Communication	Government Recognition	CY 2003-2004	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and

Program	Status	Validity	
		Commencement	Expiration
			regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Computer Engineering	Government Recognition	CY 1996-1997	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Bachelor of Science in Accountancy	Government Recognition	CY 1993-1994	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Graduate Course in Teaching Social Studies leading to the degree of Master of Arts in Teaching	Government Recognition	June 18, 1984	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Fifth year of the Architecture Course leading to the degree of Bachelor of Science in Architecture (B.S. Arch.)	Government Recognition	June 13, 1978	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Third to Fifth Year of the Electrical Engineering Course leading to the degree of Bachelor of Science in Electrical Engineering (B.S. E.E.)	Government Recognition	June 17, 1985	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Fourth and Fifth Years of the Mechanical Engineering Course leading to the degree of Bachelor of Science in Mechanical Engineering (B.S. M.E.)	Government Recognition	June 13, 1979	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.

Program	Status	Validity	
		Commencement	Expiration
Third to Fifth Year of the Civil Engineering Course leading to the degree of Bachelor of Science in Civil Engineering (B.S.C.E)	Government Recognition	June 7, 1976	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Four-year Criminology Course leading to the degree of Bachelor of Science in Criminology (B.S. Cr.)	Government Recognition	June 7, 1976	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Master of Science in Criminology	Government Recognition	CY 2000-2001	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Graduate Course in Educational Administration leading to the degree Master of Arts in Educational Administration	Government Recognition	AY 1992-1993	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Doctor of Philosophy in Educational Administration and Supervision	Government Recognition	CY 2000-2001	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Master in Government Management	Government Recognition	CY 2000-2001	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Third Year Level of the Bachelor of Science in Management Accounting Program to include First and Second Year Levels	Government Permit	AY 2020-2021	Subject to revocation if the institution fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the Commission on Higher Education pertaining to the organization, administration and supervision of private HEIs.

Program	Status	Validity	
		Commencement	Expiration
Doctor of Philosophy in Criminal Justice Education with specialization in Criminology	Government Recognition	AY 2020-2021	Subject to revocation if the institution fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the Commission on Higher Education pertaining to the organization, administration and supervision of private HEIs in the Philippines.
First and Second Year Levels of the Bachelor of Science in Medical Technology	Government Permit	AY 2020-2021	Subject to revocation if the institution fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the Commission on Higher Education pertaining to the organization, administration and supervision of private HEIs.
First and Second Year Levels of the Bachelor of Science in Pharmacy Program	Government Permit	AY 2020-2021	Subject to revocation if the institution fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the Commission on Higher Education pertaining to the organization, administration and supervision of private HEIs.
First Year Level of the Bachelor of Science in Industrial Security Management Program	Government Permit	AY 2019-2020	Subject to revocation if the institution fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the Commission on Higher Education pertaining to the organization, administration and supervision of private HEIs.

COC Main - DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
Preschool Course (Nursery / Kindergarten I & II)	Government Recognition	August 14, 2002	In case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education, Culture and Sports affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Una hanggang Ikaanim na Baitang (Pang-araw) ng Elementarya	Pagkilala ng Pamahalaan (Government Recognition)	Disyembre 8, 1980	Kung sakaling ang nabanggit na paaralan ay hindi makasunod o makapagpanatili sa mga pamantayang itinakda ng Ministri ng Edukasyon at Kultura kaugnay ng kursong pinagtibay dito, ang kapangyarihang ipinagkaloob sa pamamagitan nito ay maaaring bawiin at pawalang-bisa.

Program	Status	Validity	
		Commencement	Expiration
Complete Academic Secondary Course with Vocational Subjects (Day)	Government Recognition	June 25, 1953	Subject to revocation anytime the school fails to observe and maintain any of the required standards of the DepEd affecting the course approved. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
<p>Senior High School Program (CARMEN)</p> <p>Academic Track: Accountancy Business Management (ABM), Humanities Social and Sciences (HUMSS), Science Technology, Engineering and Mathematics (STEM), General Academic Strand (Gas), Hospitality and Tourism Management, Education, Information Technology, Criminology, Health Sciences</p> <p>Tech-Voc Track: Information and Communications Technology (ICT): Computer Programming, Industrial Arts (IA): Electrical Installation and Maintenance, Electronic Products Assembly and Servicing, Shielded Metal Arc Welding, Machining, Bookkeeping, Home Economics (HE): Tourism Management, Hospitality</p>	Provisional Permit	SY 2016-2017	<p>Subject to revocation anytime the school fails to maintain the standards required for the program/s and to faithfully follow all the laws, rules and regulations and the requirements/standards of the Department of Education (DepEd) governing the operation and adopting of the Senior High School Program under the Enhanced Basic Education Program.</p> <p>This permit shall remain valid until formally revoked by the DepEd.</p>

Program	Status	Validity	
		Commencement	Expiration
Management, Caregiving			
Junior High School Course (Grades 7 to 10)	Government Recognition	SY 2018-2019	In case failure of the above-named school to observe and maintain any of the required standards of the Department of Education affecting the delivery of quality of instructions and the course herein approved, the authority granted may be revoked and cancelled and the records of the students may be taken over and shall be kept in the files of DepEd, and the bond submitted by the school may be declared forfeited in accordance with the provisions of Section 8 of Republic Act 2706.

COC Main - TESDA Permits

Program	Status	Validity	
		Commencement	Expiration
Electrical Installation and Maintenance NC II (402 hours)	Certificate of TVET Program Registration	May 18, 2018	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Computer Systems Servicing NC II (280 hours)	Certificate of TVET Program Registration	May 09, 2017	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Carpentry NC II (162 hours)	Certificate of TVET Program Registration	November 22, 2017	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Masonry NC II (258 hours)	Certificate of TVET Program Registration	November 22, 2017	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Plumbing NC I (168 hours)	Certificate of TVET Program Registration	August 7, 2017	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Plumbing NC II (202 hours)	Certificate of TVET Program Registration	August 7, 2017	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.

Program	Status	Validity	
		Commencement	Expiration
Carpentry NC II (162 hours)	Certificate of TVET Program Registration	August 7, 2017	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Cookery NC II (316 hours)	Certificate of TVET Program Registration	-	-
Health Care Services NC II (996 hours)	Certificate of TVET Program Registration	-	-
Housekeeping NC II (436 hours)	Certificate of TVET Program Registration	-	-
Electronic Products Assembly and Servicing NC II (260 hours)	Certificate of TVET Program Registration	December 22, 2016	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Electrical Installation and Maintenance NC II (402 hours)	Certificate of TVET Program Registration	December 22, 2016	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Shielded Metal Arc Welding (SMAW) NC I (360 hours)	Certificate of TVET Program Registration	December 3, 2008	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Shielded Metal Arc Welding (SMAW) NC II (260 hours)	Certificate of TVET Program Registration	December 3, 2008	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Shielded Metal Arc Welding (SMAW) NC III (180 hours)	Certificate of TVET Program Registration	December 3, 2008	Subject to revocation should the institution fail to faithfully comply with the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Building Wiring Installation NC Level II (620 hours)	Certificate of TVET Program Registration	June 26, 2007	Subject to revocation should the institution fail to faithfully follow the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Machining NC Level 1 (648 hours)	Certificate of TVET Program Registration	June 26, 2007	Subject to revocation should the institution fail to faithfully follow the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Machining NC Level II (647 hours)	Certificate of TVET Program Registration	June 26, 2007	Subject to revocation should the institution fail to faithfully follow the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Machining NC Level III (451 hours)	Certificate of TVET Program Registration	June 26, 2007	Subject to revocation should the institution fail to faithfully follow the rules and regulations governing the offering of TVET programs prescribed by the Authority.

