COVER SHEET

SEC Registration Number

C	S	2	0	2	0	0	6	7	2	5

Company Name

VISTAREIT, INC.

Principal Office (No./Street/Barangay/City/Town/Province)

LOWER GROUND FLOOR, BUILDING B, EVIA LIFESTYLE CENTER, DAANGHARI, ALMANZA DOS, LAS PIÑAS CITY

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Company's Facsimile Number/s
ir@vistareit.com.ph	(02) 8994-4377	-

CONTACT PERSON INFORMATION

Name of Contact Person	Email Address	Telephone Number/s	Facsimile Number/s
Melissa Camille Z. Domingo	melissa_domingo@vistaland.com.ph	0999 887 3219	-

FORM TYPE	Department requiring report	Secondary License Type, If Applicable
17-A		

(To be accomplished by SEC personnel)

File No.

LCU

Document I.D.

CASHIER

Remarks:
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STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

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

2. SEC Identification Number **CS202006725**

3. BIR Tax Identification No. **010-510-144-000**

4. Exact name of issuer as specified in its charter **VISTAREIT, INC.**

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

6. Industry Classification Code (SEC Use Only)

7. **Lower Ground Floor, Building B, EVIA Lifestyle Center,**
   Daanghari, Almanza Dos, Las Piñas City **1750**
   Address of principal office Postal Code

8. **(02) 8994-4377**
   Issuer's telephone number, including area code

9. **N/A**
   Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
Common stock	**7,500,000,000 shares**

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

    Yes [**x**] No [ ]

    Name of Stock Exchange: **Philippine Stock Exchange**
    Class of securities listed: **Common Stocks**

12. Check whether the issuer:

    (a) has filed all reports required to be filed by Section 17 of the Securities Regulation Code and SRC Rule 17.1 and Sections 25 and 177 of the Revised Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

    Yes [**x**] No [ ]

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

    Yes [**x**] No [ ]

13. Aggregate market value of voting stocks held by non-affiliates:

₱ 5.00 Billion as of December 31, 2024

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

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

Yes [ ] No [x] **NOT APPLICABLE**

DOCUMENTS INCORPORATED BY REFERENCE

15. Briefly describe documents incorporated by reference and identify the part of SEC Form 17-A into which the document is incorporated:

Financial Statements as of and for the year ended December 31, 2024
(incorporated as reference for Items 7 and 12 of SEC Form 17-A)

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PART I – BUSINESS

Item 1. Business

<u>Overview</u>

VistaREIT, Inc. formerly **"Vista One, Inc." (the Company or VREIT)** was incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on August 24, 2020, primarily to own, manage, operate and engage in the leasing of income-generating real properties such as office buildings, shopping centers, hotels, resorts, residential buildings, condominium buildings, among others and to hold for investment or otherwise, real estate of all kinds, including buildings, apartments and other structures, and to grant loans and/or assume or undertake or guarantee or secure, whether as solidary obligor, surety, guarantor or any other capacity either on its general credit or on the mortgage, pledge, deed of trust, assignment and/or other security arrangement of any or all of its property, the whole or any part of the liabilities and obligations of its parent company, subsidiaries or investee companies or affiliates, without engaging in the business of a financing company or lending investor.

On March 14, 2022, the SEC approved the increase in VREIT's authorized capital stock from ₱2,000,000,000 divided into 2,000,000,000 shares with par value of ₱1.00 each to ₱15,000,000,000 divided into 15,000,000,000 shares with par value of ₱1.00 per share. Accordingly, the Company subsequently issued 7,500,000,000 common shares to its shareholders.

As of December 31, 2024, VREIT is owned by the following: (1) Masterpiece Asia Properties, Inc. (MAPI) (32.96%); (2) Vista Residences, Inc (VRI) (17.40%); (3) Manuela Corporation (MC) (5.92%); (4) Communities Pampanga. Inc. (CPI) (4.86%); and (5) Crown Asia Properties, Inc. (CAPI) (3.49%) and the rest by individual and public shareholders.

MC and MAPI are 99.85% and 100% owned subsidiaries, respectively, of Vistamalls, Inc. (VMI), a publicly listed holding company in the Philippine Stock Exchange (PSE). VMI is 88.34% owned by Vista Land & Lifescapes, Inc. (VLLI) and the rest by the public while VRI, CPI and CAPI are wholly owned subsidiaries by VLLI. VLLI is a publicly listed investment holding company which is 65.00% owned by Fine Properties, Inc. (the Ultimate Parent Company) and 35.00% owned by the public.

VREIT's registered office and principal place of business is located at Lower Ground Floor, Building B, Evia Lifestyle Center, DaangHari, Almanza Dos, Las Piñas City.

Amendment of the Articles of Incorporation

On February 7, 2022, at least a majority of the Board of Directors (BOD) and the stockholders owning at least two- thirds (2/3) of the outstanding capital stock of VOI approved to increase the authorized capital stock of VOI to ₱15,000,000,000 divided into 15,000,000,000 shares with par value of ₱1.00 per share.

The increase in VREIT's authorized capital stock from ₱2,000,000,000 divided into 2,000,000,000 shares of the par value of ₱1.00 per share to ₱15,000,000,000 pesos in lawful money of the Philippines, divided into 15,000,000,000 shares with the par value of ₱1.00 per share was approved by the SEC on March 14, 2022.

On March 16, 2022, at least a majority of the Board of Directors and the stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock of VREIT approved various amendments to the Articles of Incorporation of the VREIT including, among others, the following: (a) change in the corporate name to "VISTAREIT, INC."; (b) change in primary purpose to engage in the business of a real estate investment trust under Republic Act No. 9856 (the REIT Law), including the Revised Implementing Rules and Regulations of the REIT Law); (c) requirement to have independent directors in the Board; and (d) other amendments in connection with the initial public offering of the VREIT as a REIT entity. Such amendments were filed with SEC and is still waiting for approval.

Execution of Property-for-Share Swap Agreement

On February 7, 2022, the Company also entered into various Deeds of Assignment and Subscription Agreements with each of Manuela Corporation (MC), Masterpiece Asia Properties, Inc. (MAPI), Vista Residences Inc. (VRI), Crown Asia Properties, Inc. (CAPI) and Communities Pampanga Inc. (CPI), collectively referred as the Sponsors, for the assignment, transfer, and conveyance by the Sponsors to the Company of 10 (ten) community malls, one (1) office building, and 10 commercial and office units with 214 parking slots, excluding the land wherein the malls, office building, and office units are situated, with an aggregate gross lease area of 256,403.95 sqm (collectively, the Assigned Properties) in exchange for the issuance by the Company to the Sponsors out of the increase in authorized capital stock described hereinabove of an aggregate of Six Billion Nine Hundred Ninety Million (6,990,000,000) common shares at an issue price of One Peso and Fifty Centavos (₱1.50) per share, or an aggregate issue or subscription price of Ten Billion Four Hundred Eighty Five Million Pesos (₱10,485,000,000) (the Property-for-Share Swap). The difference between the issue price and the par value of ₱3,495,000,000 is accounted for as additional paid-in capital (APIC).

Accordingly, the Assigned Properties have a total fair value of Thirty-Five Billion Nine Hundred Fifty-Two Million Nine Hundred Ninety-Two Thousand Seven Hundred Thirty Pesos (₱35,952,992,730). The difference between the said fair value of the Assigned Properties and the issue price thereof to the Company (i.e., the issue price of the shares issued to the Sponsors in the Property for Share Swap) amounting to Twenty-Five Billion Four Hundred Sixty-Seven Million Nine Hundred Ninety-Two Thousand Seven Hundred Thirty Pesos (₱25,467,992,730) is accounted for as APIC.

The above transactions resulted to a total APIC of Twenty-Eight Billion Nine Hundred Sixty-Two Million Nine Hundred Ninety-Two Thousand and Seven Hundred Thirty Pesos (₱28,962,992,730).

The Assigned Properties consists of Vista Mall Las Piñas (Main), Starmall Las Piñas (Annex), Starmall San Jose Del Monte (SJDM), Vista Mall Pampanga, SOMO - A Vista Mall, Vista Mall Antipolo, Vista Mall General Trias, Vista Mall Tanza, Starmall Talisay - Cebu, Vista Mall Imus, Vista Hub Molino and commercial and office units and parking lots in Vista Hub BGC.

The foregoing amendments to VREIT Articles of Incorporation and the Property-for-Share Swap were approved by the SEC on April 18, 2022.

On March 28, 2022, the Company filed its application with the Philippine Stock Exchange (PSE) for the listing of its 7,500,000,000 existing common shares, which includes the Secondary Offer Shares of 2,500,000,000 common shares with an Overallotment Option of up to 250,000,000 common shares to be offered and sold by the Sponsors to the public, under the Main Board of the PSE. The PSE approved the listing application of the Company on May 12, 2022.

Also on March 24, 2022, the Company filed a Registration Statement covering the registration of 7,500,000,000 existing common shares, in accordance with the requirements of the SEC's Securities Regulation Code. The Registration Statement was rendered effective on May 26, 2022.

Recent Developments

As of December 31, 2024, there is no recent developments introduced by the Company.

Description of the Business of the Registrant and its Sponsors

The Company and its sponsors are incorporated in the Philippines. MAPI and MC are both in the commercial property development and operations.

Products

VistaREIT owns a portfolio of 10 community malls and two (2) office buildings with an aggregate GLA of 256,403.95 sqm. The Company's community malls are located in Las Piñas City, Bacoor City, General Trias City, Imus City, Municipality of Tanza, Antipolo City, City of San Jose Del Monte, San Fernando City, and Talisay City. The Company's office buildings are located in Taguig City and Bacoor City.

Distribution Methods of Products

The Company's Property Manager, VProperty Management, Inc., shall have the overall responsibility for the day-to-day facilities management of the Properties, marketing of the office and retail spaces therein, management of client accounts, lease administration, operations management, and handling of tenant relations. Specifically, the Property Manager will oversee negotiation and execution of lease contracts, enforcement of lease terms and conditions, and awarding, extension, and termination of leases; supervision of billing and collection of rentals and other payments from tenants, as well as monitoring of past due accounts and receivables; and, building management operations relating to security, utilities, repairs, and maintenance, emergency management, including engagement of contractors for such purpose.

The Company's Fund Manager, VFund Management, Inc., manages the assets and liabilities of the Company for the benefit of its Shareholders, with a focus on investment yields and profitability margins.

Patents, Trademarks, Copyrights, Licenses, Franchises, Concessions and Royalty Agreements Held

The Company registered the following mark with the Philippine Intellectual Property Office ("IPO") the trademarks "VistaREIT".

Brand Name/Mark	Nice Classification No.	Registration Number	Application Serial Number	Filing Date	Registration Date	Expiration Date
VISTAREIT VistaREIT	Class 36: Real estate affairs; Leasing and rental of commercial premises	4/2022/0050 4727	420 225 047 27	February 28, 2022	August 12, 2023	August 12, 2033

Bankruptcy, Receivership or Similar Proceeding

As of December 31, 2024, there is no bankruptcy, receivership or similar proceedings involving the Company.

Material Reclassification, Merger, Consolidation or Purchase or Sale of a Significant Amount of Assets (not ordinary) over the past three years

On February 7, 2022, the Company also entered into various Deeds of Assignment and Subscription Agreements with each of Manuela Corporation (MC), Masterpiece Asia Properties, Inc. (MAPI), Vista Residences Inc. (VRI), Crown Asia Properties, Inc. (CAPI) and Communities Pampanga Inc. (CPI), collectively referred as the Sponsors, for the assignment, transfer, and conveyance by the Sponsors to the Company of 10 (ten) community malls, one (1) office building, and 10 commercial and office units with 214 parking slots, excluding the land wherein the malls, office building, and office units are situated, with an aggregate gross lease area of 256,403.95 sqm (collectively, the Assigned Properties) in exchange for the issuance by the Company to the Sponsors out of the increase in authorized capital stock described hereinabove of an aggregate of Six Billion Nine Hundred Ninety Million (6,990,000,000) common shares at an issue price of One Peso and Fifty Centavos (₱1.50) per share, or an aggregate issue or subscription price of Ten Billion Four Hundred Eighty Five Million Pesos (₱10,485,000,000) (the Property-for-Share Swap). The difference between the issue price and the par value of ₱3,495,000,000 is accounted for as additional paid-in capital (APIC).

Accordingly, the Assigned Properties have a total fair value of Thirty-Five Billion Nine Hundred Fifty-Two Million Nine Hundred Ninety-Two Thousand Seven Hundred Thirty Pesos (₱35,952,992,730). The difference between the said fair value of the Assigned Properties and the issue price thereof to the Company (i.e., the issue price of the shares issued to the Sponsors in the Property for Share Swap) amounting to Twenty-Five Billion Four Hundred Sixty-Seven Million Nine Hundred Ninety-Two Thousand Seven Hundred Thirty Pesos (₱25,467,992,730) is accounted for as APIC.

The above transactions resulted to a total APIC of Twenty-Eight Billion Nine Hundred Sixty-Two Million Nine Hundred Ninety-Two Thousand and Seven Hundred Thirty Pesos (₱28,962,992,730).

Various diversification/ new product lines introduced by the Company during the last three years

As of December 31, 2024, there is no diversification/new product lines introduced by the Company during the last three years.

Competition

The Company believes that competition for mall space is primarily based on location, tenant mix and overall attractiveness of the property. For most of its Mall Properties, major competitors include SM Prime Holdings, Inc. and Robinsons Land Corporation.

Competition for office space is principally on the basis of location, quality and reliability of the project's design and equipment, reputation of the developer, supply of comparable space, changing needs of business users, and PEZA registration. The Company's primary competitors are Ayala Land, Inc. and its REIT Subsidiary, Megaworld Corporation and its REIT Subsidiary, Robinsons Land Corporation and its REIT Subsidiary, Filinvest Land Inc. and its REIT Subsidiary.

The Company competes on the basis of the strategic locations of its buildings, including their proximity to the existing communities and accessibility to public transportation. The Company is committed to providing an elevated customer experience and satisfaction by offering and maintaining mall and office projects of high quality and reliability, meeting the evolving needs of our customers.

Suppliers

Site development and construction work is contracted out to various qualified and accredited independent contractors. For larger projects, such as major repair or construction work, contracts are awarded on the basis of competitive bidding. For operational repairs and maintenance projects, we hire contractors without a competitive process based on our previous experience with the contractor. In all cases, our accreditation procedure takes into consideration each contractor's experience, financial capability, resources and track record of adhering to quality, cost and time of completion commitments. We maintain relationships with various accredited independent contractors and deal with each of them on an arm's length basis. We are not and do not expect to be dependent upon one or a limited number of suppliers or contractors.

Dependence on a Few Major Customers

The target customer segment of the commercial leasing business consists of broad C retail consumers. We believe that our shopping malls address the needs and aspirations of our target customers through our wide selection of retail outlets, supermarkets and department stores, together with other attractions, such as food courts, cinemas and other entertainment facilities. We attract local chains and franchises, to satisfy the preferences of our target customers.

The management team also took a proactive approach towards managing the tenant mix at its existing assets to ensure optimal alignment with the needs of its target market, including removing and replacing delinquent tenants with tenants that provide more suitable retail concepts and offerings and reorganizing mall layouts to address customers' needs as well as increasing the efficiency of available leasable area.

The remaining house and lot business is not dependent on repeat business from customers. MC has a marketing agreement with Crown Asia Properties, Inc., a subsidiary of VLL, which has a broad market base including local and foreign buyers.

Transactions with related parties

The Company, in its ordinary course of business, engage in significant commercial transactions with certain companies controlled by the Villar Family, including the Villar Family Companies and their respective subsidiaries. We have signed a memorandum of agreement with certain subsidiaries of Vista Land under which we have been granted a right of first refusal and right of first offer in respect of certain commercial properties by such VLL subsidiaries.

The Company's policy with respect to related party transactions is to ensure that these transactions are entered into on terms that are comparable to those available from unrelated third-parties.

Government approvals

The Company secures various government approvals such as license to sell, building and development permits, environmental compliance certificate, business permits, etc. as part of the normal course of its business.

The Company has no principal product that has pending government approval as of December 31, 2024.

Effect of Existing or Probable Governmental Regulations

By the nature of its business, the Company's subsidiaries are subject to governmental regulations on its land development and marketing activities, which includes, among others, zoning and environmental laws, development permit and license to sell regulations. The Company's subsidiaries comply with the said regulations in the regular conduct of its business operations.

As of December 31, 2024, the Company is not aware of any existing or probable governmental regulations that will have an effect on the Company's business operations.

Compliance with Environmental Laws

Prior to any land development activity, the Company secure the requisite environmental permits, including environmental compliance certificate and drainage permit for the sewage treatment plants, from the appropriate government agencies.

Costs and Effects of Compliance with Environmental Laws

The Company pay such amount as may be imposed by the appropriate government agencies for the procurement of all necessary environmental permits prior to commencement of any development project. The costs are generally minimal and vary from time to time.

Unless pertinent environmental laws are complied with, and requisite permits are secured, the Company cannot and do not proceed with its projects.

Research and Development Costs

Research and development activities, such as market research, training and contractor's development programs, are treated as normal operating expense. For 2024, the amount that the Company spent for research and development is minimal and does not constitute a significant percentage of the Company's revenues.

Employees

The executive officers of the Company are seconded from other companies in the Vista Land Group. The employees of the Property Manager are responsible for supervising, managing, leasing, operating and maintaining the Properties pursuant to the terms of the Property Management Agreement. The employees of the Fund Manager are responsible for implementing the Company's investment strategies and managing its assets. As such, the Company did not directly hire its own employees. In addition, certain administrative functions such as IT, legal and accounting support are provided by the Vista Land Group. The Company, the Property Manager, and the Fund Manager are in compliance with all minimum compensation and benefit standards, as well as applicable labor and employment regulations. There is no existing labor union nor any collective bargaining agreement.

Risks related to the Companies Business

Each of the businesses of the Company would inevitably involve some risks factors such as:

- Competition;
- Socio-economic conditions of the country;
- Effect of the changes in global economy;
- Foreign exchange devaluation;
- Changes in the country's political and economic situation;
- Inflation of prices affecting the cost and expenses;
- Reforms in the applicable rules and regulations affecting the Philippine Real Estate industry; and
- Changes in Philippine and International interest rates, with respect to the Company's borrowings.

To mitigate the aforementioned risks, the Company shall continue to adopt prudence in financial management and discipline in the area of operational controls, policies and procedures. With respect to competitive pressures among the industry players, the Company shall continue to compete through project concept, quality, affordability, and location of projects.

Item 2. Properties

Details of the Company's properties as of December 31, 2024 are set out in the table below:

BUILDING AND IMPROVEMENTS

Location	Owner	Use
Las Piñas City	VREIT	Mall
San Jose del Monte, Bulacan	VREIT	Mall
Bacoor, Cavite	VREIT	Mall / Office Building
BGC, Taguig City	VREIT	Office Building
Talisay, Cebu	VREIT	Mall
Imus, Cavite	VREIT	Mall
General Trias, Cavite	VREIT	Mall
Tanza, Cavite	VREIT	Mall
San Agustin, San Fernando	VREIT	Mall
Mille Luce, San Roque, Antipolo	VREIT	Mall

Item 3. Legal Proceedings

None of VistaREIT, Inc., the Fund Manager, the Property Manager and/or its Properties is currently involved in any material litigation nor, to the best of their knowledge, is any material litigation currently contemplated or threatened against the Company, the Fund Manager or the Property Manager or involving any of the Properties.

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

Except for matters taken up during the Annual Stockholders Meeting, there was no other matter submitted to a vote of security holders during the period covered by this report.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholders Matters

Market Information

The Company's common shares are being traded at the Philippine Stock Exchange. The high and low sales prices for each quarter within the last three fiscal years as traded on the Philippine Stock Exchange are as follows:

Quarter	2025			2024			2023			2022		
	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
1st	1.91	1.80	1.90	1.75	1.66	1.72	1.72	1.59	1.60	n/a	n/a	n/a
2nd				1.75	1.70	1.75	1.76	1.48	1.68	1.75	1.71	1.74
3rd				1.79	1.71	1.76	1.69	1.62	1.69	1.76	1.60	1.60
4th				1.90	1.75	1.89	1.70	1.63	1.67	1.65	1.48	1.65

The market capitalization of VREIT as of December 31, 2024, based on the closing price of ₱1.89 per share, was approximately ₱14.175 billion.

As of March 31, 2025, VREIT's market capitalization stood at ₱14.25 billion based on the ₱1.90 per share closing price.

Price Information as of the Latest Practicable Trading Date

Trading Date	High	Low	Close
14 May 2025	1.92	1.90	1.90

Stockholders

There are approximately 18 holders of common equity security of the Company as of December 31, 2024 (based on the number of accounts registered with the Stock Transfer Agent).

The following are the top 20 holders of the common securities of the Company:

	Stockholders Name	No. of Common Shares	Percentage (of Common Shares)
1.	PCD Nominee Corporation (Filipino)	2,629,119,250	35.05%
2.	Masterpiece Asia Properties, Inc.	2,472,009,663	32.96%
3.	Vista Residence, Inc.	1,305,247,888	17.40%
4.	Manuela Corporation	444,235,220	5.92%
5.	Communities Pampanga, Inc.	364,301,277	4.86%
6.	Crown Asia Properties, Inc.	261,865,952	3.49%
7.	PCD Nominee Corporation (Foreign)	17,464,750	0.23%
8.	Manuel Paolo A. Villar[1]	4,500,000	0.06%
9.	Jerylle Luz C. Quismundo[2]	500,000	0.01%
10.	Brian N. Edang[3]	250,000	0.00%
11.	Myra P. Villanueva	121,000	0.00%
12.	Raul Juan N. Esteban	62,500	0.00%

[1] *Shares are under PCD Nominee Corporation (Filipino)*
[2] *Shares are under PCD Nominee Corporation (Filipino)*
[3] *Shares are under PCD Nominee Corporation (Filipino)*

	Stockholders Name	No. of Common Shares	Percentage (of Common Shares)
13.	Justina F. Callangan	62,500	0.00%
14.	Leticia A. Moreno	62,500	0.00%
15.	Melissa Camille Z. Domingo	62,500	0.00%
16.	Myrna P. Villanueva	60,000	0.00%
17.	Henry Sidamon	33,000	0.00%
18.	Milagros P. Villanueva	30,000	0.00%
19.	Marietta V. Cabreza	5,000	0.00%
20.	Juan Carlos V. Cabreza	5,000	0.00%
21.	Jennifer T. Ramos	2,000	0.00%
	Total issued and outstanding common shares as of December 31, 2024	**7,500,000,000**	100.00%

Dividends

₱0.05107 per share Regular Cash Dividend
Declaration Date: April 29, 2025
Record date: May 15, 2025
Payment date: May 30, 2025

₱0.04667 per share Regular Cash Dividend
Declaration Date: November 13, 2024
Record date: December 13, 2024
Payment date: January 10, 2025

₱0.04523 per share Regular Cash Dividend
Declaration Date: August 14, 2024
Record date: September 12, 2024
Payment date: October 03, 2024

₱0.04132 per share Regular Cash Dividend
Declaration Date: May 20, 2024
Record date: June 05, 2024
Payment date: June 27, 2024

₱0.05380 per share Regular Cash Dividend
Declaration Date: April 15, 2024
Record date: May 07, 2024
Payment date: May 28, 2024

Recent Sale of Unregistered Securities

There have been no sales of unregistered securities in the past three years.

Stock Options

None

Item 6. Management's Discussion and Analysis

REVIEW OF YEAR END 2024 VS YEAR END 2023

RESULTS OF OPERATIONS

Revenues

Revenues increased to ₱2,676 million for the year ended December 31, 2024 from ₱2,625 million for the year ended December 31, 2023. The 1.9% increase in the account was primarily attributable to the recognition of higher straight-line adjustment for the year as well as the following:

- Rental income increased by 2.1% from ₱2,411 for the year ended December 31, 2023 to ₱2,463 million for the year ended December 31, 2024. The increase was due to the escalation rates for the year. As of December 31, 2024, the occupancy rate is at 97%.

- Parking fees increased by 6.5% to ₱43 million for the year ended December 31, 2024 from ₱41 million for the year ended December 31, 2023 primarily driven by the increase in numbers of vehicles parked in the malls and increase in parking rate.

- Other operating income decreased by 2.1% from ₱173 million for the year ended December 31, 2023 to ₱170 million for the year ended December 31, 2024. The decrease was due to the decrease in administrative fees and other fees charged to tenants.

Fair value changes in investment properties

Fair value changes in investment properties recorded a net gain of ₱2,404 million for the year ended December 31, 2024 from ₱11,737 million for the year ended December 31, 2023 attributable to the following:

- Fair value of investment properties increased by 225.4% to ₱3,546 million gain for the year ended December 31, 2024 from ₱1,090 million gain for the year ended December 31, 2023 due to the recognition of the changes in fair value of the investment properties. There was an increase in the FV of properties as a result of the changes in the discount rate and cap rate as interest rates are on a decreasing trend.

- Straight line adjustments increased by 9.4% to ₱602 million for the year ended December 31, 2024 from ₱550 million for the year ended December 31, 2023 due rental escalation of lease contracts recognized on a straight line basis for the year.

- Lease commissions increased by 35% to ₱2.5 million for the year ended December 31, 2024 from ₱2 million for the year ended December 30, 2023 due to the increase in the lease commission charged for the year.

Costs and Expenses

Cost and expenses remain unchanged from ₱602 million for the year ended December 31, 2023 to ₱602 million for the year ended December 31, 2024.

- Repairs and maintenance decreased by 26% to ₱49 million for the year ended December 31, 2024 from ₱66 million for the year ended December 31, 2023 due to the decrease in the repair and maintenance activities for the year.

- Dues and subscription increased by 2384% to ₱55 million for the year ended December 31, 2024 from ₱2 million for the year ended December 31, 2023 due to the recognition of condo dues starting only in 2024 in line with the incorporation of condo corporation.

- Advertising and promotion decreased by 90% to ₱3 million for the year ended December 31, 2024 from ₱33 million for the year ended December 30, 2023 due to the decrease in advertising and promotion activities for the year as the company is shifting on online presence.

- Professional fees decreased by 63% to ₱8 million for the year ended December 31, 2024 from ₱21 million for the year ended December 30, 2023 due to the decrease in professional fees paid for auditors.

- Provision for expected credit losses increased by 414% to ₱44 million for the year ended December 31, 2024 from ₱8.5 million for the year ended December 30, 2023 due to the increase of specifically impaired receivables.

<u>Other Income</u>

Interest income decreased from ₱0.053 million for the year ended December 31, 2023 to ₱0.032 million for the year ended December 31, 2024. The 39.7% decrease resulted from the interest earned from the decrease in cash in banks of the company for the year and by the bank charges recorded for the year.

<u>Provision for Income Tax</u>

Provision for the income for the year ended December 31, 2024 was ₱32.7 million, a decrease of 20.6% from ₱41 million for the year ended December 31, 2023. This was due primarily to the REIT Law granting the Company an exemption on the tax.

<u>Net Income</u>

As a result of the foregoing, net income increased by 97.8% to ₱4,983 million income in the year ended December 31, 2024 from ₱2,519 million loss in the year ended December 31, 2023. If we exclude the fair value adjustment for the period, the company would have recorded a core net income of ₱1,436 million for the year ended December 31, 2024.

For the year ended December 31, 2024, there were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

FINANCIAL CONDITION

As of December 31, 2024 vs. December 31, 2023

Total assets as of December 31, 2024 are ₱33,618 million compared to ₱28,996 million as of December 31, 2023, or a 15.9% increase. This was due to the following:

- Cash increased by 46.9% from ₱30 million as of December 31, 2023 to ₱44 million as of December 31, 2024 due primarily from operating activities.

- Receivables increased by 59.1% from ₱2,901 million as of December 31, 2023 to ₱4,617 million as of December 31, 2024 due to the increase in receivables from tenants and accrued rent receivables.

- Due from related parties decreased by 20.4% from ₱455 million as of December 31, 2023 to ₱354 million as of December 31, 2024 this resulted from the offsetting agreement entered into by the Company and the Sponsors from the dividends.

- Other assets decreased by 3.2% from ₱150 million as of December 31, 2023 to ₱145 million as of December 31, 2024 due to the decrease in input vat and creditable withholding taxes.

- Property and equipment decreased by 50% from ₱12 million as of December 31, 2023 to ₱6 million as of December 31, 2024 due to the depreciation recognized for the year.

- Investment Properties increased by 12% from ₱25,457 million as of December 31, 2023 to ₱28,452 million as of December 31, 2024 due to the fair value gain recognized for the year.

Total liabilities as of December 31, 2024 are ₱2,536 million compared to ₱1,493 million as of December 31, 2023, or a 69.8% increase. This was due to the following:

- Accounts and other payables increased by 72.9% from ₱475 million as of December 31, 2023 to ₱820 million as of December 31, 2024 due to the increase in payable to suppliers of the commercial malls and output tax payable.

- Security deposits and advance rent increased by 6% from ₱645 million as of December 31, 2023 to ₱683 million as of December 31, 2024 due to the increase in security deposits.

- Payable to related parties increased by 236.4% from ₱270 million as of December 31, 2023 to ₱908 million as of December 31, 2024 due to the unpaid dividends to related parties.

- Dividends payable increased by 20% from ₱104 million as of December 31, 2023 to ₱124 million as of December 31, 2024 due to the higher dividends declared for the year.

Total stockholder's equity increased by 13% from ₱27,502 million as of December 31, 2023 to ₱31,082 million as of December 31, 2024 due to the increase in income recognized for the year.

Considered as the top five key performance indicators of the Company as shown below:

Key Performance Indicators	12/31/2024	12/31/2023
Current ratio [(a)]	1.43:1	1.98:1
Debt ratio [(b)]	0.00:1	0.00:1
Return on equity [(c)]	16:1	9:1
Net Profit Margin [(d)]	186%	96%
EBITDA [(e)]	5,022,614,861	2,569,158,522

Notes:
(a) Current Ratio is computed by dividing the Current Assets of the Company by its Current liabilities.
(b) Debt Ratio is computed by dividing interest bearing debt by the total assets. Interest bearing debt includes current and noncurrent portion of Bank loans,
(c) Return on equity is computed by dividing annualized net income by the total annualized equity.
(d) Net Profit Margin is computed by dividing the net income by the total revenue.
(e) EBITDA is computed as net income before interest expense, provision for income taxes, depreciation and amortization.
Because there are various calculation methods for the performance indicators above, the Company's presentation of such may not be comparable to similarly titled measures used by other companies.

Current ratio as of December 31, 2024 decreased from that of December 31, 2023 due to the increase in current liabilities.

Return on equity increased due to the higher net income for the year.

Net Profit Margin increased due to the higher net income for the year as a result of the recognition of unrealized gain in FV adjustment of the investment properties.

EBITDA increased due to the higher net income for the year.

Material Changes to the Company's Balance Sheet as of December 31, 2023 compared to December 31, 2022 (increase/decrease of 5% or more)

Cash increased by 46.9% from ₱30 million as of December 31, 2023 to ₱44 million as of December 31, 2024 due primarily from operating activities.

Receivables increased by 59.1% from ₱2,901 million as of December 31, 2023 to ₱4,617 million as of December 31, 2024 due to the increase in receivables from tenants and accrued rent receivables.

Due from related parties decreased by 20.4% from ₱455 million as of December 31, 2023 to ₱354 million as of December 31, 2024 this resulted from the offsetting agreement entered into by the Company and the Sponsors from the dividends.

Property and equipment decreased by 50% from ₱12 million as of December 31, 2023 to ₱6 million as of December 31, 2024 due to the depreciation recognized for the year.

Investment Properties increased by 12% from ₱25,457 million as of December 31, 2023 to ₱28,452 million as of December 31, 2024 due to the fair value gain recognized for the year.

Accounts and other payables increased by 72.9% from ₱475 million as of December 31, 2023 to ₱820 million as of December 31, 2024 due to the increase in payable to suppliers of the commercial malls and output tax payable.

Security deposits and advance rent increased by 6% from ₱645 million as of December 31, 2023 to ₱683 million as of December 31, 2024 due to the increase in security deposits.

Payable to related parties increased by 236.4% from ₱270 million as of December 31, 2023 to ₱908 million as of December 31, 2024 due to the unpaid dividends to related parties.

Dividends payable increased by 20% from ₱104 million as of December 31, 2023 to ₱124 million as of December 31, 2024 due to the higher dividends declared for the year.

Material Changes to the Company's Statement of income for the year ended December 31, 2023 compared to the year ended December 31, 2022 (increase/decrease of 5% or more)

Parking fees increased by 6.5% to ₱43 million for the year ended December 31, 2024 from ₱41 million for the year ended December 31, 2023 primarily driven by the increase in numbers of vehicles parked in the malls and increase in parking rate.

