



Vista Land & Lifescapes, Inc.

Lower Ground Floor, Building B, Evia Lifestyle Center
Vista City, Daang Hari, Almanza II
Las Piñas City, Philippines
www.vistaland.com.ph

Shelf Registration in the Philippines of Fixed Rate Bonds in the aggregate principal amount of ₱35,000,000,000.00

to be offered within a period of three (3) years

at an Issue Price of 100% of Face Value

**to be listed and traded through the
Philippine Dealing & Exchange Corp.**

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

The date of this Prospectus is November 16, 2023.

Vista Land & Lifescapes, Inc.

Lower Ground Floor, Building B, Evia Lifestyle Center
Vista City, Daang Hari, Almanza II
Las Piñas City, Philippines
Telephone Number: (632) 3226-3552
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This Prospectus (the “**Prospectus**” and, as the context may require, the term includes the relevant offer supplement) relates to the shelf registration and each offer and sale in the Philippines (each an “**Offer**”) within the Shelf Period (as hereinafter defined) of fixed rate bonds (the “**Shelf Bonds**”) with an aggregate principal amount of ₱35,000,000,000.00 by Vista Land & Lifescapes, Inc. (“**Vista Land**”, “**VLL**”, the “**Company**”, or the “**Issuer**”), a corporation duly organized and existing under Philippine law. The Shelf Bonds will be issued at face value (“**Issue Price**”) and listed and traded through the Philippine Dealing & Exchange Corp. (“**PDEX**”).

The Shelf Bonds shall be issued in tranches within a period of three (3) years from the effective date of the Registration Statement of the Shelf Bonds, subject to applicable regulations (the “**Shelf Period**”) and any extension as may be granted by the SEC. The offer and sale of the Shelf Bonds, including the terms and conditions for each tranche shall be at the sole discretion of the Company. The specific terms of the initial tranche of the Shelf Bonds are set forth in the supplement that will be circulated together with this Prospectus (the “**Offer Supplement**”). The specific terms for each subsequent tranche of the Shelf Bonds will be determined by the Company considering prevailing market conditions and shall be provided in a supplement to be circulated at the time of the offer of the relevant tranche.

For each tranche of the Shelf Bonds, the Company shall distribute an Offer Supplement along with this Prospectus. The relevant Offer Supplement will contain the final terms for an offer of the Shelf Bonds and must be read in conjunction with this Prospectus and other Bond Agreements (as hereinafter defined). Full information on the Issuer and such offer of the Shelf Bonds is only available through this Prospectus, the relevant Offer Supplement, and the other Bond Agreements. All information contained in this Prospectus are deemed incorporated by reference in an Offer Supplement.

On September 15, 2023, the Company filed an application with the Philippine Securities and Exchange Commission (“**SEC**”) to register the Shelf Bonds under the provisions of the Securities Regulation Code of the Philippines (Republic Act No. 8799). The SEC is expected to issue an order rendering the Registration Statement effective, and a corresponding permit to offer securities for sale covering the initial offer of the Shelf Bonds, and any subsequent offering under the relevant rules requires the submission by the Company of the relevant updates and amendments to the Registration Statement and the issuance of the corresponding permit to sell by the SEC. As a listed company, Vista Land regularly disseminates such updates and information in its disclosures to the SEC and the Philippine Stock Exchange, Inc. (“**PSE**”).

The Company will likewise apply for the listing of the Shelf Bonds in the PDEX. However, there is no assurance that such a listing will actually be achieved either before or after the relevant issue date of the Shelf Bonds being offered at a particular time or whether such a listing will materially affect the liquidity of the Shelf Bonds on the secondary market. Such listing will be subject to the Company’s execution of a listing agreement with PDEX that may require the Company to make certain disclosures, undertakings and payments on an ongoing basis.

The Shelf Bonds will be offered to the public through underwriters that may be engaged by the Company for each Offer (the “**Underwriters**”).

The Company reserves the right to withdraw any offer and sale of the Shelf Bonds at any time, and the Underwriters reserve the right to reject any application to purchase the Shelf Bonds in whole or in part and to allot to any prospective purchaser less than the full amount of the Shelf Bonds sought by such purchaser. If an offer of the Shelf Bonds is withdrawn or discontinued, the Company shall subsequently notify the SEC and, as applicable, the PDEX. The Underwriters, any participating underwriter, co-manager and selling agent for any offer of the Shelf Bonds may acquire for their own account all or a portion of the Shelf Bonds.

Since this is a debt issuance, holders of the Shelf Bonds shall not be entitled to any dividends from the Issuer. Vista Land’s dividend policy is discussed further in the “*Market Price of and Dividends on VLL’s Common Equity and Related Stockholder Matters*” section of this Prospectus.

The distribution of this Prospectus and the offer and sale of the Shelf Bonds may, in certain jurisdictions, be restricted by law. This Prospectus does not constitute an offer to sell or a solicitation of any offer to buy any securities of the Company in any jurisdiction, to or from any person to whom it is unlawful to make such offer in such jurisdiction.

The Company and the Underwriters require persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. Each investor in the Shelf Bonds must comply with all laws applicable to it and must obtain the necessary consent, approvals or permission for its purchase or subsequent offer and sale of the Shelf Bonds under the laws and regulations in force in any jurisdiction to which it is subject. None of the Company or the Underwriters will have any responsibility therefor.

There can be no assurance in respect of: (i) whether Vista Land would issue any debt securities at all; (ii) the size or timing of any individual issuance or the total issuance of such debt securities; or (iii) the specific terms and conditions of any such issuance. Any decision by Vista Land to offer such debt securities will depend on a number of factors at the relevant time, many of which are not within Vista Land's control, including but not limited to: prevailing interest rates, the financing requirements of Vista Land's business and prospects, market liquidity and the state of the domestic capital market, and the Philippine, regional and global economies in general.

The price of securities can and does fluctuate. Any individual security may experience upward or downward movements and may lose all or part of its value over time. The future performance of a security may defy the trends of its past performance, and there may be a significant difference between the buying price and the selling price of any security. As such, there is an inherent risk that losses may be incurred, rather than profit made, as a result of buying and selling securities. Thus, an investment in the Shelf Bonds described in this Prospectus involves a certain degree of risk. In deciding whether to invest in the Shelf Bonds, a prospective purchaser of the Shelf Bonds ("**Prospective Bondholder**") should carefully consider several factors both internal and external to the Company, in addition to the other information provided in this Prospectus.

Vista Land confirms that this Prospectus contains all material information relating to the Company, its affiliates and subsidiaries, as well as all material information on the issue and offer of the Shelf Bonds as may be required by the applicable laws of the Republic of the Philippines. To the best of the Company's knowledge, no facts have been omitted that would make any statement in this Prospectus misleading in any material respect. Vista Land confirms that it has made all reasonable inquiries with respect to any information, data and analysis(es) provided to it by its advisors and consultants or which is otherwise publicly available for inclusion into this Prospectus. Vista Land, however, has not independently verified any or all such publicly available information, data or analysis(es).

Neither the delivery of this Prospectus nor any sale made pursuant to the Offer shall, under any circumstance, create any implication that the information contained or referred to in this Prospectus is accurate as of any time subsequent to the date hereof. The Underwriters have exercised the required due diligence in ascertaining that all material representations contained in this Prospectus, and any amendment or supplement thereto, are true and correct and that no material information was omitted, which was necessary in order to make the statements contained in said documents not misleading in any material respect. The Underwriters do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Prospectus.

The contents of this Prospectus are not to be considered as definitive legal, business or tax advice. Each Prospective Bondholder receiving a copy of this Prospectus acknowledges that he has not relied on the Company or the Underwriters in his investigation of the accuracy of any information found in this Prospectus or in his investment decision. Prospective purchasers should consult their own counsel, accountants or other advisors as to legal, tax, business, financial and related aspects of the purchase of the Shelf Bonds, among others. It bears emphasis that investing in the Shelf Bonds involves certain risks. Please refer to the section on "*Risk Factors and Other Considerations*" of this Prospectus for a discussion of the risks associated and certain considerations with respect to an investment in the Shelf Bonds.

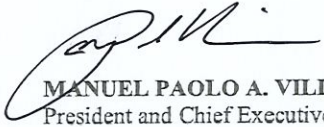
No dealer, salesman or other person has been authorized by Vista Land or the Underwriters to give any information or to make any representation concerning the Shelf Bonds other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorized by Vista Land or the Underwriters.

Vista Land is organized under the laws of the Philippines. Its registered business office is at the Lower Ground Floor, Building B, Evia Lifestyle Center, Vista City, Daang Hari, Almanza II, Las Piñas City, Philippines with telephone number: (+632) 3226 3552. The Company has been listed on The Philippine Stock Exchange, Inc. since 2007 under ticker symbol "VLL." Its corporate website is <http://www.vistaland.com.ph>. The information in the website is not incorporated by reference into this Prospectus.

ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED HEREIN ARE TRUE AND CURRENT

VISTA LAND & LIFESCAPES, INC.

By:


MANUEL PAOLO A. VILLAR
President and Chief Executive Officer

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

Before me, a notary public for and in the city named above, personally appeared Manuel Paolo A. Villar, who was identified by me through Philippine Passport No. P4237701B to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Witness my hand and seal this NOV 16 2023 day of _____ 2023 at Makati City.

Doc No. 442;
Page No. 90;
Book No. III;
Series of 2023.



JOANNA PAULINE T. BITOIN
Appointment No. M-387
Notary Public for Makati City
Until December 31, 2023
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 78967
PTR No. 9573210/Makati City/01-07-2023
IBP No. 211202/Quezon Province/05-15-2022
MCLE Exempted-Admitted to the bar in 2022



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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements have been based largely on the Company's current expectations and projections about future events and financial trends affecting its business, and that are, by their nature, subject to significant risks and uncertainties. Words or phrases such as "believes," "expects," "anticipates," "estimate," "intends," "plans," "project," "foresees," or other words or phrases of similar import are intended to identify forward-looking statements. Similarly, statements that describe Vista Land's objectives, plans or goals are also forward-looking statements. In light of these risks and uncertainties associated with forward-looking statements, investors should be aware that the forward-looking events and circumstances discussed in this Prospectus might not occur. Actual results could differ materially from those contemplated in the relevant forward-looking statements. These forward-looking statements include, without limitation, statements relating to:

- known and unknown risks;
- uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any future results; and
- performance or achievements expressed or implied by forward-looking statements.

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

- risks relating to the Company's business;
- the Company's ability to successfully implement its strategy;
- the Company's ability to successfully manage aggressive growth;
- changes in the Philippine real estate market and the demand for the Company's housing and land development and retail mall and BPO commercial center development;
- the Company's ability to maintain its reputation for on-time project completion;
- the condition and changes in the Philippine, Asian or global economies;
- future political instability in the Philippines;
- changes in interest rates, inflation rates and the value of the Philippine peso against the U.S. dollar and other currencies;
- changes in Government regulations, including tax laws, or licensing in the Philippines; and
- competition in the property investment and development industries in the Philippines.

Important factors that could prevent forward-looking events and circumstances from occurring or could cause actual results to differ materially from the expectations of Vista Land include, among others:

General Economic and Political Conditions

- changes in Philippine and international interest rates;
- changes in political, economic and social conditions in the Philippines;
- changes in foreign exchange control regulations in the Philippines; and
- changes in the value of the Peso.

Conditions of the Real Estate Industry

- increasing competition in the Philippine real estate industry;
- changes in laws and regulations that apply to the Philippine real estate industry; and
- low interest rates, expansion in overall liquidity, extensive construction of condominium and housing units and other factors could lead to the risk of formation of asset bubbles in real estate.

Factors Affecting Vista Land's Operations

- Vista Land's ability to maintain and further improve its market share in the various segments of the Philippine real estate market;
- demand for Vista Land's projects in the Philippines;
- operational and implementation issues that Vista Land may encounter in its projects; and
- Vista Land's ability to manage changes in costs attendant to its operations.

Additional factors that could cause the Company's actual results, performance or achievements to differ materially include, but are not limited to, those disclosed under "*Risk Factors and Other Considerations.*" Prospective Bondholders are urged to consider these factors carefully in evaluating the forward-looking statements. These forward-looking statements speak only as of the date of this Prospectus. The Underwriters expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based. The Company does not intend to update or otherwise revise the forward-looking statements in this Prospectus, whether as a result of new information, future events or otherwise, unless material within the purview of the Securities Regulation Code ("**SRC**") and other applicable laws, the mandate of which is to enforce investor protection. Because of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Prospectus might not occur in the way the Company expects, or at all. Investors should not place undue reliance on any forward-looking information.

The Underwriters do not take any responsibility for, or give any representation, warranty or undertaking in relation to, any such forward-looking statement.

DEFINITION OF TERMS

As used in this Prospectus, the following terms shall have the meanings ascribed to them:

“Application to Purchase” shall mean the document to be executed by any Person or entity qualified to become a Bondholder.

“Banking Day” or **“Business Day”** shall mean any day other than Saturday, Sunday and public non-working holidays on which the BSP’s Philippine Payment and Settlement System (**“PhilPaSS”**), and the Philippine Clearing House Corporation (or, in the event of discontinuance of their respective functions, their respective replacements) are open and available for clearing and settlement, and commercial banks are generally open for the transaction of business in Metro Manila, Philippines.