Program	Status	Validity	
		Commencement	Expiration
Consumer Electronics Servicing NC Level II (550 hours)	Certificate of TVET Program Registration	July 17, 2007	Subject to revocation should the institution fail to faithfully follow the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Food and Beverage Services NC Level II (440 hours)	Certificate of TVET Program Registration	October 22, 2007	Subject to revocation should the institution fail to faithfully follow the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Caregiver Program NC Level II (1030 Hours)	Certificate of TVET Program Registration	September 27, 2004	Subject to revocation should the institution fail to faithfully follow the rules and regulations governing the offering of TVET programs prescribed by the Authority.
Two-year Mechanical Technology Two-year Electrical Technology Two-year Electronics Technology	Government Recognition	March 1991	In case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education, Culture and Sports affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.

COC Puerto - DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
Senior High School Program (PUERTO) Academic Track: Accountancy Business Management (ABM), Humanities Social and Sciences (HUMSS), Science Technology, Engineering and Mathematics (STEM), General Academic Strand (Gas), Hospitality and Tourism Management, Education, Information Technology, Criminology, Health Sciences	Provisional Permit	SY 2016-2017	Subject to revocation anytime the school fails to maintain the standards required for the program/s and to faithfully follow all the laws, rules and regulations and the requirements/standards of the Department of Education (DepEd) governing the operation and adopting of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd.

Program	Status	Validity	
		Commencement	Expiration
Tech-Voc Track: Information and Communications Technology (ICT): Computer Programming, Industrial Arts (IA): Electrical Installation and Maintenance, Electronic Products Assembly and Servicing, Shielded Metal Arc Welding, Machining, Bookkeeping, Home Economics (HE): Tourism Management, Hospitality Management, Caregiving			

UI

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit	City of Iloilo	Permit No. E-2024-02952	16 January 2024	31 December 2024
Certificate of Employer's Registration	Pag-IBIG Fund (Home Development Mutual Fund)	Employer No. 202247740002	21 April 2021	N/A
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. 2922	22 October 1947	N/A
Certificate of Registration	Bureau of Internal Revenue RDO 123	OCN: 8RC0001105331E	27 July 2017	N/A
Certificate of Registration	Department of Labor and Employment Region VI	Control No. R6-I-2021-00042	21 May 2021	N/A
Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 202230301192	22 April 2021	N/A
Certificate of Registration	Social Security System	Employer No. 07-0002900-6-000	21 April 2021	N/A

UI - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
Four Year Bachelor of Science in Tourism Management	Government Recognition	AY 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
Four Year Bachelor of Science in Accounting Technology	Government Recognition	AY 2014-2015	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
Four Year Bachelor of Science in Hotel and Restaurant Management	Government Recognition	CY 2010-2011	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
Bachelor of Science in Marine Engineering	Government Recognition	SY 2005-2006	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
Bachelor of Science in Marine Engineering	Government Permit	SY 2019-2020	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
Bachelor of Science in Information Technology	Government Recognition	CY 2003-2004	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
BS in Accountancy	Government Recognition	SY 1992-1993	In case of failure on the part of the school to observe and maintain any of the required

Program	Status	Validity	
		Commencement	Expiration
			standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Four Year Course in Nursing leading to the degree of Bachelor of Science in Nursing	Government Recognition	June 07, 1982	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Four Year Course in Criminology leading to the degree of Bachelor of Science in Criminology	Government Recognition	July 03, 1972	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Four Year Collegiate Normal Course leading to the degree of Bachelor of Science in Elementary Education	Government Recognition	July 19, 1965	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Four Year Law Course leading to the degree of Bachelor of Laws	Government Recognition	June 13, 1960	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Four Year Collegiate Commercial Course leading to the degree of Bachelor of Science in Commerce	Government Recognition	May 8, 1953	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Four Year Course in Civil Engineering leading to the degree of Bachelor	Government Recognition	December 6, 1952	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and

Program	Status	Validity	
		Commencement	Expiration
of Science in Civil Engineering			Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Four Year Course in Education leading to the degree of Bachelor of Science in Education	Government Recognition	July 1951	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Graduate Course in Education leading to the degree of Master of Arts in Education	Government Recognition	July 1, 1968	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Master in Public Administration	Government Recognition	SY 1998-1999	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
Master in Business Administration and Master of Arts in Teaching Elementary Agriculture	Government Recognition	March 01, 1985	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Doctor of Philosophy of Education	Government Recognition	March 01, 1985	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.

Program	Status	Validity	
		Commencement	Expiration
Bachelor of Science in Medical Technology / Bachelor of Medical Laboratory Science (First Curriculum Level)	Temporary Permit	AY 2018-2019	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs” in the Philippines
Bachelor of Science in Pharmacy (First Curriculum Level)	Temporary Permit	AY 2018-2019	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
Bachelor of Science in Pharmacy	Government Recognition	AY 2021-2022	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
Liberal Arts course leading to the degree of Bachelor of Arts (AB), Third and Fourth Year Level	Government Recognition	June 12, 1951	In case of failure on the part of the school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
First and Second Curriculum Levels of AB Psychology	Government Permit	AY 2021-2022	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines

UI - DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
Pre-Elementary Education (Nursery, Kinder I and Kinder II)	Government Recognition	S.Y. 2015-2016	In case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Complete Academic Secondary Course with Vocational Subjects (Day)	Government Recognition	July 1951	In case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Senior High School Program Academic Track Accountancy Business and Management (ABM) Humanities and Social Sciences (HUMSS) Science, Technology, Engineering and Mathematics (STEM) General Academic (GAs) Tech-voc Track Home Economics (Commercial Cooking, Bread and Pastry Production, Food and Beverage Servicing, Housekeeping, Caregiving, Wellness Massage, Tour Guiding Services, Tourism Promotion Services, Attractions and Theme Parks)	Provisional Permit	SY 2016-2017	Subject to revocation anytime the school fails to maintain the standards required for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd.
Senior High School Tech-voc Track TVL Maritime Specialization	Provisional Permit	SY 2018-2019	Subject to revocation anytime the school fails to maintain the standards required for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of

Program	Status	Validity	
		Commencement	Expiration
			the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd.
Program name illegible	Government Recognition	July 1951	In case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course, the authority granted may be revoked and cancelled. The guaranty bond of the school shall likewise be declared forfeited in accordance with the provisions of Section 8 of Act 2706.