Fair value of investment properties increased by 225.4% to ₱3,546 million gain for the year ended December 31, 2024 from ₱1,090 million gain for the year ended December 31, 2023 due to the recognition of the changes in fair value of the investment properties. There was an increase in the FV of properties as a result of the changes in the discount rate and cap rate as interest rates are on a decreasing trend.

Straight line adjustments increased by 9.4% to ₱602 million for the year ended December 31, 2024 from ₱550 million for the year ended December 31, 2023 due rental escalation of lease contracts recognized on a straight line basis for the year.

Lease commissions increased by 35% to ₱2.5 million for the year ended December 31, 2024 from ₱2 million for the year ended December 30, 2023 due to the increase in the lease commission charged for the year.

Repairs and maintenance decreased by 26% to ₱49 million for the year ended December 31, 2024 from ₱66 million for the year ended December 31, 2023 due to the decrease in the repair and maintenance activities for the year.

Dues and subscription increased by 2384% to ₱55 million for the year ended December 31, 2024 from ₱2 million for the year ended December 31, 2023 due to the recognition of condo dues starting only in 2024 in line with the incorporation of condo corporation.

Advertising and promotion decreased by 90% to ₱3 million for the year ended December 31, 2024 from ₱33 million for the year ended December 30, 2023 due to the decrease in advertising and promotion activities for the year as the company is shifting on online presence.

Professional fees decreased by 63% to ₱8 million for the year ended December 31, 2024 from ₱21 million for the year ended December 30, 2023 due to the decrease in professional fees paid for auditors.

Provision for expected credit losses increased by 414% to ₱44 million for the year ended December 31, 2024 from ₱8.5 million for the year ended December 30, 2023 due to the increase of specifically impaired receivables.

Interest income decreased from ₱53 million for the year ended December 31, 2023 to ₱32 million for the year ended December 31, 2024. The 39.7% decrease resulted from the interest earned from the decrease in cash in banks of the company for the year and by the bank charges recorded for the year.

For the year ended December 31, 2024, there were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

REVIEW OF YEAR END 2023 VS YEAR END 2022

RESULTS OF OPERATIONS

Revenues

Revenues increased to ₱2,625 million for the year ended December 31, 2023 from ₱2,101 million for the year ended December 31, 2022. The 24.9% increase in the account was primarily attributable to the non-operation of the Company from January – March 2022 as well as the following:

- Rental income increased by 23.2% from ₱1,958 for the year ended December 31, 2022 to ₱2,411 million for the year ended December 31, 2023. The increase was due to the increase in foot traffic and escalation rates. As of December 31, 2023, the occupancy rate is at 97%.

- Parking fees increased by 24.0% to ₱41 million for the year ended December 31, 2023 from ₱33 million for the year ended December 31, 2022 primarily driven by the increase in numbers of vehicles parked in the malls.

- Other operating income increased by 56% from ₱111 million for the year ended December 31, 2022 to ₱173 million for the year ended December 31, 2023. The increase was due to the increase in administrative fees and other fees charged to tenants.

Fair value changes in investment properties

Fair value changes in investment properties recorded a gain of ₱11,737 million for the year ended December 31, 2023 from ₱11,200 million for the year ended December 31, 2022 attributable to the following:

- Fair value of investment properties increased by 110% to ₱1,090 million gain for the year ended December 31, 2023 from ₱10,658 million loss for the year ended December 31, 2022 due to the recognition of the changes in fair value of the investment properties transferred to the company in 2023. There was an increase in the FV of properties as a result of the changes in the discount rate and cap rate as interest rates are on a decreasing trend.

- Straight line adjustments increased by 3.9% to ₱550 million for the year ended December 31, 2023 from ₱529 million for the year ended December 31, 2022 due rental escalation of lease contracts recognized on a straight line basis for the year.

- Lease commissions decreased by 85% to ₱2 million for the year ended December 31, 2023 from ₱12 million for the year ended December 30, 2022 due to the decrease in the lease commission charged for the year.

Costs and Expenses

Cost and expenses increased from ₱477 million for the year ended December 31, 2022 to ₱602 million for the year ended December 31, 2023. The 26% increase in the account was primarily attributable to the following:

- Light and power expenses increased by 26% to ₱142 million for the year ended December 31, 2023 from ₱112 million for the year ended December 31, 2022 due to the increase in activities for the year as foot traffic increase in the malls of the company.

- Outside services increased by 30% to ₱124 million for the year ended December 31, 2023 from ₱96 million for the year ended December 31, 2022 due to the additional security and maintenance personnel as increased activities in the community malls of the company and the DOLE mandated increase in salaries.

- Advertising and promotion increased by 132% to ₱33 million for the year ended December 31, 2023 from ₱14 million for the year ended December 30, 2022 due to the increase in advertising and promotion activities for the year as we are going back to normalcy.

Other Income

Interest income increased from ₱20 million for the year ended December 31, 2022 to ₱53 million for the year ended December 31, 2023. The 158% increase resulted from the interest earned from the increase in cash in banks of the company for the year offset by the bank charges recorded for the year.

Benefit from Income Tax

Benefit from income for the year ended December 31, 2023 was ₱41 million, an decrease of 4% from ₱43 million for the year ended December 31, 2022. This was due primarily, in 2022, there were months that the Company is not yet a REIT Company and still subject to the 25% mandated tax.

Net Income/(Loss)

As a result of the foregoing, net income/(loss) increased by 126% to ₱2,519 million income in the year ended December 31, 2023 from ₱9,618 million loss in the year ended December 31, 2022. If we exclude the fair value adjustment for the period, the company would have recorded a core net income of ₱1,982 million for the year ended December 31, 2023.

For the year ended December 31, 2023, there were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

FINANCIAL CONDITION

As of December 31, 2023 vs. December 31, 2022

As a result of the transfer of assets from Sponsors to the Company through property-for-shares swap, the Company's financial condition resulted into recognition and increased of almost all of its assets, liabilities and equity in the year ended December 31, 2022 and December 31, 2023.

Total assets as of December 31, 2023 are ₱28,996 million compared to ₱27,519 million as of December 31, 2022, or a 5% increase. This was due to the following:

- Cash decreased by 66% from ₱89 million as of December 31, 2022 to ₱30 million as of December 31, 2023 due primarily to cash dividends paid for the year and used in investing activities.

- Receivables increased by 134% from ₱1,238 million as of December 31, 2022 to ₱2,901 million as of December 31, 2023 due to the increase in receivables from tenants and accrued rent receivables.

- Due from related parties decreased by 62% from ₱1,177 million as of December 31, 2022 to ₱455 million as of December 31, 2023 this resulted from the offsetting agreement entered into by the Company and the Sponsors from the dividends.

- Other assets decreased by 6% from ₱160 million as of December 31, 2022 to ₱150 million as of December 31, 2023 due to the decrease in input vat.

- Property and equipment decreased by 33% from ₱18 million as of December 31, 2022 to ₱12 million as of December 31, 2023 due to the depreciation recognized for the year.

- Investment Properties increased by 3% from ₱24,837 million as of December 31, 2022 to ₱25,457 million as of December 31, 2023 due to the fair value gain recognized for the year.

Total liabilities as of December 31, 2023 are ₱1,493 million compared to ₱1,355 million as of December 31, 2022, or a 10% increase. This was due to the following:

- Accounts and other payables increased by 93% from ₱246 million as of December 31, 2022 to ₱475 million as of December 31, 2023 due to the increase in payable to suppliers of the commercial malls and withholding tax payable.

- Security deposits and advance rent increased by 3% from ₱629 million as of December 31, 2022 to ₱645 million as of December 31, 2023 due to the increase in security deposits.

- Payable to related parties decreased by 2% from ₱275 million as of December 31, 2022 to ₱270 million as of December 31, 2023 due to the payment made to related parties.

- Dividends payable decreased by 41% from ₱175 million as of December 31, 2022 to ₱104 million as of December 31, 2023 due to dividends paid for the year.

- Income tax payable decreased by 100% from ₱30 million as of December 31, 2022 to nil as of December 31, 2023 due to the tax paid to the government.

Total stockholder's equity increased by 5% from ₱26,164 million as of December 31, 2022 to ₱27,502 million as of December 31, 2023 due to the increase in income recognized for the year.

Considered as the top five key performance indicators of the Company as shown below:

Key Performance Indicators	12/31/2023	12/31/2022
Current ratio [(a)]	1.98:1	1.64:1
Debt ratio [(b)]	0.00:1	0.00:1
Return on equity [(c)]	9:1	(0.37):1
Net Profit Margin [(d)]	96%	(613%)
EBITDA [(e)]	2,569,158,522	(9,567,069,379)

Notes:
(a) Current Ratio is computed by dividing the Current Assets of the Company by its Current liabilities.
(b) Debt Ratio is computed by dividing interest bearing debt by the total assets. Interest bearing debt includes current and noncurrent portion of Bank loans,
(c) Return on equity is computed by dividing annualized net income by the total annualized equity.
(d) Net Profit Margin is computed by dividing the net income by the total revenue.
(e) EBITDA is computed as net income before interest expense, provision for income taxes, depreciation and amortization.
Because there are various calculation methods for the performance indicators above, the Company's presentation of such may not be comparable to similarly titled measures used by other companies.

Current ratio as of December 31, 2023 increased from that of December 31, 2022 due to the increase in current assets.

Return on equity increased due to the higher net income for the year.

Net Profit Margin increased due to the net income for the year as a result of the recognition of unrealized gain in FV adjustment of the investment properties.

EBITDA increased due to the higher net income for the year.

Material Changes to the Company's Balance Sheet as of December 31, 2023 compared to December 31, 2022 (increase/decrease of 5% or more)

Cash decreased by 66% from ₱89 million as of December 31, 2022 to ₱30 million as of December 31, 2023 due primarily to cash dividends paid for the year and used in investing activities.

Receivables increased by 134% from ₱1,238 million as of December 31, 2022 to ₱2,901 million as of December 31, 2023 due to the increase in receivables from tenants and accrued rent receivables.

Due from related parties decreased by 62% from ₱1,177 million as of December 31, 2022 to ₱455 million as of December 31, 2023 this resulted from the offsetting agreement entered into by the Company and the Sponsors from the dividends.

Other assets decreased by 6% from ₱160 million as of December 31, 2022 to ₱150 million as of December 31, 2023 due to the decrease in input vat.

Property and equipment decreased by 33% from ₱18 million as of December 31, 2022 to ₱12 million as of December 31, 2023 due to the depreciation recognized for the year.

Accounts and other payables increased by 93% from ₱246 million as of December 31, 2022 to ₱475 million as of December 31, 2023 due to the increase in payable to suppliers of the commercial malls and withholding tax payable.

Dividends payable decreased by 41% from ₱175 million as of December 31, 2022 to ₱104 million as of December 31, 2023 due to dividends paid for the year.

Income tax payable decreased by 100% from ₱30 million as of December 31, 2022 to nil as of December 31, 2023 due to the tax paid to the government.

Material Changes to the Company's Statement of income for the year ended December 31, 2023 compared to the year ended December 31, 2022 (increase/decrease of 5% or more)

Rental income increased by 23.2% from ₱1,958 for the year ended December 31, 2022 to ₱2,411 million for the year ended December 31, 2023. The increase was due to the increase in foot traffic and escalation rates. As of December 31, 2023, the occupancy rate is at 97%.

Parking fees increased by 24% to ₱41 million for the year ended December 31, 2023 from ₱33 million for the year ended December 31, 2022 primarily driven by the increase in numbers of vehicles parked in the malls.

Other operating income increased by 56% from ₱111 million for the year ended December 31, 2022 to ₱173 million for the year ended December 31, 2023. The increase was due to the increase in administrative fees and other fees charged to tenants.

Fair value of investment properties increased by 110% to ₱1,090 million gain for the year ended December 31, 2023 from ₱10,658 million loss for the year ended December 31, 2022 due to the recognition of the changes in fair value of the investment properties transferred to the company in 2023. There was an increase in the FV of properties as a result of the changes in the discount rate and cap rate as interest rates are on a decreasing trend.

Lease commissions decreased by 85% to ₱2 million for the year ended December 31, 2023 from ₱12 million for the year ended December 30, 2022 due to the decrease in the lease commission charged for the year.

Light and power expenses increased by 26% to ₱142 million for the year ended December 31, 2023 from ₱112 million for the year ended December 31, 2022 due to the increase in activities for the year as foot traffic increase in the malls of the company.

Outside services increased by 30% to ₱124 million for the year ended December 31, 2023 from ₱96 million for the year ended December 31, 2022 due to the additional security and maintenance personnel as increased activities in the community malls of the company and the DOLE mandated increase in salaries.

Advertising and promotion increased by 132% to ₱33 million for the year ended December 31, 2023 from ₱14 million for the year ended December 30, 2022 due to the increase in advertising and promotion activities for the year as we are going back to normalcy.

Interest income increased from ₱20 million for the year ended December 31, 2022 to ₱53 million for the year ended December 31, 2023. The 158% increase resulted from the interest earned from the increase in cash in banks of the company for the year offset by the bank charges recorded for the year.

For the year ended December 31, 2023, there were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

REVIEW OF YEAR END 2022 VS YEAR END 2021

RESULTS OF OPERATIONS

Revenues

Revenues increased to ₱2,100 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021. The 100% increase in the account was primarily attributable to the non-operation in 2021 and the transfer of the assets to the Company in March 2022 as well as the following:

- Rental income increased by 100% from nil for the year ended December 31, 2021 to ₱1,958 million for the year ended December 31, 2022. The increase was due to the increase in occupancy and escalation rates. As of December 31, 2022, the occupancy rate is at 97%.

- Parking fees increased by 100% to ₱33 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 primarily driven by the increase in numbers of vehicles parked in the malls.

- Other operating income increased from nil for the year ended December 31, 2021 to ₱109 million for the year ended December 31, 2022. The 100% increase was due to the increase in administrative fees and other fees charged to tenants.

Fair value changes in investment properties

Fair value changes in investment properties recorded a loss ₱11,200 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 attributable to the following:

- Decrease in fair value of investment properties increased by 100% to ₱10,658 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 due to the recognition of the changes in fair value of the investment properties transferred to the company in 2022. There was a decline in the FV of properties as a result of the changes in the discount rate and cap rate as interest rates are on an increasing trend.

- Straight line adjustments increased by 100% to ₱529 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 due rental escalation of lease contracts recognized on a straight line basis for the year.

- Lease commissions increased by 100% to ₱12 million for the year ended December 31, 2022 from nil for the year ended December 30, 2021 due increase in the lease commission charged for the year.

Costs and Expenses

Cost and expenses increased from nil for the year ended December 31, 2021 to ₱477 million for the year ended December 31, 2022. The 100% increase in the account was primarily attributable to the following:

- Light and power expenses increased by 100% to ₱112 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 due to the increase in activities for the year as foot traffic increase in the malls of the company.

- Outside services increased by 100% to ₱96 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 due to the additional security and maintenance personnel as increased activities in the community malls of the company.

- Advertising and promotion increased by 100% to ₱14 million for the year ended December 31, 2022 from nil for the year ended December 30, 2021 due to the increase in advertising and promotion activities for the year as we are going back to normalcy.

Other Income

Interest income increased from nil for the year ended December 31, 2021 to ₱2 million for the year ended December 31, 2022. The 100% increase resulted from the interest earned from the increase in cash in banks of the company for the year offset by the bank charges recorded for the year.

Benefit from Income Tax

Benefit from income for the year ended December 31, 2022 was ₱43 million, an increase of 100% from nil for the year ended December 31, 2021. This was due primarily to the increase of loss before tax for the year.

Net Loss

As a result of the foregoing, net loss increased by 100% to ₱9,618 million in the year ended December 31, 2022 from nil in the year ended December 31, 2021. If we exclude the fair value adjustment for the period, the company would have recorded a core net income of ₱1,569 million for the year ended December 31, 2022.

For the year ended December 31, 2022, there were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Company is not aware of events that will cause a material change in the relationship between the costs and revenues. Except as discussed in the notes to financial statements Events after the report date on the potential impact of the COVID-19 pandemic.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

FINANCIAL CONDITION

As of December 31, 2022 vs. December 31, 2021

As a result of the transfer of assets from Sponsors to the Company through property-for-shares swap, the Company's financial condition resulted into recognition and increased of almost all of its assets, liabilities and equity in the year ended December 31, 2022 from the pro-forma ended December 31, 2021.

Total assets as of December 31, 2022 are ₱27,519 million compared to ₱510 million as of December 31, 2021, or a 5,295% increase. This was due to the following:

- Cash decreased by 83% from ₱510 million as of December 31, 2021 to ₱89 million as of December 31, 2022 due primarily to cash dividends paid for the year.

- Receivables increased by 100.0% from nil as of December 31, 2021 to ₱1,238 million as of December 31, 2022 due to the increase in receivables from tenants and accrued rent receivables.

- Due from related parties increased by 100.0% from nil as of December 31, 2021 to ₱1,177 million as of December 31, 2022 this resulted from the asset injection to the Company by the Sponsors.

- Other assets increased significantly from ₱1 thousand as of December 31, 2021 to ₱160 million as of December 31, 2022 due to the increase in input vat and prepaid expenses.

- Property and equipment increased by 100.0% from nil as of December 31, 2021 to ₱18 million as of December 31, 2022 due to the transfer of properties and equipment.

- Investment Properties increased by 100.0% from nil as of December 31, 2021 to ₱24,837 million as of December 31, 2022 due to the transfer of the commercial buildings this is net of fair loss recorded for the year.

Total liabilities as of December 31, 2022 are ₱1,355 million compared to ₱10 million as of December 31, 2021, or a 13,779% increase. This was due to the following:

- Accounts and other payables increased by 4,651% from ₱5 million as of December 31, 2021 to ₱246 million as of December 31, 2022 due to the increase in payable to suppliers of the commercial malls and withholding tax payable.

- Security deposits and advance rent increased by 100.0% from nil as of December 31, 2021 to ₱589 million as of December 31, 2022 due to the assignment/transfer of tenants from the sponsors to the Company.

- Payable to related parties increased by 5,893% from ₱5 million as of December 31, 2021 to ₱275 million as of December 31, 2022 due to the assignment/transfer of tenants from the sponsors to the Company.

- Dividends payable increased by 100.0% from nil as of December 31, 2021 to ₱175 million as of December 31, 2022 due to dividends declared for the year.

- Income tax payable increased by 100.0% from nil as of December 31, 2021 to ₱30 million as of December 31, 2022 to recognized taxable operations prior to REIT listing.

- Other noncurrent liabilities increased by 100.0% from nil as of December 31, 2021 to ₱40 million as of December 31, 2022 due to the increase in retention payable.

Total stockholder's equity increased by 5,129% from ₱500 million as of December 31, 2021 to ₱26,164 million as of December 31, 2022 due to the property per share swap with the Sponsors.

Considered as the top five key performance indicators of the Company as shown below:

Key Performance Indicators	12/31/2022	12/31/2021
Current ratio [a]	1.64:1	52.24:1
Debt ratio [b]	0.00:1	0.00:1
Return on equity [c]	(0.37):1	0.00:1
Net Profit Margin [d]	(613%)	0.40%
EBITDA [e]	(9,567,069,379)	-

Notes:
(a) Current Ratio is computed by dividing the Current Assets of the Company by its Current liabilities.
(b) Debt Ratio is computed by dividing interest bearing debt by the total assets. Interest bearing debt includes current and noncurrent portion of Bank loans,
(c) Return on equity is computed by dividing annualized net income by the total annualized equity.
(d) Net Profit Margin is computed by dividing the net income by the total revenue.
(e) EBITDA is computed as net income before interest expense, provision for income taxes, depreciation and amortization.
Because there are various calculation methods for the performance indicators above, the Company's presentation of such may not be comparable to similarly titled measures used by other companies.

Current ratio as of December 31, 2022 decreased from that of December 31, 2021 due to the significant increase in current assets.

Return on equity decreased due to the higher net loss for the year.

Net Profit Margin decreased due to the net loss for the year as a result of the recognition of unrealized loss in FV adjustment of the investment properties.

EBITDA increased due to the higher net loss for the year.

Material Changes to the Company's Balance Sheet as of December 31, 2022 compared to December 31, 2021 (increase/decrease of 5% or more)

Cash decreased by 83% from ₱510 million as of December 31, 2021 to ₱89 million as of December 31, 2022 due primarily to cash dividends paid for the year.

Receivables increased by 100.0% from nil as of December 31, 2021 to ₱1,238 million as of December 31, 2022 due to the increase in receivables from tenants and accrued rent receivables.

Due from related parties increased by 100.0% from nil as of December 31, 2021 to ₱1,177 million as of December 31, 2022 this resulted from the asset injection to the Company by the Sponsors.

Other assets increased significantly from ₱1 thousand as of December 31, 2021 to ₱160 million as of December 31, 2022 due to the increase in input vat and prepaid expenses.

Property and equipment increased by 100.0% from nil as of December 31, 2021 to ₱18 million as of December 31, 2022 due to the transfer of properties and equipment.

Investment Properties increased by 100.0% from nil as of December 31, 2021 to ₱24,837 million as of December 31, 2022 due to the transfer of the commercial buildings this is net of fair loss recorded for the year.

Accounts and other payables increased by 4,651% from ₱5 million as of December 31, 2021 to ₱246 million as of December 31, 2022 due to the increase in payable to suppliers of the commercial malls and withholding tax payable.

Security deposits and advance rent increased by 100.0% from nil as of December 31, 2021 to ₱589 million as of December 31, 2022 due to the assignment/transfer of tenants from the sponsors to the Company.

Payable to related parties increased by 5,893% from ₱5 million as of December 31, 2021 to ₱275 million as of December 31, 2022 due to the assignment/transfer of tenants from the sponsors to the Company.

Dividends payable increased by 100.0% from nil as of December 31, 2021 to ₱175 million as of December 31, 2022 due to dividends declared for the year.

Income tax payable increased by 100.0% from nil as of December 31, 2021 to ₱30 million as of December 31, 2022 to recognized taxable operations prior to REIT listing.

Other noncurrent liabilities increased by 100.0% from nil as of December 31, 2021 to ₱40 million as of December 31, 2022 due to the increase in retention payable.

Material Changes to the Company's Statement of income for the year ended December 31, 2022 compared to the year ended December 31, 2021 (increase/decrease of 5% or more)

Rental income increased by 100% from nil for the year ended December 31, 2021 to ₱1,958 million for the year ended December 31, 2022. The increase was due to the increase in occupancy and escalation rates. As of December 31, 2022, the occupancy rate is at 97%.

Parking fees increased by 100% to ₱33 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 primarily driven by the increase in numbers of vehicles parked in the malls.

Other operating income increased from nil for the year ended December 31, 2021 to ₱109 million for the year ended December 31, 2022. The 100% increase was due to the increase in administrative fees and other fees charged to tenants.

Decrease in fair value of investment properties increased by 100% to ₱10,658 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 due to the recognition of the changes in fair value of the investment properties transferred to the company in 2022. There was a decline in the

FV of properties as a result of the changes in the discount rate and cap rate as interest rates are on an increasing trend.

Straight line adjustments increased by 100% to ₱529 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 due rental escalation of lease contracts recognized on a straight line basis for the year.

Lease commissions increased by 100% to ₱12 million for the year ended December 31, 2022 from nil for the year ended December 30, 2021 due increase in the lease commission charged for the year.

Light and power expenses increased by 100% to ₱112 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 due to the increase in activities for the year as foot traffic increase in the malls of the company.

Outside services increased by 100% to ₱96 million for the year ended December 31, 2022 from nil for the year ended December 31, 2021 due to the additional security and maintenance personnel as increased activities in the community malls of the company.

Advertising and promotion increased by 100% to ₱14 million for the year ended December 31, 2022 from nil for the year ended December 30, 2021 due to the increase in advertising and promotion activities for the year as we are going back to normalcy.

Interest income increased from nil for the year ended December 31, 2021 to ₱2 million for the year ended December 31, 2022. The 100% increase resulted from the interest earned from the increase in cash in banks of the company for the year offset by the bank charges recorded for the year.

For the year ended December 31, 2022, there were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Company is not aware of events that will cause a material change in the relationship between the costs and revenues. Except as discussed in the notes to financial statements Events after the report date on the potential impact of the COVID-19 pandemic.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Commitments and Contingencies

The Company is contingently liable with respect to guarantees arising in the ordinary course of business, including surety bonds, letters of guarantee for performance and bonds for its entire real estate project.

The Philippines continues to experience economic difficulties relating to currency fluctuations, volatile stock markets and slowdown in growth. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

Any known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way. The registrant shall indicate balance sheet conditions or an income or cash flow item that it believes may be indicators of its liquidity condition.

The Company sources its capital requirements through a mix of internally generated cash, bank borrowings and advances from parent company. The Company does not expect any material cash requirements beyond the normal course of the business.

Any events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

None, except for those items disclosed in the 2024 Audited Financial Statements.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period except those disclosed in the 2024 Audited Financial Statements.

Item 7. Financial Statements

The Financial Statements of the Company as of and for the year ended December 31, 2024 are incorporated herein in the accompanying Index to Financial Statements and/Supplementary Schedules.

Item 8. Information on Independent Accountant and Other Related Matters

Independent Public Accountant

SyCip Gorres Velayo & Co., independent certified public accountants audited the Company's financial statements without qualification as of and for the years ended December 31, 2022, 2023 and 2024, included in this report. Ysmael S. Acosta is the current audit partner for the Company.

External Audit Fees and Services

External Audit Fees

The following table sets out the aggregate fees billed for each of the last two years for professional services rendered by SGV & Company.

	2024	2023
	(In ₱ Millions with VAT)	
Audit and Audit-Related Fees:		
Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements	**₱ 4.37**	**₱ 9.85**
All other fees	–	–
Total	**₱ 4.37**	**₱ 9.85**

SGV & Company do not have any direct or indirect interest in the Company.

Tax Fees

Tax accounting, compliance, advice, planning and other form of tax services are not rendered by the appointed external auditor of the Company, but are secured from other entities.

All Other Fees

The appointed External Auditor of the Company does not render and/or provide product or service to the Company other than those provided under the caption “External Audit Fees”.

Audit Committee’s Approval Policies and Procedure for the Services of the External Auditor

The scope, extent and nature of the services to be referred to, and/or to be rendered by, the appointed External Auditor of the Company has to be unanimously approved by the Audit Committee in a meeting duly called for the purpose, including the fees to be paid for the services thus rendered and/or referred. In relation to the audit of the Company's annual financial statements, the Company's Corporate Governance Manual provides that the audit committee shall, among other activities (i) evaluate significant issues reported by the external auditors in relation to the adequacy, efficiency and effectiveness of policies, controls, processes and activities of the Company; (ii) ensure that other non-audit work provided by the external auditors are not in conflict with their functions as external auditors; and (iii) ensure the compliance of the Company with acceptable auditing and accounting standards and regulations.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no disagreements with auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to their satisfaction, would have caused the auditors to make reference thereto in their reports on the financial statements of the Company.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

Board of Directors and Executive Officers

The table below sets forth the members of the Company's Board and Executive Officers as of December 31, 2024.

NAME	AGE	POSITION	CITIZENSHIP
Jerylle Luz C. Quismundo	61	Chairman	Filipino
Manuel Paolo A. Villar	48	Director, President & Chief Executive Officer	Filipino
Brian N. Edang	46	Director	Filipino
Melissa Camille Z. Domingo	38	Director, Treasurer, Chief Financial Officer & Head, Investor Relations	Filipino
Justina F. Callangan	72	Independent Director	Filipino
Leticia A. Moreno	64	Independent Director	Filipino
Raul Juan N. Esteban	63	Independent Director	Filipino
Gemma M. Santos	63	Corporate Secretary	Filipino
Ma. Nalen SJ. Rosero	54	Assistance Corporate Secretary, Chief Legal Counsel, Compliance Officer & Chief Information Officer	Filipino
Rowena B. Bandigan	47	Chief Audit Executive	Filipino
Mayumi Mitzi L. Arao	46	Data Protection Officer	Filipino
Reymart Rodger M. Nerizon	35	Chief Accountant	Filipino

* *Business Experience of the named directors and officers covers the past five (5) years.*

Jerylle Luz C. Quismundo, *Chairman of the Board.* Ms. Quismundo, 61, graduated cum laude with a degree in Bachelor of Science in Business Economics from the University of the Philippines Diliman in 1983. She finished her Master in Business Administration from the same university in 1989. She has held various positions under the M.B. Villar Group of Companies since 1989 and is the incumbent President of various Vista Land and Lifescapes, Inc. subsidiaries including Brittany Corporation, Camella Homes, Inc., Vista Residences, Inc., and Crown Asia Properties, Inc.

Manuel Paolo A. Villar, *Director and President & Chief Executive Officer.* Mr. Villar, 48, graduated from the Wharton School of the University of Pennsylvania, Philadelphia, USA with a Bachelor of Science in Economics and Bachelor of Applied Science in 1999. He was an Analyst for McKinsey &Co. in the United States from 1999 to 2001. He joined the Vista Land Group in 2001 as Head of Corporate Planning then became its Chief Financial Officer in 2008. He was elected President, Chief Executive Officer, Director, and Vice Chairman of Vista Land and Lifescapes, Inc. *(listed company)* in July 2011 and President of Vistamalls, Inc. *(listed company)* in June 2019. In addition, he is the CEO and Chairman of St. Augustine Gold and Copper Limited and Chairman of TVI Resources Development Philippines, Inc., Powersource Phils Development Corp. and the Chairman of Vista Land subsidiaries Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation, Vista Residences, Inc. Mr. Villar also is the majority shareholder of Prime Asset Ventures, Inc., and a director of Fine Properties, Inc, AllHome Corp. *(listed company)* and AllDay Marts, Inc. *(listed company).*

Brian N. Edang, *Director.* Mr. Edang, 46, is a Certified Public Accountant. He graduated cum laude with a Bachelor of Science in Accountancy from the University of St. La Salle - Bacolod. He is currently the Treasurer and Director of the following companies: Vista Residences, Inc., Brittany Corporation, Crown Asia Properties, Inc., Communities Philippines, Inc., and Camella Homes, Inc. Prior to joining the group, he was with SGV & Co. (EY Philippines) as an external auditor from 1999 to 2004. He is the Head Investor Relations of Vista Land and Lifescapes, Inc. from 2007 up to present, and the Chief Financial Officer of Vista Land & Lifescapes, Inc. since November 2018. Mr. Edang is a member of the Philippine Institute of Certified Public Accountants (PICPA) and the Financial Executives Institute of the Philippines (FINEX).

Melissa Camille Z. Domingo, *Chief Financial Officer, Treasurer, and Head, Investor Relations.* Ms. Domingo, 38, graduated cum laude from the University of the Philippines with the degree of Bachelor of Science in Business Administration & Accountancy in 2008. She is a Certified Public Accountant. In 2011, she took the Certified Internal Auditor examination and was part of the Top 50 successful examinees globally. Prior to joining Vista Land in 2013 as Senior Financial Analyst, she was with SGV & Co. (EY Philippines) as Associate Director. She was the Finance Head of Vista Land until she assumed the Chief Audit Executive position in June 2019 until 2024..

Justina F. Callangan, *Independent Director.* Atty. Callangan, 72, graduated cum laude from the University of the East with the degree of Bachelor of Arts in Political Science in 1973, and from San Sebastian College with the degree of Bachelor of Laws in 1980. She was a Political Science Instructor of the University of the East from 1974 to 1981 and became an Assistant Professor in Taxation and Business Laws from 1981 until her retirement from the university in 1995. Atty. Callangan started her career in the Securities and Exchange Commission as Analyst II in 1982 and held various positions with the Commission until she became Director of the Corporation Finance Department (now the Corporate Governance and Finance Department) from February 2001 to October 2017. She was also an Assistant Vice President of the Legal Department of the Urban Bank from November 1995 to November 2000. From November 2018 to December 2019, Atty. Callangan served as consultant in the Listings Department of the Philippine Stock Exchange. She was elected in August 2020 as Director representing the Public Sector in the Securities Investors Protection Fund, Inc. Currently, she is an Independent Director of ORIX Metro Leasing and Finance Corporation *(regulated company)*, Vista Land & Lifescapes, Inc. *(listed company)*, Panasonic Manufacturing Philippines Corp. *(listed company)* and AIB Money Market Fund *(regulated company)*, a SEC-registered mutual fund. She is also a consultant to ASA Philippines Foundation, Inc. and to Divina Law Office since 2018. Atty. Callangan is a Mandatory Continuing Legal Education (MCLE) Lecturer on various SEC matters in both the UP-Law Center Institute for the Administration of Justice and Center for Global Best Practices.