“Beneficial Owner” shall mean any person (and **“Beneficial Ownership”** shall mean ownership by any person) who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting of such security; and/or investment returns or power in respect of any security, which includes the power to dispose of, or to direct the disposition of, such security; provided, however, that a person shall be deemed to have an indirect beneficial ownership interest in any security which is held by:

- i. members of his immediate family sharing the same household;
- ii. a partnership in which he is a general partner;
- iii. a corporation of which he is a controlling shareholder; or
- iv. subject to any contract, arrangement or understanding, which gives him voting power or investment power with respect to such securities; provided, however, that the following persons or institutions shall not be deemed to be beneficial owners of securities held by them for the benefit of third parties or in customer or fiduciary accounts in the ordinary course of business, so long as such securities were acquired by such persons or institutions without the purpose or effect of changing or influencing control of the issuer:
 - a. A broker dealer;
 - b. An investment house registered under the Investment Houses Law;
 - c. A bank authorized to operate as such by the Bangko Sentral ng Pilipinas;
 - d. An insurance company subject to the supervision of the Office of the Insurance Commission;
 - e. An investment company registered under the Investment Company Act;
 - f. A pension plan subject to regulation and supervision by the Bureau of Internal Revenue and/or the Securities and Exchange Commission or relevant authority; and
 - g. A group in which all of the members are persons specified above.

“BIR” shall mean the Bureau of Internal Revenue of the Philippines.

“Bond Agreements” shall mean the Trust Indenture between the Issuer and the Trustee, the Registry and Paying Agency Agreement between the Issuer and the Registrar and Paying Agent, and the Underwriting Agreement between the Issuer and the Underwriters, or any document, certificate or writing contemplated thereby.

“Bondholder” shall mean a Person whose name appears, at any time, as a holder of the Shelf Bonds in the Registry of Bondholders.

“BSP” shall mean Bangko Sentral ng Pilipinas.

“CITIRA” shall refer to a Philippine bill entitled “Corporate Income Tax and Incentives Rationalization Act”.

“CRISP” shall mean the Credit Rating and Investors Services Philippines, Inc.

“CUSA” shall mean Common Usage Service Area.

“Electronic Registry of Bondholders” shall mean the electronic registry book of the Registrar and Paying Agent containing the official information on the Bondholders and the amount of Shelf Bonds they respectively hold, including all transfers and assignments thereof or any liens or encumbrances thereon.

“Fine” shall refer to Fine Properties, Inc.

“**GFA**” shall mean gross floor area.

“**Government**” shall refer to the Government of the Republic of the Philippines.

“**HSAC**” shall refer to the Human Settlements Adjudication Commission.

“**Lien**” shall mean any mortgage, pledge, lien, encumbrance or similar security interest constituted on any of the Issuer’s properties for the purpose of securing its or its Affiliate’s obligations.

“**Maceda Law**” shall refer to Republic Act No. 6552, a Philippine statute entitled “An Act to Provide Protection to Buyers of Real Estate on Instalment Payments”.

“**Mega Manila**” shall mean Metro Manila and the neighboring provinces of Cavite, Laguna, Rizal, Batangas and Bulacan.

“**Offer**” shall mean the issuance of Shelf Bonds by VLL under the conditions as herein contained.

“**Offer Bonds**” shall mean the three (3)-year Series F Bonds due 2026 and the five (5)-year Series G Bonds due 2028 to be issued by the Issuer in the aggregate principal amount of up to ₱10,000,000,000.00, consisting of the firm offer of ₱6,000,000,000.00 and the Oversubscription Option of up to ₱4,000,000,000.00.

“**Offer Supplement**” shall mean the offer supplement to and which is issued along with this Prospectus setting out the terms and conditions of a particular offer of Shelf Bonds.

“**OFW**” shall refer to an overseas Filipino worker.

“**Paying Agent**” shall refer to the party that may be engaged by the Issuer for a particular offer of the Shelf Bonds as identified in the relevant Offer Supplement, which shall receive the funds from VLL for payment of principal, interest and other amounts due on the Shelf Bonds and remit the same to the Bondholders based on the records shown in the Registry of Bondholders.

“**PCD Nominee**” shall refer to PCD Nominee Corporation, a corporation wholly owned by the PDTC.

“**PDEX**” shall refer to the Philippine Dealing & Exchange Corp.

“**PDTC**” shall refer to the Philippine Depository & Trust Corp., (formerly, the Philippine Central Depository, Inc.), which provides an infrastructure for post trade securities services through the operations of the central depository; and likewise provides registry services in relation to which it maintains the electronic official registry or records of title to the Shelf Bonds, in accordance with the PDTC Rules, and its successor-in-interest.

“**PDTC Rules**” shall mean the Securities and Exchange Commission-approved rules of the PDTC, including the PDTC Operating Procedures and PDTC Operating Manual, as may be amended, supplemented, or modified from time to time.

“**Pesos**”, “**PhP**”, and “**₱**” shall mean the legal currency of the Republic of the Philippines.

“**Philippines**” shall mean the Republic of the Philippines.

“**Philippine Constitution**” shall mean the 1987 Constitution of the Philippines.

“**PhilRatings**” shall mean the Philippine Rating Services Corporation.

“**PFRS**” shall mean Philippine Financial Reporting Standards.

“**POC**” shall mean percentage of completion.

“**Prospectus**” shall mean the prospectus dated November 16, 2023 and any amendments, supplements and addenda thereto for the offer and sale to the public of the Shelf Bonds. As the context may require, the term includes the relevant Offer Supplement for subsequent tranches of the Shelf Bonds.

“**PSE**” shall refer to The Philippine Stock Exchange, Inc.

“**PSRC MANA 2**” shall refer to Philippine Survey Research Center’s study on the Company conducted in 2022.

“**Registrar**” shall refer to the registrar that may be engaged by the Issuer for a particular offer of the Shelf Bonds and as identified in the relevant Offer Supplement.

“**Registration Statement**” shall refer to the registration statement filed with the SEC in connection with the offer and sale to the public of the Shelf Bonds.

“**SEC**” means the Philippine Securities and Exchange Commission.

“**Shelf Bonds**” shall collectively refer to the fixed rate bonds of an aggregate principal amount of ₱35,000,000,000.00, inclusive of the Offer Bonds, to be issued in one or more tranches within the Shelf Period.

“**Shelf Period**” means subject to applicable regulations and any extension as may be granted by the SEC, a period of three (3) years from the effective date of the Registration Statement within which the Shelf Bonds under shelf registration may be offered and sold in tranches.

“**SRC**” shall mean the Securities Regulation Code of the Philippines.

“**Subsidiary/ies**” shall mean, with respect to Vista Land, Brittany Corporation, Crown Asia Properties, Inc., Camella Homes, Inc., Communities Philippines, Inc., Vista Residences, Inc., and Vistamalls, Inc., and all other subsidiaries or companies that are identified as such in the consolidated financial statements of Vista Land.

“**Tax Code**” shall mean the Philippine National Internal Revenue Code of 1997, as amended.

“**Taxes**” shall refer to any present or future taxes, including, but not limited to, documentary stamp tax, levies, imposts, filing and other fees or charges imposed by the Republic of the Philippines or any political subdivision or taxing authority thereof, including surcharges, penalties and interests on said taxes, but excluding final withholding tax, gross receipts tax, taxes on the overall income of the Underwriters or of the Bondholders, value added tax, and taxes on any gains realized from the sale of the Shelf Bonds.

“**Underwriters**” shall mean the sole lead underwriter or, collectively, the joint lead underwriters that may be engaged by the Issuer for a particular offer of the Shelf Bonds and as identified in the relevant Offer Supplement. As applicable and as may be provided in the relevant Offer Supplement, the term may also include “Issue Manager”, “Issue Managers”, “Bookrunner” and “Bookrunners.”

“**VAT**” shall refer to value-added tax.

“**Villar Family**” shall mean Mr. Manuel B. Villar, Jr., Ms. Cynthia A. Villar, and their children, Manuel Paolo, Mark and Camille Lydia.

“**Vistamalls**” means Vistamalls, Inc. which was formerly known as Starmalls, Inc. until the approval of the change of its corporate name by the SEC on September 17, 2019.

“**Vista Estate**” shall mean Vista Land Group’s mixed-use development model of prime master-planned communities. It is a fully integrated development with residential, retail and office/BPO components along with additional components such as utilities and township infrastructure, hotels, healthcare facilities or educational institutions.

“**Vista Group**” refers to Vista Land & Lifescapes, Inc., and its Subsidiaries.

“**Vista Land**” or “**VLL**” or the “**Company**” or the “**Issuer**” refers to Vista Land & Lifescapes, Inc.

“**Vista Land Commercial Group**” or “**Vista Commercial Group**” refers to the commercial property leasing business of Vista Land & Lifescapes, Inc. and Vistamalls, Inc. which includes retail malls, commercial strips and BPO offices.

“**VLLI**” refers to VLL International, Inc.

“**Vista Land Property**” refers to any property in any subdivision or condominium projects being offered for sale by the Vista Group.

Titles of sections, subsections and clauses in this Prospectus are used for convenience of reference only and do not

limit or affect the interpretation of the sections and subsections hereof. In case of conflict between the provisions of this Prospectus and the Bond Agreements, the provisions of the Bond Agreements shall prevail.

EXECUTIVE SUMMARY

This summary highlights information contained elsewhere in this Prospectus. This summary is qualified in its entirety by more detailed information and financial statements, including notes thereto, appearing elsewhere in this Prospectus. Prospective Bondholders should read this entire Prospectus carefully, including the Company's unaudited interim consolidated financial statements as at June 30, 2023 and audited financial statements as at December 31, 2022, 2021, and 2020 and related notes and the section entitled "Risk Factors and Other Considerations" of this Prospectus.

THE COMPANY

Vista Land is one of the leading integrated property developers in the Philippines and the largest homebuilder in the country overall. The Company believes that it is one of the few leading integrated property developers in the Philippines that is focused on the mass market segment. For the full year ended December 31, 2020, 2021, 2022 and the six (6) months ended June 30, 2023, the Company recorded consolidated revenues from real estate sales of ₱21,800.56 million, ₱17,397.93 million, ₱12,789.88 million and ₱8,016.84 million, respectively. Vista Land provides a wide range of residential products to its customers across all income segments and develops retail mall and business process outsourcing ("BPO") commercial centers. Since it commenced operations in 1977, Vista Land has built over 500,000 homes, 45 malls, 56 commercial centers, and 7 office buildings. The Company has various horizontal and vertical projects in 147 cities and municipalities across 49 provinces in the country in various stages of development and level of sales. For its leasing portfolio, it has a companywide occupancy of 87%.

Vista Land's primary business has historically been the development and sale of horizontal real estate projects, which comprise residential lots and units in the affordable, upper mid-cost and high-end housing segments. In addition, Vista Land develops and sells vertical residential projects, including low to high-rise condominium developments. Approximately 61.6% of residential sales are house and lot sales while the remaining 38.4% are sales of condominium units as of June 30, 2023. For the same period, the Company believes that it has the largest market share in the "house and lot" segment among the top seven listed real estate developers. The Company harnesses over 40 years of professional expertise in residential real estate development and believes it has established a nationwide presence, superior brand recognition and proven track record in homebuilding. Its projects include master-planned developments and stand-alone residential subdivisions which offer lots, house and lots and condominium units to customers in the affordable, upper mid-cost and high-end market segments. The Company has developed numerous "themed" housing and land development projects inspired by Mediterranean, Swiss, Italian, American, Caribbean and American Southern architecture and design. The Company believes that strict attention to detail in the execution of these themed communities helps distinguish it from other companies.

The Company currently owns 88.34% of the outstanding common capital stock of Vistamalls. Vistamalls is a major developer, owner and operator of retail malls and is widely recognized as an early mover, focusing on establishing operating malls in densely populated areas underserved by similar retail malls and located in close proximity to transport hubs and key infrastructure. It also develops and operates BPO commercial centers.

In 2022, the Company launched Vista Estates. Vista Estates is Vista Land's collection of vast master planned communities offering unique, premium and sustainable lifescapes which provide its guests, residents, and investors with limitless growth opportunities. The development is comprised of business parks and IT zones, institutional complexes, such as learning institutions, places of worship, events venues, and healthcare centers, commercial and retail districts, leisure and wellness hubs, and horizontal and vertical residential enclaves. Vista Estates transcends the typical standards of a master planned megalopolis by building cities-within-cities that are inspiring in vision, compelling in creativity, and grand in diversity. As of June 30, 2023, the Company has launched a total of 20 Vista Estate projects across the country.