UI - TESDA Permits

Program	Status	Validity	
		Commencement	Expiration
Food and Beverage Services NC II (356 hours)	Certificate of TVET Program Registration	June 8, 2017	-
Computer Systems Servicing NC II (280 hours)	Certificate of TVET Program Registration	April 3, 2018	-

UPang and PUCUI

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Authority to Accept Foreign Students	Bureau of Immigration	AAFS No. ADD01-003	2 February 2001	N/A
Business Permit – Upang	City of Dagupan	Permit No. 24-02-2148	12 February 2024	31 December 2024
Business Permit – PUCUI	City of Urdaneta	BP 3329	21 February 2024	31 December 2024
Business Permit – PUCUI	City of Urdaneta	BP 3330	21 February 2024	31 December 2024
Certificate of Incorporation - UPANG	Securities and Exchange Commission	Company Reg. No. 20507	28 March 1962	N/A

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Certificate of Incorporation - PUCUI	Securities Exchange Commission	Company Reg. No. CS201422038	11 November 2014	N/A
Certificate of Registration - UPang	Bureau of Internal Revenue RDO 004	OCN: 4RC0000826129	16 September 2014	N/A
Certificate of Registration – PUCUI	Bureau of Internal Revenue RDO 006	OCN: 4RC0001117809	8 March 2018	N/A
Certificate of Registration - UPang	Social Security System	Employer No. 02-0001300-4-000	21 April 2021	N/A
Certificate of Registration – PUCUI	Social Security System	Employer No. 02-0997280-3-000	21 April 2021	N/A
Certificate of Registration – UPang	Philippine Health Insurance Corporation	Employer No. 231855000015	21 April 2021	N/A
Certificate of Registration – PUCUI	Philippine Health Insurance Corporation	Employer No. 005000010936	21 April 2021	N/A
Certificate of Remittance for Employer – UPang	Philippine Health Insurance Corporation	Control No.0504222021044_ER	22 April 2021	N/A
Certificate of Remittance for Employer – PUCUI	Philippine Health Insurance Corporation	Control No.0504222021045_ER	22 April 2021	N/A
Registration – UPang	Pag-IBIG Fund (Home Development Mutual Fund)	Employer No. 202247770009	28 March 1962	N/A
Registration – PUCUI	Pag-IBIG Fund (Home Development Mutual Fund)	Employer No. 20573125004	8 October 2015	N/A

UPang Main Campus (Dagupan City)

UPang - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
Graduate in Midwifery I & II	Government Recognition	S.Y. 1995-1996	Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the CHED affecting the course approved CHED Chairman, through the Regional Office, reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the CHED.

Program	Status	Validity	
		Commencement	Expiration
			In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the CHED, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.
BS in Midwifery	Government Recognition	S.Y. 2016-2017	<p>Subject to revocation if the institution fails to operate in accordance with the Laws of the Republic of the Philippines and maintain the prescribed standards of instruction per CMO No. 33, s. 2007, otherwise known as "Policies and Standards for Midwifery Education".</p> <p>Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.</p> <p>Given in accordance with the provisions of RA No. 7722, otherwise known as the "Higher Education Act of 1994," and by virtue of Resolution No. 153-2000, Series of 2000.</p>
BS in Education	Government Recognition	1 July 1947	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Instruction affecting the course herein approved.</p> <p>Secretary of Instruction reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Instruction.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Instruction, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Architecture	Government Recognition	19 July 1965	Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.

Program	Status	Validity	
		Commencement	Expiration
			<p>Secretary of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Hospitality Management	Government Recognition	S.Y. 2005-2006	
BS in Computer Engineering	Government Recognition	S.Y. 1998-1999	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Computer Science major in Data Processing Management (Ladderized Curriculum)	Government Recognition	S.Y. 1993-1994	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the DECS affecting the course herein approved.</p> <p>The Secretary of Education, Culture, and Sports reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the DECS.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DECS, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Accountancy (Level I-IV)	Government Recognition	S.Y. 1992-1993	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the DECS affecting the course herein approved.</p> <p>The Secretary of Education, Culture, and Sports reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction</p>

Program	Status	Validity	
		Commencement	Expiration
			<p>and the conditions affecting instruction in this course, comply with all the requirements of the DECS.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DECS, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Accounting Technology (Levels I-IV)	Government Recognition	S.Y. 2012-2013	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines
BS in Criminology (Level I-IV)	Government Recognition	S.Y. 2013-2014	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines
BS in Physical Therapy	Government Recognition	S.Y. 1997-1998	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines
BS in Elementary Education	Government Recognition	1 July 1968	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>Secretary of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>

Program	Status	Validity	
		Commencement	Expiration
BS in Medical Technology**	Government Recognition	14 June 1977	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the DEC affecting the course herein approved.</p> <p>DEC reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the DEC.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DEC, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Information Technology	Government Recognition	Issued 10 July 2001	<p>Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines</p> <p>Given in accordance with the provisions of RA No. 7722, otherwise known as the "Higher Education Act of 1994," and by virtue of Resolution No. 153-2000, Series of 2000.</p>
BS in Electronics and Communications Engineering (I-V)	Government Recognition	A.Y. 2005-2006	<p>Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.</p> <p>Given in accordance with the provisions of RA No. 7722, otherwise known as the "Higher Education Act of 1994," and by virtue of Resolution No. 153-2000, Series of 2000.</p>
BS in Electrical Engineering (I-V)	Government Recognition	A.Y. 2005-2006	<p>Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.</p>

Program	Status	Validity	
		Commencement	Expiration
			Given in accordance with the provisions of RA No. 7722, otherwise known as the "Higher Education Act of 1994," and by virtue of Resolution No. 153-2000, Series of 2000.
BS in Commerce	Government Recognition	July 1951	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of the Department of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Nursing (Five Year Course)**	Government Recognition	7 June 1976	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the DEC affecting the course herein approved.</p> <p>DEC reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the DEC.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DEC, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Tourism Management (Level I-IV)	Government Recognition	S.Y. 2013-2014	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.

Program	Status	Validity	
		Commencement	Expiration
			Given in accordance with the provisions of RA No. 7722, otherwise known as the "Higher Education Act of 1994," and by virtue of Resolution No. 153-2000, Series of 2000.
Bachelor of Arts	Government Recognition	15 June 1953	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of the Department of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Civil Engineering	Government Recognition	Given 20 November 1952	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of the Department of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Management Accounting	Government Recognition	S.Y. 1998-1999	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization,

Program	Status	Validity	
		Commencement	Expiration
			<p>administration and supervision of private/public HEIs in the Philippines.</p> <p>Given in accordance with the provisions of RA No. 7722, otherwise known as the "Higher Education Act of 1994," and by virtue of Resolution No. 249-99, Series of 1999.</p>
Bachelor of Laws***	Government Recognition	1 July 1951	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of the Department of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Master of Science in Management Engineering***	Government Recognition	2 June 1975	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of the Department of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Master of Arts in Education***	Government Recognition	13 June 1960	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the</p>

Program	Status	Validity	
		Commencement	Expiration
			<p>required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of the Department of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Master of Science in Business Administration	Government Recognition	7 July 1969	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of the Department of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Doctor of Education	Government Recognition	4 June 1973	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of the Department of Education reserves the right to satisfy himself that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p>

Program	Status	Validity	
		Commencement	Expiration
			In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.
BS in Mechanical Engineering (Level I)	Government Permit	S.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Mechanical Engineering (Level II)	Government Permit	S.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Mechanical Engineering (Level III)	Government Permit	S.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines
BS in Pharmacy (Level I)	Government Permit	S.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines. Given in accordance with the provisions of RA No. 7722, otherwise known as the "Higher Education Act of 1994".
BS in Pharmacy (Level II)	Government Permit	S.Y. 2016 – 2017	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines
BS in Pharmacy (Level III)	Government Permit	S.Y. 2017-2018	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and

Program	Status	Validity	
		Commencement	Expiration
			<p>regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.</p> <p>Given in accordance with the provisions of RA No. 7722, otherwise known as the "Higher Education Act of 1994".</p>

**Permit was issued when the Department of Education ("DepEd") was known as the Department of Education, Culture, and Sports ("DECS").*

*** Permit was issued when the Department of Education ("DepEd") was known as the Department of Education and Culture ("DEC").*

****Permit issued by the Department of Education*

UPang - DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
Basic Education Curriculum	Government Recognition	S.Y. 2003-2004	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of the Department of Education reserves the right to satisfy himself that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
<p>Senior High School Program</p> <p>Academic: Accounting, Business and Management (ABM), Humanities and Social Sciences (HUMSS), Science, Technology, Engineering and Mathematics (STEM), and General Academics (GAs).</p> <p>Tech-Voc: Home Economics (Cookery,</p>	Government Permit	S.Y. 2017-2018	<p>Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program.</p> <p>This permit shall remain valid until formally revoked by the DepEd.</p>