Leticia A. Moreno, *Independent Director.* Ms. Moreno, 64, graduated with a Bachelor of Science in Business Economics degree from the University of the Philippines Diliman in 1982. She also received her Master of Business Administration degree from the same university in 1990. She was with the Corporate Banking Center of the Union Bank of the Philippines as a relationship manager. Before retiring in 2020, Ms. Moreno held the position of First Vice President of the Union Bank of the Philippines. Currently, she is an Independent Director of Rizal MicroBank - A Thrift Bank of RCBC and RCBC Leasing and Finance Corporation.

Raul Juan N. Esteban, *Independent Director.* Mr. Esteban, 63, graduated from the Ateneo de Manila University with a degree of Bachelor of Science in Management Engineering. He became a brand manager of Unilever Philippine from 1983 to 1986. He was the Country Representative of PPF (A Subsidiary of Unilever) from 1986 to 1988. He was Founding Partner of AGB-Nielsen Philippines and was Chairman until 2012. He held various positions in the Advertising Board of the Philippines, Advertising Congress, MORES (Marketing & Opinion Research Society of the Philippines) and ESOMAR (World Association of Marketing, Social, and Opinion Research) from 2000 to present. Currently, he is the Managing Director of Philippine Survey and Research Center Inc. Mr. Esteban also serves an Independent Director of Vistamalls, Inc. *(listed company)*, COL Strategic Growth Equity Unitized Mutual Fund, Inc. (formerly COL Cash Management Unitized Mutual Fund, Inc.), COL Equity Index Unitized Mutual Fund, Inc. and AllDay Marts, Inc. *(listed company)* since 2021. Mr. Esteban possesses all the qualifications and none of the disqualifications of an Independent Director under SRC Rule 38 since his election as such.

Gemma M. Santos, *Corporate Secretary.* Atty. Santos, 63, graduated cum laude with the degree of Bachelor of Arts, Major in History from the University of the Philippines in 1981, and with the degree of Bachelor of Laws also from the University of the Philippines in 1985. She is a practicing lawyer and Special Counsel in Picazo Buyco Tan Fider & Santos Law Offices.She is also the Corporate Secretary of Vista Land & Lifescapes, Inc., Golden MV Holdings, Inc. (formerly Golden Bria Holdings, Inc.), and a director of Fina Properties, Inc., Bulacan Water District, Bulakan Water Co., Inc., and Philippine Associated Smelting and Refining Corporation (PASAR).

Ma. Nalen S.J. Rosero, *Assistant Corporate Secretary and Chief Compliance Officer.* Atty. Rosero, 54, graduated salutatorian from the San Beda College of Law in 1997. She was an Associate of the Litigation Group of the ACCRA Law Offices from 1997 to 2000. She is currently the Chief Legal Counsel, Chief Information Officer, and Chief Compliance Officer of Vista Land and Lifescapes, Inc. She is also the Corporate Secretary and a Director of the following companies: Household Development Corporation, Brittany Corporation, Crown Asia Properties, Inc., Vista Residences, Inc., Communities Philippines, Inc., Camella Homes, Inc., Mandalay Resources, Inc., Prima Casa Land & Houses, Inc., Vista Leisure Club, Inc., and Brittany Estates Corporation. She is also a Director of Manuela Corporation and Masterpiece Properties, Inc., and the Corporate Secretary of Vistamalls, Inc.

Rowena B. Bandigan, *Chief Audit Executive*. Ms. Bandigan, 47, is a Certified Public Accountant. She took and passed her certification exam in 1999 shortly after graduating with a degree of Bachelor of Science in Accountancy at PLM (Pamantasan ng Lungsod ng Maynila). She worked as Senior Auditor at Deloitte Philippines until 2005. Thereafter, she worked in Singapore as Senior Auditor at Foo Kon Tan Grant Thornton, a member of Grant Thornton International from 2005 to 2009 and as Audit Manager at Moore Stephens LLP in 2009-2010. She joined Vistamalls, Inc. and its subsidiaries as Chief Accountant in 2010.

Mayumi Mitzi L. Arao, *Data Protection Officer.* Atty. Arao, 46, earned her Bachelor of Arts in English Language Studies from the University of the Philippines in 1999 and graduated from the Arellano University School of Law in 2015. She served as a Court Attorney VI in the Supreme Court of the Philippines from 2006 to 2013. Atty. Arao is a practicing lawyer at Rosero Sabillo Lazaro Carino Law Offices. She is also a member of the Integrated Bar of the Philippines.

Reymart Rodger M. Nerizon, *Chief Accountant*. Mr. Nerizon, 35, is a Certified Public Accountant. He graduated Magna Cum Laude from Adamson University with a Bachelor's Degree in Accountancy. Mr. Nerizon was an accountant at MGS Readymix, Inc., from November 2010 to February 2011. He then moved to MGS Construction, Inc., as an Accountant in February 2011. Over the years, he transitioned into the role of Finance Head from 2015 to 2024. Currently, Mr. Nerizon also serves as the Chief Accountant for Vistamalls, Inc.

Resignation of Directors

No Director has resigned or declined to stand for re-election to the Board of Directors since the date of the last annual stockholders' meeting due to disagreement with the Registrant on any matter relating to the Registrant's operations, policies or practices.

Family relationships

None of the Company's Director or Executive Officer is related to the others by consanguinity or affinity within the fourth civil degree.

Involvement in Certain Legal Proceedings of Directors and Executive Officers

None of the Directors and Executive Officers is involved in any material pending legal proceedings in any court or administrative agency of the government.

None of them has been involved in any bankruptcy petition.

None of them has been convicted by final judgment in a criminal proceeding or being subject to any pending criminal proceeding, both domestic and foreign.

None of them has been subject to any order, judgment or decree of any court of competent jurisdiction (both domestic and foreign) permanently or temporarily enjoining, barring, suspending or likewise limiting their involvement in any type of business, securities, commodities or banking activities.
None of them has been found by a domestic or foreign court of competent jurisdiction (in a civil action), by the Commission or comparable body, or by a domestic or foreign exchange or organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

Item 10. Executive Compensation

Our key officers, namely: Ms. Jerylle Luz C. Quismundo, Mr. Manuel Paolo A. Villar, Mr. Brian N. Edang, Ms. Melissa Camille Z. Domingo and Ms. Rowena B. Bandigan, are also serving as officers of Vista Land. They do not receive any compensation from our Company. The compensation of these officers is paid by Vista Land.

There are no other executive officers other than aforementioned.

Standard arrangements

Other than payment of reasonable per diem ₱50,000 per non-executive director for every meeting, there are no standard arrangements pursuant to which directors of the Company are compensated, or are to be compensated, directly or indirectly by the Company's subsidiaries, for any services provided as a director for 2023 and 2024.

Other arrangements

There are no other arrangements pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly by the Company's subsidiaries, during 2023 and 2024 for any service provided as a director.

Employment Contracts and Termination of Employment and Change in Control Arrangements

There are no special employment contracts between the Company and the named executive officers.

Warrants and options held by the executive officers and directors

There are no outstanding warrants or options held by the Company's named executive officers, and all officers and directors as a group.

Item 11. Security Ownership of Certain Beneficial Owners and Management

Security Ownership of Record and Beneficial Owners

Security ownership of certain record and beneficial owners of more than 5.0% of the voting securities as of December 31, 2024:

Title of Class of Securities	Name/Address of Record Owners and Relationship with Us	Name of Beneficial Owner /Relationship with Record Owner	Citizenship	No. of Shares Held	% of Ownership[1]
Common Shares	Masterpiece Asia Properties, Inc. 3rd Floor, Starmall, CV Starr Avenue, Philamlife Village, Pamplona, Las Piñas City Shareholder	Record Owner is also beneficial Owner	Filipino	2,472,009,663	32.9601%
Common Shares	Vista Residences Inc. LGF Bldg B, Evia Lifestyle Center, Vista City, Daang Hari, Almanza II, Las Piñas City Shareholder	Record Owner is also beneficial Owner	Filipino	1,305,247,888	17.4033%

[1]*Based on the total issued and outstanding common shares of 7,500,000,000 as of December 31, 2024*

Common Shares	Manuela Corporation 3rd Floor, Starmall, CV Starr Avenue, Philamlife Village, Pamplona, Las Piñas City Shareholder	Record Owner is also beneficial Owner	Filipino	444,235,220	5.9231%

Security Ownership of Management

Security ownership of certain management as of December 31, 2024:

Title of Class	Name of Beneficial Owner	Amount & Nature of Beneficial Ownership	Citizenship	Percent of Class
Common Shares	Manuel Paolo A. Villar C. Masibay Street, BF Resort Village, Las Piñas City	4,500,000 - Indirect[4]	Filipino	.06%
Common Shares	Jerylle Luz C. Quismundo #15 Garnet Ext., Doña Juana, Rosario, Pasig City	500,000 – Indirect[4]	Filipino	.0067%
Common Shares	Brian N. Edang B5L2 Auburn St., Marina Heights, Sucat, Muntinlupa City	250,000 – Indirect[4]	Filipino	.0033%
Common Shares	Melissa Camille Z. Domingo 62A Labo St., Sta Mesa Heights, Quezon City	62,500 - Direct	Filipino	.0008%
Common Shares	Justina F. Callangan B164 L17 Castello St., Casa Milan Subd., Fairview, Quezon City	62,500 - Direct	Filipino	.0008%
Common Shares	Leticia A. Moreno 240 Lucerne, Pine Crest Condominiums, Aurora Blvd. corner Balete Drive, Quezon City	62,500 - Direct	Filipino	.0008%
Common Shares	Raul Juan N. Esteban 223B Alexandra Condo. 29 Meralco Avenue, Ortigas Center, Pasig City	62,500 - Direct	Filipino	.0008%
-	Gemma M. Santos #19 Matungao St., Bulacan, Bulacan	-	Filipino	-
-	Ma. Nalen SJ. Rosero Block 5 Lot 2A New Victorianne Row La Posada Subdivision, Sucat, Muntinlupa City	-	Filipino	-

[4] held through PCD Nominee Corporation

-	Rowena B. Bandigan B3 L6 P2 Dolmar Golden Hills Subd., Loma de Gato, Marilao, Bulacan	-	Filipino	-
-	Mayumi Mitzi L. Arao Unit 402, Union Square Condominium, 145 15th Ave., Cubao, Quezon City	-	Filipino	-
AGGREGATE SHAREHOLDINGS		**5,500,000**		**0.0733%**

<u>Voting Trust Holders of 5.0% or More</u>

As of December 31, 2024, there is no party holding any voting trust for 5% or more of total shares outstanding.

<u>Changes In Control</u>

As of December 31, 2024, there was no arrangement which may result in a change in control of the Company.

Item 12. Certain Relationships and Related Transactions

As of December 31, 2024, Vista Land (through its subsidiaries) holds 64.64% of the total issued and outstanding common share capital of the Company. It enters into transactions with associates and related parties, in its regular course of business. These transactions to and from related parties are made on arm's length basis and at current market prices at the time of the transactions.

No transaction, without proper disclosure, was undertaken by the Company in which any Director or Executive Officer, nominee for election as Director, or any member of its immediate family was involved or had a direct or indirect material interest.

No single Director or Executive Officer, nominee for election as Director, or any member of their immediate family owns or holds more than 10% of the Company's voting shares.

Please refer to Notes on Related Party Transactions of the Notes to Financial Statements of the 2024 Audited Financial Statements, which is incorporated herein in the accompanying Index to Exhibits.

PART IV – CORPORATE GOVERNANCE

Item 13. Corporate Governance

To be disclosed separately.

Annex A: Sustainability Report

CONTEXTUAL INFORMATION

Company Details	
Name of Organization	VISTAREIT, INC. (PSE:VREIT)
Location of Headquarters	Lower Ground Floor, Building B, EVIA Lifestyle Center, Daanghari, Almanza Dos, Las Piñas City 1750
Location of Operations	Nationwide
Report Boundary: Legal entities (e.g., subsidiaries) included in this report	This report covers the economic, social, and governance performances and policies of the Company. For the environmental performance and policies, VistaREIT reports on sites that comprise more than 90% of the overall gross floor area, specifically: ● Vista Mall Las Piñas (Main) - Pamplona Dos, Las Piñas City ● Starmall Las Piñas (Annex) - Pamplona Dos, Las Piñas City ● Starmall San Jose Del Monte – SJDM, Bulacan ● Vista Mall Pampanga – San Fernando, Pampanga ● SOMO – A Vista Mall - Bacoor City, Cavite ● Vista Mall Antipolo - Antipolo City, Rizal ● Vista Mall General Trias - General Trias City, Cavite ● Vista Mall Tanza - Tanza, Cavite ● Starmall Talisay, Cebu - Talisay City, Cebu ● Vista Hub Molino - Bacoor City, Cavite ● Vista Hub BGC - BGC, Taguig City
Business Model, including Primary Activities, Brands, Products, and Services	VistaREIT, Inc. (**“VistaREIT”, “VREIT” or “the Company”**) designated by, (1) Masterpiece Asia Properties, Inc. (MAPI); (2) Vista Residences, Inc (VRI); (3) Manuela Corporation (MC); (4) Communities Pampanga. Inc. (CPI); and (5) Crown Asia Properties, Inc. (CAPI), (the **“Sponsors”**) to operate as a Real Estate Investment Trust (REIT), leases to a diversified tenant base, with a high-quality portfolio (the **“Portfolio”**) of 10 community malls, (**“Mall Properties”**) and two (2) office buildings (“Office Properties”, together with Mall Properties, the **“Properties”** and each, a **“Property”**) with an aggregate GLA of 256,403.95 sqm as of December 31, 2024. VREIT’s Portfolio consists of commercial spaces primarily leased for retail purposes, which may also be used and leased for office purposes as required.
Reporting Period	January 1, 2024 to December 31, 2024
Highest Ranking Person responsible for this report	**Brian N. Edang** Officer-in-charge - Chief Financial Officer & Head of Investor Relations

Annex A: Sustainability Report

ABOUT THE COMPANY

VistaREIT is a premier Real Estate Investment Trust (REIT) in the Philippines, dedicated to shaping dynamic and sustainable commercial developments. As the real estate investment arm of Vista Land & Lifescapes, Inc., VREIT manages a strategic portfolio of 10 retail malls and 2 PEZA-registered office buildings, with a Gross Leasable Area (GLA) of 256,403.95 sqm as of December 31, 2024. These properties serve as key commercial hubs, fostering economic growth and vibrant community interactions.

Sustainability is at the core of VistaREIT's operations. The company integrates environmental, social, and governance (ESG) principles into its business strategy, ensuring that its developments contribute to a greener and more resilient future. From energy-efficient building designs to waste management initiatives and community-driven programs, VREIT remains committed to responsible property management and sustainable growth.

Backed by its Sponsors—Masterpiece Asia Properties, Inc. (MAPI), Vista Residences, Inc. (VRI), Manuela Corporation (MC), Communities Pampanga, Inc. (CPI), and Crown Asia Properties, Inc. (CAPI)—VistaREIT continues to strengthen its commercial leasing business by providing high-quality, accessible, and eco-conscious spaces for retail and office tenants. With a steadfast commitment to innovation and sustainability, VistaREIT is poised to lead the way in the future of Philippine real estate.

AWARDS AND RECOGNITIONS

In 2024, VistaREIT received multiple accolades from local government units for its contributions to tax revenues and economic growth. These recognitions highlight the company's commitment to excellence in property management and community development:

1. **Vista Mall General Trias – Top 15 in Real Property Tax for 2023** (Awarded on August 22, 2024 | General Trias, Cavite)
2. **Starmall San Jose Del Monte – BPLO Top 10 - Top Taxpayers** (Awarded on December 3, 2024 | City of San Jose Del Monte, Bulacan)
3. **SOMO– BPLO Top 4 - Top Taxpayers** (Awarded on June 29, 2024 | City Government of Bacoor)

BUSINESS HIGHLIGHTS AND CORPORATE PARTNERSHIPS

In 2024, VistaREIT continued to expand its business footprint through strategic partnerships and sustainability initiatives, reinforcing its commitment to innovation, inclusivity, and environmental responsibility.

A major milestone was the launch of the first-ever EV Charging Station at Vista Mall Bataan, in collaboration with the Provincial Government of Bataan and 1Bataan through the Company's Sponsors. This initiative supports the province's sustainability efforts by promoting clean energy solutions and making electric vehicle infrastructure more accessible to the public.

Vista Mall also strengthened its commitment to cultural inclusivity by hosting the DTI Halal Summit at Vista Mall Taguig in partnership with DTI and Halal-Friendly Philippines. The summit highlighted the contributions of the Muslim community and promoted Halal-certified businesses, reinforcing Halal as a symbol of trust and quality.

Additionally, Vista Mall partnered with Haier Philippines to introduce high-quality, energy-efficient home appliances to Filipino households. This collaboration aligns with Vista Mall's mission to enhance everyday living through innovative and reliable retail offerings.

Retail Expansion and Store Openings

VistaREIT also welcomed new brands across its mall network, further diversifying retail offerings:

- **Vista Mall Las Piñas** – Subway
- **Starmall San Jose Del Monte –** Samgyupsalamat, Razon's by Glenn, Bibingkinitan
- **Vista Mall General Trias & Tanza** – Jollibee on Wheels, Wendy's, Tealive
- **Vista Mall Antipolo** – Thai Royal Spa, Zus Coffee, Digital Walker

SUSTAINABILITY AT VISTAREIT

CONTRIBUTION TO THE UN SDGS

VistaREIT's product and service offerings primarily contribute to the following global goals:

Key Products and Services	VistaREIT's key products and services revolve around its high-quality portfolio of commercial properties, including retail malls and office spaces. These properties are strategically located in key urban centers, catering to a diverse tenant base. The Company's core offerings include: 1. **Retail Leasing** – VistaREIT provides leasable spaces in community malls and lifestyle centers, offering a mix of global and local retail brands, supermarkets, dining establishments, entertainment hubs, and essential services. 2. **Office Leasing** – The Company leases out premium office spaces, including PEZA-registered buildings, designed to accommodate business process outsourcing (BPO) companies and corporate tenants. 3. **Customer-Centric Amenities** – VistaREIT malls feature family-friendly spaces, event areas, and convenience-driven services such as enhanced parking facilities and accessibility via public transport. 4. **Marketing and Promotions** – The Company actively supports tenant success through promotional events, seasonal activities, and brand collaborations, fostering strong foot traffic and customer engagement. 5. **Sustainability-Focused Initiatives** – VistaREIT integrates sustainable practices into its operations, including energy-efficient buildings, waste management programs, and eco-friendly innovations such as EV charging stations.

	6. **Transport Hub Functionality** – Many VistaREIT properties serve as vital commuter hubs, offering transport accessibility through point-to-point buses, jeepneys, and taxis, ensuring ease of access for shoppers and employees.
Societal Value / Contribution to UN SDGs	• **SDG 11 – Sustainable Cities and Communities** By developing and maintaining community malls and lifestyle centers that serve as retail, business, and transport hubs, VistaREIT fosters urban accessibility and livability. Its properties integrate green spaces, efficient mobility solutions, and inclusive public areas that contribute to more sustainable urban environments. • **SDG 8 – Decent Work and Economic Growth** VistaREIT provides employment opportunities through its leasing operations, supporting retail businesses, service providers, and corporate tenants. By offering high-quality commercial spaces, the Company plays a vital role in fostering entrepreneurship and stimulating local economies. • **SDG 9 – Industry, Innovation, and Infrastructure** With a portfolio that includes PEZA-registered office spaces and modernized retail centers, VistaREIT supports the expansion of industries and innovative business models, such as e-commerce integration and digital payment solutions. Infrastructure improvements, including energy-efficient buildings and smart facility management, further enhance operational sustainability. • **SDG 6 – Clean Water and Sanitation** VistaREIT promotes water conservation and responsible wastewater management across its properties. The Company implements water-saving fixtures, recycling initiatives, and partnerships with regulatory agencies to ensure compliance with environmental standards.

- **SDG 3 – Good Health and Well-Being**

  Customer health and safety remain a priority in VistaREIT's operations. The Company enforces stringent building maintenance protocols, air quality management, and sanitation measures. Furthermore, its retail centers provide spaces that encourage community engagement, recreation, and wellness initiatives.

- **SDG 17 – Partnerships for the Goals**

  Collaboration is central to VistaREIT's success. The Company actively engages with local government units, business partners, and sustainability advocates to drive responsible urban development. Strategic partnerships also support various corporate social responsibility (CSR) programs aimed at community upliftment.

- **SDG 12 – Responsible Consumption and Production**

  VistaREIT integrates sustainability principles in its commercial operations by promoting energy efficiency, waste management, and responsible sourcing among its tenants. By incorporating green leasing guidelines and sustainability awareness programs, the Company encourages tenants and customers to adopt eco-friendly practices.

- **SDG 13 – Climate Action**

  With initiatives such as energy-efficient building management systems, electric vehicle (EV) charging stations, and climate resilience strategies, VistaREIT actively contributes to reducing carbon emissions. The Company continually explores innovative solutions to enhance environmental performance and minimize its carbon footprint.

Potential Negative Impact of Contribution	While VistaREIT's operations contribute positively to the Sustainable Development Goals (SDGs), potential negative impacts must be carefully managed. The expansion of commercial developments (SDG 11) can contribute to urban congestion, increased resource consumption, and waste generation if not properly mitigated. Economic growth and job creation (SDG 8) may lead to labor concerns, such as job insecurity in the retail sector, particularly with shifts toward automation and digitalization. Infrastructure development (SDG 9) may result in environmental disturbances, including increased energy demand and land use changes. Water consumption and sanitation efforts (SDG 6) must address the risk of over-extraction and pollution, particularly in high-footfall commercial spaces. Health and safety measures (SDG 3) require ongoing improvements to ensure compliance with evolving standards and emerging risks, such as air quality concerns in enclosed spaces. While partnerships (SDG 17) strengthen sustainability initiatives, reliance on third-party service providers introduces risks related to inconsistent environmental and social practices. Efforts to promote responsible consumption (SDG 12) may be challenged by consumer behavior and waste management inefficiencies. Climate action initiatives (SDG 13) must contend with the carbon footprint associated with real estate operations, including energy-intensive building systems and tenant activities. Acknowledging these potential negative impacts allows VistaREIT to proactively implement mitigation strategies, ensuring that its contributions to sustainability are both meaningful and responsible.
Management Approach	The Company integrates sustainability into its operations by implementing green building initiatives, optimizing energy and water efficiency, and enhancing waste management practices to support SDGs 11, 12, and 13. To uphold decent work standards (SDG 8), VistaREIT ensures fair labor policies, fosters inclusive employment, and promotes professional development within its workforce and tenant partners. Investments in modern infrastructure (SDG 9) prioritize environmental

	responsibility, incorporating sustainable construction materials and smart technologies. Water conservation measures and sanitation improvements (SDG 6) are reinforced through strict monitoring and efficiency programs. Health and safety (SDG 3) remain a priority, with continuous upgrades to building security, air quality, and emergency response protocols. Strong stakeholder partnerships (SDG 17) enable the Company to collaborate with local governments, NGOs, and private entities to drive sustainability forward. By embedding these strategies into its business model, VistaREIT ensures long-term value creation while minimizing environmental and social risks.

MATERIALITY PROCESS

In 2024, VistaREIT conducted a materiality assessment to identify and prioritize the environmental, social, and governance (ESG) topics most relevant to its operations, stakeholders, and long-term strategy. This process ensured that sustainability efforts remained aligned with industry best practices, regulatory expectations, and stakeholder concerns. The assessment followed a structured approach:

1. **Pre-Identification of Topics** – A comprehensive review of global sustainability standards, industry best practices, and emerging ESG trends was conducted to establish an initial list of potential material topics.

2. **Finalization of Topics** – Internal discussions and peer benchmarking refined the list, ensuring alignment with corporate priorities and sustainability commitments.

3. **Materiality Assessment** – Key stakeholders, including investors, tenants, employees, and regulators, were engaged to assess the significance of each topic. During the assessment, stakeholders were encouraged to provide additional inputs on emerging ESG concerns and identify the Sustainable Development Goals (SDGs) they considered most relevant to VistaREIT.

4. **Ranking of Material Topics** – Stakeholder feedback and business relevance guided the prioritization of material topics that will shape the company's sustainability strategy, decision-making, and reporting. The final rankings of the material topics according to the degree of impact to both business and stakeholder are shown in Table 1.

This structured assessment ensures that VistaREIT's sustainability approach remains data-driven, stakeholder-informed, and aligned with both business objectives and broader societal impact. Following the assessment, **Transparency of Disclosures, Ethical Business Practices, and Economic Performance** emerged as the top-ranked ESG priorities. These topics reflect the increasing importance of corporate accountability, integrity, and financial resilience in ensuring long-term business sustainability. On the other hand, **Procurement Practices and Responsible Supply Chain** were deemed less critical in comparison to other topics, indicating that stakeholders place greater emphasis on governance and economic factors.

Table 1. Topics According to Degree of Impact to the Business and Stakeholders

2024 MATERIAL TOPIC	
1	Transparency of Disclosures
2	Ethical Business Practices
3	Economic Performance
4	Customer Satisfaction
5	Occupational Health and Safety
6	Governance
7	Regulatory Compliance
8	Energy
9	Land Use
10	Community Development
11	Well-being
12	Training and Development
13	Local Employment
14	Green Buildings
15	Data Protection and Cyber Security
16	Landscape Impacts
17	Human Rights
18	Tax
19	Procurement Practices
20	Responsible Supply Chain

Engaging with Stakeholders

A key component of VistaREIT's materiality assessment was direct engagement with stakeholders to ensure a well-rounded and informed evaluation of sustainability priorities. During the assessment proper, stakeholders were asked not only to evaluate the significance of pre-identified ESG topics but also to provide additional insights on emerging sustainability concerns that they believed should be considered.

In addition to identifying material topics, stakeholders were also asked to determine which Sustainable Development Goals (SDGs) they considered most relevant to VistaREIT's business and sustainability strategy. This input helped align the company's ESG initiatives with global sustainability priorities, ensuring that efforts contribute meaningfully to broader environmental and social objectives.

ECONOMIC & GOVERNANCE DISCLOSURES

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount (in million PhP)		
	2024	2023	2022
Direct economic value generated (revenue)	2,675.85	2,625.02	2,101.43
Direct economic value distributed:			
a. Operating costs	314.94	367.18	250.94
b. Employee wages and benefits	7.96	2.13	0.60
c. Payments to suppliers, other operating costs	205.02	147.10	123.54
d. Dividends given to stockholders and interest payments to loan providers	1,402.65	1,180.50	605.25
e. Taxes given to government	38.23	42.07	57.88
f. Investments to community (e.g., donations, CSR)	3.0	2.50	1.50

VistaREIT's Impact and Management Approach	Stakeholders Affected
VistaREIT operates with a long-term investment mandate, focusing on a diversified portfolio of income-generating commercial real estate assets strategically located within Vista Land's integrated developments and key urban areas. The Company remains committed to maintaining high occupancy rates and attracting quality tenants, with a particular emphasis on businesses that provide essential goods and services.	Employees, Investors, Business Partners, and Customers

In 2024, VistaREIT demonstrated remarkable resilience and growth, reinforcing its commitment to sustainable business practices and long-term stakeholder value. The Company achieved significant milestones in both financial performance and strategic expansion, driven by prudent asset management, a strong tenant mix, and operational efficiency. The Company's direct economic value generated for the year amounted to Php 2,675.85 million, reflecting its continued ability to generate stable and recurring income. The direct economic value distributed across various stakeholders, including operating costs, employee wages and benefits, dividends, and community investments, totaled Php 1,971.80 million, underscoring the Company's role in driving economic activity and supporting sustainable development. A disciplined approach to portfolio management enabled the Company to optimize revenue streams while ensuring financial stability in a dynamic economic landscape. Strategic acquisitions and asset enhancements contributed to portfolio expansion, further strengthening its position in the real estate sector. Additionally, sustained efforts to enhance tenant relationships and operational efficiencies have reinforced the Company's ability to adapt to evolving market conditions.	

Risks to VistaREIT	Stakeholders Affected
Economic uncertainties continue to pose challenges to VistaREIT's financial performance and strategic growth. The lingering effects of global economic volatility, coupled with the persistent rise in inflation, have contributed to fluctuating consumer spending patterns and increased operational costs. While inflationary pressures have moderated since the peak in 2022, higher costs of borrowing and utilities remain a concern, impacting both tenants and investors. Inherent financial risks, such as foreign exchange devaluation and high interest rates, also continue to affect the Company's financial management. The depreciation of the Philippine peso against major foreign currencies has led to increased costs for imported materials and	Employees, Investors, Business Partners, and Customers

services, indirectly influencing real estate development and maintenance expenses. Meanwhile, the high interest rate environment—driven by the Bangko Sentral ng Pilipinas' (BSP) tight monetary policies—has increased financing costs, making capital-intensive projects more challenging. Additionally, market demand fluctuations and changing consumer behavior in the commercial real estate sector present ongoing risks. The shift toward hybrid work models and e-commerce continues to reshape tenant preferences, requiring VistaREIT to remain agile in its leasing strategies and property management. Ensuring high occupancy rates amid evolving market trends remains a priority. To mitigate these risks, the Company closely monitors economic indicators, adopts prudent financial planning, and explores strategic opportunities for portfolio diversification. Strengthening tenant engagement, optimizing operational efficiencies, and maintaining financial discipline are key strategies to sustain long-term economic resilience.	

Management Approach to Risks

VistaREIT employs a structured risk management framework to ensure business resilience amid evolving economic conditions. The **Enterprise Risk Management System (ERMS)** plays a central role in identifying, assessing, and mitigating financial, operational, and market-related risks. This system is overseen by the **Board Risk Oversight Committee**, ensuring that all risk mitigation measures remain effective and aligned with industry best practices.

To address economic uncertainties, the Company **regularly assesses market conditions** and adjusts its financial strategies accordingly. This includes:

- **Portfolio Diversification:** Expanding into high-demand locations and integrating resilient asset types to mitigate revenue fluctuations.
- **Proactive Financial Management:** Closely monitoring interest rate movements, optimizing debt structures, and managing liquidity to maintain financial stability.
- **Tenant Risk Assessment:** Evaluating tenant profiles to ensure a stable and reliable occupancy base, particularly prioritizing businesses in essential industries.
- **Regulatory Compliance:** Ensuring adherence to evolving government regulations, tax policies, and financial reporting standards to mitigate compliance risks.

● **Operational Continuity Measures:** Implementing data-driven risk forecasting, digital property management solutions, and safety protocols to minimize disruptions.

Opportunities	Stakeholders Affected
Despite economic uncertainties, VistaREIT remains well-positioned to leverage emerging opportunities in the real estate sector. The evolving business landscape presents avenues for growth, including strategic portfolio diversification, adaptive leasing models, and the integration of sustainability-driven initiatives. **Opportunities** 1. **Resilient Demand for Commercial Spaces** The demand for commercial real estate remains stable, particularly in mixed-use developments and essential retail sectors. As businesses recalibrate their physical presence, VistaREIT can capitalize on long-term leasing agreements with tenants offering essential goods and services, ensuring consistent occupancy rates. 2. **Expansion in Key Urban Areas** With urbanization trends continuing across the Philippines, there is an opportunity to expand into high-growth regions and integrate new income-generating assets into the portfolio. Developing properties in strategic locations can enhance rental yields and asset valuation. 3. **Sustainability-Linked Investments** The increasing focus on green building certifications and sustainable real estate investments presents an opportunity to attract ESG-conscious investors and tenants. Aligning with global sustainability standards can enhance VistaREIT's market reputation while unlocking potential incentives and financing benefits. 4. **Digital Transformation and Smart Property Management** Leveraging technology in property management, such as smart building solutions and digital lease tracking, can drive	Employees, Investors, Business Partners, Customers, and Local Communities

operational efficiency and tenant satisfaction. The rise of e-commerce and hybrid work models also offers an opportunity to repurpose spaces for logistics hubs, co-working areas, or experience-driven retail. 5. **Interest Rate Stabilization and Investment Growth** While high interest rates remain a challenge, signs of monetary policy easing could present opportunities for strategic financing and asset acquisitions. Lower borrowing costs would enable the Company to optimize capital allocation for expansion and reinvestment.	

Management Approach to Opportunities

To navigate risks while capitalizing on opportunities, VistaREIT employs a proactive and data-driven approach to financial and operational management. Key strategies include:

- **Diversified Asset Portfolio:** Expanding investments in high-demand locations and essential commercial properties to ensure long-term income stability.
- **Strategic Tenant Mix:** Prioritizing tenants in resilient industries, such as essential retail, logistics, and services, to maintain strong occupancy rates.
- **Sustainability Integration:** Enhancing energy efficiency, incorporating green building practices, and aligning with ESG-focused investment trends.
- **Technology Adoption:** Utilizing digital tools for efficient property management, tenant engagement, and operational optimization.
- **Financial Prudence:** Closely monitoring interest rate movements, optimizing capital expenditures, and pursuing cost-effective financing structures.