As of June 30, 2023, the Company's developments could be found in 147 cities and municipalities in 49 provinces throughout the Philippines. Most of the Company's developments are outside major central business districts. For the first six months of 2023, the Company launched 24 projects located throughout the Philippines. The Company also has an extensive nationwide land bank available for future development. As of June 30, 2023, the Company owned approximately 2,674.2 hectares of raw land ready for development, with an additional 411.2 hectares available for development under joint venture agreements. See "*Business — Joint Ventures.*"

The Company operates its residential and commercial property development business through six distinct business units. Camella Homes, Communities Philippines, Crown Asia, Brittany, and Vista Residences are focused on

residential property development, while Vistamalls is involved in commercial property development. Briefly, these business units may be distinguished as follows:

- Camella Homes. For over 40 years, Camella Homes has serviced the affordable housing segment (houses priced between ₱3.0 million and ₱12.0 million) in the Mega Manila area. It markets its houses primarily under the “Camella” brand. According to the 2022 Philippine Survey and Research Center (“PSRC”) “MANA 2022” Study, Camella was acknowledged as the most preferred brand overall in the Philippine housing market, with a brand awareness rate of 93%. As of June 30, 2023, Camella Homes recorded ₱2,259.86 million in real estate revenues, representing 28.2% of the Company’s total real estate revenues;
- Communities Philippines. Communities Philippines and its subsidiaries offer residential properties outside the Mega Manila area under the “Camella” and “Crown Asia” brands. In the last five years, majority of Communities Philippines’ new projects were launched under the “Camella” brand, the Company’s affordable housing brand. The Company believes that Communities Philippines and its subsidiaries have the widest coverage of developments in the regions outside Mega Manila by any homebuilder in the Philippines and utilizes mostly Camella Homes’ expertise and designs to offer houses in areas outside of the Mega Manila area that it believes are on par, in terms of quality, with the developments in the Mega Manila area. As of June 30, 2023, Communities Philippines and its subsidiaries recorded ₱3,129.11 million in real estate revenues, representing 39.0% of the Company’s total real estate revenues;
- Crown Asia. Crown Asia caters to the middle-income housing segment in Mega Manila, primarily offering houses priced between ₱8.0 million and ₱45.0 million. As of June 30, 2023, Crown Asia recorded ₱314.14 million in real estate revenues, representing 3.9% of the Company’s total real estate revenues;
- Brittany. Brittany caters to the high-end market segment in Mega Manila, offering luxury houses in master-planned communities, priced at ₱15.0 million and above. As of June 30, 2023, Brittany recorded ₱636.61 million in real estate revenues, representing 7.9% of the Company’s total real estate revenues;
- Vista Residences. Vista Residences offers vertical residential projects in the Mega Manila area in the affordable to upper mid-cost housing segments. Vertical home projects generally involve longer project development periods as well as facilities, amenities and other specifications not often found in horizontal homes. As of June 30, 2023, Vista Residences recorded ₱1,677.12 million in real estate revenues, representing 20.9% of the Company’s total real estate revenues;
- Vistamalls. Vistamalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines and also develops and operates BPO commercial centers. As of June 30, 2023, Vistamalls, through its subsidiaries, recorded ₱7,922 million in rental revenues representing 45.3% of the Group's total revenue.

As of June 30, 2023, the Company had the following real estate inventories of horizontal and vertical residential projects in various stages of developments:

For the six months ended June 30, 2023	
(in ₱ millions)	
Camella Homes, Inc.	₱19,024.20
Communities Philippines, Inc.	22,313.83
Crown Asia Properties, Inc.	3,529.07
Brittany Corporation	6,880.16
Vista Residences, Inc.	7,576.35
TOTAL INVENTORY AVAILABLE	₱59,323.61

For the year 2022, the Company also launched a total of 26 residential projects with an estimated project value of about ₱40,400 million, consisting of 10 projects for the affordable segment housing segment, 1 condominium development, 2 middle income segment projects, 2 high-end income segment projects and 11 Vista Estates. All of the projects were launched in areas outside Metro Manila including Cavite, Batangas, Bulacan, Davao del Sur, Agusan del Norte, Iloilo and Zamboanga del Sur.

Moreover, for the first six (6) months of 2023, the Company also launched a total of 24 residential projects with an

estimated project value of about ₱24,546 million, consisting of 7 projects for the affordable housing segment, 2 high-end segment projects and 15 Vista Estates. All of the projects were launched in areas outside Metro Manila including Palawan, Camarines Sur, Ilocos Norte, Leyte and Nueva Ecija.

COMPETITIVE STRENGTHS

The Company is a dominant player in the residential property market. Its principal strengths, which are discussed in the succeeding sections of this Prospectus, may be summarized as follows:

- Integrated property developer with market leadership in horizontal residential projects targeted towards end users and retail malls with strong brand recognition across the Philippines.
- It benefits from synergies between the Vista Land residential platform and the Vistamalls retail mall and BPO platform and the enhanced scale and stability from the integration of these two businesses, strengthening Vista Land's position as a top four integrated property developer.
- Diversified revenue sources, with significant recurring income and profit contribution from retail mall and BPO platform.
- With its diverse product offerings, the Company caters to the full spectrum of homebuyers and benefits from growth in different market segments.
- Well positioned to benefit from favorable Philippine demographic, economic and development trends, including continued demand from the OFW segment.
- Geographically diverse project portfolio and land bank across the Philippines, with strong nationwide footprint.
- Prudent financial management and strong balance sheet providing headroom for capital expenditure and expansion plans.
- Strong and experienced management team with a demonstrated execution track record.

KEY STRATEGIES AND OBJECTIVES

The Company's strategy is premised on three key pillars:

- strengthening its market position as an integrated property developer with key focus on residential developments and retail mall and BPO operations;
- diversification of revenue streams through the integration of its commercial platform while enhancing the value and attractiveness of its properties; and
- improvement in capital efficiency and financial flexibility.

PRINCIPAL SHAREHOLDERS

As of June 30, 2023, the Villar Family and companies controlled by them hold 80.82% of the total issued and outstanding share capital of the Company.

PRINCIPAL EXECUTIVE OFFICES

The Company's principal offices are at Lower Ground Floor, Building B, Evia Lifestyle Center, Vista City, Daang Hari, Almanza II, Las Piñas City, Philippines. The Company's telephone number is (632) 3226-3552 and the fax number is (632) 3226-3552.

RISK FACTORS

Prospective investors should consider carefully all of the information set forth in this Prospectus and, in particular, they should evaluate the specific factors set forth under the section "*Risk Factors and Other Considerations*" for risks involved in the purchase of the Shelf Bonds. These factors may be summarized into those that pertain to the

Shelf Bonds as investment instruments, to the business and operations of Vista Land, in particular, and to those that pertain to the overall political, economic, and business environment in the Philippines, in general.

As a real estate developer, the Company competes with other developers and developments to attract purchasers of house and lot and condominiums, retail and office tenants, and clientele for the retail outlets and restaurants in its commercial centers in terms of reputation, reliability, price, and the quality and location of the community in which the relevant project is located. Vista Land's successful financial and operating performance as a real estate company will impact its ability to refinance or repay its debt, including the Shelf Bonds. Moreover, the issuance of the Shelf Bonds should be evaluated in terms of its impact on the consolidated indebtedness of Vista Land and the operating risks inherent in a further increase in its debt.

The Company is (or will be) subject to certain debt covenants imposed as part of the Shelf Bond issuance, as well as other covenants under its existing debt. The Company's failure to comply with these covenants could cause a default which, if not waived, could result in the debt becoming immediately due and payable. If any amount outstanding were to be accelerated, it could potentially trigger a cross-default under substantially all of the Company's debt, in which case the Company may not be able to perform its payment obligations under the Shelf Bonds. In such case, the Shelf Bonds, being unsecured debt, will be effectively subordinated in right of payment to all secured debt of the Company to the extent of the value of the assets securing such debt and all debt that is evidenced by a public instrument under Article 2244(14) of the Civil Code of the Philippines.

External factors affecting the Company's businesses include the impact of current and future Philippine laws and regulations on certain aspects of real estate development, such as environment, health and safety, the effect of natural catastrophes, and political or economic instability in the country, including foreign exchange rate fluctuations which could impact on the acquisition cost of certain dollar-denominated construction materials and equipment necessary for the Company's business.

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

The following tables present summary consolidated financial information for the Company and should be read in conjunction with the auditors' reports and with the Company's consolidated financial statements and notes thereto contained in this Prospectus. The summary historical consolidated statement of financial position as at June 30, 2023 are derived from the unaudited interim consolidated financial statements while the summary historical consolidated statements of financial position data as of December 31, 2022, 2021 and 2020 set forth below have been derived from the audited consolidated financial statements including the notes thereto, included elsewhere in this Prospectus. Unless otherwise stated, the Company has presented its consolidated financial results for annual periods in accordance with PFRS. The information below is not necessarily indicative of the results of future operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Audited			Unaudited	
	For the years ended 31 December			For the six months ended 30 June	
	2020	2021	2022	2022	2023
in PHP millions					
REVENUE					
Real estate	21,800.56	17,397.93	12,789.88	8,709.72	8,016.84
Rental income	7,196.73	9,312.72	13,742.26	6,392.11	7,922.35
Interest income from installment contracts receivable	628.24	774.45	701.34	371.91	295.28
Parking, hotel, mall administrative and processing fees, and others	1,630.55	2,146.87	1,607.34	768.99	1,244.81
	<u>31,256.08</u>	<u>29,631.97</u>	<u>28,840.82</u>	<u>16,242.73</u>	<u>17,479.28</u>
COST AND EXPENSES					
Costs of real estate sales	12,020.71	8,533.40	5,542.97	3,863.48	3,329.16
Operating expenses	9,084.93	9,407.78	9,647.40	5,900.93	6,418.92
	<u>21,105.64</u>	<u>17,941.18</u>	<u>15,190.37</u>	<u>9,764.41</u>	<u>9,748.08</u>
OTHER INCOME (EXPENSES)					
Gain from insurance proceeds	-	-	-	-	1,841.16
Interest income from investments and other income	1,437.27	1,549.44	981.20	713.25	872.52
Interest and other financing charges	(3,971.91)	(4,315.33)	(5,217.89)	(2,987.38)	(2,855.12)
	<u>(2,534.64)</u>	<u>(2,765.89)</u>	<u>(4,236.69)</u>	<u>(2,274.13)</u>	<u>(141.44)</u>
INCOME BEFORE INCOME TAX	7,615.80	8,924.90	9,413.76	4,204.19	7,589.76
PROVISION FOR INCOME TAX	1,229.19	1,957.65	2,021.11	1,025.88	1,785.95
NET INCOME	<u>6,386.61</u>	<u>6,967.25</u>	<u>7,392.65</u>	<u>3,178.31</u>	<u>5,803.81</u>
NET INCOME ATTRIBUTABLE TO:					
Equity holders of the Parent Company	6,056.01	6,426.54	6,119.91	2,738.96	4,885.26
Noncontrolling interest	330.60	540.71	1,272.74	439.35	918.55
NET INCOME	<u>6,386.61</u>	<u>6,967.25</u>	<u>7,392.65</u>	<u>3,178.31</u>	<u>5,803.81</u>
BASIC/DILUTED EARNINGS PER SHARE	<u>0.507</u>	<u>0.538</u>	<u>0.512</u>	<u>0.229</u>	<u>0.409</u>
OTHER COMPREHENSIVE INCOME (LOSS)					
<i>Other comprehensive gain (loss) to be</i>					

reclassified to profit or loss in subsequent periods:

Cumulative translation adjustments	3.85	73.38	(18.49)	56.32	58.32
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Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:

Remeasurement gain (loss) on defined benefit obligation - net of tax	(49.87)	113.16	19.58	-	-
Changes in fair value on equity investments at fair value through other comprehensive income	(1.00)	8.00	22.00	2.00	30.00
	(47.02)	194.54	23.09	58.32	88.32

TOTAL COMPREHENSIVE INCOME	6,339.59	7,161.79	7,415.74	3,236.63	5,892.14
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TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:

Equity holders of the Parent Company	6,008.13	6,619.01	6,140.75	2,797.28	4,973.58
Noncontrolling interest	331.46	542.77	1,274.99	439.34	918.55
	6,339.59	7,161.79	7,415.74	3,236.63	5,892.13

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2020	Audited December 31 2021	2022	Unaudited June 30 2023
ASSETS				
Current Assets				
Cash and cash equivalents	7,785.79	11,856.66	15,070.20	10,438.83
Short-term cash investments	116.93	336.02	47.28	7.32
Current portion of:				
Receivables	43,140.00	50,916.73	53,234.55	57,776.94
Cost to obtain contract	821.41	448.19	385.65	283.88
Receivables from related parties	5,687.75	-	-	-
Current portion of investments at amortized cost	7,721.20	15,751.51	9,440.43	13,923.49
Real estate inventories	44,371.14	49,596.88	53,533.90	59,561.16
Other current assets	5,829.97	5,587.21	5,724.76	5,962.27
Total current assets	115,474.19	134,493.20	137,436.77	147,953.89
Noncurrent Assets				
Investments at amortized cost - net of current portion	33,972.09	34,065.94	32,059.05	26,998.50
Investments at fair value through other comprehensive income	116.50	124.50	117.16	147.16
Receivables - net of current portion	21,487.83	20,316.70	21,166.09	20,818.70
Cost to obtain contract - net of current portion	460.31	450.47	354.53	275.41
Project development costs	2,681.40	1,274.05	1,269.16	1,447.94
Advances to a related party	-	6,085.19	7,042.28	7,811.85
Investment in joint venture	-	458.77	468.07	475.81
Property and equipment	2,305.50	2,316.89	2,301.09	2,416.12
Investment properties	105,872.92	112,991.83	118,343.60	122,034.50
Goodwill	147.27	147.27	147.27	147.27
Pension assets - net	164.01	282.97	320.71	313.28
Deferred tax assets - net	188.10	48.38	111.46	134.15
Other noncurrent assets	1,186.65	930.47	1,076.83	1,264.22

Total noncurrent assets	168,582.58	179,493.43	184,777.30	184,284.91
Total assets	284,056.77	313,986.63	322,214.07	332,238.80