Program	Status	Validity	
		Commencement	Expiration
Tourism Promotion Services, Commercial Cooking, Caregiving and Housekeeping), Information and Communications Technology (Animation, Computer Hardware Servicing, Illustration, Computer Programming, and Medical Transcription), Industrial Arts (Automotive Servicing)			

UPang - TESDA Permits

Program	Status	Validity	
		Commencement	Expiration
Caregiver NC II	Certificate of TVET Program Registration	21 June 2004	Valid subject to revocation should institution fail to faithfully comply with the rules and regulations governing the offering of prescribed TVET programs prescribed by the Authority. Certificate shall not extend to any other program or any other branch of the Institution.
Automotive Servicing NC II (734 hours)	Certificate of TVET Program Registration	14 June 2013	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs. Certificate shall not extend to any other program or any other branch of the Institution.
Automotive Servicing NC II (876 hours)	Certificate of TVET Program Registration	11 December 2015	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs. Certificate shall not extend to any other program or any other branch of the Institution.
Automotive Servicing NC I (219 hours)	Certificate of TVET Program Registration	11 December 2015	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs. Certificate shall not extend to any other program or any other branch of the Institution.
Food and Beverage Services NC II (499 hours)	Certificate of TVET Program Registration	13 June 2017	Valid subject to revocation should institution fail to faithfully comply with the rules and regulations governing the offering of prescribed TVET programs prescribed by the Authority.

Program	Status	Validity	
		Commencement	Expiration
			Certificate shall not extend to any other program or any other branch of the Institution.
Driving (Passenger Bus/Straight Truck) NC III (162 hours)	Certificate of TVET Program Registration	8 September 2017	Valid subject to revocation should institution fail to faithfully comply with the rules and regulations governing the offering of prescribed TVET programs prescribed by the Authority. Certificate shall not extend to any other program or any other branch of the Institution.
Bookkeeping NC III (412 hours)	Certificate of TVET Program Registration	20 March 2015	Valid subject to revocation should institution fail to comply with the rules and regulations governing the offering of prescribed TVET programs. Certificate shall not extend to any other program or any other branch of the Institution.

Urdaneta Campus

Urdaneta Campus - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
BS in Accounting Technology (Level I)	Government Permit	S.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Accounting Technology (Level II)	Government Permit	S.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Accounting Technology (Levels III and IV)	Government Recognition	S.Y. 2018-2019	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Entrepreneurship (Level I)	Government Permit	S.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

Program	Status	Validity	
		Commencement	Expiration
BS in Entrepreneurship (Levels II -III)	Government Permit	S.Y. 2019-2020	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Computer Science (Level I)	Government Permit	S.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Computer Science (Levels II-III)	Government Permit	S.Y. 2019-2020	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Accountancy (Level I)	Government Permit	S.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Accountancy (Level II)	Government Permit	S.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Accountancy (III and IV)	Government Recognition	S.Y. 2018-2019	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Civil Engineering (Level I)	Government Permit	S.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

Program	Status	Validity	
		Commencement	Expiration
BS in Civil Engineering (Level II)	Government Permit	S.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Civil Engineering (Level III)	Government Permit	S.Y. 2017-2018	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Criminology (Level I)	Government Permit	S.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Criminology (Level II)	Government Permit	S.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Criminology (Level III)	Government Permit	S.Y. 2017-2018	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Criminology	Government Recognition	S.Y. 2019-2020	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Tourism Management (Level I)	Government Permit	S.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

Program	Status	Validity	
		Commencement	Expiration
BS in Tourism Management (Level II)	Government Permit	S.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Tourism Management (I-IV)	Government Recognition	S.Y. 2019-2020	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Entrepreneurship (Levels I -IV)	Government Permit	S.Y. 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
BS in Computer Science (Levels I-IV)	Government Permit	A.Y. 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Civil Engineering	Government Permit	A.Y. 2019-2020	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Arts in English Language (Level i)	Government Permit	S.Y. 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Architecture (Level 1)	Government Permit	S.Y. 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

Program	Status	Validity	
		Commencement	Expiration
Bachelor of Science in Internal Auditing (Level 1)	Government Permit	S.Y 2020-2021	Subject to revocation if grantee fails to operate in accordance with relevant laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

Urdaneta Campus - DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
<p>Senior High School Program</p> <p>Academic: Accounting, Business and Management (ABM), Humanities and Social Sciences (HUMSS), Science, Technology, Engineering and Mathematics (STEM), and General Academics (GAs).</p> <p>Tech-Voc: Home Economics (Cookery, Tourism Promotion Services, Commercial Cooking, Caregiving and Housekeeping), Information and Communications Technology (Animation, Computer Hardware Servicing, Illustration, Computer Programming, and Medical Transcription), Industrial Arts (Automotive Servicing)</p>	Government Permit	S.Y. 2017-2018	<p>Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program.</p> <p>This permit shall remain valid until formally revoked by the DepEd.</p>

SWU

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit	Cebu City Government	Permit No. 98885	28 February 2024	For CY 2024-2025
Certificate of Accreditation	Bureau of Immigration	No. RBR00-050	18 May 2001	N/A
Certificate of Employer's Registration	Pag-IBIG Fund (Home Development Mutual Fund)	Employer No. 202295550006	23 April 2021	N/A
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. 5956	4 April 1951	N/A

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Certificate of Registration	Bureau of Internal Revenue RDO 123	OCN:8RC0001559676E	26 April 2018	N/A
Certificate of Registration	Department of Labor and Employment Region VII	EIN No. 07-2021-54103024	3 May 2021	N/A
Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 201722302667	21 April 2021	N/A
Certificate of Registration	Social Security System	Employer No. 06-0003800-3-000	22 April 2021	N/A
Environmental Compliance Certificate	Environment Management Bureau Region VII	ECC-OL-R07-2017-0133	6 October 2017	N/A
Hazardous Waste Generator Registration Certificate	Environment Management Bureau Region VII	GR-R7-22-00723	24 May 2019	N/A

SWU - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
BS in Tourism	Government Recognition	C.Y. 1999-2000	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.
BS in Information Technology	Government Recognition	C.Y. 2000-2001	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.
BS in Accountancy	Government Recognition	A.Y. 2005-2006	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization,

Program	Status	Validity	
		Commencement	Expiration
			administration and supervision of private/public HEIs in the Philippines.
BS in Hotel and Restaurant Management*	Government Recognition	-	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Ministry of Education, Culture and Sports affecting the course herein approved.</p> <p>Minister of Education, Culture, and Sports reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Ministry of Education, Culture, and Sports.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Ministry of Education, Culture, and Sports, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Bachelor of Laws	Government Recognition	22 June 1981	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Ministry of Education, Culture and Sports affecting the course herein approved.</p> <p>Minister of Education, Culture, and Sports reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Ministry of Education, Culture, and Sports.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Ministry of Education, Culture, and Sports, and the guaranty bond submitted by the said school</p>

Program	Status	Validity	
		Commencement	Expiration
			declared forfeited in accordance with the provisions of Section 8 of Act 2706.
BS in Physical Therapy (Fourth Year Level)*	Government Recognition	11 June 1990	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Department of Education, Culture and Sports affecting the course herein approved.</p> <p>The Secretary of Education, Culture, and Sports reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education, Culture, and Sports.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, Culture, and Sports, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Nursing**	Government Recognition	9 June 1980	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course herein approved.</p> <p>Minister of Education and Culture reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Ministry of Education and Culture.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Ministry of Education, Culture, and Sports, and the guaranty bond submitted by the said school</p>