Climate-related risks and opportunities[1]

Governance Disclose the organization's governance around climate related risks and opportunities	
a) Describe the board's oversight of climate related risks and opportunities	The Board of Directors provides oversight of climate-related risks and opportunities, ensuring that climate considerations are integrated into the Company's overall risk management framework. The Board Risk Oversight Committee is responsible for evaluating and managing climate-related physical and transition risks, basing its decisions on recommendations aligned with updated Enterprise Risk Management (ERM) policies and related guidance. The Chief Risk Officer (CRO) leads the ERM process and is tasked with: ● Supervising all phases of climate risk assessment, including its development, implementation, maintenance, and continuous improvement. ● Communicating climate-related risks and mitigation strategies to the Board Risk Oversight Committee. ● Collaborating with the Chief Executive Officer (CEO) in updating climate risk management approaches and recommending actions to the Board. ● Proposing climate-related ERM policies and ensuring compliance with regulatory requirements. ● Providing insight into the effectiveness of climate risk management strategies, ensuring that risk measures are continuously reviewed for relevance and impact. The CRO's office operates with full authority, resources, and support from all departments to implement climate risk management strategies effectively. This governance structure ensures that VistaREIT remains proactive in addressing climate-related risks while leveraging opportunities for sustainable growth.

[1] Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

b) Describe management's role in assessing and managing climate- related risks and opportunities	Management plays a critical role in implementing the Company's climate strategy, ensuring that climate-related risks and opportunities are effectively integrated into operations. Guided by the vision, mission, and strategic objectives set by the Board, management is responsible for monitoring, evaluating, and analyzing climate-related risks and their potential impact on the business. Key responsibilities include: ● **Risk Identification and Assessment** – Continuously tracking climate-related risks, including extreme weather events, resource scarcity, and regulatory changes, to anticipate potential disruptions. ● **Operational Implementation** – Embedding climate resilience measures into property management, tenant engagement, and asset maintenance. ● **Data-Driven Decision-Making** – Utilizing climate-related data to inform investment strategies, energy efficiency initiatives, and resource conservation programs. ● **Reporting and Compliance** – Providing regular updates to the Board on climate risk exposure, mitigation efforts, and progress toward sustainability goals. ● **Opportunity Management** – Identifying and pursuing opportunities in green building investments, energy efficiency upgrades, and ESG-aligned financing options to enhance asset value and business resilience. Management is also authorized to make strategic business assessments and formulate action plans that address climate-related challenges, subject to Board approval. Through the integration of climate considerations into decision-making, the Company strengthens its ability to navigate risks while capitalizing on sustainability-driven opportunities.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	
a) Describe the climate-related risks and opportunities	VistaREIT has conducted a comprehensive assessment of climate-related risks across short-, medium-, and long-term horizons,

the organization has identified over the short, medium, and long term	recognizing their potential impact on operational stability, financial performance, and brand reputation. These risks primarily stem from acute physical threats (e.g., typhoons, floods) and chronic physical challenges (e.g., rising temperatures), which affect the Company's malls and BPO leasing operations.
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	**Short-Term Risks (Immediate to 3 Years)** ● **Severe Weather Events** – Typhoons and heavy rains may cause power interruptions, infrastructure damage, and leaks in buildings, especially in older structures. ● **Flooding** – Heavy rainfall increases the risk of floods, potentially disrupting tenant operations and affecting customer accessibility. ● **Construction Delays** – Unfavorable weather conditions may result in reduced manpower on construction sites, leading to delays in project timelines. **Medium-Term Risks (3 to 7 Years)** ● **Rising Ambient Temperatures** – Higher temperatures can damage mall equipment, particularly HVAC systems, leading to increased maintenance costs and higher energy consumption. ● **Reduced Foot Traffic** – Extreme heat may discourage customers from visiting commercial spaces, potentially impacting tenant revenues and overall income. **Long-Term Risks (Beyond 7 Years)** ● **Increased Energy Demand** – Warming climate conditions will drive greater reliance on air conditioning, contributing to higher electricity consumption and operational costs. ● **Power Supply Uncertainty** – More frequent and intense typhoons could lead to extended power outages, requiring additional backup power solutions such as generators, further increasing expenses.

	Despite these risks, VistaREIT also identifies key opportunities to enhance climate resilience and drive long-term sustainability: ● **Energy Efficiency Initiatives** – Investing in green building technologies, LED lighting, and high-efficiency HVAC **systems** to reduce energy consumption and operational costs. ● **Sustainable Design and Retrofitting** – Strengthening infrastructure to withstand extreme weather events, improving drainage systems, and adopting climate-adaptive building materials. ● **Renewable Energy Integration –** Expanding the use of solar panels and other renewable energy sources to reduce reliance on fossil fuels and mitigate power supply risks. ● **Smart Climate Technologies** – Utilizing real-time monitoring systems to track energy efficiency, predict equipment failures, and optimize climate control measures.
c) Describe the resilience of the organization's strategy, taking into consideration different climate- related scenarios including a 2ºC or lower scenario	VistaREIT recognizes the growing risks posed by climate change and has incorporated climate resilience measures into its long-term business strategy. The Company employs technical due diligence and environmental scanning for all land acquisitions, mall developments, and office openings to ensure that properties are equipped to withstand climate-related threats. As part of its Enterprise Risk Management (ERM) framework, VistaREIT assesses the potential impacts of various climate scenarios, including a 2ºC or lower global temperature increase, which may result in stricter environmental policies, shifting market preferences, and heightened physical risks such as extreme weather conditions. Key resilience measures include: ● **Comprehensive Environmental Studies** – Due diligence efforts extend beyond specific land parcels to include adjacent areas, ensuring that developments account for potential flooding, heat stress, and other climate-related risks. ● **Structural Reinforcements** – Malls and office spaces are designed and retrofitted with climate-adaptive materials and technologies to minimize damage from typhoons, floods, and rising temperatures.

	● **Energy Efficiency and Carbon Reduction** – The Company prioritizes energy-efficient designs, renewable energy adoption, and green building certifications to align with global climate goals and mitigate transition risks. ● **Business Continuity Planning (BCP)** – Dedicated resources and financial allocations are set aside for emergency situations, ensuring that operations remain stable even during extreme weather disruptions. ● **Crisis Response and Recovery** – Specialized teams receive training to handle emergency repairs, maintenance, and operational continuity, reducing downtime and financial losses in climate-related events.
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks	
a) Describe the organization's processes for identifying and assessing climate- related risks	VistaREIT integrates climate-related risks into its broader Enterprise Risk Management (ERM) system, ensuring a structured approach to identifying, evaluating, and mitigating potential threats. Climate risks are assessed alongside strategic, compliance, operational, financial, and reputational risks, with a particular focus on their impact on economic, environmental, social, and governance (EESG) factors and the Company's long-term objectives. The process begins with a thorough risk exposure analysis, where historical data, climate models, and scenario analyses are used to assess both acute risks, such as typhoons and flooding, and chronic risks, such as rising temperatures and long-term environmental shifts. External factors, including regulatory changes, market trends, and investor expectations, are continuously monitored to ensure a comprehensive risk assessment. As part of its due diligence, VistaREIT conducts environmental impact assessments before land acquisitions and new developments to evaluate climate vulnerabilities in both the project location and surrounding areas. These assessments consider factors such as flood risk, energy efficiency potential, and infrastructure resilience. The Company also engages stakeholders, including tenants, investors, regulatory bodies, and local communities, to identify emerging climate-related concerns. Collaboration with industry experts,

	environmental consultants, and government agencies further refines the risk identification process. Climate-related risks are formally integrated into the Company's risk register, where they are monitored and reviewed regularly. The Board Risk Oversight Committee plays a critical role in overseeing risk mitigation strategies and ensuring alignment with VistaREIT's sustainability and business continuity plans.
b) Describe the organization's processes for managing climate- related risks	All climate-related risks are considered high risk by AllHome given their impact to business operations. In a similar process, other risks identified as not caused by natural calamities are assessed according to the likelihood of failure and the degree of consequence. After which the incident will be referenced in building controls and measures to eliminate, minimize, transfer, and/or manage the risks. The ERM framework has built-in control mechanisms for effective response in case of natural disasters. The framework also empowers Management to create and deploy appropriate risk-mitigation measures to ensure minimal to nil impact to the Company.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	The Company manages climate-related risks through a structured risk register that identifies, prioritizes, and tracks residual risks. This register serves as the foundation for developing risk mitigation plans, ensuring that the most critical climate-related risks are addressed in alignment with the Company's broader risk management strategy. The process begins with the identification of key risks, which are then evaluated based on their potential financial, operational, and environmental impact. Once risks are assessed, mitigation measures are developed and integrated into VistaREIT's overall business strategy. These measures may include enhancing infrastructure resilience, improving energy efficiency, adopting sustainable construction practices, and implementing disaster preparedness protocols. The Company also continuously monitors climate-related developments and regulatory changes to ensure that its risk management approach remains

	responsive and effective. Significant climate-related risk exposures and corresponding mitigation plans are regularly communicated to the Board Risk Oversight Committee for review and approval. This oversight ensures that risk management efforts align with the Company's long-term strategic goals while reinforcing its commitment to sustainability and resilience in an evolving climate landscape.
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Natural catastrophes have a direct impact on operations, and their effects are measured through key metrics that assess disruptions and financial costs. These include the number of days of delays in project timelines, the number of days of property downtime and business disruption, the costs of repairing or replacing damaged or destroyed assets, and the costs of maintenance due to wear and tear on buildings. Tracking these indicators allows for a clearer understanding of climate-related risks and their financial and operational consequences. To mitigate or eliminate exposure to climate-related risks, several proactive strategies are implemented. Regular preventive checks and maintenance of all assets ensure infrastructure resilience and reduce long-term repair costs. Retrofitting buildings and other developments enhances structural integrity and prepares properties for extreme weather conditions. Additionally, the frequency of discussions between the Board and Management on climate-related risks is monitored, reinforcing the commitment to integrating sustainability and risk mitigation into decision-making processes. These efforts support the long-term resilience of operations while aligning with the overall risk management strategy.
b) Describe the targets used by the organization to manage climate-related risks and opportunities and	The ultimate target of the Company is to achieve zero to minimal business disruptions during severe weather conditions and natural disasters. This goal is supported by proactive risk management strategies designed to enhance operational resilience and minimize

performance against targets	financial and structural impacts. Regular training sessions equip employees with the necessary knowledge and protocols to respond effectively to climate-related risks, ensuring business continuity in the face of extreme weather events. Performance against this target is measured through the effectiveness of implemented mitigation strategies, including the successful execution of emergency response plans, reduced downtime in operations, and minimized repair costs following climate-related incidents. Continuous improvements, informed by risk assessments and real-world scenarios, reinforce the commitment to safeguarding assets, tenants, and stakeholders from the evolving challenges of climate change.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	2024	2023	2022
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	100	100	100

Impacts to Risks	Stakeholders Affected
VistaREIT works with a diverse network of suppliers across the Philippines, ensuring the seamless delivery of preventive maintenance, construction and repair services, as well as materials supply. Supporting local businesses remains a key priority, strengthening the domestic economy and fostering sustainable growth. All suppliers undergo a stringent accreditation process designed to assess financial capability, technical expertise, regulatory compliance, and ethical business conduct. This process guarantees that partners meet VistaREIT's operational standards and sustainability	Suppliers of furniture, appliances, homewares, linens, construction materials, hardware, tiles, and sanitary wares; Customers; Competitors

commitments. Procurement strategies focus on transparency, efficiency, and long-term collaboration. Regular engagement with suppliers enhances service quality, optimizes costs, and aligns sourcing practices with broader sustainability objectives. Further details on supplier accreditation can be found in the Supply Chain Management section under Social Disclosures.	

Management Approach to Impacts and Risks
VistaREIT recognizes that procurement practices directly influence operational efficiency, financial performance, and sustainability outcomes. A well-managed supply chain minimizes disruptions, ensures compliance with industry standards, and upholds ethical business practices. By maintaining a robust accreditation process, VistaREIT mitigates risks related to supplier reliability, quality control, and regulatory compliance. To address potential risks, the Enterprise Risk Management System (ERMS) integrates supply chain considerations into broader risk assessment frameworks. Key measures include continuous supplier evaluation, diversification of sourcing strategies, and stringent contract management. Regular audits and performance reviews ensure that suppliers adhere to environmental, social, and governance (ESG) criteria, reducing exposure to financial and reputational risks. Sustainability remains central to procurement strategies. Engaging with responsible suppliers enhances resource efficiency, minimizes environmental impact, and strengthens community partnerships. Proactive risk management and collaboration with stakeholders ensure that the Company's supply chain remains resilient, adaptive, and aligned with long-term business objectives.

Opportunities	Stakeholders Affected
The Company continues to enhance its procurement strategies by strengthening relationships with local suppliers and adopting innovative systems that improve efficiency and transparency. Maintaining a diverse pool of contractors near its operational sites ensures business continuity, especially in cases where primary suppliers face unforeseen challenges. This localized approach	Customers, Suppliers of furniture, appliances, homewares, linens, Construction materials, hardware, tiles and sanitary wares

supports the economy while reducing logistical delays and costs. The introduction of an online procurement system has streamlined critical processes such as bidding, contract reviews, billing, and supply requests. Through digital tools, VistaREIT enhances coordination with suppliers, accelerates transactions, and maintains operational efficiency even in remote work settings. This system also strengthens accountability and minimizes risks related to delays and miscommunication.	

Management Approach to Opportunities
To further optimize procurement practices, VistaREIT actively conducts industry benchmarking and market research. This allows the Company to stay ahead of emerging trends, adopt best practices, and ensure alignment with evolving sustainability and governance standards. Through continuous improvement and supplier engagement, VistaREIT reinforces its commitment to responsible procurement while driving long-term value for its stakeholders.

Governance

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	2024	2023	2022
Percentage of employees trained on the organization's anti-corruption policies and procedures	100	100	100
Percentage of business partners trained on the organization's anti-corruption policies and procedures	100	100	100
Percentage of directors and management who received anti-corruption training	100	100	100
Percentage of employees who received anti-corruption training	100	100	100

Incidents of Corruption

Disclosure	2024	2023	2022
Number of incidents of corruption wherein directors were removed or disciplined	0	0	0
Number of incidents of corruption wherein employees were dismissed or disciplined	0	0	0
Number of incidents of corruption wherein contracts with business partners were terminated	0	0	0

VistaREIT's Impact and Management Approach	Stakeholders Affected
Strong governance requires a proactive approach to fraud and corruption prevention. All employees, directors, and management receive copies of the Company's whistleblowing and anti-corruption policies, ensuring consistent application across all levels. To strengthen awareness, various communication channels, including email, social media, and virtual meetings, are utilized to disseminate policies and guidelines. Employees are given clear instructions on ethical practices, including prohibitions on accepting gifts and measures to prevent conflicts of interest. Anti-corruption policies are embedded in on-the-job orientations and annual corporate values sessions, reinforcing a culture of integrity. Suppliers and contractors must pass a rigorous accreditation process before securing projects or contracts, undergoing compliance screening based on regulatory requirements, past performance, and ethical business practices. These measures ensure that only responsible third parties are engaged. The Company's anti-corruption policies are also publicly accessible on its website for stakeholder awareness. With continuous training initiatives and strict screening processes in place, the Company remains committed to ethical business conduct. In 2024, no instances of corruption were reported, reflecting the	Employees, Business Partners, Investors

effectiveness of its governance framework.	

Risks to VistaREIT	Stakeholders Affected
Corruption remains an inherent risk in any business, posing potential threats to operational efficiency, stakeholder trust, and corporate reputation. Failure to address corruption-related incidents with proper action can lead to financial losses, regulatory penalties, and diminished investor confidence. Unethical practices within the supply chain, procurement processes, or internal operations may also expose the Company to legal liabilities and disrupt business continuity. To mitigate these risks, strict compliance with anti-corruption policies is enforced across all levels of the organization. Regular audits, whistleblowing mechanisms, and supplier due diligence serve as safeguards to detect and prevent fraudulent activities.	Employees, Suppliers, Business Partners, Investors, Customers, Management

Management Approach to Risks
Mitigating corruption risks requires a structured approach that combines internal controls, independent oversight, and continuous monitoring. Audit procedures are in place to ensure transparency and traceability in all financial and operational transactions. Internally, the Finance and Operations units adhere to stringent reporting standards, with regular audits conducted to detect any irregularities or potential misconduct. External auditors further reinforce accountability by independently assessing the effectiveness of these internal controls and ensuring compliance with regulatory requirements. Additionally, VistaREIT enforces a strict whistleblowing policy that enables employees and stakeholders to report unethical behavior confidentially. Training programs and awareness campaigns strengthen the organization's anti-corruption framework by equipping employees, management, and business partners with the knowledge needed to uphold ethical business conduct. Through these measures, the Company actively safeguards its operations, protects stakeholder trust, and reinforces its commitment to good governance.

Opportunities and Management Approach	Stakeholders Affected
Upholding the highest ethical standards remains a priority in all business operations, ensuring that principles of good corporate governance are embedded across the organization through various policies. Additionally, VistaREIT remains committed to full compliance with all relevant regulations governing its business.	Employees, Suppliers, Business Partners, Investors, Customers, Management

ENVIRONMENTAL DISCLOSURES

Resource Management

Energy consumption within the organization

Energy Type	2024
Gasoline (in GJ)	12.31
Diesel (in L)	20,727.96
LPG (in kg)	174,864.75
Electricity (in kWh)	34,859,059.79

VistaREIT's Impact and Management Approach	Stakeholders Affected
The operation of malls and commercial spaces requires significant energy consumption, particularly for cooling systems, chiller plant operations, lighting, generator sets, and tenant activities. VistaREIT recognizes the importance of efficient resource management in minimizing environmental impact and operational costs. To enhance energy efficiency, the Company continuously explores sustainable solutions, such as upgrading to energy-efficient lighting and HVAC systems, implementing automated controls, and optimizing maintenance schedules to reduce unnecessary energy consumption. As part of its commitment to employee well-being, the Company provides shuttle services, contributing to diesel consumption. To address this, VistaREIT explores more fuel-efficient vehicle options and alternative transportation solutions to lower emissions.	Employees, Service Providers, and Customers

While VistaREIT has not yet established formal targets for energy, water, or emissions reduction, the Company is actively studying opportunities to enhance resource efficiency across its operations. Ongoing assessments will help determine feasible and impactful reduction strategies that align with industry best practices and sustainability objectives. Moving forward, the Company remains committed to adopting innovative technologies and data-driven approaches to improve overall resource management.	

Risks, Opportunities, and Management Approach	Stakeholders Affected
Risks The consumption of energy, water, and other resources in malls and commercial spaces presents both environmental and financial risks. Rising electricity and fuel costs, potential regulatory changes on emissions and resource use, and increased scrutiny from stakeholders on sustainability performance could impact operations. Climate change-related factors, such as extreme heat and water scarcity, may further strain energy and water systems, potentially leading to higher operational expenses and reduced efficiency. Additionally, improper waste management could result in regulatory penalties, reputational damage, and environmental degradation. **Opportunities** Efficient resource management presents opportunities for cost savings, regulatory compliance, and enhanced sustainability performance. By investing in energy-efficient technologies, such as LED lighting, smart HVAC systems, and renewable energy solutions, VistaREIT can lower operational costs while reducing its carbon footprint. Water conservation initiatives, including rainwater harvesting and greywater recycling, can improve resilience against water shortages. Additionally, adopting waste reduction programs can lead to better tenant engagement, enhanced corporate reputation, and potential partnerships with sustainability-	Employees, Service Providers, and Customers

focused stakeholders. **Management Approach** VistaREIT takes a proactive approach to resource management through continuous monitoring, research, and the gradual integration of sustainability initiatives. Energy efficiency measures are regularly evaluated and implemented to optimize cooling, lighting, and generator usage. Water conservation efforts focus on reducing consumption and increasing recycling capabilities. Waste management strategies emphasize proper segregation, recycling, and responsible disposal practices. The Company also remains vigilant in tracking emerging sustainability regulations and industry best practices to ensure compliance and alignment with evolving standards. While there are no formal reduction targets currently in place, VistaREIT is actively studying feasible strategies to improve resource efficiency. Moving forward, the Company will assess the long-term viability of setting measurable goals to enhance its sustainability performance while maintaining operational efficiency.	

Water consumption within the organization

Disclosure	2024
Water withdrawal (in cu.m)	296,948
Water consumption (in cu.m)	131,616
Water recycled and reused (in cu.m)	N/A

VistaREIT's Impact, Risks, and Opportunities	Stakeholders Affected
Water plays a crucial role in VistaREIT's operations, particularly in its malls and commercial spaces, where it is used for cooling systems, tenant facilities, sanitation, and water features such as fountains. The	Employees, Customers, Tenants

Company recognizes the importance of efficient water management in maintaining operational sustainability and minimizing environmental impact. To ensure responsible water consumption, VistaREIT implements several conservation measures, including proper scheduling of floor washdowns and facility cleanings, training personnel on water conservation, and conducting regular maintenance of pipes, valves, and pumps to prevent leaks. The Company also integrates water-efficient technologies, such as sensor-activated faucets and water meters, to monitor and optimize usage. VistaREIT is committed to regulatory compliance, ensuring that wastewater treatment facilities meet the standards set by the Department of Environment and Natural Resources (DENR) and accredited third-party providers. Regular testing and monitoring are conducted to verify that water discharge complies with effluent quality standards. Additionally, rainwater harvesting systems are utilized for flushing urinals, cleaning common areas, and maintaining landscapes, further enhancing resource efficiency. While the Company has yet to establish formal water reduction targets, ongoing studies are being conducted to explore additional strategies for optimizing water use.	

Management Approach to Impact, Risks, and Opportunities
VistaREIT recognizes water scarcity and regulatory compliance as critical risks to its operations. Water shortages can disrupt mall and commercial activities, while noncompliance with effluent standards may result in operational shutdowns and potential health hazards for stakeholders. To mitigate these risks, the Company has installed water tanks as a reserve supply during shortages and is continuously upgrading its facilities to comply with the stricter environmental standards set by DAO 2021-19. Investments in sustainable wastewater management are also being prioritized. VistaREIT has adopted

bioaugmentation, a process that accelerates the breakdown of contaminants in wastewater using non-hazardous microbes. This method effectively degrades fats, oils, starch, proteins, industrial waste, and grease while reducing sludge buildup, minimizing environmental impact. Additionally, the Company ensures that wastewater discharge meets regulatory standards to prevent water pollution in nearby bodies of water, as well as soil and underground contamination caused by leaks. Looking ahead, VistaREIT is exploring the feasibility of installing water-recycling systems to repurpose treated wastewater for non-potable uses such as landscape irrigation.

Materials used by the organization

Non-renewable Materials

Facility	Material Name	Quantity	Unit
VISTAHUB MOLINO	Plywood	5	pcs
VISTAHUB MOLINO	Lumber	5	pcs
VISTAHUB MOLINO	Paints	20	gal
VISTAHUB MOLINO	Metal Stud	5	pcs
VISTAHUB MOLINO	Hardiflex	5	pcs
Vista Mall General Trias	Plywood	25	pcs
Vista Mall General Trias	Lumber	20	pcs
Vista Mall General Trias	Paints	100	gal
AllHomes Imus	Paper, cartons and plastic	200	kg
SOMO A VISTAMALL	Plywood	20	pcs
SOMO A VISTAMALL	Lumber	20	pcs
SOMO A VISTAMALL	Paints	120	gal
SOMO A VISTAMALL	Metal Stud	20	pcs
SOMO A VISTAMALL	Hardiflex	20	pcs
Vistamall Tanza	Plywood	15	pcs
Vistamall Tanza	Lumber	10	pcs
Vistamall Tanza	Paints	50	gal
Vistamall Tanza	Steel	5	pcs
VREIT SJDM	Wood	120	pcs
VREIT SJDM	PVC Pipes	75	pcs

Renewable Materials

Facility	Material Name	Quantity	Unit	% recycled
Vista Mall General Trias	Bond Paper	25	reams	50%
AllHomes Imus	Paper, Carton, and Plastic	200	kg	100%
AllHomes Imus	Bond Paper	20	reams	50%
Vista Mall Tanza	Bond Paper	25	reams	50%
VREIT SDJM	Plyboard	150	pcs	75%
VREIT SDJM	Metal Furnings	250	lot	100%

VistaREIT's Impact, Risks, and Opportunities	Stakeholders Affected
VistaREIT acknowledges the significant role that materials sourcing and consumption play in its environmental footprint. The Company primarily utilizes construction materials, office supplies, and retail fixtures across its malls, commercial spaces, and business operations. To ensure responsible resource use, VistaREIT carefully evaluates material choices based on durability, cost efficiency, and environmental impact. In its property development and maintenance, the Company prioritizes high-quality, sustainable materials that contribute to energy efficiency and long-term asset resilience. VistaREIT also works closely with suppliers to source materials that meet environmental and safety standards, aligning with its commitment to responsible procurement. Where feasible, the Company incorporates recycled and locally sourced materials to support circular economy initiatives and reduce the carbon footprint associated with transportation and production. Additionally, VistaREIT is studying the adoption of green building materials and construction methods to improve sustainability performance. As part of its ongoing resource management efforts, the Company is also assessing potential waste reduction strategies,	Employees, Customers, Recyclers

including material recovery programs and supplier take-back schemes, to minimize waste generation and optimize material efficiency across its properties.	

Management Approach to Impact, Risks, and Opportunities
The use of materials in construction, maintenance, and daily operations presents several risks for VistaREIT. The reliance on non-renewable and resource-intensive materials can contribute to higher operational costs and environmental impact. Supply chain disruptions, price volatility, and regulatory changes related to sustainable materials sourcing also pose risks to project timelines and budgets. Additionally, improper disposal of materials can lead to increased waste generation, environmental degradation, and non-compliance with waste management regulations. VistaREIT recognizes that responsible materials management presents opportunities to enhance operational efficiency and sustainability. By sourcing eco-friendly and locally available materials, the Company can reduce costs, minimize environmental impact, and support the local economy. The shift towards sustainable construction materials and circular economy initiatives—such as recycling and repurposing materials—can also contribute to long-term resilience and cost savings. Additionally, investing in green building certifications and innovative construction technologies can enhance the value of VistaREIT's properties while meeting evolving regulatory and stakeholder expectations.

Ecosystems and biodiversity (whether in upland/watershed or coastal/ marine)

VistaREIT ensures that its developments do not negatively impact lands with high biodiversity value or encroach upon protected areas. The Company follows stringent engineering and environmental assessment protocols to evaluate land suitability before any acquisition or construction. These assessments help identify potential ecological concerns and ensure compliance with environmental regulations.

As part of the Villar Group, VistaREIT aligns its land acquisition processes with Vistamalls, prioritizing responsible site selection. Key considerations include topographical suitability for commercial development, economic viability, accessibility to major roads and infrastructure, and the availability of essential utilities such as electricity, water, and telecommunications. Additionally, VistaREIT takes into account the broader competitive landscape and surrounding environmental conditions to ensure that its developments contribute positively to the communities they serve.

While VistaREIT currently does not operate in areas of high biodiversity significance, the Company remains committed to responsible land use and minimizing its environmental footprint. Future initiatives may include integrating green spaces, enhancing urban biodiversity, and implementing nature-based solutions to further align with sustainability goals.

Environmental Impact Management

Air Emissions

Greenhouse Gases (GHG) (in Tonnes CO_2e)

Disclosure	2024
Direct (Scope 1) GHG Emissions	326.08
Energy indirect (Scope 2) GHG Emissions	24,174.75

VistaREIT's Impact, Risks, and Opportunities	Stakeholders Affected
VistaREIT implements various measures to manage emissions, focusing on energy efficiency and proper maintenance of diesel generator sets. Operations staff receive training on energy management practices, ensuring that equipment is used efficiently and in compliance with environmental regulations. In accordance with DENR-EMB MC2022-003, only generator sets operating for more than three hours per day or exceeding 200 running hours annually are required to undergo emission testing. To minimize emissions, VistaREIT adopts energy-saving strategies, including upgrading lighting fixtures from CFL and fluorescent bulbs to LED technology—achieving a 95% conversion rate as of 2022. Other measures include scheduling the operation of lights, air conditioning units, elevators, and escalators to optimize	

energy use, as well as daily temperature monitoring to maintain an ambient setting of 24 degrees Celsius. Additionally, automatic switches for pumps and motors are utilized to reduce unnecessary energy consumption, and transformer load capacities are maximized to support operational activities efficiently. Diesel consumption is carefully monitored through purchase orders for employee transportation services. Proper ventilation is maintained to ensure equipment operates under optimal conditions, preventing overheating and unnecessary energy wastage. Preventive maintenance schedules are strictly followed, with generator sets undergoing quarterly servicing and annual oil changes. To enhance efficiency, VistaREIT continues to upgrade outdated electrical and mechanical equipment, preventing unexpected breakdowns that may lead to increased fuel and energy consumption. Cleaning of exhaust systems, filters, and facilities is conducted regularly to improve overall performance. Through regular inspections of lighting and equipment usage, VistaREIT ensures that its malls operate at peak efficiency, reducing reliance on emergency power sources and limiting unnecessary emissions. The Company remains committed to enhancing its energy management strategies and exploring further improvements in emissions reduction.	

Management Approach to Impact, Risks, and Opportunities
Unmanaged emissions and excessive energy consumption pose risks such as increased operational costs, regulatory penalties, and reputational damage. Non-compliance with DENR-EMB emission standards may lead to restrictions on generator use, impacting business continuity. Additionally, equipment inefficiencies and unexpected breakdowns may result in higher fuel consumption, further contributing to environmental degradation. By investing in energy-efficient technologies and sustainable practices, VistaREIT can enhance operational resilience, reduce long-term costs, and strengthen its commitment to environmental

responsibility. The ongoing shift to LED lighting, optimized scheduling of energy-intensive equipment, and preventive maintenance programs present opportunities to lower energy demand while improving efficiency. Exploring renewable energy sources and advanced emission-reduction technologies could further align VistaREIT with global sustainability trends and stakeholder expectations.

To address these risks and seize opportunities, VistaREIT continues to refine its energy management strategies. Regular monitoring and maintenance schedules ensure optimal performance of equipment, minimizing unnecessary emissions. Compliance with government-mandated emission testing is strictly followed, and further emission-reduction measures are explored. The Company also prioritizes energy-saving initiatives, such as upgrading to modern electrical systems and integrating smart technologies for better consumption tracking.

Air Pollutants

VistaREIT acknowledges the potential environmental impact of air pollutants generated by its operations, particularly from diesel generator sets and vehicular emissions associated with tenant and customer activities. At present, the Company does not have a dedicated monitoring system for tracking air pollutants. However, it remains committed to exploring solutions that align with best practices in environmental management and regulatory compliance.

While a formal tracking system is not yet in place, VistaREIT ensures that all generator sets comply with emission standards set by the Department of Environment and Natural Resources – Environmental Management Bureau (DENR-EMB). Preventive maintenance schedules are strictly followed to optimize fuel efficiency and minimize excessive emissions. Additionally, the Company continuously implements energy efficiency initiatives to reduce reliance on fossil fuel-powered equipment, indirectly lowering air pollutant output.

As part of its sustainability efforts, VistaREIT is evaluating the feasibility of incorporating air quality monitoring systems in future operations. This will enable better assessment and management of pollutants, further strengthening the Company's environmental responsibility and long-term sustainability goals.