LIABILITIES AND EQUITY

Current Liabilities

Accounts and other payables	16,770.31	15,221.44	15,890.54	18,982.50
Security deposits and advance rent	839.84	1,729.27	1,856.52	1,898.06
Income tax payable	109.27	49.68	127.10	173.48
Dividends payable	28.10	15.86	96.03	81.28
Current portion of:				
Contract liabilities	2,545.17	1,234.63	1,085.11	1,244.75
Notes payable	5,647.21	24,170.71	12,745.83	12,742.90
Bank loans	7,177.33	8,067.32	11,561.57	8,844.19
Loans payable	3,195.01	3,460.14	3,767.25	4,026.09
Lease liabilities	202.00	348.21	368.46	381.33
Total current liabilities	36,514.24	54,297.26	47,498.41	48,374.58

Noncurrent Liabilities

Contract liabilities - net of current portion	133.57	566.84	1,058.50	745.36
Notes payable - net of current portion	93,356.36	83,759.53	89,702.37	98,601.95
Bank loans - net of current portion	35,196.45	48,925.02	44,385.25	38,422.21
Loans payable - net of current portion	1,126.89	319.37	1,567.36	1,549.51
Lease liabilities - net of current portion	2,472.86	5,087.63	5,065.59	5,040.16
Deferred tax liabilities - net	4,025.69	4,982.65	6,107.39	7,223.04
Other noncurrent liabilities	5,551.07	3,521.40	3,179.00	2,972.54
Total noncurrent liabilities	141,862.89	147,162.44	151,065.46	154,554.77
Total liabilities	178,377.13	201,459.70	198,563.87	202,929.35

Equity

Attributable to equity holders of the Parent Company

Preferred stock	33.00	33.00	33.00	33.00
Common stock	13,114.14	13,114.14	13,114.14	13,114.14
Additional paid-in capital	30,655.43	30,655.43	30,684.71	30,684.71
Retained earnings	66,411.67	72,539.57	78,311.12	83,196.38
Other comprehensive income	585.60	778.07	798.91	887.23
Treasury shares	(7,740.26)	(7,740.26)	(7,740.26)	(7,740.26)
	103,059.58	109,379.95	115,201.62	120,175.20
Noncontrolling interest	2,620.06	3,146.98	8,448.58	9,134.25
Total equity	105,679.64	112,526.93	123,650.20	129,309.45
Total liabilities and equity	284,056.77	313,986.63	322,214.07	332,238.80

CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited			Unaudited	
	For the years ended 31 December			For the six months ended 30 June	
	2020	2021	2022	2022	2023
CASH FLOWS FROM OPERATING ACTIVITIES					
Income before income tax	7,615.80	8,924.90	9,413.76	4,204.19	7,589.76
Adjustments for:					
Interest and other financing charges	3,971.91	4,315.33	5,217.89	2,987.38	2,855.12
Depreciation and amortization	2,247.71	2,686.58	2,638.85	1,284.75	1,465.78
Loss from fire, net of proceeds received	-	-	366.97	986.93	(1,841.16)
Retirement expense, net of payments	34.39	44.57	49.73	30.92	7.43
Loss on retirement of investment properties	-	-	-	-	164.65
Unrealized foreign exchange loss (gain)	3.07	(9.71)	4.49	-	
Share in equity earnings from investment in joint venture	-	(7.04)	(9.30)	(4.34)	(7.74)
Interest income from investments and other income	(1,437.27)	(1,549.44)	(981.19)	(713.25)	(872.52)
Operating income before working capital changes	12,435.61	14,405.19	16,701.20	8,776.58	9,361.32
Decrease (increase) in:					
Receivables	(6,735.97)	(6,559.10)	(3,266.16)	(9,238.68)	(4,959.94)
Real estate inventories (excluding capitalized borrowing costs)	2,965.98	(2,820.56)	(2,087.95)	(4,391.50)	(4,699.82)
Other current assets and cost to obtain contract	(50.01)	827.82	(1.54)	44.95	86.79
Increase (decrease) in:					
Accounts and other payables	3,612.85	(752.70)	(119.90)	7,101.72	4,058.67
Contract liabilities	188.51	(864.51)	342.13	316.75	(153.48)
Security deposits and advance rent (including noncurrent portion)	96.83	60.23	45.77	11.78	71.13
Other noncurrent liabilities	109.64	(724.79)	(45.80)	(45.80)	(21.84)
Plan assets contributions	(3.00)	(58.43)	(61.37)	(61.37)	-
Net cash flows generated from operations	12,620.44	3,513.15	11,506.38	2,514.43	3,742.83
Income tax paid	(880.39)	(926.52)	(886.98)	(365.43)	(627.25)
Net cash flows provided by operating activities	11,740.05	2,586.63	10,619.40	2,149.00	3,115.58
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from:					
Maturity of investments at amortized cost	4,414.59	12,958.04	24,898.77	15,309.37	8,811.04
Short-term cash investments	93.89	-	288.74	325.07	39.95
Interest received	1,379.06	1,256.86	1,080.15	696.19	872.90
Proceeds from insurance company	-	-	620.00	-	1,841.16
Additions to:					
Investment at amortized cost	(14,358.23)	(17,452.43)	(12,921.56)	(4,288.93)	(8,642.37)
Investment properties (excluding capitalized borrowing costs)	(3,858.97)	(4,876.75)	(5,002.07)	(3,774.17)	(3,824.35)
Property and equipment	(123.43)	(231.41)	(154.67)	(139.14)	(357.07)
Short-term cash investments	-	(219.09)	-	-	-
Deductions from (additions to):					
Project development costs	1,469.22	1,073.06	4.89	63.94	(178.77)
Receivables from related parties	(532.16)	(14.71)	(957.09)	(471.23)	(769.58)
Restricted cash	165.67	388.44	(105.67)	(132.15)	(29.17)
Other noncurrent assets	102.15	(359.87)	(75.96)	(383.25)	(335.56)

Net cash flows provided by (used in) investing activities	(11,248.21)	(7,477.86)	7,675.53	7,205.70	(2,571.82)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from:					
Bank loans	4,002.69	23,377.37	22,272.52	19,614.55	917.37
Notes payable	9,883.00	10,909.81	14,600.00	6,000.00	12,900.00
Loans payable	2,066.28	2,859.08	4,715.77	2,067.96	1,495.00
Increase in noncontrolling interest	-	-	4,226.68	3,966.37	-
Payments of:					
Lease liabilities	(246.36)	(283.19)	(375.02)	(196.68)	(200.18)
Dividends	(653.38)	(326.75)	(438.99)	-	(247.62)
Loans payable	(1,149.37)	(3,401.47)	(3,160.66)	(2,003.89)	(1,254.02)
Interest and other financing charges (including capitalized borrowing costs)	(9,514.97)	(9,738.42)	(9,716.18)	(4,915.84)	(5,673.75)
Notes payable	(2,170.84)	(5,657.07)	(23,876.28)	(21,384.61)	(3,491.66)
Bank loans	(8,865.20)	(8,786.97)	(23,324.73)	(18,630.62)	(9,620.28)
Net cash flows provided by (used in) financing activities	(6,648.15)	8,952.39	(15,076.89)	(15,482.76)	(5,175.14)
EFFECT OF CHANGE IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR CASH AND CASH EQUIVALENTS AT END OF YEAR	(3.07)	9.70	(4.49)	-	-
	(6,159.38)	4,070.86	3,213.55	(6,128.06)	(4,631.38)
	13,945.18	7,785.80	11,856.66	11,856.66	15,070.20
	7,785.80	11,856.66	15,070.21	5,728.60	10,438.82

SUMMARY OF THE OFFERING

A discussion containing the “*Summary of the Offer*” shall be set out in the relevant Offer Supplement. However, any such summary should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Prospectus and such Offer Supplement, including, but not limited to, the discussion on the “*Description of the Offer Bonds*” and “*Plan of Distribution*”, and agreements executed in connection with a particular offer of Shelf Bonds as a whole. Such overview may not contain all of the information that prospective investors should consider before deciding to invest in the Shelf Bonds. Accordingly, any decision by a prospective investor to invest in the Shelf Bonds should be based on a consideration of this Prospectus, such Offer Supplement and agreements executed in connection with a particular offer of Shelf Bonds as a whole.

RISK FACTORS AND OTHER CONSIDERATIONS

An investment in the Shelf Bonds involves a number and a certain degree of risks. Investors should carefully consider all the information contained in this Prospectus, including the risk factors described below, before deciding to invest in the Shelf Bonds. A prospective purchaser of the Shelf Bonds should carefully consider the following factors, in addition to the other information contained in this Prospectus, in deciding whether to invest in the Shelf Bonds.

This Prospectus contains forward-looking statements that involve risks and uncertainties. Vista Land adopts what it considers conservative financial and operational controls and policies to manage its business risks. Vista Land's actual results may differ significantly from the results discussed in the forward-looking statements. See section *"Forward-Looking Statements"* of this Prospectus. Factors that might cause such differences, thereby making the offering speculative or risky, may be summarized into those that pertain to the business and operations of Vista Land, in particular, and those that pertain to the over-all political, economic, and business environment, in general. The occurrence of any of the following events could have a material adverse effect on the Company's business, financial condition and results of operations and cause the market price of the Shelf Bonds to decline. All or part of an investment in the Shelf Bonds could be lost. These risk factors and the manner by which these risks shall be managed are arranged in the order of their importance to the Company.

GENERAL RISK WARNING

The price of securities can and does fluctuate, and any individual security may experience upward or downward movements and may even become valueless. There is an inherent risk that losses may be incurred rather than profits made as a result of buying and selling securities. Past performance is not a guide to future performance. There may be a big difference between the buying price and the selling price of these securities.

Investors deal in a range of investments, each of which may carry a different level of risk.

PRUDENCE REQUIRED

The risk disclosure provided herein does not, and does not purport to, disclose all the risks and other significant aspects of investing in the securities. An investor should undertake his or her own research and study on the trading of securities before commencing any trading activity. Investors may request information on the Shelf Bonds and the Issuer from the SEC, the PSE, and the PDEX which may be available to the public.

PROFESSIONAL ADVICE

An investor should seek professional advice if he or she is uncertain of, or has not understood, any aspect of the securities to invest in or the nature of risks involved in trading of securities, especially those classified as high risk securities.

RISKS RELATING TO THE COMPANY'S BUSINESS

The COVID-19 Pandemic has caused massive disruptions to global, regional, and local economic growth and may have an adverse impact on the Company.

On January 30, 2020, the World Health Organization ("**WHO**") declared the COVID-19 outbreak a Public Health Emergency of International Concern, and subsequently, a pandemic on March 11, 2020. In response to the pandemic, on March 12, 2020, the Philippine Government placed Metro Manila under "community quarantine" starting on March 15, 2020, which, among others, restricted traveling through land, domestic air, and domestic sea from Metro Manila. On the second day of the implementation of the said community quarantine, the Philippine Government declared a Luzon-wide "enhanced community quarantine" ("**ECQ**") to arrest the continuing effect of the disease. The enhanced community quarantine mandated the temporary closure of all public and private offices, non-essential shops and businesses, prohibited mass gatherings and all means of public transportation, and restricted traveling through air, sea and land in and out of Luzon, except for diplomats and uniformed workers (carrying medical supplies), among others. In line with this, private establishments providing basic necessities, essential services and such other activities related to food and medicine were allowed to continue operations. On April 7, 2020, the Philippine Government extended the ECQ period until April 30, 2020, which was further extended to May 15, 2020. After the ECQ in certain areas, a modified ECQ ("**MECQ**"), general community quarantine, ("**GCQ**") or modified GCQ ("**MGCQ**") was implemented. The graduated lockdown schemes from ECQ, MECQ, GCQ and MGCQ impose varying degrees of restrictions on travel and business operations in the Philippines. The Government has continued to calibrate the imposition of lockdown or community quarantine measures across the country depending on the situation in specific

localities. On March 27, 2021, following a spike in COVID-19 cases, the Government placed Metro Manila and certain neighboring provinces under ECQ from March 29, 2021 until April 11, 2021. On April 11, 2021, the Government announced that Metro Manila and certain neighboring provinces would shift to MECQ starting April 12, 2021 until April 30, 2021, which was extended through May 15, 2021. On May 13, 2021, the Government announced that Metro Manila and adjacent provinces would shift to GCQ with heightened restrictions until the end of May, which was later extended until the end of June. On July 22, 2021, the Government announced that the entire National Capital Region (“NCR”) and certain provinces would be subject to GCQ with heightened restrictions beginning July 23, 2021 until July 31, 2021. On July 29, 2021, the Government announced that NCR will be escalated to the ECQ scheme beginning August 6, 2021 until August 20, 2021, while certain provinces will shift to MECQ, following the spike of new ‘Delta’ variant cases of COVID-19. On September 13, 2021, the IATF approved the guidelines for a new Alert Level and Granular System implemented from September 16, 2021. This new system shall replace the previous quarantine classifications comprised of ECQ, MECQ, GCQ and MGCQ. Under the new guidelines, the quarantine classifications are composed of five Alert Levels that determine the activities allowed in cities and/or municipalities. The new guidelines also authorize the city and municipal mayors to impose granular lockdowns with respect to their component barangays, including streets, villages, condominiums and other smaller specific areas in a city or town, which are tagged as critical zones or high-risk for COVID-19 by the local government unit. As the Delta variant subsided, the Omicron variant, first discovered in South Africa, arrived in Philippine shores towards the end of 2021, with local transmission being confirmed on December 31, 2021. Most of the country was placed under the highest or second highest Alert Level possible as cities and municipalities struggled to curb high infection rates. However, by March 2022, infections began to fall, and coupled with an increasing rate of vaccination both in major cities and the countryside, Alert Levels all around the country began to be scaled down.