Program	Status	Validity	
		Commencement	Expiration
			declared forfeited in accordance with the provisions of Section 8 of Act 2706.
BS in Elementary Education	Government Recognition	6 July 1970	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DepEd, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Education**	Government Recognition	1948	
Post-Graduate Course in Education leading to the degree of Doctor of Education (Ed.D).	Government Recognition	June 7, 1982	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DepEd, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>

Program	Status	Validity	
		Commencement	Expiration
BS in Medical Technology	Government Recognition	3 July 1967	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>The Secretary of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DepEd, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
BS in Medical Technology (First to Third Year Level)	Government Recognition	1964	
BS in Optometry (First to Second Year Level)	Government Recognition	1973	
BS in Optometry (Third to Fourth Year Level)	Government Recognition	1975	
BS in Dentistry	Government Recognition	1967	
Complete Pharmacy	Government Recognition	1951	
A.B. (General; First to Fourth Year Level)	Government Recognition	1955	
Bachelor of Arts & Sciences (First to Fourth Year Level)	Government Recognition	1955	
Chemical Engineering (First to Third Year Level)	Government Recognition	1963	
Chemical Engineering (Four Year Level)	Government Recognition	1964	
Chemical Engineering (Fifth Year Level)	Government Recognition	1965	

Program	Status	Validity	
		Commencement	Expiration
BS in Mechanical Engineering (First to Third Year Level)	Government Recognition	1965	
BS Chemistry	Government Recognition	1972	
Electrical Engineering (First to Third Year Level)	Government Recognition	1965	
BS in Commerce (First to Second Year Level)	Government Recognition	1951	
BS in Commerce (Third to Fourth Year Level)	Government Recognition	1975	
BS in Foods & Nutrition (First to Fourth Year Level)	Government Recognition	1975	
BS in Home Economics	Government Recognition	1951	
Two-Year Secretarial Science (Now Junior Secretarial)	Government Recognition	1963	
BS in Physical Education*	Government Recognition	June 1985	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course herein approved.</p> <p>Minister of Education and Culture reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Ministry of Education and Culture.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Ministry of Education, Culture, and Sports, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
MA in Teaching Major in: Science, Pilipino, Physical Education, Special Education & English*	Government Recognition	18 October 1984	Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Department of

Program	Status	Validity	
		Commencement	Expiration
			<p>Education affecting the course herein approved.</p> <p>The Secretary of Education reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DepEd, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706</p>
MA in Nursing**	Government Recognition	14 June 1982	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course herein approved.</p> <p>Minister of Education and Culture reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Ministry of Education and Culture.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Ministry of Education, Culture, and Sports, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Doctor of Veterinary Medicine (Six Years)	Government Recognition	C.Y. 2001-2002	<p>Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization,</p>

Program	Status	Validity	
		Commencement	Expiration
			administration and supervision of private/public HEIs in the Philippines.
Doctor of Medicine	Government Recognition	2015-2016	Subject to revocation if the herein grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to maintain the prescribed standards of instructions and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public Higher Education Institutions (HEIs) in the Philippines.
BS in Occupational Therapy (Fourth Year Level, Including First Second and Third Year Level)	Government Permit	A.Y. 2016-2017	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the CHED pertaining to the organization, administration and supervision of private HEIs. School Authorities shall inform CHED of any plan or action regarding closure or phasing out of the program or any change(s) in the prescribed requirements.
Bachelor of Science in Architecture (First Year Level)	Government Permit	A.Y. 2018-2019	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the CHED pertaining to the organization, administration and supervision of private HEIs. School Authorities shall inform CHED of any plan or action regarding closure or phasing out of the program or any change(s) in the prescribed requirements.
Bachelor of Science in Radiologic Technology First Year	Temporary Permit	A.Y 2019-2020	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the CHED pertaining to the organization, administration and supervision of private HEIs.

**Permit was issued when the Department of Education ("DepEd") was known as the Department of Education, Culture, and Sports ("DECS").*

*** Permit was issued when the Department of Education (“DepEd”) was known as the Department of Education and Culture (“DEC”).*

SWU - DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
Complete Elementary Course	Government Recognition	1964	
Secondary (Day)	Government Recognition	1948	
Secondary (Night)	Government Recognition	1951	
Senior High School Program Arts and Design with Concentration in Arts Production (Visual Arts, Media Arts, and Literary Arts)	Provisional Permit	S.Y. 2017-2018	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd.
Senior High School Program Academic: Accountancy, ABM, HUMSS, STEM and GAs Tech-Voc: Home Economics with specializations in Bread and Pastry Production, Housekeeping, Food and Beverage Services, Tour Guiding, Tourism Promotion Services, Attraction and Theme Parks, Information and Communications Technology with specialization in Computer Programming, Sports	Provisional Permit	S.Y. 2016-2017	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd.
Senior High School Program (Grades 11 and 12)	Provisional Permit	S.Y. 2016-2017	-

SJC - MANILA

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit	City of Manila	Permit No. 2024000036760	22 January 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. AS095006912	19 July 1995	N/A
Certificate of Accreditation	Bureau of Immigration	AFFS No. ADD-2001-029	1 July 2014	N/A
Certificate of Registration	Bureau of Internal Revenue RDO 032	OCN: 1RC0001115993	13 July 2018	N/A

SJC - MANILA - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
BS in Entrepreneurship	Government Recognition	A.Y. 2011-2012	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations for organization, administration and supervision of private Higher Education Institutions (“HEIs”) in the Philippines
BS in Information Technology	Government Recognition	S.Y. 2011-2012	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines.
BS in Respiratory Therapy	Government Recognition	20 February 1997	Subject to revocation if the grantee fails to observe and maintain any of the required standards of the CHED affecting the course herein approved, the authority hereby granted shall be taken over and kept in the files of the CHED. In case of revocation, guaranty bond of the school shall be declared forfeited in accordance with the provisions of RA 2706.
BS in Midwifery	Government Permit	S.Y. 2013-2014	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the CHED pertaining to the organization, administration and supervision of private HEIs.

Program	Status	Validity	
		Commencement	Expiration
			School Authorities shall inform CHED of any plan or action regarding closure or phasing out of the program or any change(s) in the prescribed requirements.
BS in Elementary Education with Area of Concentration in English, Filipino, Science and Health	Government Recognition	S.Y. 2004-2005	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.
BS in Medical Technology/Medical Laboratory Science	Government Recognition	A.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the CHED pertaining to the organization, administration and supervision of private HEIs. School Authorities shall inform CHED of any plan or action regarding closure or phasing out of the program or any change(s) in the prescribed requirements.
BS in Secondary Education Major in English, Filipino, Mathematics, and General Science	Government Recognition	S.Y. 2004-2005	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.
BS in Computer Science	Government Recognition	S.Y. 1999-2000	
BS in Pharmacy	Government Recognition	S.Y. 2013-2014	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the CHED pertaining to the organization, administration and supervision of private HEIs. School Authorities shall inform CHED of any plan or action regarding closure or phasing out of the program or any change(s) in the prescribed requirements.
BS in Tourism Management	Government Recognition	A.Y. 2013-2014	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations of the CHED pertaining to the organization,