Solid and Hazardous Wastes

Non-hazardous and Solid Waste

Facility	Waste	Quantity	Unit
Starmall Talisay	Paper & cartons	2050	kg
Starmall Talisay	Plastic	1825	kg
Starmall Talisay	Food waste	730	kg
Starmall Talisay	Glass bottles	1095	kg
Starmall Talisay	Aluminum	20	kg
Starmall Talisay	Metals	30	kg
Vista Malls Pampanga	Paper & plastics	95	MT
AllHomes Imus	General solid garbage	150	MT
SOMO	General solid garbage	371,040	kg

Hazardous Waste

Facility	Waste	Quantity	Unit
Starmall Talisay	Fluorescent Lights	203	pcs
Starmall Talisay	Used Batteries	6	pcs
Vista Malls Pampanga	Bulbs	0.1	MT
Vista Malls Pampanga	Batteries	8	pcs
Vista Malls Pampanga	Used oil	540	L

VistaREIT's Impacts	Stakeholders Affected
VistaREIT generates solid and hazardous waste from its day-to-day operations, with waste production peaking during events, seasonal decorations, increased tenant occupancy, higher foot traffic, and greater car volume. Recognizing its role in responsible waste management, the Company ensures compliance with the Ecological Solid Waste Management Act (RA 9003) and the Toxic Substances and Hazardous and Nuclear Wastes Control Act (RA 6969).	AllHome, Customers, Local Communities

Waste management practices across VistaREIT's properties include waste segregation at source, proper disposal methods, and regular waste collection in partnership with local government units and accredited waste haulers. The Company also implements recycling programs for paper, plastics, and other recoverable materials to minimize landfill waste. For hazardous waste, such as used oil from generator sets and spent light bulbs, VistaREIT strictly follows DENR-accredited disposal processes. Hazardous materials are stored safely in designated areas before being turned over to licensed waste treatment facilities. Regular audits and compliance checks are conducted to ensure adherence to environmental regulations. Moving forward, VistaREIT aims to enhance its waste management initiatives by exploring circular economy practices, optimizing recycling and upcycling efforts, and educating tenants and stakeholders on sustainable waste reduction strategies.	

Management Approach to Impacts, Risks, and Opportunities
Effective waste management is integral to VistaREIT's sustainability strategy, mitigating environmental risks while unlocking opportunities for operational efficiency and resource recovery. Improper disposal of solid and hazardous waste poses risks such as regulatory non-compliance, reputational damage, and environmental degradation. To address these, VistaREIT enforces strict waste segregation policies, partners with accredited waste haulers, and ensures adherence to national environmental laws. Beyond compliance, the Company views waste reduction as an opportunity to optimize resource use and promote circular economy initiatives. By exploring recycling and upcycling programs, VistaREIT aims to minimize landfill dependency while reducing costs associated with waste disposal. Additionally, raising awareness among tenants and stakeholders on responsible waste management strengthens community engagement and reinforces VistaREIT's commitment to environmental stewardship. As waste generation trends evolve with business growth and increased foot traffic, VistaREIT remains proactive in adopting innovative waste management solutions. Investments in data-driven waste

tracking and more sustainable disposal methods will support the Company's long-term goal of reducing environmental impact while maintaining operational excellence.

Effluents

VistaREIT currently has no monitoring system in place for effluents. However, the Company recognizes the importance of tracking wastewater discharge to ensure compliance with environmental regulations and prevent potential impacts on surrounding ecosystems. Future initiatives will explore monitoring solutions to enhance wastewater management and uphold responsible environmental practices.

Environmental Compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	2024	2023	2022
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	0	0
Number of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	0	0
Number of cases resolved through dispute resolution mechanism	0	0	0

VistaREIT's Impacts	Stakeholders Affected
All necessary environmental permits, including Environmental Compliance Certificates (ECCs) and drainage permits for sewage treatment plants, are secured before any land development activity. As of 2024, VistaREIT's retail and business process outsourcing (BPO) operations remain fully compliant with local and national environmental regulations. No fines or sanctions have been recorded due to non-compliance with environmental laws and	AllHome, Customers, Local Communities, Tenants

regulations during the year.	

Management Approach to Impacts, Risks, and Opportunities
Ensuring compliance with environmental regulations is integral to VistaREIT's operations. Failure to meet regulatory requirements could lead to fines, project delays, or reputational risks. To mitigate these risks, the Company strictly adheres to government-mandated environmental standards, securing all necessary permits before initiating any land development. VistaREIT views environmental compliance as an opportunity to enhance operational efficiency, strengthen stakeholder trust, and contribute to sustainable urban development. Continuous monitoring of regulatory changes allows the Company to proactively adjust its environmental policies and practices, ensuring long-term compliance and resilience. Additionally, investments in eco-friendly infrastructure and waste management initiatives further reinforce VistaREIT's commitment to environmental stewardship.

SOCIAL DISCLOSURES

Employee Management

Employee Hiring and Benefits

Employee Data

Disclosure	2024
Total number of employees[2]	35
a. Number of female employees	13
b. Number of male employees	22
Attrition rate[3]	30%
Ratio of lowest paid employee against minimum wage	1:1

Employee Benefits

List of Benefits	Y/N	% of female employees who availed in 2024	% of male employees who availed in 2024
SSS	Y	6.0	8.0
PhilHealth	Y	5.0	3.0
Pag-IBIG	Y	3.0	0.0

[2] The data includes regular and probationary employees assigned in the head office and stores.
[3] Attrition rate = (no. of new hires – no. of turnover)/(average of total no, of employees of previous year and total no. of employees of current year)

Parental leaves	Y	0.0	6.0
Vacation leaves	Y	34.0	57.0
Sick leaves	Y	28.0	42.0
Medical Benefits (aside from PhilHealth)	Y	34.0	57.0
Housing assistance (aside from Pag-IBIG)	Y	100.0	100.0
Retirement fund (aside from SSS)[4]	N	100.0	100.0
Telecommuting	Y	0.0	0.0

Diversity and Equal Opportunity

Disclosure	2024
% of female employees in the workforce	37.14%
% of male employees in the workforce	62.86%
Number of employees from indigenous communities and/or vulnerable sector[5]	0%

[4] AllHome has yet to determine when to establish a retirement fund.

[5] Vulnerable sectors include, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

VistaREIT's Impact and Management Approach
Employee Management VistaREIT operates through a secondment arrangement, with executive officers sourced from other companies within the Vista Land Group. Employees of VProperty Management, Inc. oversee property management, leasing, and operations, while VFund Management, Inc. handles investment strategies and asset management. Additionally, key administrative functions such as IT, legal, and accounting support are provided by the Vista Land Group. Recognizing employees as its most valuable asset, VistaREIT fosters a workplace that upholds diversity, equity, and inclusion. As an Equal Opportunity Employer, the Company does not discriminate based on gender, race, culture, or other personal attributes. Hiring practices ensure a diverse talent pool by recruiting from various regions across the country and eliminating gender requirements in job advertisements to encourage broad participation. VistaREIT also prioritizes employee well-being by offering comprehensive benefits, including expanded disability and health insurance, telecommuting options, and shuttle services for on-site employees. Health programs are enhanced through partnerships with Health Maintenance Organizations (HMOs) and other service providers, ensuring that all employees receive adequate support for their overall well-being. **Employee Benefits** The Company offers a competitive salary package designed to encourage continuous skill development and high performance. From the outset, new hires are informed that salary increments are based on merit, fostering a culture of excellence and professional growth. Beyond government-mandated benefits, employees receive additional perks, including ample leave credits, healthcare coverage, annual performance reviews, salary appraisals, and structured career growth plans. The Company also invests in employee development through training programs, seminars, and other learning opportunities. For long-term financial security, VistaREIT provides eligible employees with incentives such as housing assistance and retirement plans, reinforcing its commitment to employee well-being and career longevity.

Risks, Opportunities, and Management Approach
A well-structured employee benefits program is essential to attracting and retaining top talent. Without competitive compensation and benefits, there is a risk of high turnover, reduced employee morale, and difficulty in recruiting skilled professionals. Additionally, inadequate benefits may impact employee productivity and overall job satisfaction, potentially affecting business continuity and operational efficiency. On the other hand, a strong benefits program presents opportunities for VistaREIT to enhance employee engagement, foster loyalty, and improve workplace satisfaction. Investing in employee well-being can lead to increased productivity, lower attrition rates, and a positive company reputation, making it easier to attract top-tier talent. To manage these risks and leverage opportunities, VistaREIT continuously evaluates its benefits structure to align with industry standards and employee needs. The Company ensures that benefits remain competitive through regular benchmarking, performance-based incentives, and ongoing employee feedback. Furthermore, training and career development programs are strengthened to equip employees with skills for professional advancement, reinforcing VistaREIT's commitment to long-term employee success.

Employee Training and Development

Disclosure	2024
Total training hours	368
a. Female employees	48
b. Male employees	320
Average training hours[6]	11
a. Female employees	8
b. Male employees	40

[6] The average is measured as training hours per employee.

VistaREIT’s Impact and Management Approach
Investing in employee training and development enhances job satisfaction, motivation, and overall productivity. VistaREIT, through its Property and Fund Managers, ensures that employees receive continuous learning opportunities to enhance their skills and competencies. Employees who undergo training feel valued and empowered, fostering a culture of innovation and professional growth. To address training needs, Property and Fund Managers collaborate with the Vista Center for Professional Development to offer courses tailored to employees’ personal and technical skill development. Training programs include Personality Development, covering image enhancement and business communication, as well as Technical Skills Development to strengthen employees' expertise in their respective fields. Employee performance is evaluated annually using a standardized Performance Evaluation Form, where individuals are assessed on job knowledge and alignment with company values. Ratings from this evaluation directly impact promotions and salary adjustments, ensuring that career growth is based on merit and performance.

Risks, Opportunities, and Management Approach
A lack of investment in employee training may lead to skill gaps, reduced job satisfaction, and higher turnover rates. Additionally, inadequate training on industry trends and technical skills can result in inefficiencies and limit the organization's ability to innovate. Providing continuous training enhances employee retention, engagement, and productivity. Well-trained employees contribute to operational efficiency, innovation, and a stronger organizational culture. Development programs also serve as a competitive advantage, attracting top talent and preparing employees for leadership roles within the Company. The Company, through its Property and Fund Managers, ensures that training and development remain a priority by offering structured learning programs in collaboration with the Vista Center for Professional

Development. The training curriculum includes personality development, technical skills enhancement, and leadership training to address diverse learning needs. Regular performance evaluations ensure that training outcomes align with career growth, promotions, and salary adjustments, fostering a culture of continuous learning and professional advancement.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	2024
Safe Man-Hours	2,064
No. of work-related injuries	0
No. of work-related fatalities	0
No. of work-related ill-health	0
No. of safety drills	6

VistaREIT's Impact and Management Approach

The health and safety of employees, especially those assigned to malls and offices, remain a top priority. In 2024, there were zero work-related fatalities and injuries, reflecting the effectiveness of safety protocols in place.

To comply with the Department of Labor and Employment (DOLE) mandate, an Occupational Safety and Health (OSH) committee oversees the implementation of safety policies, which include:

1. Incident Reporting – Documenting and addressing workplace hazards and accidents.
2. First Aid Treatment – Ensuring immediate medical response for minor injuries.
3. Emergency Management – Establishing protocols for fires, natural disasters, and other emergencies.
4. Return-to-Work Policy – Supporting employees in safely resuming duties after illness or injury.

5. Safe Work Procedures – Implementing preventive measures to minimize workplace risks.

Regular communication of these policies is done through email bulletins, office memos, staff meetings, and internal social media platforms.

A joint management-worker health and safety committee meets quarterly to assess risks and ensure the consistent enforcement of workplace safety standards. This committee is authorized to make decisions related to health and safety concerns.

To enhance health monitoring, employees are required to use the Vista Health App, a mobile platform developed by the Villar Group. The app allows real-time tracking of symptoms and provides access to telemedicine consultations, reinforcing a proactive approach to employee well-being.

Risks, Opportunities, and Management Approach

Workplace hazards such as accidents, illnesses, and emergency incidents pose significant risks to employee well-being and business continuity. Noncompliance with Occupational Safety and Health (OSH) regulations may result in fines, legal liabilities, or reputational damage. Additionally, health crises or pandemics could disrupt operations and increase absenteeism.

A strong occupational health and safety program improves employee retention, productivity, and overall workplace morale. Investing in preventive measures, digital health tools, and training programs enhances resilience against workplace hazards. Strengthening emergency response capabilities can differentiate the Company as a responsible and employee-centric organization, improving employer branding and stakeholder trust.

To mitigate risks and maximize opportunities, the Health and Safety Committee ensures compliance with DOLE regulations, regularly reviewing and updating policies. Quarterly meetings facilitate risk assessments and process improvements. Employees receive continuous training on safety procedures, and preventive maintenance checks are conducted for workplace equipment.

Further, the Company leverages digital tools like the Vista Health App to track employee health trends and provide telemedicine access. Strengthening incident reporting systems and reinforcing emergency preparedness protocols are also key strategies to proactively manage risks while fostering a safe and productive work environment.

Labor Laws and Human Rights

Disclosure	2024	2023	2022
Number of legal actions or employee grievances involving forced or child labor	0	0	0

Do you have policies that explicitly disallow violations of labor laws and human rights (e.g., harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in The Company policy
Forced labor	N	Adherence to General Labor Standards (GLS)
Child labor	Y	Adherence to General Labor Standards (GLS)
Human Rights	Y	Article A Section 1-7 of the Company's Code of Conduct and Discipline (Offenses Against Person)

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	0%
Number of consultations conducted with employees concerning employee-related policies	0	0%

VistaREIT's Impacts and Management Approach
VistaREIT is committed to upholding labor laws, protecting human rights, and fostering positive labor-management relations across its operations. In 2024, the company recorded zero violations related to labor laws or human rights, demonstrating its strict compliance with all legal and ethical standards. While the Company does not have a collective bargaining agreement (CBA) in place and none of its employees belong to a union, it ensures that employees' voices are heard through structured

communication channels, including regular staff meetings, focus group discussions, and open forums. These platforms allow employees to raise concerns, provide feedback, and engage in meaningful dialogue with management, ensuring a fair and responsive workplace.

Moreover, VistaREIT has zero tolerance for discrimination and strictly enforces policies that safeguard equal opportunities for all employees, regardless of gender, race, or personal background. The Employee Code of Conduct and Discipline clearly outlines disciplinary actions for any violations of labor laws or human rights, with offenses such as discrimination and unfair labor practices warranting sanctions ranging from written warnings to dismissal.

To maintain a culture of transparency and accountability, employees are protected under a Whistleblowing Policy, which allows them to report any violations confidentially and without fear of retaliation. The Human Resources Department (HRD) oversees grievance resolution, ensuring that all concerns are handled fairly and promptly. VistaREIT's approach to labor-management relations focuses on proactive engagement rather than reactive dispute resolution.

Management Approach to Impacts, Risks, and Opportunities

VistaREIT recognizes that effective labor management, adherence to labor laws, and protection of human rights are critical to maintaining a stable and productive workforce. A failure to uphold these commitments could lead to legal sanctions, reputational damage, and potential disruptions in operations, while a well-managed labor environment presents opportunities for higher employee engagement, retention, and overall organizational resilience. The Company has identified the risks on these matters while ensuring that VistaREIT also maximize the opportunities for improvement:

1. **Regulatory and Legal Risks** – Non-compliance with labor laws and human rights standards could result in penalties, lawsuits, or reputational harm, affecting investor and stakeholder confidence.
2. **Employee Relations Risks** – The absence of a collective bargaining agreement (CBA) requires VistaREIT to proactively manage employee concerns, as unresolved grievances may lead to work dissatisfaction, lower productivity, or workforce disputes.
3. **Reputational Risks** – Any perceived violation of labor rights, discrimination, or unfair labor practices could negatively affect the company's brand and stakeholder trust.
4. **Workplace Culture and Employee Retention** – Maintaining a transparent and inclusive

work environment fosters employee satisfaction, leading to higher retention rates and stronger company loyalty.

5. **Operational Efficiency** – A well-structured grievance mechanism and open communication channels reduce the likelihood of conflicts, allowing for smoother business operations and improved productivity.
6. **Investor and Stakeholder Confidence** – Demonstrating commitment to labor rights and ethical employment practices enhances the company's reputation and strengthens relationships with investors, tenants, and regulators.

Furthermore, VistaREIT ensures strict compliance with labor regulations and continuously improves its employee relations framework through the following initiatives:

1. **Regular Employee Engagement** – Conducting focus group discussions, staff meetings, and open forums to encourage employee participation in workplace policies.
2. **Whistleblowing and Grievance Mechanisms** – Providing a secure and confidential platform for employees to report concerns without fear of retaliation.
3. **Strict Implementation of Labor Policies** – Enforcing the Employee Code of Conduct and Discipline to ensure fairness in handling workplace grievances and disciplinary actions.
4. **Training and Awareness** – Conducting values sessions and compliance training to keep employees informed about their rights, responsibilities, and company policies.

Supply Chain Management

VistaREIT has a supplier accreditation policy that considers the following sustainability topics:

Topic	Reference in The Company Policy
Environmental performance	Purchasing Policies and Procedures Section II (Policy Statement) Section III (Procedures) OPC-PD-001b – Supplier Accreditation
Forced labor	
Child labor	

Human Rights	
Bribery and corruption	

VistaREIT's Impact and Management Approach

VistaREIT maintains a robust supplier accreditation policy to ensure that its supply chain upholds ethical, environmental, and quality standards. The accreditation process evaluates suppliers based on industry experience, financial capability, resource availability, and adherence to quality, cost, and time commitments. In addition to business performance, VistaREIT integrates sustainability considerations into supplier assessments, referencing key policies on environmental performance, human rights, and anti-corruption measures.

The Purchasing Group facilitates the accreditation process, while the Audit Team conducts evaluations using a supplier scorecard system. Ratings are heavily based on the following criteria:

- Updated financial statements
- Previous and existing contracts/projects
- Manpower capacity
- Office presence and operational reach
- Coverage of services

To ensure compliance with sustainability and ethical business practices, prospective suppliers undergo environmental and social impact assessments, which include verification of certifications and required permits from past and ongoing projects. Suppliers are also tested for their adherence to Philippine laws and their commitment to ethical business practices.

As of 2024, no significant environmental or social risks have been identified within VistaREIT's supply chain, and no suppliers have been blacklisted due to non-compliance.

Risks, Opportunities, and Management Approach
VistaREIT's supply chain operates in a dynamic environment, facing several risks, including price fluctuations of essential materials (e.g., steel, cement, and other construction inputs), regulatory changes, and labor shortages. To mitigate these risks, VistaREIT has implemented proactive measures such as engaging local contractors within host communities. This approach not only ensures business continuity but also strengthens relationships with local stakeholders. Opportunities within VistaREIT's supply chain include enhancing cost efficiency through bulk purchasing strategies, which secure lower prices for commonly used materials. Additionally, the company leverages digital platforms to conduct supplier assessments, negotiations, and transactions, ensuring seamless operations despite logistical constraints. The Purchasing Group plays a central role in managing supply chain risks and opportunities. This in-house team is responsible for supplier accreditation, price negotiations, and inventory management. By securing lock-in prices for materials over agreed periods, VistaREIT safeguards against market volatility. The company also conducts thorough supplier accreditation processes, including background checks, financial document reviews, government certification verification, and facility assessments. For suppliers that fail to meet VistaREIT's quality and compliance standards, the company enforces corrective measures. Timelines for improvement are set, and if deficiencies persist, VistaREIT reserves the right to terminate contracts to uphold its commitment to quality, sustainability, and ethical business practices.

Relationship with Community

Significant Impacts on Local Communities
VistaREIT remains committed to fostering a strong and vibrant community by organizing inclusive, engaging, and value-driven programs across its properties. In 2024, VistaREIT continues to host a diverse array of events that cater to families, culture enthusiasts, fitness advocates, and business communities.

Celebrating Traditions and Family Moments

VistaREIT brings families together with exciting holiday-themed events. "Eggsplore: An Easter Adventure & Easter Voyage" transforms Vista Malls into a magical Easter playground where children and parents participate in egg hunts and fun activities. During Halloween, "Frightfully Delightful Halloween" offers a whimsical take on spooky festivities, complete with themed attractions and family-friendly activities. As the year ends, the "Once Upon a Christmas: Where All is Merry and Bright" celebration lights up Vista Malls, creating a festive ambiance with dazzling displays and holiday performances.

Entertainment and Cultural Engagement

VistaREIT continues to be a hub for entertainment through various mall shows and pop-up events, inspired by movies, music, and cultural festivals. These events offer immersive experiences for guests while showcasing diverse artistic and cultural expressions. Additionally, the Wish Bus activations at Vista Malls bring live music performances closer to audiences, providing a unique platform for both emerging and established artists to engage with the community.

Supporting Local Businesses and Economic Growth

In partnership with the Department of Trade and Industry (DTI) and local government units (LGUs), VistaREIT actively supports Micro, Small, and Medium Enterprises (MSMEs) by providing business platforms within its malls. Events like the DTI Halal Summit 2024 at Vista Mall Taguig highlight VistaREIT's commitment to inclusivity by recognizing Halal-certified businesses and the contributions of the Muslim community.

Sustainability and Innovation

VistaREIT continues its sustainability initiatives with the launch of the first-ever EV Charging Station at Vista Mall Bataan in collaboration with the Provincial Government of Bataan and 1Bataan. This initiative supports the adoption of electric vehicles and clean energy solutions, contributing to the 1Bataan Sustainability Program.

Health, Wellness, and Recreation

Promoting an active lifestyle, VistaREIT hosts "Sports & Rhythm for Vista Malls," featuring workshops and training sessions on yoga, dance, martial arts, and team sports. VistaREIT also strengthens its petfriendly initiatives, ensuring designated spaces and events where pet owners can bond with their furry companions in a safe and welcoming environment.

Strengthening Community Bonds Through Festivals

VistaREIT elevates its annual Oktoberfest celebrations, recreating an authentic Bavarian beer garden experience with traditional German brews, music, and live DJ performances. These gatherings foster camaraderie among guests, making VistaREIT a preferred destination for memorable celebrations.

Customer Management

Customer Satisfaction

Facility Name	Score (2024)
Vistamall Las Piñas Main	4.3 over 5
Starmall Las Pinas - Annex	No data available
Starmall San Jose del Monte	4.3 over 5
SOMO - A Vista Mall	4.4 over 5
Vistahub Molino	No data available
Starmall Talisay – Cebu	4.2 over 5
Starmall – Imus	4.2 over 5
Vistamall General Trias	4.1 over 5
Vistamall Tanza	4.6 over 5
Vistamall Pampanga	4.2 over 5
Vistahub BGC	No data available
Vistamall Antipolo	4.6 over 5

VistaREIT's Impact and Management Approach

In 2024, VistaREIT continued to enhance its customer experience by leveraging its strategic locations as key transport hubs for commuters. With access to point-to-point buses, public buses, jeepneys, and taxis, VistaREIT properties remain highly accessible to the public.

To ensure service excellence, the Company actively gathered customer feedback through Google reviews, consolidating insights on a quarterly basis. This data-driven approach allowed VistaREIT to assess customer satisfaction across key areas, including mall appearance, operations, cleanliness, activity spaces, and the quality of partner establishments.

VistaREIT also enhanced its digital feedback mechanisms by incorporating sentiment analysis and AI-driven insights to better understand customer expectations and trends. This allowed the Company to identify recurring concerns, track service improvements, and proactively address potential issues. Additionally, customer feedback was categorized into themes, such as safety, convenience, tenant mix, and overall ambiance, to guide targeted enhancements in mall operations and facilities.

To further improve customer satisfaction, VistaREIT launched initiatives such as improved wayfinding systems, enhanced mall security, and upgraded facilities, including more accessible restrooms and expanded parking spaces. Customer service desks were also strengthened to provide real-time assistance, ensuring that concerns and inquiries were addressed promptly.

Adapting to digital advancements, VistaREIT transitioned from pre-pandemic face-to-face surveys to online data collection methods. Through utilizing online reviews and digital survey panels, the Company significantly reduced the time, effort, and resources required for data gathering. This shift not only streamlined the process but also enabled real-time insights, allowing VistaREIT to respond promptly to customer needs and continuously improve its offerings.

Risks, Opportunities, and Management Approach

The Company perates in a dynamic retail and commercial real estate landscape, where customer expectations, economic shifts, and evolving market trends present both challenges and opportunities. VistaREIT remains proactive in identifying potential risks, leveraging growth opportunities, and implementing strategic management approaches to sustain its market position and enhance customer experience. In 2024, the following risks and opportunities were identified:

Risks

1. **Customer Experience and Retention Risks** – Negative customer feedback, concerns over cleanliness, safety, or tenant mix could impact foot traffic and tenant retention.
2. **Economic Volatility** – Fluctuations in inflation, interest rates, and purchasing power may affect consumer spending patterns and, consequently, tenant sales and occupancy rates.
3. **Operational Disruptions** – Unforeseen events such as extreme weather, public health

concerns, or infrastructure issues could affect mall operations and customer satisfaction.

4. **Digital Transition Challenges** – While online feedback collection streamlines customer insights, reliance on digital platforms may exclude certain demographics with limited internet access.

Opportunities

1. **Enhanced Customer Insights** – The shift to digital customer feedback collection provides real-time data analytics, allowing VistaREIT to refine its tenant mix, promotions, and service offerings.
2. **Sustainability Integration** – As customers increasingly prioritize eco-conscious spaces, investing in green initiatives such as energy-efficient lighting, water conservation, and waste reduction can boost customer loyalty and align with ESG goals.
3. **Technology-Driven Innovations** – Implementing AI-driven sentiment analysis and smart facilities management can improve customer satisfaction and operational efficiency.
4. **Expansion of Multi-Use Spaces** – Strengthening the role of VistaREIT properties as community hubs by enhancing co-working spaces, entertainment areas, and experiential retail offerings can attract new customer segments.

VistaREIT employs a customer-first strategy, ensuring that risk mitigation and opportunity maximization are seamlessly integrated into its operations. Key management actions include:

- **Proactive Customer Engagement** – By continuously monitoring online reviews and social media sentiment, VistaREIT swiftly addresses customer concerns and enhances the overall shopping experience.
- **Resilient Business Planning** – The Company remains adaptable to economic shifts by implementing flexible leasing strategies, optimizing tenant diversity, and reinforcing financial sustainability.
- **Sustainability-Driven Enhancements** – Green building practices, improved waste management, and energy-efficient solutions are being prioritized to align with both customer expectations and regulatory developments.
- **Innovation in Customer Service** – Investments in AI chatbots, digital directories, and real-time assistance ensure seamless customer interactions and improved mall navigation.
- **Continuous Facility Upgrades** – VistaREIT regularly enhances security, accessibility, and amenities, reinforcing its reputation as a premier retail and commercial destination.

Health and Safety

Disclosure	2024	2023	2022
No. of substantiated complaints[7] on product or service health and safety	0	0	0
No. of complaints addressed	N/A	N/A	N/A

VistaREIT's Impact and Management Approach

Ensuring the health and safety of customers remains a top priority for VistaREIT. The Company is committed to maintaining secure, well-maintained, and accessible spaces across its properties, reinforcing customer trust and satisfaction. VistaREIT implements rigorous health and safety protocols, including, but not limited to the following:

- **Regular Facility Inspections** – Routine checks on structural integrity, fire safety systems, air quality, and sanitation to prevent potential hazards.
- **Emergency Preparedness** – Well-trained security and safety personnel, clearly marked evacuation routes, and regular emergency drills to enhance disaster readiness.
- **Hygiene and Sanitation Standards** – Frequent cleaning and disinfection of high-touch areas, proper waste disposal management, and availability of sanitation stations.

Moreover, the Company believes that health and safety extend beyond compliance—it is a shared responsibility with tenants, employees, and visitors. The Company actively collaborates with:

- **Local government units and emergency responders** to align safety measures with national and local regulations.
- **Mall tenants and business partners** to ensure that safety standards are upheld within their leased spaces.
- **Customers and the community** through digital feedback mechanisms, allowing real-time reporting of safety concerns for swift resolution.

[7] Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies. This applies to disclosures under Marketing and Labeling and Customer Privacy

Risks, Opportunities, and Management Approach
recognizes that customer health and safety risks can significantly impact operations, brand reputation, and tenant confidence. Key risks include structural and facility-related hazards such as faulty wiring, damaged infrastructure, or malfunctioning safety systems, as well as health and sanitation concerns that may arise from inadequate cleanliness, poor ventilation, or outbreaks of communicable diseases. Additionally, emergency situations, including fire incidents, natural disasters, or security threats, pose challenges that can disrupt operations and endanger customers and employees. Despite these risks, VistaREIT sees opportunities in strengthening its health and safety measures. Enhancing customer trust through visible safety protocols fosters loyalty and encourages higher foot traffic in its properties. Technology-driven safety enhancements, such as smart surveillance systems, AI-powered foot traffic monitoring, and automated emergency alerts, improve response efficiency and overall security. Moreover, integrating sustainability and wellness initiatives, such as green building certifications, air purification systems, and ergonomic designs, enhances customer well-being while aligning with the company's broader environmental goals. To address risks and maximize opportunities, VistaREIT employs a comprehensive management approach focused on prevention, innovation, and engagement. Preventive measures include regular facility audits, strict compliance with building codes and sanitation guidelines, and continuous employee and tenant training on emergency response and risk mitigation. The company also embraces customer-centric safety innovations, such as digital reporting tools for real-time issue tracking, enhanced air quality and sanitation efforts, and advanced security monitoring systems to detect potential hazards. Additionally, VistaREIT ensures transparency and stakeholder engagement by maintaining open communication channels for customer feedback, collaborating with government agencies and private sector partners, and regularly reporting on health and safety performance

Marketing and Labelling

Disclosure	2024	2023	2022
No. of substantiated complaints on marketing and labeling	0	0	0
No. of complaints addressed	0	0	0

VistaREIT's Impact and Management Approach

VistaREIT employs a dynamic marketing and labeling strategy to enhance customer engagement and promote its diverse range of services, events, and retail offerings. The Company strategically leverages seasonal campaigns, artist mall shows, product launches, and partnerships with local schools and government units to create immersive experiences that drive foot traffic and brand loyalty. These initiatives highlight the Company's commitment to fostering vibrant community spaces that go beyond shopping.

A key component of VistaREIT's marketing approach is the promotion of diverse retail options, featuring a mix of well-known brands, specialty shops, and unique local businesses to cater to various customer preferences. This ensures that Vistamalls remain a preferred one-stop shopping destination. The dining and food experiences further enhance this appeal, with a wide array of choices ranging from quick-service restaurants to gourmet establishments, delivering a rich culinary experience to visitors. Beyond retail and dining, VistaREIT prioritizes family-friendly amenities, such as kid-friendly play areas and community event spaces that foster engagement and social interaction. The Company also focuses on convenient services, including improved parking solutions, seamless accessibility through public transportation, and customer-centric facilities designed to enhance the overall shopping experience.

Additionally, Vistamalls position themselves as more than just retail centers by hosting event and entertainment spaces that bring communities together. Through engaging activities, live performances, and seasonal festivities, VistaREIT creates an exciting and dynamic environment that strengthens customer connections and transforms its malls into lifestyle destinations.

Risks, Opportunities, and Management Approach
One key risk involves the rapidly changing consumer preferences and retail trends, which can impact the effectiveness of marketing campaigns and mall events. Additionally, heightened competition from e-commerce platforms presents a challenge, requiring VistaREIT to continuously innovate and differentiate its offerings. Misalignment with customer expectations or ineffective promotional efforts could lead to reduced foot traffic and lower tenant sales performance. However, these challenges also present opportunities. The increasing demand for experiential retail and community-driven spaces allows VistaREIT to position its malls as lifestyle destinations, offering more than just shopping. By leveraging digital marketing, data-driven promotions, and interactive events, the Company can enhance customer engagement and attract a broader audience. Expanding partnerships with local businesses, government units, and event organizers also opens avenues for collaborative marketing efforts that drive brand visibility and foot traffic. To mitigate risks and maximize opportunities, VistaREIT adopts a proactive management approach. The Company regularly conducts market research and customer feedback analysis to tailor marketing initiatives that resonate with target audiences. It also integrates digital engagement strategies, such as social media promotions and loyalty programs, to maintain strong customer connections. Additionally, VistaREIT ensures that its branding and promotional activities align with its tenants' needs, fostering a mutually beneficial environment that enhances both customer satisfaction and business growth.

Customer privacy

Disclosure	2024	2023	2022
No. of substantiated complaints on customer privacy	0	0	0
No. of complaints addressed	N/A	N/A	N/A
No. of customers, users, and account holders whose information is used for secondary purposes	0	0	0

Data Security

Disclosure	2024	2023	2022
No. of data breaches, including leaks, thefts and losses of data	0	0	0

VistaREIT's Impact and Management Approach

VistaREIT is committed in protecting customer privacy and ensuring compliance with the Data Privacy Act. In 2024, the Company recorded no reported cases or complaints related to customer privacy and experienced no data breaches, reflecting its strong governance in handling personal information.

The Company's Data Privacy Officers (DPOs) actively participate in training and seminars accredited by the National Privacy Commission (NPC) to stay updated on evolving data protection standards. VistaREIT also conducts annual Privacy Impact Assessments (PIAs) for all systems, ensuring that data handling procedures remain secure and effective. The results of these assessments are reviewed by management to guide policy improvements. Additionally, the IT team enforces strict privacy protocols, requiring all suppliers and third-party providers to adhere to VistaREIT's data protection policies. The Company maintains a Privacy Manual, which is regularly disseminated to employees, officers, professional advisors, and external partners under Vista Land and Lifescapes, the parent company of VistaREIT's sponsors.