The number of cases of COVID-19 in the Philippines has further decreased as a result of national and local government mass vaccination and booster programs. As of the date of this Prospectus, Metro Manila, along with a significant number of cities and municipalities in the Philippines, is under Alert Level 1. On October 28, 2022, the Government issued an executive order allowing the voluntary wearing of face masks in indoor and outdoor settings, signaling a further return to normalcy. On July 21, 2023, the President lifted the state of Public Health Emergency throughout the Philippines, signaling an end to restrictions caused by the COVID-19 Pandemic.

The end of the COVID-19 pandemic has left lasting economic damage and created economic uncertainty, all of which have damaged and will continue to impact the Company.

Due to numerous uncertainties and factors surrounding the pandemic that is beyond the Company’s control, it may be difficult to predict the pandemic’s long-term bearing on the Company, its businesses, results of operations, cash flows, and financial condition. These factors and uncertainties include, but are not limited to:

- economic measures, fiscal policy changes, or additional measures that have not yet been implemented;
- evolving macroeconomic factors, including general economic uncertainty, unemployment rates, and recessionary pressures;
- impact—financial, operational or otherwise—on the Company’s supply chain, including suppliers and third-party contractors;
- volatility in the credit and financial markets during and after the pandemic; and
- the pace of recovery considering the rebound in consumer confidence, driven by government and economic response.

The above factors and uncertainties, may result in adverse effects to the Company’s businesses, results of operations, cash flows, and financial condition due to, among other factors:

- decline in consumer demand due to the general decline in business activity and more permanent behavioral and work policy changes, such as increased use of online channels for shopping, payments and social gatherings, and wider acceptance of work-from-home arrangements;
- further destabilization of the markets and decline in business activity negatively impacting customers’ ability to pay for the Company’s products and services;
- government moratoriums or other regulatory or legislative actions that limit changes in pricing;
- delays or inability to access equipment or the availability of personnel to perform planned and unplanned maintenance, which can, in turn, lead to disruption in operations;

- delay or inability to receive the necessary permits for the Company's development projects due to delays or shutdowns of government operations;
- increased volatility in commodity markets and foreign exchange;
- deterioration of economic conditions, demand, and other related factors resulting in impairments to goodwill or long-lived assets; and
- delay or inability in obtaining regulatory actions and outcomes that could be material to our business.

The extent to which the COVID-19 pandemic will continue to impact the Company will depend on future developments, including the timeliness and effectiveness of actions taken or not taken to contain and mitigate the economic effects of COVID-19, in the Philippines and internationally, by governments, central banks, other businesses, and individuals, all of which are highly uncertain and unpredictable. To the extent the COVID-19 pandemic adversely affects the business and financial results of the Company, it may also have the effect of heightening many of the other risks described in this Prospectus.

The Company's business and prospects are heavily dependent on the performance of the Philippine economy, and therefore any downturn in the general economic conditions in the Philippines could have a material adverse impact on the Company.

Historically, the Company has derived a substantial portion of its revenue from sales of real estate and homes located in the Philippines. With the acquisition of Vistamalls, the Company derived a portion of its recurring revenue from rents relating to its retail mall and BPO platform. The performance of the property and housing markets and the demand for, and prevailing prices of, shopping mall and office leases in the Philippines have historically been directly impacted by the performance of the Philippine economy in general, with property rates being affected by the supply and demand for comparable properties, the rate of Philippine economic growth and political and social developments. For example, the general slowdown of the global economy in 2008 and 2009 had a negative effect on the Philippine economy, which in turn had a negative effect on the Philippine property market as property sales declined.

Factors that have historically adversely affected and that may adversely affect the Philippine economy in the future include the following:

- decreases in business, industrial, manufacturing or financial activity in the Philippines or in the global market;
- decreases in the amount of remittances received from overseas Filipinos, including OFWs and Filipino expatriates;
- decreases in or changes in consumption habits in the Philippines;
- decreases in property values;
- decreases in demand for housing;
- scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the Philippines or in the global market;
- the sovereign credit ratings of the Philippines;
- exchange rate fluctuations;
- a prolonged period of inflation or increase in interest rates;
- changes in the Government's taxation policies;
- natural disasters, including typhoons, earthquakes, fires, floods and similar events;
- political instability, terrorism or military conflict in the Philippines, other countries in the region or globally; and
- other regulatory, political, social or economic developments in or affecting the Philippines.

In addition, the U.S. Federal Reserve has been implementing a quantitative easing program whereby long-term interest rates have been kept low in order to stimulate the U.S. economy. This has directly impacted interest rates around the world, including the Philippines. There have been recent discussions surrounding the tapering of quantitative easing by the U.S. Federal Reserve, which could impact interest rates in the Philippines and adversely affect the Philippine economy. No assurance can be given as to when such quantitative easing will be discontinued.

Any deterioration in economic conditions in the Philippines as a result of these or other factors could have a material adverse impact on the Philippine housing and property markets, which in turn would likely have a material adverse impact on the Company's business and prospects.

A significant portion of demand for the Company's products is from overseas Filipinos, and therefore the Company's business is highly dependent on the ability and willingness of overseas Filipinos to purchase the Company's properties.

The Company is reliant on OFWs to generate a significant portion of the demand for its housing and land development projects. For example, for the years ended December 31, 2020, 2021, 2022 and the six months ended June 30, 2023, a majority of the Company's total real estate sales were derived from sales to OFWs, with OFWs accounting for approximately 50% to 60% of Vista Land's residential sales. Demand from OFWs for the Company's properties could decrease if there is a reduction in the number of OFWs, a reduction in the purchasing power of OFWs or if there are reduced remittances from OFWs. The following factors could lead to reductions in the foregoing:

- a downturn in the economic performance of the countries and regions where a significant number of potential OFW customers are located, such as the United States, Italy, the United Kingdom, Hong Kong, Japan and the Middle East;
- a change in Government regulations that currently exempt the income of OFWs from taxation in the Philippines;
- the imposition of restrictions by the Government on the deployment of OFWs to particular countries or regions, such as the Middle East; and
- restrictions imposed by other countries on the entry or the continued employment of foreign workers in such countries.

As an example, the Company believes that the global economic downturn in 2008 resulted in remittances from OFWs being used more for basic family expenses or savings and bank deposits, and less for investing in or purchasing real estate. In addition, recent turmoil in the Middle East and in North Africa have resulted in the repatriation of OFWs from these regions and the subsequent loss of their sources of income. Any event similar or analogous to the foregoing could adversely affect demand for the Company's projects from OFWs, which, in turn, could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company believes, however, that the market for affordable housing, which comprises a large majority of its business, is relatively stable compared to other segments of the property sector. By virtue of the segment being end-user needs driven, the demand in the house and lot segment is not highly income elastic. Furthermore, recent trends tend to show that concerns about significant decline in OFW remittance volumes have been mollified, after OFW remittances continued to increase from US\$31.42 billion in 2021 to US\$32.54 billion in 2022.

The Company operates in a highly competitive market, and any inability to effectively compete could limit the Company's ability to maintain or increase its market share and maintain or increase profitability.

A substantial portion of the Company's revenues are derived from its operations in the highly competitive Philippine residential housing market. The Company's results of operations depend on its ability to properly gauge the market for its projects when devising and executing its business strategies. Important factors that could affect the Company's ability to effectively compete include a project's location, particularly with respect to its proximity to transportation facilities and commercial centers, as well as the quality of the housing and related facilities offered by the Company and the overall attractiveness of the project. If the Company's competitors are able to secure better locations or develop, market and sell more attractive properties than the Company, or if the Company is unable to properly gauge the market for its properties, then the Company's results of operations and prospects may be negatively impacted.

The Company is convinced, however, that the existing structural housing backlog would provide steady demand for the housing industry, in general. Furthermore, VLL has demonstrated its strong market presence, with strong and well recognized brands in every price segment of the house & lot market.

The Company may not be able to acquire new or additional land for new projects.

The Company's future growth and development are heavily dependent on its ability to acquire or enter into agreements to develop additional tracts of land suitable for the Company's planned real estate projects. The Company competes with its competitors to secure suitable sites for development. Given this competition and the limited availability of land, particularly in areas in or near Metro Manila and other urban areas in the Philippines, the Company may encounter difficulty acquiring tracts of land that are suitable in size, location and price. The Company may also have difficulty in attracting land owners to enter into joint venture agreements with the Company that will provide it with reasonable returns or at all. In the event the Company is unable to acquire suitable land or to enter into agreements with joint venture partners to develop suitable land at acceptable prices, with reasonable returns, or at all, its growth prospects could be limited and its business and results of operations could be adversely affected.

Nevertheless, the Company believes that considering its current pace of development, its current land bank is sufficient for its existing and planned projects and developments for the next twenty-seven to thirty years. The Company has an extensive land bank, most of which is located in areas in close proximity to major roads and primary infrastructure. As of June 30, 2023, the Company had approximately 2,674.2 hectares of raw land ready for development, with an additional 411.2 hectares available for development under joint venture agreements.

The real estate industry in the Philippines is capital intensive, and the Company may be unable to readily raise necessary amounts of funding.

The real estate industry in the Philippines is capital intensive, and market players are required to incur significant capital expenditures to complete existing projects and commence construction on new developments. As an example, for the year 2022, the Company budgeted ₱27,000 million for capital expenditures to be used for its real estate development projects.

Historically, while the Company has funded a significant portion of its capital expenditure requirements internally from its real estate revenues, it has periodically utilized external sources of financing. However, there can be no assurance that, to complete its planned projects or satisfy its other liquidity and capital resources requirements, the Company will be able to continue funding its capital expenditure requirements internally, or that it will be able to externally obtain sufficient funds at acceptable rates to fund its capital expenditure budgets, or at all. Failure to obtain the requisite funds could delay or prevent the completion of the Company's on-going projects or any new or planned projects, and such delay or failure to complete could materially and adversely affect the Company's business, financial condition and results of operations.

The Company believes, however, that it has consistently demonstrated prudence in managing its financial requirements, continuously striving to be efficient in utilizing its capital. For instance, in the case of land acquisition, while VLL's real estate revenue has increased by 123% since 2007, the Company's land bank has only increased by 76% (in terms of hectares).

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

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

The Company believes that the Philippine property sector is adequately protected against a domestic asset price bubble burst. The country has a very young demographic profile benefiting from rising disposable income. It likewise has one of the fastest growing emerging economies and the growth in the property sector is largely supported by infrastructure investments from both the public and private sectors and strong macroeconomic fundamentals.

Be that as it may, considering the possible risk of an asset price bubble burst, the Company has embarked on a plan to achieve a balanced portfolio of residential and leasing businesses which have proven to be more resilient across economic cycles, thus providing some cushion between periods of economic trough. Specifically, the expansion by the Company of its leasing business through the acquisition of Vistamalls provides the Company with a diversified earnings base, hedging against downcycles in the residential business segment.

Substantial sales cancellations could have a material adverse effect on the Company’s financial condition and operations.

The Company’s business, financial condition and results of operations could be adversely affected in the event a material number of the Company’s subdivision lot or house and lot sales are cancelled.

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

Historically, the Company has not experienced a material number of cancellations to which the Maceda Law has applied. However, there can be no assurance that it will not experience a material number of cancellations in the future, particularly during slowdowns or downturns in the Philippine economy, or during periods when interest rates are high or other similar situations. If the Company were to experience a material number of cancellations in the future, it may not have enough funds on hand to pay the necessary cash refunds to buyers or it may have to incur indebtedness in order to pay such cash refunds. In addition, particularly during an economic slowdown or downturn, there can be no assurance that the Company would be able to re-sell the same properties at an acceptable price, or at all. Any of the foregoing events could have a material adverse effect on the Company’s business, financial condition and results of operations.

In the event the Company experiences a material number of sales cancellations the Company’s historical revenues would have been overstated because such historical revenue would not have accurately reflected subsequent customer defaults or sales cancellations. As a result, the Company’s historical income statements are not necessarily accurate indicators of the Company’s future revenue or profits. As discussed in more detail in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations — Revenue*” in this Prospectus, for the sale of completed projects, once a customer has paid at least 5% of the total contract price, the Company recognizes the total purchase price as part of its real estate sales and gross profit is recognized on such sales, subject to certain adjustments in the case of sales accounted for using the “percentage of completion method.” If a customer defaults on its payment obligations, or a sale is otherwise cancelled after the customer has paid the required downpayment and the Company is unable to find another purchaser for such property, receivables from the cancelled sale booked in the balance sheet will be reversed but the Company does not reverse the revenue or gross profit of prior period corresponding to such cancelled sale.

There can be no assurance that the Company will not suffer from substantial sales cancellations and that such cancellations will not have a material adverse effect on its financial condition and results of operations.

The Company may not be able to lease its properties in a timely manner or collect rent at profitable rates or at all.

The Company’s retail mall and BPO platform is subject to risks relating to the management of mall, BPO and other commercial tenants and could be affected by a number of factors including: (a) competition for tenants; (b) changes in market rates; (c) the inability to renew leases; (d) bankruptcy of tenants; (e) the increase in operating expenditures due to periodic repair and renovations; (f) the ability to attract and retain anchor tenants and leading names in the retail market; and (g) efficiency in collection, property management and tenant relations. In addition, adverse trends in the BPO industry could result in lower demand for leases of our BPO spaces or the inability of existing BPO tenants to honor their lease commitments. The inability of the Company to lease spaces in its mall and BPO commercial centers could materially and adversely affect the Company’s business, financial condition and results of operations.