Program	Status	Validity	
		Commencement	Expiration
			<p>administration and supervision of private HEIs.</p> <p>School Authorities shall inform CHED of any plan or action regarding closure or phasing out of the program or any change(s) in the prescribed requirements.</p>
BS in Radiologic Technology*	Government Recognition	S.Y.1985-1986	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Ministry of Education, Culture and Sports affecting the course herein approved.</p> <p>Minister of Education, Culture, and Sports reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Ministry of Education, Culture, and Sports.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Ministry of Education, Culture, and Sports, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706</p>
BS in Physical Therapy	Government Recognition	S.Y. 1998-1999	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.
BS in Occupational Therapy	Government Recognition	S.Y. 2001-2002	Subject to revocation if grantee fails to operate in accordance with the laws of the Republic of the Philippines and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.
BS in Hotel and Restaurant Management*	Government Recognition	19 January 1993	Subject to revocation in case of failure of the school to observe and maintain any of the required standards of the Department of Education, Culture and Sports. ("DECS")

Program	Status	Validity	
		Commencement	Expiration
BS in Nursing (Fourth to Fifth Year Level)**	Government Recognition	14 June 1977	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the DEC affecting the course herein approved.</p> <p>DEC reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the DEC.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DEC, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Master in Public Administration	Government Recognition	S.Y. 2012-2013	<p>Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations pertaining to the organization, administration and supervision of private/public HEIs in the Philippines.</p>
Master in Hospital Administration*	Government Recognition	16 June 1986	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Ministry of Education, Culture and Sports affecting the course herein approved.</p> <p>Minister of Education, Culture, and Sports reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Ministry of Education, Culture, and Sports.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Ministry of Education, Culture, and Sports, and the guaranty bond submitted by the said school declared</p>

Program	Status	Validity	
		Commencement	Expiration
			forfeited in accordance with the provisions of Section 8 of Act 2706
MA in Teaching Nursing Education**	Government Recognition	13 June 1978	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the DEC affecting the course herein approved.</p> <p>DEC reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the DEC.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the DEC, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
MA in Nursing	Government Recognition	S.Y. 2006-2007	
MS in Nursing	Government Recognition	S.Y. 2013-2014	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Master in Healthcare Administration	Government Recognition	A.Y. 2015-2016	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines.
MA in Education Major in Educational Administration	Government Recognition	S.Y. 1997-1998	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines.
PhD in Educational Management Program	Government Recognition	S.Y. 2010-2011	Subject to revocation if grantee fails to operate in accordance with relevant laws

Program	Status	Validity	
		Commencement	Expiration
			and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Master of Science in Radiologic Technology	Government Recognition	A.Y. 2018-2019	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Four Year Collegiate Commercial Course leading to the degree of Bachelor of Science in Commerce (BSC)	Government Recognition	7 June 1976	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines.
First to Fourth Year of the Four-Year Food and Nutrition Course leading to the degree of Bachelor of Science in Foods and Nutrition	Government Recognition	13 June 1976	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines.
Four Year BS in Secretarial Administration Course leading to the degree of Bachelor of Science in Secretarial Administration (BSSA)	Government Recognition	7 June 1976	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines.
Third and Fourth Years of the Liberal Arts Course leading to the degree of Bachelor of Arts (AB)	Government Recognition	7 June 1976	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines.

SJC - MANILA - DepEd Permits

Program	Level of Accreditation	Validity	
		Commencement	Expiration
Nursery/Kindergarten	Government Recognition	5 November 1986	
Elementary	Government Recognition	11 December 1990	
Academic Secondary Course (Day)**	Government Recognition	13 June 1979	<p>Subject to revocation in case of failure on the part of the above-named school to observe and maintain any of the required standards of the Ministry of Education and Culture affecting the course herein approved.</p> <p>Minister of Education and Culture reserves the right to satisfy himself, either personally or through accredited representatives, of the fact that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Ministry of Education and Culture.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Ministry of Education, Culture, and Sports, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Senior High School Program Academic: Accounting, Business and Management ("ABM"), Humanities and Social Sciences ("HUMSS"), Science, Technology, Engineering and Mathematics ("STEM"), and General Academics ("GAs").	Provisional Permit	S.Y. 2016-2017	<p>Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program.</p> <p>This permit shall remain valid until formally revoked by the DepEd.</p> <p>School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.</p>
Senior High School Program Tech-Voc: Home Economics (Food and	Provisional Permit	S.Y. 2016-2017	<p>Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd</p>

Program	Level of Accreditation	Validity	
		Commencement	Expiration
Beverage Services, Bread and Pastry Production, Culinary), Information and Communication Technology (Computer Programming)			governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd. School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.
Senior High School Program Technical-Vocational-Livelihood: Home Economics – Tourism Promotion Services	Provisional Permit	S.Y. 2016-2017	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd. School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.
Senior High School Program Technical-Vocational-Livelihood: Home Economics – House Keeping, Cookery	Provisional Permit	S.Y. 2016-2017	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd. School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.

**Permit was issued when the Department of Education (“DepEd”) was known as the Department of Education, Culture, and Sports (“DECS”).*

*** Permit was issued when the Department of Education (“DepEd”) was known as the Department of Education and Culture (“DEC”).*

SJC - QC

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Mayor's Permit	Quezon City	Mayor's Permit No. 18-006370	19 January 2024	19 January 2025
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. 4378	6 May 1949	N/A
Certificate of Registration	Bureau of Internal Revenue RDO 040	OCN: 3RC0000582963	20 February 2013	N/A
Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 200534300168	10 July 2019	N/A

SJC QC - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
Third and Fourth Years of the Liberal Arts (A.B.)	Government Recognition	July 6, 1971	
Bachelor of Science in Commerce	Government Recognition	1974	
Bachelor of Science in Education	Government Recognition	-	
Master of Arts in Education	Government Recognition	-	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Master in Business Administration	Government Recognition	S.Y. 1997-1998	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Master of Science in Criminology	Government Recognition	C.Y. 1999-2000	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

SJC QC - DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
Nursery/ Kindergarten	Government Recognition	April 4, 1975	
Elementary (I-IV)	Government Recognition	1975	
Elementary (-VI)	Government Recognition	September 11, 1981	
Secondary Course	Government Recognition	June 1, 1959	
Senior High School Program Academic: Accountancy, Business, Management (ABM)	Provisional Permit	S.Y 2015-2016	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd. School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.
Senior High School Program Academic: General Academic	Provisional Permit	S.Y 2015-2016	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd. School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.

RCL

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Business Permit	City of Calamba	Permit No. 2024-08325	1 February 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	Company Reg. No. 59181	12 December 1974	N/A
Certificate of Registration	Bureau of Internal Revenue RDO 056	OCN: 1RC0001078911	14 April 2018	N/A

Certificate of Registration	Philippine Health Insurance Corporation	Employer No. 200534300168	10 July 2019	N/A
-----------------------------	---	---------------------------	--------------	-----

RCL - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
Bachelor of Science in Business Administration	Government Recognition	CY 1999-2000	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Industrial Technology major in Electrical Technology	Government Recognition	CY 2000-2001	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Office Administration	Government Recognition	CY 1999-2000	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Secondary Education majors in English and Filipino	Government Recognition	CY 1997-1998	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines

RCL - DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
Complete Secondary Course	Government Recognition	SY 1999-2000	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd.