To ensure ongoing compliance, the Company continuously monitors updates in privacy legislation, rules, and policies. The DPOs and Compliance Officers for Privacy (COPs) proactively implement necessary adjustments to safeguard customer data. VistaREIT's long-standing emphasis on data security underscores its commitment to maintaining trust and transparency in all customer interactions.

Risks, Opportunities, and Management Approach
VistaREIT recognizes that customer privacy and data security are critical to maintaining trust and ensuring regulatory compliance. As digital transactions and online engagements continue to expand, the risks associated with data breaches, unauthorized access, and cyber threats also increase. Risks include potential cybersecurity breaches, phishing attacks, or unauthorized disclosures that could compromise sensitive customer information. Any such incidents could lead to reputational damage, legal consequences, and financial losses. Non-compliance with evolving data protection regulations could also expose the Company to penalties and undermine customer confidence. Conversely, there are significant opportunities in strengthening customer trust through robust privacy policies, advanced cybersecurity measures, and transparent data practices. Investing in cutting-edge security systems, regular audits, and employee training positions VistaREIT as a leader in responsible data management. Maintaining strong compliance with the Data Privacy Act also enhances the Company's reputation as a secure and reliable retail destination.

END

PART VI – EXHIBITS AND SCHEDULES

Item 15. Exhibits and Reports on SEC Form 17 A

Exhibits

See accompanying Index to Financial Statements and Supplementary Schedules.

The following exhibit is incorporated by reference in this report:

Consolidated Financial Statements of the Company as of and for the year ended December 31, 2024.

The other exhibits, as indicated in the Index to Financial Statements and Supplementary Schedules are either not applicable to the Company or require no answer.

Reports on SEC Form 17-C

The following current reports have been reported by VistaREIT, Inc. during the year 2024 through official disclosure letters dated:

April 16, 2024
Approval and Authorization of the Release of the Audited Financial Statements of the Company as of and for the year ended 31 December 2023
Declaration of Cash Dividends

April 29, 2024
Annual Report

May 21, 2024
Approval and Authorization of the Release of the Unaudited Financial Statements of the Company as of and for the three months ended 31 March 2024
Calling of the Annual Stockholders' Meeting
Declaration of Cash Dividends

May 24, 2024
Approval of the appointment of Brian N. Edang as Officer-in-charge for the position of CFO, Treasurer and Head of Investor Relations.

July 05, 2024
Results of Annual Stockholders' Meeting
Results of Organizational Board Meeting

August 14, 2024
Approval and Authorization of the Release of the Unaudited Financial Statements of the Company as of and for the six months ended 30 June 2024
Declaration of Cash Dividends

November 14, 2024
Approval and Authorization of the Release of the Unaudited Financial Statements of the Company as of and for the nine months ended 30 September 2024
Declaration of Cash Dividends

December 06, 2024
Three-Year Investment Strategy

Reports on SEC Form 17-C, as amended (during the last 6 months

None.

Annex A

(a) Schedule of Properties as of 31 December 2024

Property and Location	Latest Appraisal[1]	Remaining Land Lease Term	Gross Leasable Area (GLA)	Leased Area	Occupancy Rate
	in Php millions	**Years**	**in sqm**	**in sqm**	**%**
Vistamall Las Piñas Main	1,210.85	22.25	20,605.02	20,562.08	100%
Starmall Las Pinas - Annex	673.11	22.25	6,227.53	6,145.38	99%
Starmall San Jose del Monte	4,064.22	22.25	35,664.93	34,221.20	96%
SOMO - A Vista Mall	7,854.25	22.25	31,849.91	30,354.40	95%
Vistahub Molino	2,201.08	22.25	15,631.08	15,631.08	100%
Starmall Talisay - Cebu	1,760.67	22.25	19,643.57	19,643.57	100%
Starmall - Imus	579.57	22.25	12,778.45	12,404.93	97%
Vistamall General Trias	1,514.46	17.75	26,638.45	25,589.39	96%
Vistamall Tanza	1,484.11	17.75	25,012.82	23,221.71	93%
Vistamall Pampanga	858.69	22.25	25,526.84	24,038.63	94%
Vistahub BGC	3,961.41	-	20,742.42	20,143.14	97%
Vistamall Antipolo	2,086.85	22.25	16,082.93	15,479.01	96%
TOTAL	**28,249.27**		**256,403.95**	**247,434.52**	**97%**

[1] December 31, 2024

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in MANDALUYONG CITY on MAY 15 2025.

By:

MANUEL PAOLO A. VILLAR
President and Chief Executive Officer

GEMMA M. SANTOS
Corporate Secretary

BRIAN N. EDANG
OIC - Treasurer, Chief Financial Officer & Head IR

REYMART RODGER M. NERIZON
Chief Accountant

SUBSCRIBED AND SWORN to before me this MAY 15 2025 at MANDALUYONG CITY, affiants exhibiting to me their respective Passports, to wit:

Name	Passport No./ Driver's License	Date & Place of Issue
Manuel Paolo A. Villar	P4237701B	17 Dec 2019 / DFA Manila
Gemma M. Santos	P0067627C	14 Mar 2022 / DFA Malolos
Brian N. Edang	P9937644A	14 Dec 2018 / DFA NCR East
Reymart Rodger M. Nerizon	N26-13-019311	23 August 2024 / LTO

Doc. No. 316
Page No. 65
Book No. V
Series of 2025.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 53511
IBP Lifetime Member No. 018538
PTR No. 5700677 / 03 Jan. 2025 / Mandaluyong City
MCLE Compliance No. VII-0018781 issued dated 25 May 2022
Notarial Commission Appointment No. 0314-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

Sarrah C. Lagman

From:	eafs@bir.gov.ph
Sent:	Friday, 26 April 2024 3:47 pm
To:	Vista One, Inc.
Cc:	Accounting Dept - Starmalls
Subject:	Your BIR AFS eSubmission uploads were received

Hi VISTA ONE, INC.,

Valid files

- EAFS010510144ITRTY122023.pdf
- EAFS010510144AFSTY122023.pdf
- EAFS010510144OTHTY122023.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-PVX3MXR40C7FJ95B5QPX1ZSNY0442QT4N2**
Submission Date/Time: **Apr 26, 2024 03:47 PM**
Company TIN: **010-510-144**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

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VISTAREIT

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

The management of **VISTAREIT, INC.** (the Company) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the Stockholders.

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

Signed this MAY 15 2025.

JERYLLE LUZ C. QUISMUNDO
Chairman

MANUEL PAOLO A. VILLAR
President & Chief Executive Officer

BRIAN N. EDANG
Officer-in-charge - Chief Financial Officer
and Head, Investor Relations

SUBSCRIBED AND SWORN, to before me this MAY 15 2025 at MANDALUYONG CITY, affiants exhibiting to me their respective Passports, to wit:

Name	Passport No.	Date and Place of Issue
Jerylle Luz C. Quismundo	P3177063C	06 FEB 2023 / DFA MANILA
Manuel Paolo A. Villar	P4237701B	17 DEC 2019 / DFA MANILA
Brian N. Edang	P9937644A	14 DEC 2018 / DFA NCR EAST

who has satisfactory proven to me their identities through their valid identification cards, and that they are the same persons who personally signed before me the foregoing and acknowledges that they executed the same.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 53511
IBP Lifetime Member No. 016538
PTR No. 5700677 / 03 Jan. 2025 / Mandaluyong City
MCLE Compliance No. VII-0016791 issued dated 25 May 2022
Notarial Commission Appointment No. 0314-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

Doc No. 285
Page No. 58
Book No. V
Series of 2025.

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C S 2 0 2 0 0 6 7 2 5

COMPANY NAME

VISTAREIT, INC. (Formerly VISTA ONE, INC.)

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

LOWER GROUND FLOOR, BUILDING B, EVIA LIFESTYLE CENTER DAANGHARI, ALMANZA DOS, LAS PIÑAS CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
AACFS	SEC	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
vistaoneinc@starmalls.com.ph	8994-4377	09998864216

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
7,137	5th of July	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Brian N. Edang	brian_edang@ vistaland.com.ph	3226-3552/ 8874-5758	0917-857-6513

CONTACT PERSON's ADDRESS

Lower Ground Floor, Building B, Evia Lifestyle Center, Daanghari, Almanza II, Las Piñas City

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

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

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Building a better working world

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INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
VistaREIT, Inc.
Lower Ground Floor, Building B, Evia Lifestyle Center
Daanghari, Almanza Dos, Las Piñas City

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

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

Provision for Expected Credit Losses

The Company applies simplified approach in calculating expected credit loss (ECL) of its receivable from tenants. The Company recognized allowance for credit losses and provision for credit losses amounting to ₱52.44 million and ₱43.90 million as of and for the year ended December 31, 2024, respectively. The use of ECL model is significant to our audit as it involves the exercise of significant management judgment. Key areas of judgment include segmenting the Company's credit risk exposures; defining default; determining assumptions to be used in the calculation; and incorporating forward-looking information (called overlays) in calculating the ECL. The determination of provision for credit losses for receivables from tenants, specifically, the exposure at default includes consideration of the security deposits and advance rent, and financial support and credit enhancements extended by any related party of the tenants.

The disclosures related to credit losses are included in Note 7 to the financial statements.

Audit Response

We obtained an understanding of the methodologies and models used for the Company's different credit exposures and assessed whether these considered the requirements of PFRS 9 to reflect an unbiased and probability-weighted outcome and the best available forward-looking information.

We (a) assessed the Company's segmentation of its credit risk exposures based on credit risk characteristics, (b) assessed the methodology used in applying the ECL model by evaluating the key inputs, assumption and formula used, (c) compared the definition of default against historical analysis of accounts and the credit risk management policies and practices in place, (d) compared the security deposits and advance rent made by tenants against outstanding receivables to determine the exposure at default, (e) checked the impact of any financial support and credit enhancements extended by any party; and (f) checked the forward-looking information used for overlay through using publicly available information and our understanding of the Company's receivable portfolios and the related industry of tenants.

Further, we compared the data used in the ECL models, such as the historical aging analysis and default and recovery data, to the financial reporting systems.

We performed recalculation of the ECL on a sample basis and evaluated the adequacy of disclosures made in the financial statements.

Valuation of Investment Properties

The Company owns and operates investment properties located in Luzon and Visayas which comprise 84.63% of its total assets as of December 31, 2024. The investment properties are accounted for under the fair value method and the valuations were carried out by the management and an external valuer.

We identified the valuation of investment properties account as a key audit matter because it is material to the financial statements and the determination of the fair values of these properties involves significant judgment and estimation by the management and external valuer. They apply key assumptions for discount rates, growth rates and free cash flows, which are influenced by the prevailing market rates and comparable information.

The Company’s disclosures about investment properties are included in Note 8 to the financial statements.

Audit Response

We evaluated the reasonableness of the fair value computations, valuation methodology adopted and the underlying assumptions in connection with the valuations of investment properties of the Company as of December 31, 2024. These key assumptions include discount rates, growth rates and free cash flows. In addition, we assessed whether the discount rates used are within the acceptable range with the assistance from our internal valuation specialist and performed a certain sensitivity analysis. We evaluated the competence and independence of the external valuer engaged by the Company. We also assessed the sufficiency of disclosures in the financial statements.

Other Information

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

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

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

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

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

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

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

Report on the Supplementary Information Required Under Revenue Regulations 15-2010

The supplementary information required under Revenue Regulations 15-2010 for purposes of filing with the Bureau of Internal Revenue is presented by the management of VistaREIT, Inc. in a separate schedule. Revenue Regulations 15-2010 requires the information to be presented in the notes to financial statements. Such information is not a required part of the basic financial statements. The information is also not required by Revised Securities Regulation Code Rule 68. Our opinion on the basic financial statements is not affected by the presentation of the information in a separate schedule.

The engagement partner on the audit resulting in this independent auditor's report is Ysmael S. Acosta

SYCIP GORRES VELAYO & CO.

Ysmael S. Acosta

Ysmael S. Acosta
Partner
CPA Certificate No. 112825
Tax Identification No. 301-106-775
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-130-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465253, January 2, 2025, Makati City

May 15, 2025

VISTAREIT, INC. (Formerly Vista One, Inc.)

STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash (Notes 6, 18 and 19)	**₱44,306,651**	₱30,161,945
Receivables (Notes 7, 15, 18 and 19)	**3,138,187,611**	1,933,115,529
Receivable from related parties (Notes 15, 18 and 19)	**354,411,588**	445,149,224
Other current assets (Notes 1 and 9)	**39,277,574**	35,828,204
Total Current Assets	**3,576,183,424**	2,444,254,902
Noncurrent Assets		
Receivables - net of current portion (Notes 7, 15, 18 and 19)	**1,478,507,058**	967,782,116
Property and equipment (Note 1)	**6,112,367**	12,145,587
Investment properties (Notes 1 and 8)	**28,451,504,186**	25,457,137,020
Other noncurrent assets (Notes 1 and 9)	**106,071,622**	114,396,278
Total Noncurrent Assets	**30,042,195,233**	26,551,461,001
	₱33,618,378,657	₱28,995,715,903
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Notes 10, 18 and 19)	**₱820,368,668**	₱474,542,105
Security deposits and advance rent (Notes 1, 11 and 18)	**651,187,563**	385,062,047
Payable to related parties (Notes 1, 15, 18 and 19)	**908,270,176**	270,017,388
Dividends payable (Notes 12, 15, 18 and 19)	**123,794,513**	103,571,984
Total Current Liabilities	**2,503,620,920**	1,233,193,524
Noncurrent Liabilities		
Security deposits and advance rent - net of current portion (Notes 1, 11 and 18)	**32,303,261**	260,047,567
Total Liabilities	**2,535,924,181**	1,493,241,091
Equity (Notes 1 and 12)		
Capital stock	**7,500,000,000**	7,500,000,000
Additional paid-in capital	**28,720,893,836**	28,720,893,836
Deficit	**(5,138,439,360)**	(8,718,419,024)
Total Equity	**31,082,454,476**	27,502,474,812
	₱33,618,378,657	₱28,995,715,903

See accompanying Notes to Financial Statements.

VISTAREIT, INC. (Formerly Vista One, Inc.)
STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2024	2023	2022
REVENUE			
Rental income (Notes 8, 17 and 20)	**₱2,462,824,852**	₱2,411,020,708	₱1,957,565,706
Parking fees	**43,140,601**	40,504,809	32,672,494
Other operating income (Note 13)	**169,882,892**	173,495,690	111,188,020
	2,675,848,345	2,625,021,207	2,101,426,220
FAIR VALUE CHANGES IN INVESTMENT PROPERTIES			
Increase (decrease) in fair value of investment properties (Note 8)	**3,546,227,469**	1,089,899,082	(10,657,696,205)
Straight-line adjustments	**(602,288,226)**	(550,362,654)	(529,498,625)
Lease commissions	**(2,456,084)**	(1,817,454)	(12,352,344)
	2,941,483,159	537,718,974	(11,199,547,174)
COSTS AND EXPENSES			
Light and power	**133,398,056**	142,185,443	112,444,020
Outside services	**117,165,741**	123,846,226	95,622,168
Taxes, licenses and other fees	**70,932,989**	83,276,518	100,662,698
Management fees (Note 15)	**57,190,519**	55,819,742	41,218,716
Dues & subscription	**55,135,246**	2,219,805	24,704
Repairs and maintenance	**49,046,563**	66,389,162	51,478,065
Provision for expected credit losses (Notes 5 and 7)	**43,900,592**	8,536,668	–
Insurance	**30,492,556**	24,291,429	16,895,963
Land lease (Note 15)	**8,895,861**	18,606,581	14,280,671
Professional fees	**7,956,174**	21,277,575	5,951,255
Depreciation	**7,106,596**	8,717,118	8,361,038
Advertising and promotions	**3,162,067**	32,974,752	14,229,276
Representation and entertainment	**1,723,334**	3,784,578	5,738,512
Other operating expenses	**15,748,738**	10,260,529	10,331,924
	601,855,032	602,186,126	477,239,010
OTHER INCOME (EXPENSE)			
Interest income (Note 6)	**31,793**	52,737	20,439
Interest expense and other financing charges	**(171,417)**	(165,388)	(90,892)
	(139,624)	(112,651)	(70,453)
INCOME (LOSS) BEFORE INCOME TAX	**5,015,336,848**	2,560,441,404	(9,575,430,417)
PROVISION FOR INCOME TAX (Note 14)	**(32,707,184)**	(41,204,610)	(42,787,138)
NET INCOME (LOSS) / TOTAL COMPREHENSIVE INCOME (LOSS)	**₱4,982,629,664**	₱2,519,236,794	(₱9,618,217,555)
Basic/Diluted Earnings (Loss) Per Share (Note 16)	**₱0.66**	₱0.34	(₱2.32)

See accompanying Notes to Financial Statements.

VISTAREIT, INC. (Formerly Vista One, Inc.)
STATEMENTS OF CHANGES IN EQUITY

	Capital Stock (Note 12)	Additional Paid-in Capital (Note 12)	Deficit (Note 12)	Total
Balances as at January 1, 2024	**₱7,500,000,000**	**₱28,720,893,836**	**(₱8,718,419,024)**	**₱27,502,474,812**
Total comprehensive income for the year	–	–	**4,982,629,664**	**4,982,629,664**
Cash dividend declared	–	–	**(1,402,650,000)**	**(1,402,650,000)**
Balances as at December 31, 2024	**₱7,500,000,000**	**₱28,720,893,836**	**(₱5,138,439,360)**	**₱31,082,454,476**
Balances as at January 1, 2023	₱7,500,000,000	₱28,720,893,836	(₱10,057,155,818)	₱26,163,738,018
Total comprehensive income for the year	–	–	2,519,236,794	2,519,236,794
Cash dividend declared	–	–	(1,180,500,000)	(1,180,500,000)
Balances as at December 31, 2023	₱7,500,000,000	₱28,720,893,836	(₱8,718,419,024)	₱27,502,474,812
Balances as at January 1, 2022	₱510,000,000	₱–	(₱9,688,263)	₱500,311,737
Issuance during the year	6,990,000,000	28,962,992,730	–	35,952,992,730
Share issuance costs	–	(242,098,894)	–	(242,098,894)
Total comprehensive loss for the year	–	–	(9,618,217,555)	(9,618,217,555)
Cash dividend declared	–	–	(429,250,000)	(429,250,000)
Balances as at December 31, 2022	₱7,500,000,000	₱28,720,893,836	(₱10,057,155,818)	₱26,163,738,018

See accompanying Notes to Financial Statements.

VISTAREIT, INC. (Formerly Vista One, Inc.)
STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	**₱5,015,336,848**	₱2,560,441,404	(₱9,575,430,417)
Adjustments for:			
Depreciation	**7,106,596**	8,717,118	8,361,038
Provision for expected credit losses (Note 7)	**43,900,592**	8,536,668	–
Interest income (Note 6)	**(31,793)**	(52,737)	(20,439)
Adjustment for fair value changes in investment properties (Note 8)	**(2,943,939,243)**	(539,536,428)	11,187,194,830
Operating income before working capital changes	**2,122,373,000**	2,038,106,025	1,620,105,012
Increase in:			
Receivables	**(1,759,697,616)**	(1,671,381,236)	(1,238,053,077)
Other assets	**(23,304,489)**	(31,597,231)	(159,820,671)
Receivables from related parties	**71,975,086**	(54,976,568)	(1,176,934,525)
Increase in:			
Accounts and other payables	**341,013,872**	220,318,385	240,991,088
Security deposits and advance rent	**38,381,210**	15,977,478	629,132,136
Net cash flows generated from (used for) operations	**790,741,063**	516,446,853	(84,580,037)
Income taxes paid	**(6,388)**	(30,148,257)	(12,649,428)
Interest received from cash in bank	**31,793**	52,737	20,439
Net cash flows provided by (used in) operating activities	**790,766,468**	486,351,333	(97,209,026)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of:			
Property and equipment	**(1,643,948)**	(2,152,599)	(26,500,572)
Investment properties	**(30,803,131)**	(49,485,099)	(71,096,348)
Net cash flows used in investing activities	**(32,447,079)**	(51,637,698)	(97,596,920)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in payable to related parties	**(268,356,585)**	(4,590,796)	270,025,914
Payment of dividends	**(475,818,098)**	(488,917,642)	(254,238,690)
Payment of share issuance costs	**–**	–	(242,098,894)
Net cash flows provided by (used in) financing activities	**(744,174,683)**	(493,508,438)	(226,311,670)
NET INCREASE (DECREASE) IN CASH	**14,144,706**	(58,794,803)	(421,117,616)
CASH AT BEGINNING OF YEAR	**30,161,945**	88,956,748	510,074,364
CASH AT END OF YEAR (Note 6)	**₱44,306,651**	₱30,161,945	₱88,956,748

See accompanying Notes to Financial Statements.

1. **Corporate Information**

VistaREIT, Inc. (the Company or VREIT), formerly Vista One, Inc. (VOI), was incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on August 24, 2020, primarily to own, manage, operate and engage in the leasing of income-generating real properties such as office buildings, shopping centers, hotels, resorts, residential buildings, condominium buildings, among others and to hold for investment or otherwise, real estate of all kinds, including buildings, apartments and other structures, and to grant loans and/or assume or undertake or guarantee or secure, whether as solidary obligor, surety, guarantor or any other capacity either on its general credit or on the mortgage, pledge, deed of trust, assignment and/or other security arrangement of any or all of its property, the whole or any part of the liabilities and obligations of Vista Land and Lifescapes, Inc. (VLLI), subsidiaries or investee companies or affiliates, without engaging in the business of a financing company or lending investor.

On December 29, 2021, the SEC approved the increase in VOI's authorized capital stock from ₱40,000,0000 divided into 40,000,000 shares with par value of ₱1.00 each to ₱2,000,000,0000 divided into 2,000,000,000 shares with par value of ₱1.00 per share. Accordingly, the Company subsequently issued 500,000,000 common shares to its shareholders (see Note 12).

As of December 31, 2021, VOI is owned by the following: (1) Manuela Corporation (MC) (20.50%); (2) Masterpiece Asia Properties, Inc. (MAPI) (19.61%); (3) Vista Residences, Inc (VRI) (19.61%); (4) Communities Pampanga. Inc. (CPI) (19.61%); and (5) Crown Asia Properties, Inc. (CAPI) (19.61%) and the rest by individual shareholders.

MC and MAPI are 99.85% and 100% owned subsidiaries, respectively, of Vistamalls, Inc. (VMI), a publicly listed holding company in the Philippine Stock Exchange (PSE). VMI is 88.34% owned by VLLI and the rest by the public while VRI, CPI and CAPI are wholly owned subsidiaries of VLLI. VLLI is a publicly listed investment holding company which is 65.84% owned by Fine Properties, Inc., (Ultimate Parent Company), as of December 31, 2024 and 2023, and the rest by the public.

The Company's registered office and principal place of business is located at LGF, Building B, EVIA Lifestyle Center, Daanghari, Almanza II, Las Piñas City.

<u>REIT Transaction</u>
On August 7, 2020, the Board of Directors (BOD) of VLLI approved the incorporation of VOI, to be the vehicle for the Vista Group's Real Estate Investment Trust (REIT) registration under Republic Act No. 9856 (The REIT Act of 2009). VOI was later renamed as Vista REIT, Inc. (VREIT).

In compliance with applicable regulatory requirements of the SEC for companies seeking registration of their securities, VREIT entered into and implemented the following REIT Formation Transactions:

Amendment of the Articles of Incorporation
On February 7, 2022, at least a majority of the Board of Directors (BOD) and the stockholders owning at least two- thirds (2/3) of the outstanding capital stock of VREIT approved to increase the authorized capital stock of VREIT to ₱15,000,000,000 divided into 15,000,000,000 shares with par value of ₱1.00 per share (see Note 12).

The increase in VREIT's authorized capital stock from ₱2,000,000,0000 divided into 2,000,000,000 shares of the par value of ₱1.00 per share to ₱15,000,000,000 pesos in lawful money of the Philippines, divided into 15,000,000,000 shares with the par value of ₱1.00 per share was approved by the SEC on March 14, 2022 (see Note 12).

On March 16, 2022, at least a majority of the BOD and the stockholders owning at least two-thirds (2/3) of the outstanding capital stock of VREIT approved various amendments to the Articles of Incorporation of the Company including, among others, the following: (a) change in the corporate name to "VISTAREIT, INC."; (b) change in primary purpose to engage in the business of a real estate investment trust under Republic Act No. 9856 (the REIT Law), including the Revised Implementing Rules and Regulations of the REIT Law); (c) requirement to have independent directors in the Board; and (d) other amendments in connection with the initial public offering of VREIT as a REIT entity. Such amendments were approved by the SEC on April 18, 2022.

Execution of Property-for-Share Swap Agreement
On February 7, 2022, the Company also entered into various Deeds of Assignment and Subscription Agreements with each of MC, MAPI, VRI, CAPI and CPI (collectively, the Sponsors), for the assignment, transfer, and conveyance by the Sponsors to the Company of 10 (ten) community malls and two office buildings with an aggregate gross lease area of 256,403.95 sqm (collectively, the Assigned Properties) in exchange for the issuance by the Company to the Sponsors out of the increase in authorized capital stock described hereinabove of an aggregate of Six Billion Nine Hundred Ninety Million (6,990,000,000) common shares at an issue price of One Peso and Fifty Centavos (₱1.50) per share, or an aggregate issue or subscription price of Ten Billion Four Hundred Eighty Five Million Pesos (₱10,485,000,000) (the Property-for-Share Swap). The difference between the issue price and the par value of ₱3,495,000,000 is accounted for as additional paid-in capital (APIC).

Accordingly, the Assigned Properties have a total fair value of Thirty-Five Billion Nine Hundred Fifty-Two Million Nine Hundred Ninety-Two Thousand Seven Hundred Thirty Pesos (₱35,952,992,730). The difference between the said fair value of the Assigned Properties and the issue price thereof to the Company (i.e., the issue price of the shares issued to the Sponsors in the Property-for-Share Swap) amounting to Twenty-Five Billion Four Hundred Sixty-Seven Million Nine Hundred Ninety-Two Thousand Seven Hundred Thirty Pesos (₱25,467,992,730) is accounted for as APIC.

The above transactions resulted to a total APIC of Twenty-Eight Billion Nine Hundred Sixty-Two Million Nine Hundred Ninety-Two Thousand and Seven Hundred Thirty Pesos (₱28,962,992,730).

The Assigned Properties consists of the following:

Sponsor (Transferor)	Properties	Classification	Location
Manuela Corporation	Vista Mall Las Piñas (Main)	Building	Las Piñas City
Manuela Corporation	Vista Mall Las Piñas (Annex)	Building	Las Piñas City
Masterpiece Asia Properties, Inc.	Starmall SJDM	Building	San Jose del Monte, Bulacan
Masterpiece Asia Properties, Inc.	SOMO - A Vista Mall	Building	Bacoor, Cavite
Masterpiece Asia Properties, Inc.	Vista Mall General Trias	Building	General Trias City, Cavite
Masterpiece Asia Properties, Inc.	Vista Mall Tanza	Building	Tanza, Cavite
Masterpiece Asia Properties, Inc.	Vista Mall Imus	Building	Imus, Cavite
Masterpiece Asia Properties, Inc.	Starmall Azienda	Building	Talisay City, Cebu
Masterpiece Asia Properties, Inc.	Vista Hub Molino	Building	Bacoor, Cavite

(Forward)

Sponsor (Transferor)	Properties	Classification	Location
Crown Asia Properties, Inc.	Vista Mall Antipolo	Building	Antipolo City, Rizal
Communities Pampanga, Inc.	Vista Mall Pampanga	Building	San Fernando, Pampanga
Vista Residences, Inc.	Vista Hub BGC	Condominium units and parking spaces	Bonifacio Global City

On March 14, 2022, the SEC issued the confirmation of the valuation of the Property-for-Share Swap. The requisite Certificate Authorizing Registrations authorizing the transfer of legal title to the Assigned Properties from the Sponsors to VREIT were issued by the Bureau of Internal Revenue (BIR) on April 25 to 29 and May 2, 2022.

On March 16, 2022, pursuant to the Deeds of Assignment and Subscription Agreements for the transfer, assignment and conveyance in favor of VREIT of all of the Sponsors' rights, title and interests in the Assigned Properties in exchange for VREIT's common shares, VREIT and the Sponsors entered into a Deed of Assignment of Leases assigning all of the Sponsors' rights and interests in and to the Contracts of Lease over portions of the Assigned Properties leased out to various entities (the "Leases") effective upon the issuance of VREIT's common shares in the name of the Sponsors.

Accordingly, upon the SEC's confirmation of the Property-for- Share Swap and the execution of the Deed of Assignment of Leases, VREIT recorded the following:

a.) Increase in 'Investment properties' of ₱35,952.99 million;
b.) Increase in 'Security deposits and advance rent' of ₱169.27 million;
c.) Increase in 'Property and equipment' of ₱27.18 million;
d.) Increase in 'Other current assets' of ₱ 128.09 million;
e.) Increase in 'Other noncurrent assets' of ₱ 128.04 million;
f.) Increase in 'Due to related parties' of ₱114.05 million;
g.) Increase in 'Capital stock' of ₱6,990.00 million for the issuance of 6,990.00 million common shares at ₱1.00 par value; and
h.) Increase in 'Additional paid-in capital of ₱28,720.89 million, the excess of fair value of the Assigned Properties over shares issued and net of share issuance costs of ₱242.10 million.

Initial public offering of the Company
As of December 31, 2024 and 2023, VREIT is 32.96% owned by MAPI, 17.40% owned by VRI, 5.92% owned by MC, 4.86% by CPAM, 3.49% owned by CAPI and 35.37% by the public after it was listed in the Philippine Stock Exchange on June 15, 2022. VLLI's effective ownership in VREIT as of December 31, 2023 and 2022 is at 60.09% from 98.94% as of December 31, 2021 as a result of the initial public offering.

2. Basis of Preparation

Basis of Preparation
The financial statements have been prepared on historical cost basis, except for investment properties which are measured at fair value, and are presented in Philippine Peso (₱), the Company's functional currency. All amounts are rounded off to the nearest peso unless otherwise indicated.

Statement of Compliance
The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

3. Changes in Accounting Policies

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

Unless otherwise indicated, adoption of these new standards did not have significant impact on the financial statements of the Company.

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

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

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

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

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Standards Issued but not yet Effective
Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Company's financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2025
- *PFRS 17, Insurance Contracts*
- *Amendments to PAS 21, Lack of exchangeability*

Effective beginning on or after January 1, 2026

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

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

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4. Summary of Material Accounting Policy Information

Fair Value Measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. For a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

Subsequent measurement

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

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

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

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

The Company's financial assets at amortized cost includes cash, receivables (except for advances to contractors) and receivables from related parties.

Impairment of Financial Assets
The Company recognizes expected credit losses (ECL) for the following financial assets that are not measured at FVTPL:

- debt instruments that are measured at amortized cost and FVOCI;
- loan commitments; and
- financial guarantee contracts.

No ECL is recognized on equity investments.

ECLs are measured in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company uses simplified approach method in calculating its ECL for receivables from tenants. Under the simplified approach, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix for trade receivables that is based on its historical credit loss experience, adjusted for forward-looking factors (i.e., inflation, GDP growth rate) specific to the debtors and the economic environment.

An impairment analysis is performed at each reporting date using a provision matrix to measure ECLs. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The Company considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full.

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment loss.

For cash in banks, the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the external credit rating agencies to determine whether the instrument has significantly increased in credit risk and to estimate ECLs.

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

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

The Company's financial liabilities include accounts and other payables (except for deferred output VAT and other statutory payables), payable to related parties, dividends payable and retention payable.

Subsequent measurement
Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

This category generally applies to accounts and other payables (except for deferred output VAT and other statutory payables) and payable to related parties presented in the statements of financial position.

Derecognition of Financial Assets and Financial Liabilities
Financial asset
A financial asset (or, where applicable, a part of a group of financial assets) is derecognized when, and only when: (a) the right to receive cash flows from the assets expires; (b) the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third-party under a "pass-through" arrangement; or (c) the Company has transferred its right to receive cash flows from the asset and either: (i) has transferred substantially all the risks and rewards of the asset, or (ii) has neither transferred nor retained the risks and rewards of the asset but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liability
A financial liability (or a part of a financial liability) is derecognized when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Advances to Contractors and Suppliers
Advances to contractors are advance payments in relation to the Company's construction activities and are recouped through reduction against progress billings as the construction progresses. Recoupments occur within one to five years from the date the advances were made.