Nevertheless, the Company believes that shifting to an integrated developer model, where residential developments are complemented by retail malls, BPO facilities and other commercial assets, will enhance its revenue streams. The Company also believes that there will be stronger demand from tenants in retail malls located within Vista Estates due to a larger catchment area and stronger and more regular footfall from the resident population, resulting in higher rental rates and occupancy rates. In addition, the Company believes that BPO operators will be willing to pay higher rental rates, since locating in a Vista Estate provides them greater access to potential employees and enhances employee productivity.

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

The Company intends to continue to pursue an aggressive growth strategy for its residential property business. In the six months ended June 30, 2023, the Company launched 24 projects in 22 cities and municipalities in 18 provinces located throughout the Philippines, including Mega Manila area. The Company's growth strategy for its housing and land development business may require the Company to manage relationships with an increasing number of customers, suppliers, contractors, service providers, lenders and other third parties. Any substantial growth in projects will also require significant capital expenditures, which may entail taking on additional debt to finance housing and land development projects. There can be no assurance that, in the course of implementing its growth strategy, the Company will not experience capital constraints, construction delays, operational difficulties at new operational locations or difficulties in operating existing businesses and training personnel to manage and operate the expanded business. Any inability or failure to adapt effectively to growth, including strains on management and logistics, could result in losses or development costs that are not recovered as quickly as anticipated, if at all. These problems could have a material adverse effect on the Company's reputation and on its business, results of operations or financial condition.

The Company likewise intends to continue its strategy of expanding its vertical residential development and commercial property leasing businesses, which includes accelerating the Vista Land Commercial Group's existing assets and greenfield developments, through the Starmall and Vista commercial projects. The Company plans to grow its commercial assets via enhancements of existing assets and new developments. To this end, the Company plans to construct more vertical developments, retail malls and BPO commercial centers for lease to various retailers, BPO and other commercial tenants within or near its Vista Estates while increasing its exposure to more upscale developments through its Brittany and Crown Asia brands. The Company's strategy to expand these businesses may require the Company to manage relationships with an increasing number of third parties such as potential retailers, suppliers, contractors and tenants. Moreover, vertical and commercial development and leasing are relatively new lines of business to the Company. As a result, the Company could encounter various issues associated with these businesses that it does not have extensive experience dealing with, such as applicable laws relating to commercial rental/tenancy laws and condominium construction and different operational and marketing requirements, among others. There can be no assurance that the Company's continued expansion into upscale and vertical developments, retail malls and BPO commercial centers and leasing will be successful, and as a result the Company's decision to pursue such expansion could have a material adverse effect on the Company's reputation and its business, results of operations or financial condition.

Please see "*Competitive Strengths - Prudent financial management and stronger balance sheet providing headroom for capital expenditure and expansion plans*" on page 77 of this Prospectus.

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

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

To manage this risk, the Company plans to take advantage of joint ventures, focus on diversifying funding sources and increase recurring revenues while utilizing proceeds from residential pre-sales to improve capital efficiency.

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

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

- Higher interest rates may make it more expensive for the Company to borrow funds to finance ongoing projects or to obtain financing for new projects.
- Because the Company believes that a substantial portion of its customers procure financing (either from banks

or using the Company's in-house financing program) to fund their property purchases, higher interest rates may make financing, and therefore purchases of real estate, more expensive, which could adversely affect demand for the Company's residential projects.

- If the Government significantly increases its borrowing levels in the domestic currency market, this could increase the interest rates charged by banks and other financial institutions and also effectively reduce the amount of bank financing available to both prospective property purchasers and real estate developers, including the Company.
- The Company's access to capital and its cost of financing are also affected by restrictions, such as single borrower limits, imposed by the BSP on bank lending. If the Company were to reach the single borrower limit with respect to any bank, the Company may have difficulty obtaining financing with reasonable rates of interest from other banks.
- Increased inflation in the Philippines could result in an increase in the cost of raw materials, which the Company may not be able to pass on to its customers as increased prices.
- A further expansion in the budget deficit of the Government could also result in an increase in interest rates and inflation, which could in turn have a material effect on the ability of the Company to obtain financing at attractive terms, and on the ability of its customers to similarly obtain financing.

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

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

Although the Philippines has adopted a system of land titling and registration that is intended to conclusively confirm land ownership and to be binding on all persons (including the Government), it is not uncommon for third parties to claim ownership of land that has already been registered and over which a title has been issued. There have also been cases in the Philippines in which third parties have produced false or forged title certificates over land. From time to time, the Company has had to defend itself against third parties who claim to be the rightful owners of land which has been either titled in the name of the persons selling the land to the Company or which has already been titled in the name of the Company. In the event a significant number of similar third-party claims are brought against the Company in the future or any such claims involves land that is material to the Company's housing and land development projects, the Company's management may be required to devote significant time and incur significant costs in defending the Company against such claims. In addition, if any such claims are successful, the Company may have to either incur additional costs to settle such third-party claims or surrender title to land that may be material in the context of the Company's housing and land development projects. Any of the foregoing circumstances could have a material adverse effect on the Company's business, financial condition and results of operations, as well as on its business reputation.

To mitigate this risk, the Company undertakes due diligence in the acquisition of parcels of land.

The Company may not be able to complete its development projects within budgeted project costs or on time or at all.

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

- natural catastrophes and adverse weather conditions;
- changes in market conditions, economic downturns, and decreases in business and consumer sentiment in general;
- delays in obtaining government approvals and permits;
- changes in relevant regulations and government policies;
- relocation of existing residents and/or demolition of existing constructions;

- shortages of materials, equipment, contractors and skilled labor;
- labor disputes;
- construction accidents;
- errors in judgment on the selection and acquisition criteria for potential sites; and
- other unforeseen problems or circumstances.

Construction delays or failure to complete the construction of a project according to its planned specifications, schedule and budget may harm the Company's reputation as a property developer or lead to cost overruns or loss of or delay in recognizing revenues and lower margins. This may also result in sales and resulting profits from a particular development not being recognized in the year in which it was originally expected to be recognized, which could adversely affect the Company's results of operations for that year. If a property project is not completed on time, the purchasers of pre-sold units within the project may be entitled to compensation for late delivery. If the delay extends beyond a certain period, the purchasers may be entitled to terminate their presale agreements and claim damages. There can be no assurance that the Company will not experience any significant delays in completion or delivery of its projects in the future or that it will not be subject to any liabilities for any such delays.

To manage this risk, the Company reviews each contractor's experience, financial capability, resources and track record of adhering to quality, cost and time of completion commitments. The Company maintains relationships with over 300 accredited independent contractors and deals with each of them on an arm's-length basis. Furthermore, the Company is not and does not expect to be dependent upon one or a limited number of suppliers or contractors.

A deterioration in the Company's reputation could have a material adverse effect on the Company's business and prospects.

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

The Company, in order to mitigate this risk, continues to maintain its core values of quality, design, attention to detail and innovation. It also tries to continually maintain its personal service to its residents, tenants and unit owners in order to maintain its competitiveness in its segment in the real estate markets in the Philippines.

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

The Company relies on independent contractors to provide various services, including land clearing and infrastructure development, various construction projects and building and property fitting-out works. There can be no assurance that the Company will be able to find or engage an independent contractor for any particular project or find a contractor that is willing to undertake a particular project within the Company's budget, which could result in cost increases or project delays. Further, although the Company's personnel actively supervise the work of such independent contractors, there can be no assurance that the services rendered by any of its independent contractors will always be satisfactory or match the Company's requirements for quality. Contractors may also experience financial or other difficulties, and shortages or increases in the price of construction materials may occur, any of which could delay the completion or increase the cost of certain housing and land development projects. Any of these factors could have a material adverse effect on the Company's business, financial condition and results of operations.

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

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

land and, in certain cases, tenants occupying agricultural land may have to be relocated at the Company's expense.

Presidential Decree No. 957, as amended, ("PD 957") and Batas Pambansa Blg. 220 ("BP 220") are the principal statutes which regulate the development and sale of real property as part of a condominium project or subdivision. PD 957 and BP 220 cover subdivision projects for residential, commercial, industrial or recreational purposes and condominium projects for residential or commercial purposes. The Human Settlements Adjudication Commission ("HSAC") is the administrative agency of the Government which enforces these statutes. Regulations applicable to the Company's operations include standards regarding:

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

All subdivision development plans are required to be filed with and approved by the local government unit with jurisdiction over the area where the project is located. Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and the developer's financial, technical and administrative capabilities. Alterations of approved plans that affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the relevant government unit. There can be no assurance that the Company, its subsidiaries or associates or partners will be able to obtain governmental approvals for its projects or that when given, such approvals will not be revoked.

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

Environmental laws applicable to the Company's projects could have a material adverse effect on its business, financial condition or results of operations.

The Company is subject to various environmental laws and regulations relating to the protection of the environment, human health and human safety. These include laws and regulations governing air emissions, water and waste water discharges, odor emissions and the management and disposal of, and exposure to, hazardous materials. Generally, developers of real estate projects are required to submit project descriptions to regional offices of the Department of Environment and Natural Resources ("DENR"). For environmentally-sensitive projects or in other cases at the discretion of the regional office of the DENR, a detailed Environmental Impact Assessment ("EIA") may be required and the developer will be required to obtain an Environmental Compliance Certificate ("ECC") to certify that the project will not have an unacceptable environmental impact. There can be no assurance that current or future environmental laws and regulations applicable to the Company will not increase the costs of conducting its business above currently projected levels or require future capital expenditures. In addition, if a violation of an ECC occurs or if environmental hazards on land where the Company's projects are located cause damage or injury to buyers or any third party, the Company may be required to pay a fine, to incur costs in order to cure the violation and/or to compensate its buyers and any affected third parties. The Company cannot predict what environmental legislation or regulations will be amended or enacted in the future, how existing or future laws or regulations will be enforced,

administered or interpreted, or the amount of future expenditures that may be required to comply with these environmental laws or regulations or to respond to environmental claims. See “*Regulatory and Environmental Matters*” in this Prospectus. The introduction or inconsistent application of, or changes in, laws and regulations applicable to the Company’s business could have a material adverse effect on its business, financial condition and results of operations.

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

The Company benefits from certain tax exemptions and incentives under Philippine laws and regulations, including the exemption from the 12% value-added tax (“VAT”) on the sales of houses and lots and other residential dwellings with a selling price of not more than ₱2,000,000.00 or less.

In the event these sales become subject to the VAT, the purchase prices for the Company’s subdivision lots and housing and condominium units will increase and this could adversely affect the Company’s sales. As taxes such as the VAT are expected to have indirect effects on the Company’s results of operations by affecting general levels of spending in the Philippines and the prices of subdivision lots and houses, any adverse change in the Government’s VAT-exemption policy could likewise have an adverse effect on the Company’s results of operations.

The Company also currently enjoys Income Tax Holiday on its low-cost mass housing projects duly registered with the Board of Investments. However, the Income Tax Holiday is not indefinite and is limited by the annual Strategic Investment Priority Plan approved by the president. Thus, the Company may see changes in how the Income Tax Holiday is implemented, including a reduction in its duration or in the conditions for its availment.

The interests of the Company’s joint venture partners for certain of its residential and land development projects may differ from the Company’s, and they may take actions that could adversely affect the Company.

The Company has entered into joint venture agreements with landowners and, as part of its overall land acquisition strategy, intends to continue to do so. Under the terms of most of these joint venture agreements, the Company takes responsibility for project development and project sales, while its joint venture partner typically supplies the project land. A joint venture partner may have economic or business interests or goals inconsistent with or different from those of the Company’s. A joint venture partner may also take actions contrary to the Company’s instructions or requests or in direct opposition to the Company’s policies or objectives with respect to the real estate investments. A joint venture partner may not meet its obligations under the joint venture arrangement. Disputes between the Company and a joint venture partner could arise after significant capital investments in a project have been made, which could result in the loss of some or all of the Company’s investment in the project. The Company’s reliance on its joint venture arrangements could therefore have a material adverse effect on the Company’s results of operations and financial condition.

To mitigate this risk, the Company ensures that the Company’s interests are well protected under the terms and conditions of its joint venture agreements with landowners.

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

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

There can be no assurance that the Company will not be held liable for damages, the cost of repairs, and/or the expense of litigation surrounding possible claims or that claims will not arise out of uninsurable events, such as landslides or earthquakes, or circumstances not covered by the Company’s insurance and not subject to effective indemnification agreements with the Company’s contractors. There can also be no assurance that the contractors hired by the Company will be able to either correct any such defects or indemnify the Company for costs incurred by the Company to correct such defects. In the event a substantial number of claims arising from structural or construction defects arise, this could have a material adverse effect on the Company’s reputation and on its business, financial condition and results of operations. Based on experience, however, expenses incurred by the Company

relating to such liabilities for repairs and/or possible building-related claims have been well within accrued provisions made by the Company in the ordinary course of business.

In the event that the Company becomes subject to defects and other building-related claims, it shall endeavor to amicably settle the legal proceedings and in the event of any adverse ruling or decision, exhaust all legal remedies available.

The inability of the Company's in-house financing customers to meet their payment obligations could have a material adverse effect on the Company's business and prospects.