Program	Status	Validity	
		Commencement	Expiration
			School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.
<p>Senior High School Program</p> <p>Academic: Accountancy, Business, and Management (ABM), General Academics (GAs)</p> <p>Tech-Voc: Industrial Arts (Electrical Installation and Maintenance), Information and Communications Technology (Computer Hardware and Servicing)</p>	Provisional Permit	SY 2016-2017	<p>Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program.</p> <p>This permit shall remain valid until formally revoked by the DepEd.</p> <p>School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.</p>

RCL - TESDA Permits

Program	Status	Validity	
		Commencement	Expiration
One-Year Course in Refrigeration and Air Conditioning	Government Recognition	June 7, 1976	Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.
One-Year Course in Automotive Mechanic			The Secretary of the Department of Education reserves the right to satisfy himself that the instruction and the conditions affecting instruction in this course, comply with all the requirements of the Department of Education.
One-Year Course in Diesel Mechanic			
Two-Year Television Technician Course			In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Six-Month Telephone Switchboard Technician Course			

UCLI

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
Certificate of Registration	Department of Labor and Employment Region IV-A	Certificate No. RE-LPO-0414-194	11 April 2014	N/A
Mayor's Permit	Santa Cruz, Laguna	Permit No. 2024-2093	23 January 2024	31 December 2024

UCLI - CHED Permits

Program	Status	Validity	
		Commencement	Expiration
Bachelor of Arts in Communication	Government Recognition	AY 2012-2013	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Arts (Fourth year of the Liberal Arts Course)	Government Recognition	July 1, 1968	Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved. In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files

Program	Status	Validity	
		Commencement	Expiration
			of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Bachelor of Science in Accountancy	Government Recognition	CY 2007-2008	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Commerce (Fourth year level)	Government Recognition	July 3, 1972	Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved. In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Bachelor of Science in Computer Engineering	Government Recognition	CY 2004-2005	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines
Bachelor of Science in Computer Science	Government Recognition	SY 1996-1997	Subject to revocation in case of failure of school to observe and maintain any of the required standards of the Commission of Higher Education. In case of revocation, the records of the students who attended the said course may be taken over and kept in the files of the Commission of Higher Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Bachelor of Science in Criminology	Government Recognition	AY 2013-2014	Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to comply with the rules and regulations of the Commission on Higher Education pertaining to the organization, administration and supervision of private education institutions.

Program	Status	Validity	
		Commencement	Expiration
Bachelor of Science in Education (Third and Fourth year levels)	Government Recognition	June 10, 1957	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Bachelor of Science in Elementary Education (Fourth year level)	Government Recognition	July 6, 1970	<p>Subject to revocation in case of failure on the part of the school to observe and maintain any of the required standards of the Department of Education affecting the course herein approved.</p> <p>In case of revocation, the records of the students who have actually attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>
Bachelor of Science in Hotel & Restaurant Management	Government Recognition	CY 2003-2004	<p>Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines</p>
Bachelor of Science in Information Technology	Government Recognition	CY 2003-2004	<p>Subject to revocation if grantee fails to operate in accordance with relevant laws and/or fails to maintain the prescribed standards of instruction and/or fails to comply with the rules and regulations for organization, administration and supervision of private HEIs in the Philippines</p>
Bachelor of Science in Office Administration	Government Recognition	AY 2010-2011	<p>Subject to revocation in case of failure of school to observe and maintain any of the required standards of the Commission of Higher Education.</p> <p>In case of revocation, the records of the students who attended the said course may be taken over and kept in the files of the Commission of Higher Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.</p>

Program	Status	Validity	
		Commencement	Expiration
Master in Public Administration	Government Recognition	June 17, 1985	Subject to revocation in case of failure of school to observe and maintain any of the required standards of the Ministry of Education, Culture and Sports and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.
Master of Arts in Education major in Psychology	Government Recognition	July 6, 1970	Subject to revocation in case of failure of school to observe and maintain any of the required standards of the Department of Education In case of revocation, the records of the students who attended the said course may be taken over and kept in the files of the Department of Education, and the guaranty bond submitted by the said school declared forfeited in accordance with the provisions of Section 8 of Act 2706.

UCLI – DepEd Permits

Program	Status	Validity	
		Commencement	Expiration
Kindergarten, Complete Elementary and Secondary Courses	Government Recognition	1963, 1965, and 1949	
Senior High School Program Academic: GAs, HUMSS, ABM TechVoc: Information and Communications Technology (Computer Hardware Servicing), Home Economics (Housekeeping, Food and Beverage Services, Bartending and Bread and Pastry Production)	Provisional Permit	SY 2016-2017	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd. School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.
Senior High School Program Academic: STEM	Provisional Permit	SY 2017-2018	Subject to revocation anytime the school fails to maintain the standards require for the program and to faithfully follow all laws, rules and regulations and the requirements/standards of the DepEd governing the operation and adoption of the Senior High School Program under the Enhanced Basic Education Program. This permit shall remain valid until formally revoked by the DepEd.

Program	Status	Validity	
		Commencement	Expiration
			School authorities shall inform DepEd of any plan or action regarding closure or phasing out of the program/s or any change/s or deviation/s from the prescribed requirements.

PHINMA Property Holdings Corporation

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Business Permit	City of Mandaluyong	Permit No. 07032	12 April 2024	31 December 2024
Barangay clearance	Barangay Barangka Ilaya	05-2024-0386	23 January 2024	31 December 2024
Sanitary Permit	Office of the City Health Officer	BI1540-NF-2024	1 February 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	SEC Registration No. CS201019568	3 December 2010	N/A
Certificate of Registration	Bureau of Internal Revenue	TIN 007-934-120-000	11 January 2011	N/A
Certificate of Registration	Philippine Health Insurance Corporation	2002-7630-6597	N/A	N/A
Certificate of Registration	Anti-Money Laundering Council	DNFBP-2021072808600097-4-3	3 March 2023	3 March 2025
Certificate of Registration	Social Security System	387025834	N/A	N/A

Community Developers and Construction Corporation

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Business Permit	City of Mandaluyong	Permit No. 24-05909	17 January 2024	31 December 2024
Barangay clearance	Barangay Barangka Ilaya	05-2024-0328	16 April 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	SEC Registration No. CS201602541	05 February 2016	N/A
Certificate of Registration	Bureau of Internal Revenue	TIN 009-222-667-000	23 May 2023	
Certificate of Registration	Philippine Health Insurance Corporation	2000031166	12 April 2016	N/A
Certificate of Registration	Social Security System	03-9519200-5-000	26 July 2016	N/A
Certificate of Registration	Pag-ibig (HDMF)	205987350004	06 May 2016	N/A

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Regular Contractor's License	Philippine Contractors Accreditation Board	41268	01 July 2023	20 December 2024

Community Property Managers Group Inc.

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Mayor's Permit	City of Mandaluyong	Permit No. 24-03362	12 January 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	SEC Registration No. CS201730654	13 September 2017	N/A
Certificate of Registration	Bureau of Internal Revenue	TIN 009-814-370	16 February 2023	N/A
Certificate of Registration	Anti-Money Laundering Council	DNFBP-20240607150426-0	07 June 2024	07 December 2024
Certificate of Registration	National Privacy Commission	PIC-002-316-2024	04 August 2023	05 August 2025

PPSMI

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Business Permit	City of Mandaluyong	Permit No. 44728	22 February 2024	31 December 2024
Certificate of Incorporation	Securities and Exchange Commission	SEC Registration No. 2023030089134-09	2 March 2023	N/A
Certificate of Registration	Bureau of Internal Revenue	TIN 010-737-303	22 March 2023	
Certificate of Registration	Anti-Money Laundering Council	DNFBP-20240605151246-2	05 June 2024	05 December 2024
Certificate of Registration	Philippine Health Insurance Corporation	1000067777	20 May 2024	N/A
Certificate of Registration	Social Security System	80-0292797-6-000	03 June 2024	N/A
Certificate of Registration	Pag-ibig (HDMF)	210462790004	N/A	N/A