Refundable Deposits
Refundable deposits are measured at amortized cost. These pertain to deposits on utility subscriptions, rental deposits and security deposits which shall be applied against unpaid utility expenses and rent expenses upon termination of the contracts.

Investment Properties
Investment properties consist of properties that are held to earn rental and that are not occupied by the Company. Investment properties are initially measured at cost but are subsequently remeasured at fair value at each reporting date, which reflects market conditions at the reporting dated. Cost comprises the purchase price and any directly attributable costs in developing and improving the properties. Cost also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the cost of day-to-day servicing of an investment property. The fair value of investment properties is determined using income approach by the management and an external valuer. Gains or losses arising from changes in the fair value of investment properties are included in the profit of loss in the period in which they arise, including the corresponding tax effect, if any. The fair value reported in the financial statements is reduced by the application of the straight-line method of recognizing rental income and lease commissions.

The Company's investment properties consist mainly of retail malls and office buildings.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in profit or loss in the period of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation, commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sell.

For transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupier property become an investment property, the Company accounts for such property in accordance with the property and equipment policy up to the date of change in use.

Impairment of Nonfinancial Assets
The Company assesses at each reporting date whether there is an indication that nonfinancial assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's fair value less costs to sell

and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Impairment losses of continuing operations are recognized in profit or loss in those expense categories consistent with the function of the impaired asset.

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

Security Deposits
Security deposits represent deposits required by lease agreement from lessees. These can be recovered upon termination of the lease agreement through refund or application to unpaid rent and/or other charges.

Advance Rent
Advance rent includes three-month advance rental paid by lessee as required under lease contract. These will be applied to the first or last three months rental depending on the contract terms of the related lease contract. These also include overpayments made by lessee against its monthly billings which will applied to future billings.

Equity
Capital stock and additional paid-in capital (APIC)
Capital stock is measured at par value for all shares subscribed, issued and outstanding. When the shares are sold at premium, the difference between the proceeds at the par value is credited to APIC. Direct costs incurred related to equity issuance are chargeable to APIC account. If APIC is not sufficient, the excess is charged against retained earnings. When the Company issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued.

Share issuance costs
Share issuance costs are incremental costs directly attributable to the issuance or subscription of new shares which are shown in equity as deduction, net of tax, from the proceeds. Costs that relate to the new stock market listing, or otherwise are not incremental costs directly attributable to issuing new share, are recorded as expense in the statement of comprehensive income.

Retained earnings (Deficit)
Retained earnings (Deficit) represent accumulated earnings (losses) of the Company less dividends declared.

Revenue Recognition
Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water and electricity services in its mall retail spaces and office leasing activities, wherein it is acting as agent.

Rental Income
The Company earns revenue from acting as a lessor in operating leases which do not transfer substantially all of the risks and rewards incidental to ownership of an investment property. Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in the revenue in the statement of comprehensive income due to its operating nature, except for contingent rental income which is recognized when it arises.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognized as a reduction of rental income on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Company is reasonably certain that the tenant will exercise the option. For more information on the judgment involved, refer to Note 5.

The tenant lease incentives are considered in the calculation of 'Accrued rental receivables' under 'Receivables' in the statement of financial position.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognized in the statement of comprehensive income when the right to received them arises.

The contracts for commercial and office spaces leased out by the Company to its tenants include the rights to charge for the electricity usage, water usage, air-conditioning charges and CUSA like maintenance janitorial and security services.

For the electricity and water usage, the Company determined that it is acting as an agent because the promise of the Company to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility and service companies, and not the Company, are primarily responsible for the provisioning of the utilities while the Company administers the leased spaces and coordinates with the utility and service companies to ensure that tenants have access to these utilities.

For the provision of CUSA and air-conditioning of the buildings, the Company acts as a principal because it retains the right to direct the service provider of air-conditioning, maintenance, janitorial and security to the leased premises. The right to the services mentioned never transfers to the tenant and the Company has the discretion on how to price the CUSA and air-conditioning charges.

In respect of the revenue component, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Company. The Company applies the time elapsed method to measure progress.

The consideration charged to tenants for these services is based on a fixed amount as agreed with the tenants.

The Company arranges for third parties to provide certain of these services to its tenants. The Company concluded that it acts as a principal in relation to these services as it controls the specified services before transferring them to the customer. Therefore, the Company records revenue on a gross basis. For more information, please refer to Note 5.

Interest income
Interest is recognized using the effective interest method, i.e, the rate, that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Parking Fees and Other Operating Income
Parking fees and other operating income are recognized when earned.

Cost and Expenses
Cost and expenses pertain to expenses incurred in relation to rental of investment properties and administering the business. These are recognized when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen than can be measured reliably. These are recognized when incurred and measured at the amount paid or payable.

Income Taxes
Current tax
Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

The Company periodically evaluates the income tax positions taken in situations where the applicable tax regulations are subject to interpretation and considers these positions separately from other uncertainties. The Company assesses whether or not it is probable that those income tax positions will be accepted by the tax authorities, where if not, the Company recognizes additional income tax expense and liability relating to those positions.

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

Deferred tax liabilities are recognized for all taxable temporary differences, with certain exceptions. Deferred tax liabilities shall be recognized for all taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures when the timing of reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in foreseeable future. Otherwise, no deferred tax liability is set up.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefit of unused tax credits from excess of minimum corporate income tax (MCIT) over the regular corporate income tax and unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from MCIT and NOLCO can be utilized.

Deferred tax assets shall be recognized for deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss in the statement of comprehensive income. Deferred tax items recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

Incentive Under REIT Law
The Company is granted an exemption under the REIT Law provided that it meets certain conditions (e.g., distribution of minimum required earning equivalent to at least 90% of distributable income).

Under the tax incentive scheme, the Company can choose to operate within one or two tax regimes (a "full tax" regime or a "no tax" regime) depending on whether profits are retained or distributed.

The Company availed of the tax-free incentive and no deferred taxes have been recognized on temporary differences.

<u>Leases</u>
The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as Lessee
The Company applies a single recognition and measurement approach for all leases, except short-term leases and leases of low-value assets. The Company's long-term lease requires variable lease payments and thereby does not qualify for recognition of lease liability and right-of-use asset (see Note 15).

Short-term Leases and Leases of Low-value Assets
The Company applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Company applies the low-value assets recognition exemption to leases of underlying assets with a value of ₱0.25 million and below when new. Lease payments on short-term leases and low-value assets are recognized as expense on a straight-line basis over the lease term.

Company as a Lessor
Leases where the lessor does not transfer substantially all the risks and benefits of ownership of the assets are classified as operating leases. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Lease modification is defined as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term).

A lessor shall account for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease. If a change in lease payments does not meet the definition of a lease modification, that change would generally be accounted for as a negative variable lease payment. In the case of an operating lease, a lessor recognizes the effect of the rent concession by recognizing lower income from leases.

Pretermination is defined as termination of lease contract by the lessee or lessor before the end of the lease term. In the case of pretermination of an operating lease, a lessor derecognizes the accrued rental receivable which is the effect of straight-line calculation of rental income and is charged against rental income in the statement of comprehensive income.

Basic and Diluted Earnings (Loss) Per Share (EPS)
Basic EPS is computed by dividing net income attributable to equity holders of the Company by the weighted average number of common shares issued and outstanding during the year. Diluted EPS is computed by dividing net income (loss) attributable to the equity holders of the Company by the weighted average number of common shares issued and outstanding during the year after giving effect to assumed conversion of potential common shares. The calculation of diluted EPS does not assume conversion, exercise, or other issue of potential common shares that would have an antidilutive effect on earnings per share.

For the years ended December 31, 2024, 2023 and 2022, the Company has no potential dilutive common shares (see Note 16).

Segment Reporting
The Company's lease operation is its reportable segment. Financial information on business segment is presented in Note 17 to the financial statements.

Provisions
Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessment of the time value of money and the risk specific to the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized only when the reimbursement is virtually certain. The expense relating to any provision is presented instatement of comprehensive income net of any reimbursement.

Contingencies
Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

Events After the Financial Reporting Date
Post year-end events that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Any post year-end events that are not adjusting events are disclosed in the financial statements when material.

5. Material Accounting Judgments and Estimates

The preparation of accompanying financial statements in compliance with PFRS Accounting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the financial statements. Actual results could differ from such estimates.

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

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

Assessment of the Company being effectively a 'tax-free' entity
There are entities which are specifically exempt from income tax under the tax rules, and accordingly are not within the scope of PAS 12, *Income Taxes*. For REIT entities, while not formally designated as 'tax-free' under the tax rules, are nevertheless "income tax-free" provided that they meet certain conditions (i.e., listing status, dividend payments, etc.).

A REIT entity is required to distribute at least 90% of its annual distributable income as a dividend to its investors and is allowed to treat the dividend as deduction for tax purposes making it effectively an "income tax-free" entity.

The Company abides with the provisions of the REIT law and complies with the 90% dividend distribution. The Company has determined, based on its current tax regime and expected dividend distribution in the succeeding periods, that it is effectively an "income tax-free" entity. Accordingly, the Company did not recognize deferred taxes after its listing as a REIT entity (see Note 14).

Principal versus agent considerations
The contract for the commercial spaces leased out by the Company to its tenants includes the right to charge for the electricity usage, water usage, air conditioning charges and CUSA like maintenance, janitorial and security services.

For the electricity and water usage, the Company determined that it is acting as an agent because the promise of the Company to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility company, and not the real estate developer, is primary responsible for the provisioning of the utilities while the Company, administers the leased spaces and coordinates with the utility companies to ensure that tenants have access to these utilities. The Company does not have the discretion on the pricing of the services provided since the price is based on the actual rate charged by the utility providers.

For the connection to air conditioning system and services in the CUSA, the Company acts as a principal. This is because it is the Company who retains the right to direct the service provider of CUSA as it chooses and the party responsible to provide proper ventilation and air conditioning to the leased premises. The right to the services mentioned never transfers to the tenant and the Company has the discretion on how to price the CUSA and air conditioning charges.

Property lease classification - the Company as lessor
The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of this property and accounts for the contracts as operating leases

Determination of the lease term
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

As a lessor, the Company enters into lease agreements that contain options to terminate or to extend the lease. At commencement date, the Company determines whether the lessee is reasonably certain to extend the lease term or not to terminate the lease. To make this analysis, the Company takes into account any difference between the contract terms and the market terms, any significant investments made by the lessee in the property, costs relating to the termination of the lease and the importance of the underlying asset to the lessee's operations. In many cases, the Company does not identify sufficient evidence to meet the required level of certainty.

As a lessee, the Company has a lease contract for the land where investment properties are situated that includes an extension and a termination option. The Company applies judgement in evaluating whether or not it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise, or not to exercise, the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

Evaluation whether the acquired asset of assets constitute a business
The Company acquired portfolio of investment properties via asset-for-share swap and elected to apply the optional concentration test to determine whether the acquired assets or group of assets constitute a business. The Company has determined that the acquisition is a purchase of asset as the acquisition passed the concentration test due to: (a) the building is considered a single identifiable asset and (b) substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset.

See Note 1 for details of the acquired properties in 2022 from the Sponsors.

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

Provision for expected credit losses on receivables

Cash in banks:
The Company recognizes a loss allowance based on either 12-month ECLs or Lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss. The Company uses external credit rating approach to calculate ECL for cash in banks. This approach leverages on available market data (i.e., S&P and Moody's and Fitch credit ratings for default rates). S&P, Moody's, Fitch and Reuters are reliable market data sources that provide default and recovery rate data. This information are widely used by investors and stakeholders in decision-making in terms of investment, credit activities, etc.

Receivables:
For third-party receivable from tenants and related accrued rental receivables, the Company uses a provision matrix to calculate ECLs. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss. The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The assessment of the relationship between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For related party receivables from tenants, including the accrued rental receivable, the Company considers the ability to pay of the related party and considers factors whether the related party is a listed company or not, its current results of operations and the projected cash flows from operations. The assessment also includes the assumption of the liability of the related parties' parent company and future plans of payments for remaining uncollected receivables such as entering into property exchange or joint venture arrangements wherein land properties will be received as form of settlement, which are to be used in the Company's planned expansion activities. The collectability assessment also includes the continuing commitment to provide financial support to these related parties and common control entities by Fine Properties, Inc. and the assessment of the latter's capacity to provide such financial support.

The carrying value of the Company's receivables amounted to ₱2,939.89 million and ₱1,792.81 million as of December 31, 2024 and 2023, respectively. The Company has recognized provision for expected credit losses on receivables amounting to ₱43.90 million in 2024 and ₱8.54 million in 2024 and 2023, respectively.

Further details are provided in Note 7.

Determining the fair value of investment properties
The Company measures its investment properties using fair value method. The Company engages an independent valuation specialists to assess fair value as at reporting date. The fair value of investment properties is determined by independent real estate valuation experts based on the income approach which are based on the assets' discounted future cash flows.

The fair value of investment properties amounted to ₱28,451.50 million and ₱25,457.14 million as of December 31, 2024 and 2023, respectively. Fair value changes resulting to a gain recognized in 2024 and loss recognized in 2023 amounted to ₱2,943.94 million and ₱539.54 million, respectively (see Note 8).

6. Cash

This account consists of:

	2024	2023
Cash on hand	**₱117,900**	₱127,400
Cash in banks (Notes 18 and 19)	**44,188,751**	30,034,545
	₱44,306,651	₱30,161,945

Cash in banks earns interest at the prevailing bank deposit rates. Interest rate ranges from 0.06% to 0.13% in 2024 and 2023.

Interest earned from cash in banks for the years ended December 31, 2024, 2023 and 2022 amounted to ₱0.03 million, ₱0.05 million, and ₱0.02 million, respectively.

7. Receivables

This account consists of:

	2024	2023
Trade receivables (Note 15)	**₱4,621,273,481**	₱2,866,899,676
Advances to contractors	**47,065,416**	36,761,821
Other receivables	**793,679**	5,772,816
	4,669,132,576	2,909,434,313
Less allowance for impairment losses	**52,437,907**	8,536,668
	4,616,694,669	2,900,897,645
Less noncurrent portion	**1,478,507,058**	967,782,116
	₱3,138,187,611	₱1,933,115,529

Trade receivables
Trade receivables comprise of accounts receivables from tenants and accrued rental receivable. Accounts receivables from tenants represent the outstanding receivables arising from the lease of commercial centers relating to the Company's mall and offices and are collectible within 30 days from billing date. Except for lease contracts with related parties, these are covered by security deposit of tenants' equivalent to two to four-month rental and two to four-month advance rental paid by the lessees. This includes both the fixed and contingent portion of lease. Accrued rental receivable pertains to the effect of straight-line calculation of rental income. The noncurrent portion of accrued rental receivable pertains to future billings beyond 12 months from reporting date. As of December 31, 2024 and 2023, Accounts receivable from tenants amounted to ₱2,939.12 million and ₱1,787.04 million while Accrued rental receivable amounted to ₱1,682.15 million and ₱1,079.86 million, respectively (see Note 15).

Advances to contractors
Advances to contractors are advance payments in relation to the Company's construction activities and are recouped through reduction against progress billings as the construction progresses. Recoupment occurs within one to five years from the date the advances were made.

Provision for expected credit losses
In 2024, the total impairment loss of ₱43.90 million and ₱8.53 million pertains to specifically impaired receivables, respectively.

For the accounts receivable from related party tenants, the expected credit loss from the impairment exercise using a provision matrix is zero.

Rental agreements
The Company entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space, (b) provisioning of water and electricity, and (c) connection to air conditioning system, (d) CUSA services, and (e) administration fee. Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations is recognized when services are rendered. Except for related party tenants, the following arrangements are applicable to the rental arrangement of the Company: (a) the tenant is required to settle within 30 days upon receipt of the bill, in case of delay in payments, a penalty of 5.00% is charged for the amount due and shall be charged another 5.00% the following month of delay and every month thereafter inclusive of penalties previously charged; and (b) the lease arrangement would typically require a tenant to pay advance rental equivalent to two to four months rental and security deposit equivalent to two to four months rental to cover any breakages after the rental period, with the excess, if any, is returned to the tenant.

As a result of the execution of the Property-for-Share Swap and Deed of Assignment of Leases, the Sponsors effectively terminated the lease contracts assigned to VREIT and in turn, VREIT, as the new lessor, accounted for these assigned leases as new lease contracts accounted for as operating lease (see Note 1).

8. Investment Properties

The rollforward analysis of this account follows:

	December 31, 2024		
	Building and Building Improvements	**Construction in Progress**	**Total**
Fair Value:			
Balances at beginning of year	**₱25,392,769,824**	**₱64,367,196**	**₱25,457,137,020**
Additions	**28,895,234**	**21,532,689**	**50,427,923**
Fair value change	**2,943,939,243**	–	**2,943,939,243**
Balances at end of year	**₱28,365,604,301**	**₱85,899,885**	**₱28,451,504,186**

	December 31, 2023		
	Building and Building Improvements	Construction in Progress	Total
Fair Value:			
Balances at beginning of year	₱24,805,931,869	₱30,962,379	₱24,836,894,248
Additions	47,301,527	33,404,817	80,706,344
Fair value change	539,536,428	–	539,536,428
Balances at end of year	₱25,392,769,824	₱64,367,196	₱25,457,137,020

As discussed in Note 1, VREIT entered into various Deeds of Assignment and Subscription Agreements with the Sponsors for the assignment, transfer, and conveyance by the Sponsors to VREIT of 10 community malls and two office buildings excluding the land where the malls and office buildings are situated with fair value of ₱35,952.99 million in exchange for the issuance by VREIT to the Sponsors of common shares (the Property-for-Share Swap).

Investment properties consist mainly of commercial centers that are held to earn rentals. The commercial centers include retail malls and offices that are located in key cities and municipalities in the Philippines.

The following table provides the fair value hierarchy of the Company's investment properties as of December 31, 2024 and 2023:

			Fair value measurement using		
	Date of valuation	**Total**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant offer observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Investment properties	**December 31, 2024**	**₱28,451,504,186**	**₱–**	**₱–**	**₱28,451,504,186**

			Fair value measurement using		
	Date of valuation	Total	Quoted prices in active markets for identical assets (Level 1)	Significant offer observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investment properties	December 31, 2023	₱25,457,137,020	₱–	₱–	₱25,457,137,020

The fair values of the investment properties were measured through income approach using the discounted cash flow analysis using cash projections based on existing customer contracts covering a five-year period. This approach converts anticipated future gains to present worth by projecting reasonable income and expenses for the subject properties. Cash flows beyond the five-year period are extrapolated using capitalization rates ranging from 3.49% to 4.02%.

The key assumptions used to determine the fair value of the investment properties held for leasing are the estimated rental value per sqm per year based on existing customer contracts, rental growth rate per annum, inflation rate, and discount rate. The discount rate used in the valuation is 8.40% and 9.20% in 2024 and 2023, respectively. Significant increases (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the properties. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower (higher) fair value. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum, and an opposite change in the long-term vacancy rate and discount rate.

Rental income earned from investment properties, including straight-line adjustments, amounted to ₱2,462.82 million, ₱2,411.02 million and ₱1,957.57 million in 2024, 2023 and 2022, respectively. Repairs and maintenance costs and costs of property operations arising from the investment properties amounted to ₱433.74 million, ₱556.11 million and ₱455.19 in 2024, 2023 and 2022, respectively. For the terms and conditions on the lease, refer to Note 20.

There are no investment properties as of December 31, 2024 and 2023 that are pledged as security to liabilities. The Company has no restrictions on the realizability of its investment properties. Except for contracts awarded, there are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

9. Other Assets

This account consists of:

	2024	2023
Refundable deposits	**₱106,071,622**	₱106,071,622
Prepaid expenses	**28,644,444**	29,597,983
Creditable withholding taxes	**4,054,655**	8,324,656
Input value-added tax (VAT) - net	**4,521,021**	3,751,919
Others	**2,057,454**	2,478,302
	145,349,196	150,224,482
Less noncurrent portion of refundable deposits	**106,071,622**	106,071,622
Less noncurrent portion of creditable withholding taxes	**–**	8,324,656
Total noncurrent portion	**106,071,622**	114,396,278
	₱39,277,574	₱35,828,204

Refundable deposits pertain to deposits on utility subscriptions and security deposits. These deposits shall be applied against unpaid utility expenses. These deposits are necessary for the continuing construction and development of the Company's commercial centers.

As a result of the execution of the Property-for-Share Swap and Deed of Assignment of Leases, the Sponsors effectively terminated the lease contracts assigned to VREIT and in turn, VREIT, as the new lessor, accounted for these assigned leases as new lease contracts. Accordingly, the Sponsors also transferred the related refundable deposits on the assigned leases amounting to ₱128.09 million (see Note 1).

Prepaid expenses mainly include advertising and marketing fees, taxes and licenses and insurance paid in advance. These are to be fully amortized within one year.

Creditable withholding taxes pertain to taxes withheld by the customer and are recoverable and can be applied against income tax in future periods. For the year ended December 31, 2024 and 2023, creditable withholding taxes applied against income tax payable amounted to ₱32.70 million and ₱41.19 million, respectively.

Input VAT is a tax imposed on purchases of goods, professional and consulting services and construction costs. These are available for offset against output VAT in future periods.

10. **Accounts and Other Payables**

This account consists of:

	2024	2023
Accounts payable:		
Supplier	**₱342,746,959**	₱175,392,172
Contractors	**63,133,725**	37,124,288
Tenant	**49,239,226**	48,944,216
Affiliate	**42,987,460**	14,674,698
Deferred output VAT	**125,260,353**	106,554,456
Accrued expenses	**107,123,965**	47,215,871
Output tax - net	**63,619,215**	–
Retention payable	**6,209,537**	6,083,269
Other payables	**20,048,228**	38,553,135
	₱820,368,668	₱474,542,105

Accounts payable - suppliers
Accounts payable - suppliers represent agency fees, construction materials, marketing collaterals, office supplies and property and equipment ordered and delivered but not yet due. These are expected to be settled within the year.

Accounts payable - contractors
Accounts payable - contractors pertain to contractors' billings for construction services related to the development of various projects of the Company. These are expected to be settled within the year.

Deferred output VAT
Deferred output VAT pertains to the output VAT on receivables from the Company's leasing operations. This amount is presented as output VAT upon collection of the receivables.

Accrued expenses
Details of accrued expenses are as follow:

	2024	2023
Utilities	**₱48,497,486**	₱5,678,068
Repairs and maintenance	**13,822,535**	9,496,362
Janitorial services	**10,601,365**	8,238,998
Security services	**8,768,702**	5,205,147
Agency services	**8,252,453**	5,506,706
Professional fees	**4,060,822**	3,510,971
Advertising	**3,120,445**	5,105,010
Rental	**58,951**	791,623
Others	**9,941,206**	3,682,986
	₱107,123,965	₱47,215,871

Retention payable
Retention payable pertains to 10.00% retention from the contractors' progress billings which will be released after the completion of contractors' project. The retention serves as a holdout amount withheld from the contractor to cover for back charges that may arise from quality issues in affected projects.

Other payables
Other payables include dues from remittance to Social Security System, Philippine Health Insurance Corporation, Home Development Mutual Fund, withholding taxes and various payables.

These are noninterest-bearing and are normally settled within one year.

11. Security Deposits and Advance Rent

This account consists of:

	2024	2023
Security deposits	**₱397,175,448**	₱378,552,649
Advance rent	**286,315,376**	266,556,965
	683,490,824	645,109,614
Less noncurrent portion:		
Security deposits	**(19,727,017)**	(174,066,315)
Advance rent	**(12,576,244)**	(85,981,252)
	(32,303,261)	(260,047,567)
	₱651,187,563	₱385,062,047

Security deposits
Security deposits represent deposits required by lease agreements. These can be recovered upon termination of the lease agreement through refund or application to unpaid rent and/or other charges. Current portion are those to be applied within one year from financial reporting date.

Advance rent
Advance rent includes three-month advance rental paid by lessee as required under lease contract. These will be applied to the first or last three months rental depending on the contract terms of the related lease contract. These also include overpayments made by lessee against its monthly billings which will applied to future billings. Current portion are those to be applied within one year from financial reporting date.

As a result of the execution of the Property-for-Share Swap and Deed of Assignment of Leases, the Sponsors effectively terminated the lease contracts assigned to VREIT and in turn, VREIT, as the new lessor, accounted for these assigned leases as new lease contracts. Accordingly, the Sponsors also transferred the related security deposits and advance rent on the assigned leases (see Note 1).

12. Equity

The details of the Company’s common shares as of December 31, 2024 and 2023 follow:

	2024		2023	
	Shares	**Amount**	Shares	Amount
Authorized - at ₱1 par value				
Balances at beginning and end of year	**15,000,000,000**	**₱15,000,000,000**	15,000,000,000	₱15,000,000,000
Issued and outstanding				
Balances at beginning and end of year	**7,500,000,000**	**₱7,500,000,000**	7,500,000,000	₱7,500,000,000

Initial Public Offering (IPO) of VREIT
On May 5, 2022, the SEC rendered effective the Company's REIT Plan and the registration of its 7,500.00 million common shares.
On June 15, 2022, the PSE approved the application of the Company for the initial listing of its 7,500.00 million common shares under the Main Board of the PSE, to cover the Company's IPO.

The Company was listed on the Main Board of the PSE on June 15, 2022 at an initial listing price of ₱1.75 per share (see Note 1).

Additional Paid-In Capital (APIC)
The Company recorded APIC amounting to ₱28,720.89 million, net of share issuance costs. The Company incurred transaction costs incidental to the IPO that are directly attributable to the issuance or subscription of new shares amounting to ₱242.10 million (see Note 1).

Net Asset Value (NAV)
The Company's NAV with investment properties at fair value amounted to ₱31,082.45 million, ₱27,502.47 million and ₱26,163.74 million as of December 31, 2024, 2023 and 2022, respectively. The NAV per share amounted to ₱4.14, ₱3.67 and ₱3.49 as of December 31, 2024, 2023 and 2022, respectively.

Dividend Declarations

2024
The BOD of the Company approved the declaration of regular cash dividend amounting to ₱403.50 million or ₱0.05 per share, ₱309.90 million or ₱0.04 per share, ₱339.23 million or ₱0.05 per share and ₱350.02 million or ₱0.05 on April 15, 2024, May 20, 2024, August 14, 2024 and November 13, 2024, respectively. The dividend declarations are in favor of all stockholders of record as of May 7, 2024, June 5, 2024, September 12, 2024, and December 13, 2024 which were paid (except for the share of the Sponsors which is partially offset against Receivable from related parties and the rest is recognized under Payable to related parties) on May 28, 2024, June 27, 2024, October 3, 2024 and January 10, 2025, respectively.

2023
The BOD of the Company approved the declaration of regular cash dividend amounting to ₱289.50 million or ₱0.0386 per share, ₱294.00 million or ₱0.0392 per share, ₱297.00 million or ₱0.0396 per share and ₱300.00 million or ₱0.0400 on April 19, 2023, May 18, 2023, August 14, 2023 and November 14, 2023, respectively. The dividend declarations are in favor of all stockholders of record as of May 8, 2023, June 2, 2023, August 31, 2023, and December 14, 2023 which were paid (except for the share of the Sponsors which is offset against Receivable from related parties) on May 29, 2023, June 26, 2023, September 21, 2023 and January 9, 2024, respectively.

Accordingly, the Company and the Sponsors entered into an agreement to offset, as applicable, the dividends payable of the Company with the Sponsors' payable to VREIT starting 2023. The Company offsets dividends payable of ₱312.30 million and ₱763.02 million in 2024 and 2023, respectively (see Note 15).

2022
The BOD of the Company approved the declaration of regular cash dividend amounting to ₱1.00 million or ₱0.0020 per share, ₱157.50 million or ₱0.0210 per share and ₱270.75 million or ₱0.0361 per share in March, August, and November 2022, respectively. The dividend declarations are in favor of all stockholders of record as of March 31, August 30 and November 28, 2022 which were paid on September 20 and December 19, 2022, respectively. As of December 31, 2022, unpaid dividends payable amounted to ₱175.01 million.

Registration Track Record
On May 12, 2022, the PSE approved the listing of the Company's common shares totaling to 7,500.00 million shares. The shares were initially issued at an offer price of ₱1.75 per share.

Below is the summary of the Company's track record of registration of securities with the SEC as at December 31, 2024:

	Number of Shares Registered	Number of holders of securities as of year end
December 31, 2020	10,000,000	6
Add/(deduct) movement	500,000,000	4
December 31, 2021	510,000,000	10
Add/(deduct) movement	6,990,000,000	5,140
December 31, 2022	7,500,000,000	5,150
Add/(deduct) movement	–	491
December 31, 2023	7,500,000,000	5,641
Add/(deduct) movement	–	1,496
December 31, 2024	**7,500,000,000**	**7,137**

Capital Management
The primary objective of the Company's capital management policy is to ensure that debt and equity capital are mobilized efficiently to support business objectives and maximize shareholder value. The Company establishes the appropriate capital structure for each business line that properly reflects its premier credit rating and allows it the financial flexibility, while providing it sufficient cushion to absorb cyclical industry risks.

The Company's source of capital includes all the components of equity totaling ₱31,082.45 million and ₱27,502.47 million as of December 31, 2024 and 2023, respectively.

The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions.

The Company is subject to external capital requirement as a REIT to have a minimum paid-up capital of ₱500.00 million in compliance with Republic Act No. 9856 and implementing rules and regulations of REIT Act of 2009.

Financial Risk Assessment
The Company's financial condition and operating results would not be materially affected by the current changes in liquidity, credit, interest, currency and market conditions.

13. **Other Operating Income**

This account consists of:

	2024	2023	2022
Administrative fees	**₱98,090,620**	₱115,819,755	₱72,902,497
Advertising fees	**35,660,143**	27,508,672	21,148,024
Mall maintenance and security fees	**32,126,355**	27,089,357	15,014,910
Penalties and surcharges	**3,670,510**	2,196,042	2,019,867
Miscellaneous	**335,264**	881,864	102,722
	₱169,882,892	₱173,495,690	₱111,188,020

14. **Income Tax**

Provision for income tax consists of:

	2024	2023	2022
Current:			
RCIT	**₱32,700,796**	₱41,194,063	₱42,782,928
Final	**6,388**	10,547	4,210
	₱32,707,184	₱41,204,610	₱42,787,138

The Company, being a REIT entity, is required to distribute at least 90% of its distributable income as a dividend to its investors and is allowed to treat the dividend as deduction for tax purposes making it effectively an "income tax-free" entity. As such, the Company did not recognize deferred taxes on temporary differences after its listing as a REIT entity (see Note 5).

The reconciliation of the provision for income tax computed at the statutory income tax rate to the provision for income tax shown in profit or loss follows:

	2024	2023	2022
Provision for income tax at statutory income tax rate	**25.00%**	25.00%	25.00%
Tax effects of:			
Income already subjected to final tax	**0.00%**	0.00%	0.00%
Change in unrecognized deferred tax assets	**0.00%**	0.00%	0.03%
Provision on ECL	**0.22%**	0.08%	–
Share issuance costs	–	–	0.63%
Straight-line adjustment	**(3%)**	(5.37%)	1.38%
Fair value changes	**(14.67%)**	(5.27%)	(29.21%)
Deductible dividends	**(6.89%)**	(12.83%)	1.72%
Provision for income tax	**0.66%**	1.61%	(0.45%)

15. **Related Party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control or common significant influence. Entities under common control are those entities outside the Company but are related parties of Fine Properties, Inc. Related parties may be individuals or corporate entities.

The Company has Material Related Party Transactions Policies containing the approval requirements and limits on amounts and extent of related party transactions in compliance with the requirement under Revised Securities Regulation Code Rule 68 and SEC Memorandum Circular 10, series 2019.

The Company has an approval requirement such that material related party transaction (RPT) shall be reviewed by the Risk Management Committee (the Committee) and endorsed to the BOD for approval. Material RPTs are those transactions that meet the threshold value as approved by the Committee amounting to 10% or higher of the Company's total assets based on its latest audited financial statements. The Company in its regular conduct of business has entered into transactions with related parties principally consisting of trade transactions from mall leasing, advances, reimbursement of expenses and purchase and sale of real estate properties. Except as otherwise indicated, the outstanding accounts with related parties shall be settled in cash. The transactions are made at terms and prices agreed upon by the parties.

The Company in its regular conduct of business has entered into transactions with related parties principally consisting of trade transactions from mall leasing, advances, reimbursement of expenses and purchase and sale of real estate properties. Except as otherwise indicated, the outstanding accounts with related parties shall be settled in cash. The transactions are made at terms and prices agreed upon by the parties.