The Company provides a substantial amount of in-house financing to its customers. As a result, and particularly during periods when interest rates are relatively high, the Company faces the risk that a greater number of customers who utilize the Company's in-house financing facilities will default on their payment obligations, which would require the Company to incur expenses, such as those relating to sales cancellations, foreclosures and eviction of occupants. Although the Company currently sells a portion of the receivables from its customers to commercial banks, most of these arrangements are with recourse to the Company, which means that the Company faces the risk of customer default. In addition, there is no assurance that the Company can re-sell any property once a sale has been cancelled. Therefore, the inability of its customers who obtain in-house financing from the Company to meet their payment obligations could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company mitigates this risk by measuring, monitoring and managing the risk for each customer seeking to obtain in-house financing. The Company has a structured and standardized credit approval process, which includes conducting background and credit checks on prospective buyers using national credit databases and, where feasible, conducting physical verification of claims regarding residences and properties owned.

Covenants in existing debt agreements of the Company and its Subsidiaries contain a cross-default clause.

The existing debt agreements of the Company and certain debt agreements of its Subsidiaries impose various covenants including, in some instances, a cross-default clause in relation to the indebtedness of the Subsidiaries. Under such cross-default clauses, if a default by a subsidiary meets certain thresholds and is not cured or waived, it may result in the default by the Company under its own existing debt agreements. Moreover, events beyond the control of the Company or its Subsidiaries, including prevailing economic, financial, and industry conditions may affect the ability of the Company and its Subsidiaries to comply with covenants contained in their respective debt agreements. In the event of any such default, even if the Company is able to comply with applicable covenants and/or cure or otherwise procure the waiver thereof, any default by the Company on its existing debt covenants or an occurrence of a cross-default could adversely affect the business of the Company by, among other effects, limiting its ability to secure financing and investment opportunities that may be beneficial to the Company and its Subsidiaries.

The cross-default clause may be subject to (i) monetary thresholds and cure periods and (ii) compliance with procedural requirements before the Company can be declared in default under such debt instruments. To manage compliance by the Company and its Subsidiaries with their respective debt and financing covenants, the Company exercises prudent financial risk management.

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

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

The Company is indirectly controlled by the Villar Family, and there is nothing to prevent the companies controlled by the Villar Family from competing directly with the Company.

As of June 30, 2023, Fine and its subsidiaries owned a total of 10,425,545,458 shares in the Company, representing

65.17% of the Company's total issued and outstanding shares, including 7,125,545,458 common shares and 3,300,000,000 preferred shares. In turn, Fine is controlled by members of the Villar Family, who either individually or collectively have controlled Fine since its inception. Certain members of the Villar Family also serve as directors and executive officers of Vista Land and Fine and other companies forming part of Vista Land, as well as their respective subsidiaries.

There is nothing to prevent companies that are controlled by the Villar Family from engaging in activities that compete directly with the Company's housing and land development businesses or activities, which could have a negative impact on the Company's business. There can also be no assurance that Fine and the Villar Family will not take advantage of business opportunities that may otherwise be attractive to the Company. The interests of Fine and the Villar Family, as the Company's controlling shareholders, may therefore differ significantly from or compete with the Company's interests, Fine and the Villar Family may vote their shares in a manner that is contrary to the interests of the Company. There can be no assurance that Fine and the Villar Family will exercise influence over the Company in a manner that is in the best interests of the Company.

The Villar Family's political involvement may have negative indirect effects on the Company.

Certain members of the Villar family have been and are currently involved in Philippine politics. Manuel B. Villar, Jr., patriarch of the Villar Family and Chairman of the Board of Directors of the Company, was until June 30, 2013, a Senator of the Philippines who also ran for President in the May 2010 elections. Although Manuel B. Villar, Jr. is no longer a Senator, his wife Cynthia was elected Senator in the 2013 Philippine elections and reelected in the May 2019 elections (and presently serves as such), his son Mark, also currently serves as a Senator, having been elected to the post last May 2022, and his daughter Camille currently serves as the Congresswoman of the lone district of Las Piñas City. Given the Villar family's involvement in politics, allegations of conflicts of interest, improper influence or corruption on the part of members of the Villar Family may have an adverse effect on the Company's business and goodwill.

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

The companies controlled by the Villar Family have a number of commercial transactions with the Company. As of June 30, 2023, the Company had outstanding amounts due from affiliated companies of ₱7,811.85 million. The Company had entered into a number of transactions with its related parties, which primarily consisted of advances and reimbursements of expenses, sale and purchase of real estate properties and development, management, marketing, leasing and administrative services agreements.

The transactions referred to above are described under "*Certain Relationships and Related Transactions*" in this Prospectus and the notes to the Company's financial statements appearing elsewhere in this Prospectus. The Company's practice has been to enter into contracts with these affiliated companies on commercial terms which are at least as favorable as the terms available to or from non-affiliated parties.

The Company expects that it will continue to enter into transactions with companies directly or indirectly controlled by or associated with the Villar Family. These transactions may involve potential conflicts of interest which could be detrimental to the Company and/or its shareholders. Conflicts of interest may also arise between the Company and the Villar Family in a number of other areas relating to its businesses, including:

- major business combinations involving the Company and its subsidiaries;
- plans to develop the respective businesses of the Company and its subsidiaries; and
- business opportunities that may be attractive to the Villar Family and the Company.

The Company can provide no assurance that its related-party transactions will not have a material adverse effect on its business or results of operations.

The Company is highly dependent on certain directors and members of senior management.

The Company's directors and members of its senior management have been an integral part of its success, and the experience, knowledge, business relationships and expertise that would be lost should any such persons depart could be difficult to replace and may result in a decrease in the Company's operating efficiency and financial performance. Key executives and members of management of the Company include: Manuel B. Villar, Jr., Chairman of the Board, Manuel Paolo A. Villar, President and Chief Executive Officer, Cynthia J. Javarez, Treasurer and Chief Risk Officer, Jerylle Luz C. Quismundo, Chief Operating Officer, Brian N. Edang, Chief Financial Officer and Head Investor Relations, and Melissa Camille Z. Domingo, Chief Audit Executive. If the Company loses the services of these key

people and is unable to fill any vacant key executive or management positions with qualified candidates, its business and results of operations may be adversely affected.

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

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

The Company relies on third-party brokers to sell its residential housing and land development projects.

The Company relies on third-party brokers to market and sell its residential housing and land development projects to potential customers inside and outside of the Philippines. These brokers may also act as brokers for other developers in the same markets in which the Company operates, and there can be no assurance that they will not favor the interests of their other clients over the interests of the Company in lease or sale opportunities, or otherwise act in the Company's best interests. There is competition for the services of third-party brokers in the Philippines, and many of the Company's competitors either use the same brokers as the Company or attempt to recruit brokers away from the Company. If a large number of these third-party brokers were to cease selling for the Company, the Company would be required to seek other external brokers, and there can be no assurance that the Company could do so quickly or in sufficient numbers. Moreover, Republic Act No. 9646 or The Real Estate Service Act of the Philippines and its implementing rules impose stringent requirements on the real estate sector, including the qualifications and licensing of real estate service practitioners. There can be no assurance that the imposition of these requirements will not affect the real estate service practice of the Company, or its ability to retain their existing third-party brokers or identify new third party brokers. These factors could disrupt the Company's business and negatively affect its financial condition, results of operations and prospects.

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

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

Adoption of new accounting standards may have potential impact on the financial statement of the Company.

Availment of deferral of PIC Q&A 2018-12 in the adoption of PFRS 15

The SEC issued memorandum circulars providing relief to the real estate industry by deferring the application of the following provisions of PIC Q&A 2018-12 for a period of three (3) years:

- Exclusion of land and uninstalled materials in the determination of percentage of completion ("**POC**")
- Accounting for significant financing component
- Accounting to Common Usage Service Area ("**CUSA**")
- Charges Accounting for Cancellation of Real Estate Sales

Effective January 1, 2021, real estate companies will adopt the deferral and any subsequent amendments thereof retrospectively or as the SEC will later prescribe.

The Group availed of the deferral of adoption of the above specific provisions, except for the treatment of CUSA charges wherein the current accounting policy of the Group is consistent with the conclusion of PIC Q&A.

Had these deferred provisions been adopted, it would have the following impact to the financial statements:

- The exclusion of land and uninstalled materials in the determination of POC would reduce the percentage of completion of real estate projects.
- The mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments explicit in the contract to sell would constitute a significant financing component. Interest income will be recognized for contract assets and interest expense for contract liabilities using effective interest rate method.
- Upon sales cancellation, the repossessed inventory would be recorded at fair value plus cost to repossess (or fair value less cost to repossess if this would have been opted. Currently, the Group records the repossessed inventory at original cost.

Refer to the 2022 audited consolidated financial statements of the Group for the detailed discussion of the deferral.

March 2019 IFRIC Agenda Decision on Over Time Transfer of Constructed Good (PAS 23, Borrowing Costs)

In March 2019, an IFRIC Update was issued summarizing the decisions reached on the capitalization of borrowing cost on over time transfer of constructed goods. The IFRIC Agenda Decision clarified that the related assets that might be recognized in the real estate company's financial statements (i.e., installment contract receivable, contract asset, or inventory) will not qualify as a qualifying asset and the corresponding borrowing cost may no longer capitalized.

This will impact the classification and measurement of the Group's borrowing costs and could have a material and adverse effect on the Company's financial condition and results of operations.

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

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

RISKS RELATING TO THE PHILIPPINES

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

The Philippines has from time to time experienced political and military instability. In the last few years, there has been political instability in the Philippines, including impeachment proceedings against two former presidents and two chief justices of the Supreme Court of the Philippines, hearings on graft and corruption issues against various government officials, and public and military protests arising from alleged misconduct by previous and current administrations. There can be no assurance that acts of election-related or other political violence will not occur in the future, and any such events could negatively impact the Philippine economy. An unstable political environment, whether due to the impeachment of government officials, imposition of emergency executive rule, martial law or widespread popular demonstrations or rioting, could negatively affect the general economic conditions and operating environment in the Philippines, which could have a material adverse effect on the Company's business, financial condition and results of operations. The Philippines has also been subject to a number of terrorist attacks since 2000, and the Philippine armed forces have been in conflict with groups that have been identified as being responsible for kidnapping and terrorist activities in the Philippines. In addition, bombings have taken place in the Philippines, mainly in cities in the southern part of the country. Political instability, acts of terrorism, violent crime and similar events could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In addition, the Company may be affected by political and social developments in the Philippines and changes in the political leadership and/or government policies in the Philippines. Such political or regulatory changes may include (but are not limited to) the introduction of new laws and regulations. There can be no assurance that any changes in such regulations or policies imposed by the Philippine government from time to time will not have an adverse effect on the Company's business, financial condition, results of operations and prospects.

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

The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, massive flooding, droughts, volcanic eruptions and earthquakes. A number of climate experts believe that climate change is

affecting the intensity and severity of these natural catastrophes. The potential effects of global climate change may include longer periods of drought in some regions and an increase in the number, duration and intensity of tropical storms in the country. Authorities may not be prepared or equipped to respond to such disasters. There can be no assurance that the occurrence of such natural catastrophes will not materially disrupt the Company's operations. These factors, which are not within the Company's control, could potentially have significant effects on the Company's housing and land development projects, many of which are large, complex estates with infrastructure, such as buildings, roads and perimeter walls, which are susceptible to damage. Damage to these structures resulting from such natural catastrophes could also give rise to claims against the Company from third parties or from customers, for example for physical injuries or loss of property. As a result, the occurrence of natural or other catastrophes or severe weather conditions may adversely affect the Company's business, financial condition and results of operations.

Further, the Company does not carry any insurance for certain catastrophic events, and there are certain losses for which the Company cannot obtain insurance at a reasonable cost or at all. The Company also does not carry any business interruption insurance. Should an uninsured loss or a loss in excess of insured limits occur, the Company could lose all or a portion of the capital invested in a property, as well as the anticipated future turnover from such property, while remaining liable for any project construction costs or other financial obligations related to the property. Any material uninsured loss could materially and adversely affect the Company's business, financial condition and results of operations.

Due to the risk of changing environmental conditions, all land acquisitions and project launches undergo a thorough technical due diligence process and environmental scanning to identify all potential risks that the project may be exposed to. This technical due diligence process includes environmental studies not just for specific land parcels but for adjacent areas as well. Furthermore, the Company is a member of the Weather Philippines Foundation, a non-profit organization that provides the public free access to accurate and localized weather information that may enable the people to timely respond to severe weather conditions.

Acts of terrorism could destabilize the country and could have a material adverse effect on the Company's assets and financial condition.

The Philippines has been subject to a number of terrorist attacks in the past several years. The Philippine army has been in conflict with various groups which have been identified as being responsible for kidnapping and terrorist activities in the Philippines as well as clashes with separatist groups. In addition, bombings have taken place in the Philippines, mainly in cities in the southern part of the country. For example, in January 2019, bombs were detonated in the Jolo Cathedral in the Municipality of Jolo, Sulu and a Mosque in Zamboanga City, Zamboanga del Sur. In May 2017, a clash erupted in Marawi, Lanao del Sur between government security forces and the ISIS-affiliated Maute group, following the government's offensive to capture alleged ISIS leader in Southeast Asia, Isnilon Hapilon, who was believed to be in the city. President Duterte immediately declared Martial Law in Mindanao amid protests from the opposition and sectors of civil society. In a special joint session convened on July 22, 2017, both Houses of Congress voted to extend Martial Law until the end of 2017. On October 17, 2017, President Duterte declared the liberation of Marawi City. The clashes resulted in the loss of lives of civilians, soldiers and ISIS-inspired extremists, as well as damage to property and livelihood of Marawi residents. The reconstruction of the city is on-going. On December 13, 2017, both Houses of Congress again granted President Duterte's request to extend Martial law in Mindanao until December 31, 2018. For the third time on December 17, 2018, Martial Law was extended by both Houses of Congress until December 31, 2019. In January 2019, separate petitions were filed with the Supreme Court challenging the third extension of Martial Law in Mindanao. Martial law in Mindanao was lifted on January 1, 2020, however certain areas in Mindanao remain under a state of emergency and law enforcement groups are in heightened security as a measure against potential terror threats.