INPHIN8

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Business Permit	City of Mandaluyong	PERMIT NO. 0707	05 January 2024	31 December 2024
Barangay Clearance, Sanitary Permit	City of Makati	114511	04 April 2024	31 December 2024

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Certificate of Incorporation	Securities and Exchange Commission	CS201909480	11 June 2019	
Certificate of Registration	Bureau of Internal Revenue	TIN 010-339-545	21 November 2019	N/A
Certificate of Registration	Philippine Health Insurance Corporation	1030009666	16 December 2020	N/A
Certificate of Registration	Social Security System	80-0101079-0-000	1 February 2019	N/A
Certificate of Registration	Pag-ibig (HDMF)	209556100009		

PHINMA Hospitality

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date
Business Permit	City of Makati	10351	26 January 2024
Barangay Business Clearance	City of Makati	2024-0741	1 February 2024
Sanitary Permit	City of Makati	Permit No. 017820	21 March 2024
Permit to use CAS	Bureau of Internal Revenue – RDO 049	049-CAS-03-20-2013-000156	20 March 2013
Certificate of Registration	Bureau of Internal Revenue – RDO 049	9RC0000837153E	26 January 2017
Certification of no pending case	Department of Labor and Employment	2307-00116	17 July 2023

PHINMA Microtel Hotels Inc.

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Business Permit	City of Makati	10352	26 January 2024	31 December 2024
Barangay Business Clearance	City of Makati	2024-0742	1 February 2024	31 December 2024
Sanitary Permit	City of Makati	No. 037175	21 March 2024	31 December 2024
Permit to use CAS	Bureau of Internal Revenue – RDO 47	07-18-06-47-CBA-000173	25 August 2006	N/A
Certificate of Registration	Bureau of Internal Revenue – RDO 049	9RC0000837186E	26 January 2017	N/A

Coral Way City Hotel Corporation

Name of License/Permit	Issuing Regulatory Body	License/Permit No.	Issue Date	Expiry Date
Certificate of Registration	Bureau of Internal Revenue	9RC0001068762E	10 July 2017	N/A
Business Permit	City of Pasay	09-029673	24 April 2024	31 December 2024

Name of License/Permit	Issuing Regulatory Body	License/ Permit No.	Issue Date	Expiry Date
FSIC	City of Pasay	FSIC No. 050831	6 August 2024	6 August 2025
Sanitary Permit	City of Pasay	No. 225-24	8 February 2024	31 December 2024

MATRIX OF EFFECTIVE OWNERSHIP INTEREST

PHINMA Corporation and Subsidiaries
As of June 30, 2024

Entity	Relationship				Parent			NCI
		Direct	Indirect	Total	Direct	Indirect	Effective	Effective
PHINMA Corporation	Subsidiary	100.00%		100.00%	100.00%		100.00%	0.00%
UGC	Subsidiary	98.64%		98.64%	98.64%		98.64%	1.36%
API	Subsidiary	57.62%		57.62%	57.62%		57.62%	42.38%
OAL	Subsidiary	80.00%		80.00%	80.00%		80.00%	20.00%
CAA	Subsidiary	90.00%		90.00%	90.00%		90.00%	10.00%
PEHI	Subsidiary	75.01%		75.01%	75.01%		75.01%	24.99%
AU Indirect thru: PEHI	Affiliate	0.00%		97.76%	0.00%		73.33%	26.67%
COC Indirect thru: PEHI	Affiliate	0.00%		91.27%	0.00%		68.46%	31.54%
UI Indirect thru: PEHI	Affiliate	0.00%		69.23%	0.00%		51.93%	48.07%
UPANG and Subsidiary Indirect thru: PEHI	Affiliate	0.00%		69.33%	0.00%		52.00%	48.00%
SWU Indirect thru: PEHI	Affiliate	0.00%		94.51%	0.00%		70.89%	29.11%
SJCU Indirect thru: PEHI	Affiliate	0.00%		98.44%	0.00%		73.73%	26.27%
RCI Indirect thru: PEHI	Affiliate	0.00%		99.97%	0.00%		73.82%	26.18%
RCL Indirect thru: PEHI	Affiliate	0.00%		90.00%	0.00%		67.51%	32.49%
UCLI Indirect thru: PEHI	Affiliate	0.00%		80.91%	0.00%		60.69%	39.31%
P&S	Subsidiary	60.00%		60.00%	60.00%		60.00%	40.00%
PHINMA Solar Indirect thru: UGC	Affiliate	0.00%		100.00%	0.00%	0.00%	98.64%	1.36%
Union Insulated Panel Corp Indirect thru: UGC	Affiliate	0.00%		100.00%	0.00%	0.00%	98.64%	1.36%
PhilCement	Subsidiary	60.00%		60.00%	60.00%		60.00%	40.00%
PHINMA Property	Subsidiary	76.81%		99.19%	76.81%		94.01%	5.99%

Indirect thru: APHI API		13.29% 9.09%		11.96% 5.24%		
CDCC Indirect thru: PHINMA Property	Affiliate	0.00% 99.22%	99.22%	0.00% 93.27%	93.27%	93.27% 6.73%
CPMGI Indirect thru: Phinma Property	Affiliate	0.00% 95.37%	95.37%	0.00% 89.65%	89.65%	89.65% 10.35%
ABCIC Property	Subsidiary	89.98%	89.98%	89.98%	89.98%	89.98% 10.02%
Phinma Hospitality Indirect thru: API	Subsidiary	63.77% 36.23%	100.00%	63.77% 20.88%	84.65%	84.65% 15.35%
Red Lauan Indirect thru: Phinma Hospitality	Affiliate	0.00% 71.43%	71.43%	0.00% 60.46%	60.46%	60.46% 39.54%
Apo Diving Indirect thru: Phinma Hospitality	Affiliate	0.00% 100.00%	100.00%	0.00% 84.65%	84.65%	84.65% 15.35%
Coral Way Indirect thru: Phinma Hospitality API	Subsidiary	23.75% 26.44%	50.19%	23.75% 16.86% 5.52%	46.13%	46.13% 53.87%
Krypton Esplanade Indirect thru: Coral Way	Subsidiary	0.00% 100.00%	100.00%	0.00% 46.13%	46.13%	46.13% 53.87%
PHINMA Microtel	Subsidiary	51.00%	51.00%	51.00%	51.00%	51.00% 49.00%
Diniwid Beach Hotel Corp Indirect thru: Phinma Hospitality API	Associate	0.00% 43.07%	43.07%	0.00% 27.4657% 8.9912%	0.00% 36.46%	36.46% 63.54%
First Batangas Hotel Corp Indirect thru: Phinma Hospitality API	Associate	0.00% 42.33%	42.33%	0.00% 26.9938% 8.8367%	0.00% 35.83%	35.83% 64.17%
Nemo Beach Hotel Corp Indirect thru: Phinma Hospitality API	Associate	0.00% 20.00%	20.00%	0.00% 12.7540% 4.1751%	0.00% 16.93%	16.93% 83.07%
First Commonwealth Hotel Corp Indirect thru: Phinma Hospitality API	Associate	0.00% 20.00%	20.00%	0.00% 12.7540% 4.1751%	0.00% 16.93%	16.93% 83.07%
South Forbes Silangan Hotel Corp Indirect thru: Phinma Hospitality API	Associate	0.00% 30.00%	30.00%	0.00% 19.1310% 6.2627%	0.00% 25.39%	25.39% 74.61%
Inphin8 Space Inc Indirect thru: PHINMA Properties	Associate	0.00% 45.00%	45.00%	0.00% 34.6%	34.6%	34.6% 65.44%