The statements of financial position include the following amounts resulting from the foregoing transactions which represent amounts receivable (payable) with related parties as of December 31, 2024 and 2023:

<u>2024</u>

	Nature of Transaction	Volume	Receivable (Payable)	Terms	Conditions
Receivables from tenants and accrued rental receivables (Note 7)					
Sponsor Entities	a) Rental of office spaces	**₱10,538,399**	**₱11,717,286**	**Noninterest-bearing**	**Unsecured; no impairment**
Other related parties	a) Rental of commercial and office spaces	**(1,766,696,908)**	**3,717,892,766**	**Noninterest-bearing**	**With guarantee from Fine Properties Inc., no impairment**
			₱3,729,610,052		
Receivables from related parties					
Sponsor Entities	b) Advances and land lease	**₱967,327,912**	**₱161,332,542**	**Due and demandable; noninterest-bearing**	**Unsecured; no impairment**
Entities under common control	b) Advances	**100,614,003**	**193,079,046**	**Due and demandable; noninterest-bearing**	**Unsecured; no impairment**
			₱354,411,588		
Payable to related parties					
Parent company	b) Advances	**₱6,200,000**	**(₱173,136,622)**	**Due and demandable; noninterest-bearing**	**Unsecured; no impairment**
Sponsor Entities	b) Advances	**(605,750,529)**	**(605,750,529)**	**Due and demandable; noninterest-bearing**	**Unsecured; no impairment**
Entities under common control	b) Advances	**–**	**(338,897)**	**Due and demandable; noninterest-bearing**	**Unsecured; no impairment**
Fund manager	c) Management fees	**(19,420,548)**	**(66,401,856)**	**Due and demandable; noninterest-bearing**	**Unsecured; no impairment**
Property manager	c) Management fees	**(18,942,814)**	**(62,642,272)**	**Due and demandable; noninterest-bearing**	**Unsecured; no impairment**
			(₱908,270,176)		
Dividend Payable					
Sponsor Entities	c) Dividend	**₱906,609,373**	**(₱123,794,513)**	**Due and demandable; noninterest-bearing**	**Unsecured; no impairment**
			(₱123,794,513)		

2023

	Nature of Transaction	Volume	Receivable (Payable)	Terms	Conditions
Receivables from tenants and accrued rental receivables (Note 9)					
Sponsor Entities	a) Rental of office spaces	(₱341,357)	₱1,178,887	Noninterest-bearing	Unsecured; no impairment
Other related parties	a) Rental of commercial and office spaces	(1,679,122,855)	2,774,578,778	Noninterest-bearing	With guarantee from Fine Properties Inc., no impairment
			₱2,775,757,665		
Receivables from related parties					
Sponsor Entities	b) Advances and land lease	(₱96,336,647)	₱353,023,078	Due and demandable; noninterest-bearing	Unsecured; no impairment
	b) Dividend	(763,021,684)	–	Due and demandable; noninterest-bearing	Unsecured; no impairment
Entities under common control	b) Advances	89,501,200	92,126,146	Due and demandable; noninterest-bearing	Unsecured; no impairment
			445,149,224		
Payable to related parties					
Parent company	b) Advances	(₱1,470)	(₱179,336,622)	Due and demandable; noninterest-bearing	Unsecured; no impairment
Fund manager	c) Management fees	(27,909,871)	(46,981,308)	Due and demandable; noninterest-bearing	Unsecured; no impairment
Property manager	c) Management fees	(27,909,871)	(43,699,458)	Due and demandable; noninterest-bearing	Unsecured; no impairment
			(₱270,017,388)		

The significant transactions with related parties follow:

a) The Company has operating lease agreements with entities under common control for the leases of commercial centers. The lease agreements are renewable and contain escalation clauses. Rental income and receivables including the effect of straight-line calculation from related parties amounted to ₱1,756.16 million and ₱3,717.89 million, respectively, as of December 31, 2024 and 2023, and ₱1,679.12 million and ₱2,774.58 million, respectively, as of December 31, 2023. These receivables from related parties which are recognized as ‘Accounts receivable from tenants’ and ‘Accrued rental receivable’ under ‘Receivables’ are not impaired (see Note 7).

   Included in the related party tenants are the AllValue Holdings Corp. Group of Companies (AllValue Group), an anchor tenant, which is comprised of AllHome Corp., AllDay Marts, Inc., All Day Retail Concepts, Inc., Family Shoppers Unlimited, Inc., CM Star Management, Inc., and The Village Server. Inc. AllValue Group is engaged in retail businesses covering supermarkets, retail of apparel, construction materials and home/building appliances and furnishings. The lease agreements are renewable and contains escalation clauses.

   Rental income and receivables from All Value Group including the effect of future lease rate escalation amounted to ₱1,639.49 million and ₱3,299.29 million, respectively, as of December 31, 2024 and ₱1,557.03 million and ₱2,550.93 million, respectively, as of December 31, 2023. These receivables from All Value Group which are recognized as ‘Accounts receivable from tenants’ and ‘Accrued rental receivable’ under ‘Receivables’ are not impaired (see Note 7).

Rental income and receivables from All Value Group without the effect of future escalation amounted to ₱1,041.09 million and ₱1,688.47 million, respectively, as of December 31, 2024 and ₱1,027.29 million and ₱1,513.12 million, respectively, as of December 31, 2023. These receivables from All Value Group are recognized as 'Accounts receivable from tenants' under 'Receivables' (see Note 7). These receivables are due and demandable.

b) *Advances*
The Company in its regular conduct of business has entered into transactions with ultimate parent company, VLLI and other related parties under common control principally consisting of noninterest bearing advances for working capital requirements and capital expenditures which are due and demandable. The Company's policy is to settle its intercompany receivables and payables on a net basis.

Land Lease
Several investment properties transferred through property-for-share swap are situated on land owned by its Sponsors or other related parties under VLLI. While the Company owns the ten (10) retail malls and two (2) office buildings, it leases the underlying land pursuant to separate lease agreements for each of the buildings. Pursuant to the deed of assignment and subscription, the Company and the Sponsors entered into lease agreements for the long-term lease of the land where the Properties are located with terms ranging from 15 to 25 years while rent is a percentage of the rental income for each property with rental rates ranging from 0.07% to 1.00%. Lease payments are purely based on variable rates. As such, right-of-use asset is not recognized.

Offsetting Agreement
In December 2023, MAPI and MC, as the Sponsors, entered into an offsetting agreement with VREIT to offset any financial obligations owed to each other under the terms of existing agreements between the parties and shall apply to all present and future financial obligations including but not limited to dividends, loans, advances and any other monetary transactions.

The following table represents the recognized financial instruments that are offset as of December 31, 2024 and 2023, and shows in the 'Net' column the net impact on the Company's statements of financial position as a result of the offsetting rights.

	December 31, 2024		
Dividend Offsetting	**Gross Amount**	**Offsetting**	**Net Amount**
Receivables from related parties	**₱933,281,373**	**₱–**	**₱933,281,373**
Payable from land lease	–	**(7,326,342)**	**(7,326,342)**
Payable to related parties	–	**(259,248,392)**	**(259,248,392)**
Dividends payable (Note 12)	–	**(312,295,051)**	**(312,295,051)**
	₱933,281,373	**(₱578,869,785)**	**₱354,411,588**

	December 31, 2023		
Dividend Offsetting	Gross Amount	Offsetting	Net Amount
Receivables from related parties	₱1,493,667,004	₱–	₱1,493,667,004
Payable from land lease	–	(23,740,185)	(23,740,185)
Payable to related parties	–	(261,755,911)	(261,755,911)
Dividends payable (Note 12)	–	(763,021,684)	(763,021,684)
	₱1,493,667,004	(₱1,048,517,780)	₱445,149,224

c) *Management fees*
Management fees pertain to the amounts billed by VFund Management, Inc. (VFund) (formerly Communities Palawan, Inc.) and VProp Management, Inc. (VProp) (formerly LET Ventures, Inc.), entities both under common control of VLLI, pursuant to the agreements entered into by the Company. These are the fund manager and property management of the Company, respectively.

VFund's main responsibility is to manage the Company's assets and liabilities, with a focus on investment yields and profitability margins. It has general power of management over the assets of the Company, pursuant to the Fund Management Agreement, a 5-year, renewable agreement defining the relationship between the Company and the VFund.

VProp has the overall responsibility for the day-to-day facilities management of the Properties, marketing of the office and retail spaces therein, management of client accounts, lease administration, operations management, and handling of tenant relations. Specifically, VProp will oversee negotiation and execution of lease contracts, enforcement of lease terms and conditions, and awarding, extension, and termination of leases; supervision of billing and collection of rentals and other payments from tenants, as well as monitoring of past due accounts and receivables; and, building management operations relating to security, utilities, repairs, and maintenance, emergency management, including engagement of contractors for such purpose.

d) Details of dividends declared including the offsetting agreement are discussed in Note 12.

Terms and conditions of transactions with related parties
Except for Receivables from tenants and accrued rental receivables from other related parties as disclosed above, there have been no guarantees provided or received for any related party receivables or payables. These accounts are noninterest-bearing and are unsecured. Except as otherwise indicated, the outstanding accounts with related parties shall be settled in cash.

Compensation of Key Management Personnel
The Company's accounting and administrative functions are handled by its Property and Fund managers, as well as the compensation of its key management personnel. Hence, disclosure of compensation for key management personnel, as required by PAS 24, *Related Party Disclosures,* is included in the financial statements of its property and fund managers.

16. Earning (Loss) Per Share (EPS)

Earnings (Loss) Per Share
The following table presents information necessary to compute the EPS:

	2024	2023	2022
Net income (loss) attributable to equity holder	**₱4,982,629,664**	₱2,519,236,794	(₱9,618,217,555)
Weighted average common shares	**7,500,000,000**	7,500,000,000	4,145,833,333
Basic/Diluted EPS	**₱0.66**	₱0.34	(₱2.32)

The basic and dilutive earnings per share are the same due to the absence of potentially dilutive common shares for the years ended December 31, 2024, 2023 and 2022.

17. Segment Reporting

The Company has determined that it is currently operating as one operating segment. Based on management's assessment, no part or component of the business of the Company meets the qualifications of an operating segment as defined by PFRS 8, *Operating Segments.*

The Company's 12-building lease operation is its only income-generating activity, and such is the measure used by management in allocating resources.

Rental income amounting to ₱1,639.49 million or 67% and ₱1,557.03 million or 65% of the Company's revenue was generated from anchor tenants as defined in Note 15 for the year ended December 31, 2024 and 2023, respectively.

There is no cyclicality in the Company's operations.

18. Fair Value Determination

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Other valuation techniques involving inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash in banks, accounts receivable from tenants, other receivables, receivables from related parties, accounts and other payables (except for deferred output VAT and other statutory payables), payable to related parties, dividends payable and security deposits: Due to the short-term nature of the accounts, the fair values approximate the carrying amounts in the statements of financial position.

The carrying amount of the noncurrent portion of security deposits approximates its fair value at year-end.

In 2024 and 2023, there were no transfers between Levels of fair value measurements.

19. Financial Assets and Liabilities

<u>Financial Risk Management Objectives and Policies</u>

Financial risk
The Company's principal financial liabilities comprise of accounts and other payables (except for deferred output VAT and other statutory payables) security deposits and payable to related parties. The main purpose of the Company's financial liabilities is to raise financing for the Company's operations. The Company has various financial assets such as cash, receivables (except for advances

to contractors) and receivables from related parties which arise directly from its operations. The main risks arising from the use of financial instruments are credit risk and liquidity risk.

The BOD reviews and approves with policies for managing each of these risks. The Company monitors market price risk arising from all financial instruments and regularly report financial management activities and the results of these activities to the BOD.

The Company's risk management policies are summarized below. The exposure to risk and how they arise, as well as the Company's objectives, policies and processes for managing the risk and the methods used to measure the risk did not change from prior years.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily from receivables from tenants and from its investing activities primarily from acquisitions of investment property and property and equipment.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Receivables are regularly monitored.

With respect to credit risk arising from the other financial assets of the Company, which are comprised of cash in banks, trade receivables and receivable from related parties, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Company manages its cash by maintaining deposit accounts with banks which have demonstrated financial soundness for several years.

The Company evaluates the concentration of risk with respect to receivables from third party tenants as low, as its customers are located in several jurisdictions and various income brackets and operate in largely independent markets.

The Company evaluates the concentration of risk with respect to receivable from related parties (refer to Notes 15 and 17). The related parties have a strong capacity to meet their contractual cash flows and/or provided with financial support by Fine Properties, Inc., the ultimate parent company.

Credit risk arising from receivable from third party tenants is primarily managed through a screening of tenants based on credit history and financial information submitted. Tenants are required to pay security deposits equivalent to 3-months lease payment to cover any defaulting amounts and advance rentals also equivalent to 3-month rent.

Credit risk arising from receivable from related party tenants, aside from the same terms of security deposits and advance rent, is minimal due to the financial letter of support provided by Fine Properties, Inc., the ultimate parent company.

Credit risk arising from receivables from related parties is minimal as they have a low risk of default and have a strong capacity to meet their contractual cash flows in the near term.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

As of December 31, 2024 and 2023, the credit quality per class of financial assets is as follows:

2024

	Neither Past Due nor Impaired			**Past due but not Impaired**		
	High Grade	**Standard**	**Substandard Grade**		**Impaired**	**Total**
Cash in banks	**₱44,188,751**	**₱–**	**₱–**	**₱–**	**₱–**	**₱44,188,751**
Receivables from tenants and accrued rental receivable	**1,930,725,221**	**–**	**2,638,110,353**	**–**	**52,437,907**	**4,621,273,481**
Other receivables	**793,679**	**–**	**–**	**–**	**–**	**793,679**
Receivable from related parties	**354,411,588**	**–**	**–**	**–**	**–**	**354,411,588**
	₱2,330,119,239	**₱–**	**₱2,638,110,353**	**₱–**	**₱52,411,553**	**₱5,020,667,499**

2023

	Neither Past Due nor Impaired					
	High Grade	Standard	Substandard Grade	Past due but not Impaired	Impaired	Total
Cash in banks	₱30,034,545	₱–	₱–	₱–	₱–	₱30,034,545
Receivables from tenants and accrued rental receivable	1,146,940,839	–	–	1,711,422,169	8,536,668	2,866,899,676
Other receivables	5,772,816	–	–	–	–	5,772,816
Receivable from related parties	445,149,224			–	–	445,149,224
	₱1,627,897,424	₱–	₱–	₱1,711,422,169	₱8,536,668	₱3,347,856,261

The Company's basis in grading its receivables is as follow:

High-grade - pertain to receivables from related parties which based on experience are highly collectible or collectible on demand, and of which exposure to bad debt is not significant. High-grade receivables from tenants and accrued rent receivable are receivables which have a high probability of collection (i.e., the counterparty has the apparent ability to satisfy its obligation and the security on receivables are readily enforceable).

Standard - pertain to active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Substandard - pertain to receivables that can be collected provided the Company makes persistent effort to collect them.

Cash in banks and deposited/placed in banks that are stable as they qualify either as universal or commercial banks. Universal and commercial banks represent the largest single Company, resource-wide, of financial institutions in the country the Company is operating. They offer the widest variety of banking services among financial institutions. These financial assets are classified as high grade due to the counterparties' low probability of insolvency.

As of December 31, 2024 and 2023, the aging analyses of the Company's receivables are as follows:

2024

		Past due but not impaired					
	Current	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**Over 90 days**	**Impaired**	**Total**
Accrued rent receivable	**₱1,682,149,505**	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**	**₱1,682,149,505**
Receivables from tenants	**248,575,716**	**84,060,333**	**1,095,586**	**173,027,088**	**2,379,953,700**	**52,437,907**	**2,939,123,976**
Other receivables	**793,679**	**–**	**–**	**–**	**–**	**–**	**793,679**
Receivables from related parties	**354,411,588**	**–**	**–**	**–**	**–**	**–**	**₱354,411,588**

2023

		Past due but not impaired					
	Current	1 to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Impaired	Total
Accrued rent receivable	₱1,079,861,279	₱–	₱–	₱–	₱–	₱–	₱1,079,861,279
Receivables from tenants	67,079,560	68,426,462	125,173,125	44,009,515	1,473,813,067	8,536,668	1,787,038,397
Other receivables	5,772,816	–	–	–	–	–	5,772,816
Receivables from related parties	445,149,224	–	–	–	–	–	445,149,224

Current receivables include billed lease receivables and accrued rent receivables which are not yet contractually collectible. Past due but not impaired include lease receivables which are aged 31 to over 90 days but collection is still probable. Impaired receivables are lease receivables from terminated tenants which are less likely to be collected.

The Company has collaterals in the form of security deposits and advance rent with respect to billed lease receivables that have been identified as past due but not impaired.

Applying the expected credit risk model resulted to recognition of impairment loss in 2024 and 2023.

Liquidity Risk

The Company monitors its cash flow position, debt maturity profile and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash deemed sufficient to finance its cash requirements. Operating expenses and working capital requirements are sufficiently funded through cash collections.

The extent and nature of exposures to liquidity risk and how they arise as well as the Company's objectives, policies and processes for managing the risk and the methods used to measure the risk are the same for 2024 and 2023.

<u>Maturity Profile of Financial Liabilities</u>

The tables below summarize the maturity profile of the Company's financial liabilities as at December 31, 2024 and 2023 based on undiscounted contractual payments, including interest payable.

	December 31, 2024				
	On Demand	**1 to 3 Months**	**3 to 12 Months**	**More than 1 year**	**Total**
Financial Liabilities					
Financial liabilities at amortized cost					
Accounts and other payables and security deposit*	**₱–**	**₱513,004,649**	**₱539,503,868**	**₱19,727,017**	**₱1,072,235,534**
Payable to related parties	**908,270,176**	–	–	–	**908,270,176**
Dividends payable	**123,794,513**	–	–	–	**123,794,513**
	₱1,032,064,689	**₱513,004,649**	**₱539,503,868**	**₱19,727,017**	**₱2,104,300,223**

**Excluding deferred output VAT and other payables.*

	December 31, 2023				
	On Demand	1 to 3 Months	3 to 12 Months	More than 1 year	Total
Financial Liabilities					
Financial liabilities at amortized cost					
Accounts and other payables and security deposit*	₱–	₱358,954,278	₱210,569,603	₱174,066,315	₱743,590,196
Payable to related parties	270,017,388	–	–	–	270,017,388
Dividends payable	103,571,984	–	–	–	103,571,984
	₱373,589,372	₱358,954,278	₱210,569,603	₱174,066,315	₱1,117,179,568

**Excluding deferred output VAT and other payablest.*

20. **Leases**

The Company as a Lessor

The Company has entered into non-cancellable property leases on its investment property portfolio, consisting of retail mall spaces and office buildings which generally provide for either (a) fixed monthly rent, or (b) minimum rent or a certain percentage of gross revenue, whichever is higher. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

Future minimum rental receivables under non-cancellable operating leases as of December 31, 2024 and 2023 follow:

	2024	2023
Within one year	**₱1,623,197,396**	₱1,542,418,607
More than 1 year to 2 years	**1,406,328,174**	1,580,968,523
More than 2 years to 3 years	**1,135,773,871**	1,367,304,545
More than 3 years to 4 years	**1,067,891,159**	1,108,572,025
More than 4 years to 5 years	**976,484,383**	1,043,032,622
More than five years	**6,093,253,286**	6,706,439,914
	₱12,302,928,269	₱13,348,736,236

Rental income, including straight-line adjustments, included in the statements of comprehensive income for the years ended December 31, 2024 and 2023 amounted to ₱2,462.84 million and ₱2,411.02 million, respectively.

Contingent rent included in the statements of comprehensive income for the years ended December 31, 2024 and 2023 amounted to ₱694.63 million and ₱1,046.43 million, respectively.

21. **Notes to Statements of Cash Flows**

Details of the movement in cash flows from financing activities follow:

2024

	January 1, 2024	**Cash Flows**	**Non-cash Changes**		**December 31, 2024**
			Dividend Declared	**Off-setting**	
Payables to related parties	**₱270,017,388**	**₱638,252,788**	**₱–**	**₱–**	**908,270,176**
Dividends payable	**103,571,984**	**(475,818,097)**	**1,402,650,000**	**(906,609,373)**	**123,794,513**
Total liabilities from financing activities	**₱373,589,372**	**₱162,434,691**	**₱1,402,650,000**	**(₱906,609,373)**	**₱1,032,064,689**

2023

	January 1, 2023	Cash Flows	Non-cash Changes		December 31, 2023
			Dividend Declared	Off-setting	
Payables to related parties	₱274,608,184	(₱4,590,796)	₱–	₱–	₱270,017,388
Dividends payable	175,011,310	(488,917,642)	1,180,500,000	(763,021,684)	103,571,984
Total liabilities from financing activities	₱449,619,494	(₱493,508,438)	₱1,180,500,000	(₱763,021,684)	₱373,589,372

The Company's noncash investing and financing activities in 2024 and 2023 pertain to the following:

a) In 2024 and 2023, unpaid additions to Property and equipment and Investment properties amounted to nil and ₱50.85 million and ₱0.57 million and ₱31.22 million, respectively.
b) In 2024 and 2023, increase in fair value of investment properties amounted to ₱2,943.94 million and ₱539.54 million, respectively.
c) The Company and the Sponsors entered into an agreement to offset the dividends payable and payable from land lease of the Company with the Sponsors' payable to VREIT as of December 31, 2024 and 2023 amounting to ₱906.61 million and ₱763.02 million and ₱18.76 million and ₱23.74 million, respectively.

22. Subsequent Events

Dividend Declaration

On April 29, 2025, the BOD of the Company approved the declaration of regular cash dividends amounting to ₱383.03 million or ₱0.051 per share. The dividend declarations are in favor of all stockholders of record as of May 13, 2025 and are expected to be paid on May 30, 2025.

23. Approval of the Financial Statements

The financial statements of the Company as of December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were authorized for issue by the BOD on May 15, 2025.

SGV
Building a better working world

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
VistaREIT, Inc.
Lower Ground Floor, Building B, Evia Lifestyle Center
Daanghari, Almanza Dos, Las Piñas City

We have audited the accompanying financial statements of VistaREIT, Inc. (the Company) as at and for the year December 31, 2024, on which we have rendered the attached report dated May 15, 2025.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the above Company has 7,107 stockholders owning one hundred (100) or more shares each.

SYCIP GORRES VELAYO & CO.

Ysmael S. Acosta
Partner
CPA Certificate No. 112825
Tax Identification No. 301-106-775
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-130-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465253, January 2, 2025, Makati City

May 15, 2025

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INDEPENDENT AUDITOR'S REPORT
ON THE SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
VistaREIT, Inc.
Lower Ground Floor, Building B, Evia Lifestyle Center
Daanghari, Almanza Dos, Las Piñas City

We have audited in accordance with Philippine Standards on Auditing, the accompanying financial statements of VistaREIT, Inc. (the Company) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated May 15, 2025. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules, are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Ysmael S. Acosta
Partner
CPA Certificate No. 112825
Tax Identification No. 301-106-775
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-130-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465253, January 2, 2025, Makati City

May 15, 2025

SGV
Building a better working world

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INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
VistaREIT, Inc.
Lower Ground Floor, Building B, Evia Lifestyle Center
Daanghari, Almanza Dos, Las Piñas City

We have audited in accordance with Philippine Standards on Auditing, the accompanying financial statements of VistaREIT, Inc. (the Company) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated May 15, 2025. Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

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VISTAREIT, INC. (Formerly Vista One, Inc.)

INDEX TO SUPPLEMENTARY SCHEDULES

VISTAREIT, INC. (Formerly Vista One, Inc.)

SUPPLEMENTARY SCHEDULE ON FINANCIAL SOUNDNESS INDICATORS DECEMBER 31, 2024

Below are the financial ratios that are relevant to the Company for the year ended December 31, 2024 and 2023.

		2024	2023
Current ratio	Current assets / Current liabilities	**1.63**	1.98
Acid test ratio	Quick asset[1] / Current liabilities	**1.61**	1.95
Solvency ratio	Net income + Depreciation / Total liabilities	**1.97**	1.69
Debt ratio	Interest bearing debt / Total assets	–	–
Asset to equity ratio	Total assets / Total equity	**1.08**	1.05
Interest service coverage ratio	EBITDA[2] / Total interest paid	–	–
Return on equity	Net income / Total equity	**0.16**	0.09
Return on assets	Net income / Average total assets[3]	**1.07**	1.03
Net profit margin	Net income / Net revenue	**1.86**	0.96

[1]*Includes cash in banks, current portion of receivables and receivable from related parties*
[2]*Earnings before provision for income tax and depreciation*
[3]*Average of total assets as at current year and preceding year*

VISTAREIT, INC. (Formerly Vista One, Inc.)

SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION DECEMBER 31, 2024

Unappropriated Retained Earnings, beginning of reporting period		₱1,398,473,717
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	–	
Effect of restatements or prior-period adjustments	–	–
Others	–	–
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	(1,402,650,000)	
Retained Earnings appropriated during the reporting period	–	
Effect of restatements or prior-period adjustments	–	
Others		(1,402,650,000)
Unappropriated Retained Earnings, as adjusted		(4,176,283)
Add/Less: Net Income (loss) for the current year		4,982,629,672
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	–	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	–	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Unrealized fair value gain of Investment Property (Note A)	(2,943,939,243)	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS – Straight-line income adjustment (Note A)	(602,288,226)	
Sub-total		(3,546,227,469)
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	–	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Realized fair value gain of Investment Property	–	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–	
Sub-total		–

Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	–	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Reversal of previously recorded fair value gain of Investment Property	–	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	–	
Sub-total		1,436,402,203
Adjusted Net Income/Loss		
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	–	
Sub-total		–
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	–	
Total amount of reporting relief granted during the year	–	
Others	–	
Sub-total		–
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	–	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	–	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	–	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	–	
Others	–	
Sub-total		–
Total Retained Earnings, end of the reporting period available for dividend declaration		₱1,432,225,920

Note A: In reference to REIT Act IRR Section 4(f), reconciling items are non-actual gains/ non-realized gains.

SCHEDULE A

VISTAREIT, INC. (Formerly Vista One, Inc.)
SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS
DECEMBER 31, 2024

The Company does not have financial assets classified under available-for-sale, fair value through profit or loss and held to maturity as at December 31, 2024.

SCHEDULE B

VISTAREIT, INC. (Formerly Vista One, Inc.)

SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES) DECEMBER 31, 2024

The Company does not have amounts receivable from directors, officers, employees, and principal stockholders (other than related parties) as at December 31, 2024 except for receivables from employees amounting to ₱0.79 million.

SCHEDULE C

VISTAREIT, INC. (Formerly Vista One, Inc.)

SUPPLEMENTARY SCHEDULE OF AMOUNT RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2024

	Receivable Balance	Payable Balance	Current Portion
Total Eliminated Receivables/Payables	N/A	N/A	N/A

SCHEDULE D

VISTAREIT, INC. (Formerly Vista One, Inc.)
SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT
DECEMBER 31, 2024

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-term debt" in related balance sheet	Maturity date
N/A	N/A	N/A	N/A	N/A

SCHEDULE E

VISTAREIT, INC. (Formerly Vista One, Inc.)

SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT INDEBTEDNESS TO RELATED PARTIES (LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2024

Indebtedness to Related Parties (Long-term Loans from Related Companies)		
Name of related party	Balance at beginning of period	Balance at end of period
N/A	N/A	N/A

SCHEDULE F

VISTAREIT, INC. (Formerly Vista One, Inc.)

SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2024

Guarantees of Securities of Other Issuers

Name of issuing entity of securities guaranteed by the Company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount of guaranteed and outstanding	Amount owned by person for which statement is file	Nature of guarantee
N/A	N/A	N/A	N/A	N/A

VISTAREIT, INC. (Formerly Vista One, Inc.)

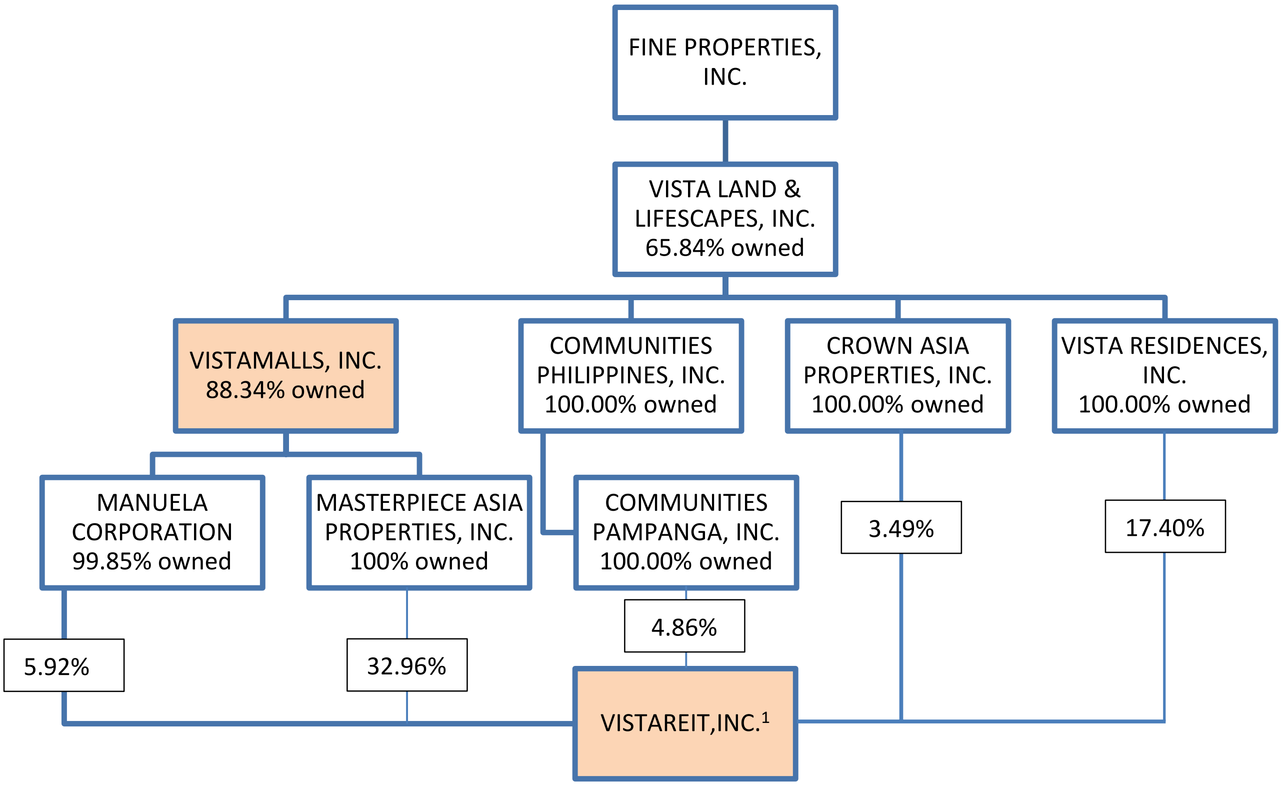
SUPPLEMENTARY SCHEDULE OF CONTRIBUTED CAPITAL
DECEMBER 31, 2024

Contributed Capital

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options warrants, conversion and other rights	Number of shared held by related parties	Directors, officers and employees	Others
Common stock, ₱1 par value	15,000,000,000	7,500,000,000	–	4,853,160,00	5,500,000	–

VISTAREIT, INC. (Formerly Vista One, Inc.)

COMPANY STRUCTURE
DECEMBER 31, 2024



[1]*Remaining 35.29% are owned by the public and the remaining by individual shareholders.*

VISTAREIT, INC. (Formerly Vista One, Inc.)

COMPUTATION OF DISTRIBUTABLE INCOME
DECEMBER 31, 2024

Net Income		₱4,982,629,664
Less: Fair value change in investment properties (Note A)		(2,943,939,243)
Straight-line adjustments (Note A)		(602,288,226)
Distributable income		1,436,402,195
Dividends distributed		
Dividends paid on June 27, 2024	₱309,900,000	
Dividends paid on October 3, 2024	339,225,000	
Dividends paid on January 10,2025	350,025,000	
Dividends declared on April 29, 2025	383,025,000	1,382,175,000
Dividend Payout Ratio, as % of distributable income		96.22%

Note A: In reference to REIT Act IRR Section 4(f), reconciling items are non-actual gains/ non-realized gains.

VISTAREIT, INC. (Formerly Vista One, Inc.)

EXTERNAL AUDITOR FEE-RELATED INFORMATION
DECEMBER 31, 2024

	2024	2023
Total Audit Fees	**₱4,134,000**	₱3,900,000
Non-audit services fees:		
Other assurance services	–	–
Tax services	–	–
All other services	–	–
Total Non-Audit Fees	**–**	–
Total Audit and Non-Audit Fees	**₱4,134,000**	₱3,900,000