An increase in the frequency, severity or geographic reach of these terrorist acts, violent crimes, bombings and similar events could have a material adverse effect on investment and confidence in, and the performance of, the Philippine economy. Any such destabilization could cause interruption to our business and materially and adversely affect our financial conditions, results of operations and prospects.

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

The Philippines, China and several Southeast Asian nations have been engaged in a series of long-standing territorial disputes over certain islands in the West Philippine Sea, also known as the South China Sea. The Philippines maintains that its claim over the disputed territories is supported by recognized principles of international law consistent with the United Nations Convention on the Law of the Sea ("UNCLOS"). Despite efforts to reach a compromise, a dispute arose between the Philippines and China over a group of small islands and reefs known as the Scarborough Shoal. Actions taken by both sides have threatened to disrupt trade and other ties between the two countries, including a temporary ban by China on Philippine banana imports, a temporary suspension of tours to the Philippines by Chinese

travel agencies and the rejection by China of the Philippines' request for arbitral proceedings administered in accordance with the UNCLOS to resolve the disputes.

In 2016, the Permanent Court of Arbitration ruled in favor of the Philippines against China over territorial disputes in the West Philippine Sea. The arbitral tribunal unanimously ruled, among others, that (a) China has "no historical rights" to the resources within the sea areas falling within the "nine -dash line;" (b) Chinese reclamation activity in the West Philippine Sea has caused irreparable damage to the environment, obligating the Chinese government to stop further activities in the West Philippine Sea; and (c) China had violated the Philippines' sovereign rights in its exclusive economic zone by interfering with Philippine fishing and petroleum exploration, constructing artificial islands, and failing to prevent Chinese fishermen from fishing in the zone. However, with no formal enforcement mechanism in place, the territorial dispute in the West Philippine Sea remains contentious.

On 9 June 2019, the fishing vessel F/B Gem-Ver 1 was damaged and sank in Rector Bank due to an alleged collision with a Chinese fishing vessel. This resulted in the endangered lives of 22 fisherfolk. The crew of a Vietnam fishing vessel rescued the Philippine fishermen from their sinking vessel as the latter signaled for help. The incident has prompted Supreme Court Justice Antonio Carpio to release a statement saying that the Philippine government cannot allow Chinese fishermen to fish within the Philippines' exclusive economic zone in the West Philippine Sea as it violates the Philippine Constitution. The Philippines has filed a diplomatic protest with China over the incident. In March 2021, more than 180 Chinese military vessels were spotted on Julian Felipe Reef in the West Philippine Sea. The presence of the vessels defied a diplomatic protest and a demand for the vessels to leave the area issued by Philippine Defense Secretary Delfin Lorenzana. In August 2023, a Chinese Coast Guard vessel fired a water cannon at a Philippine vessel on a supply mission to Second Thomas Shoal, forcing the said vessel to abort its mission.

There is no guarantee that the territorial dispute between the Philippines and other countries, including China, would end or that any existing tension will not escalate further, as China has taken steps to exercise control over the disputed territory. Should territorial disputes between the Philippines and other countries in the region continue or escalate further, the Philippines and its economy may be disrupted and the Company's operations could be adversely affected as a result.

RISKS RELATING TO THE SHELF BONDS

Substantial leverage and debt service obligations could adversely affect the Company's businesses and prevent the Company from fulfilling its obligations under the Shelf Bonds.

Subject to limitations set forth in this Prospectus, the Company will be permitted to incur additional indebtedness in the future. For a summary of the Company's existing indebtedness as of the date of this offer, see "*Description of Indebtedness*" in this Prospectus. The degree to which the Company will be leveraged in the future, on a consolidated basis, could have important consequences for the Bondholders, including, but not limited to:

- making it more difficult for the Company to satisfy its obligations with respect to the Shelf Bonds;
- increasing vulnerability to, and reducing the Company's flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of cash flow from operations to the payment of principal of, and interest on, the Company's consolidated indebtedness, thereby reducing the availability of such cash flow to fund working capital, capital expenditures, acquisitions, joint ventures or other general corporate purposes;
- limiting the flexibility in planning for, or reacting to, changes in the Company's businesses, the competitive environment and the industry in which the Company operates;
- placing Bondholders at a competitive disadvantage compared to the Company's competitors that are not as highly leveraged; and
- limiting the Company's ability to borrow additional funds and increasing the cost of any such borrowing.

Any of these or other consequences or events could materially and adversely affect the Company's ability to satisfy debt obligations, including the Shelf Bonds.

The Company believes, however, that as a result of its sustained positive operating performance and prudent financial and strategic management, it is now able to maintain a strong balance sheet. Based on published Debt to Equity ratios as of 2022, the Company believes it has high capacity for additional borrowings relative to its peers.

The Company will require a significant amount of cash to meet its obligations under its indebtedness and to sustain its operations, which the Company may not be able to generate or raise.

The ability of the Company to make scheduled principal or interest payments on the Shelf Bonds and the Company's ability to make payments on the Company's indebtedness and the Company's contractual obligations (see "*Description of Indebtedness*" in this Prospectus), and to fund the Company's ongoing operations, will depend on the Company's future performance and the Company's ability to generate cash, which to a certain extent is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors discussed in this "*Risk Factors and Other Considerations*" section, many of which are beyond the Company's control. If the Company's future cash flows from operations and other capital resources are insufficient to pay the Company's debt obligations, the Company's contractual obligations, or to fund the Company's other liquidity needs, the Company may be forced to sell assets or attempt to restructure or refinance the Company's existing indebtedness. No assurance can be given that the Company would be able to accomplish any of these measures on a timely basis or on satisfactory terms or at all.

The Shelf Bonds will be effectively subordinated in right of payment to all secured debt of Vista Land to the extent of the value of the assets securing such debt and all debt that is evidenced by a public instrument under Article 2244(14) of the Civil Code of the Philippines.

Under Philippine law, in the event a borrower submits to insolvency or liquidation proceedings in which the borrower's assets are liquidated, unsecured debt evidenced by a public instrument, as provided in Article 2244(14) of the Civil Code of the Philippines, will rank ahead of unsecured debt not evidenced by a public instrument. Debt becomes evidenced by a public instrument when it has been acknowledged by the creditor and the debtor before a notary or any person authorized to administer oaths in the Philippines. Although the position is not clear under Philippine law, it is possible that a jurat (a statement by one party of the circumstances in which an affidavit was made) may also be sufficient to make a document a public instrument. Accordingly, it may be possible for debt to become evidenced by a public instrument through the unilateral action of a creditor without the knowledge of the borrower.

As of June 30, 2023, Vista Land's consolidated indebtedness of ₱95,677.69 million was evidenced by public instruments. Any such debt may, by mandatory provision of law, rank ahead of the Shelf Bonds in the event of the insolvency or liquidation of Vista Land.

Notwithstanding the foregoing, investors are assured of Vista Land's continuing track record of prudent financial management which has allowed it to be in a net debt-to-equity position of 0.83 as of June 30, 2023. Thus, in the unlikely event that Vista Land is dissolved, there will be sufficient assets for disposition that will meet all its debt obligations, whether secured or unsecured.

PHILIPPINE TAXATION

The following is a discussion of the material Philippine tax consequences of the acquisition, ownership and disposition of the Shelf Bonds. This general description does not purport to be a comprehensive description of the Philippine tax aspects of the Shelf Bonds and no information is provided regarding the tax aspects of acquiring, owning, holding or disposing of the Shelf Bonds under applicable tax laws of other applicable jurisdictions and the specific Philippine tax consequence in light of particular situations of acquiring, owning, holding and disposing of the Shelf Bonds in such other jurisdictions. This discussion is based upon laws, regulations, rulings, and income tax conventions (treaties) in effect at the date of this Prospectus.

The tax treatment of a holder of Shelf Bonds may vary depending upon such holder's particular situation, and certain holders may be subject to special rules not discussed below. This summary does not purport to address all tax aspects that may be important to a Bondholder.

PROSPECTIVE BONDHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSITION OF A BOND, INCLUDING THE APPLICABILITY AND EFFECT OF ANY LOCAL OR FOREIGN TAX LAWS.

As used in this section, the term "resident alien" refers to an individual whose residence is within the Philippines and who is not a citizen thereof; a "non-resident alien" is an individual whose residence is not within the Philippines and who is not a citizen of the Philippines. A non-resident alien who is actually within the Philippines for an aggregate period of more than 180 days during any calendar year is considered a "non-resident alien doing business in the Philippines," otherwise, such non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year is considered a "non-resident alien not doing business in the Philippines." A "resident foreign corporation" is a non-Philippine corporation engaged in trade or business within the Philippines; and a "non-resident foreign corporation" is a non-Philippine corporation not engaged in trade or business within the Philippines.

Philippine Taxation

The following is a general description of certain Philippine tax aspects of the Securities. It is based on the present provisions of the National Internal Revenue Code of 1997, as amended by Republic Act No. 10963 or the TRAIN Law and Republic Act No. 11534 or the CREATE Law (the "**Tax Code**"), the regulations promulgated thereunder and judicial and ruling authorities in force as of the date of this Offering Circular, all of which are subject to changes occurring after such date, which changes could be made on a retroactive basis.

The CREATE Law was signed into law by then President Duterte on March 26, 2021 and took effect on April 11, 2021 (with effective dates on specific provisions). The key provisions of CREATE Law include, but not limited to, reduction of regular corporate income tax rate from 30% to 25% (or 20% for corporations with net taxable income not exceeding ₱5,000,000.00 and with total assets not exceeding ₱100,000,000.00 excluding land on which the office, plant, and equipment are situated) effective July 1, 2020; reduction of minimum corporate income tax rate from 2% to 1% for July 1, 2020 until June 30, 2023, thereafter, the rate will revert to 2%; reduction of income tax (final tax) rate on payments to non-resident foreign corporations from 30% to 25% effective January 1, 2021; and repeal of improperly accumulated earnings tax ("**IAET**").

TAXATION OF INTEREST

The Tax Code provides that interest-bearing obligations of Philippine residents are Philippine-sourced income subject to Philippine income tax. Interest income derived by Philippine resident individuals from the Shelf Bonds is thus subject to income tax, which is withheld at source, at the rate of 20% based on the gross amount of interest. Generally, interest on the Shelf Bonds received by non-resident foreign individuals engaged in trade or business in the Philippines is subject to a 20% final withholding tax while that received by non-resident foreign individuals not engaged in trade or business is subject to 25% final withholding tax. Interest income received by domestic corporations and resident foreign corporations is subject to final withholding tax of 20%. Interest income received by non-resident foreign corporations is subject to a 25% final withholding tax. The tax imposed on the interest is a final withholding tax which constitutes a final settlement of Philippine income tax liability with respect to such interest.

The foregoing rates are subject to further reduction by any applicable tax treaties in force between the Philippines and the country of residence of the non-resident owner. Most tax treaties to which the Philippines is a party generally provide for a reduced tax rate of 15% in cases where the interest arises in the Philippines and is paid to a resident of the other contracting state. However, most tax treaties also provide that reduced withholding tax rates shall not apply if the recipient of the interest, who is a resident of the other contracting state, carries on business in the Philippines

through a permanent establishment and the holding of the relevant interest-bearing instrument is effectively connected with such permanent establishment. A Bondholder that wishes to avail of such reduced tax treaty rates must comply with the processes, rules, and regulations as set out in BIR Revenue Memorandum Order (“**RMO**”) 14-2021 and Revenue Memorandum Circular (“**RMC**”) No. 77-2021.

TAX-EXEMPT STATUS OR ENTITLEMENT TO PREFERENTIAL TAX RATES

Under RMO No. 14-2021, withholding agents/income payors may withhold tax on interest income payable to the non-resident income earner at the regular rate or at the applicable preferential tax rate depending on the documents submitted by the non-resident income earner to the withholding agent/income payor.

In accordance with RMO No. 14-2021, as further clarified by RMC Nos. 77-2021 and 20-2022, non-resident income earner intending to avail of treaty benefits should submit to the withholding agent/income payor, prior to the payment of income for the first time, a Tax Residency Certificate (“**TRC**”) duly issued by the foreign tax authority, an Application Form for Treaty Purposes on Interest (“**BIR Form 0901-I**”), and the relevant provision of the applicable tax treaty. Failure to provide the said documents may lead to withholding using the regular withholding tax rates, and not the treaty rate.

When the preferential tax rates have been applied by the withholding agent/income payor on the income earned by the non-resident income earner, the withholding agent/income payor shall file with the International Tax Affairs Division (“**ITAD**”) of the Bureau of Internal Revenue a Request for Confirmation (“**RFC**”) on the propriety of the withholding tax rates applied on that item of income. Such RFC shall be supported by the documentary requirements set out in RMO No. 14-2021 which also includes the TRC and BIR Form 0901-I mentioned above.

If the regular withholding tax rate on interest have been imposed by the withholding agent/income payor, the concerned non-resident income earner shall file a Tax Treaty Relief Application with ITAD. If the regular withholding tax rate on interest imposed by the withholding agent/income payor is higher than the rate that should have been applied, the non-resident income earner may file a claim for refund from the Philippine taxing authorities on the basis of a tax exemption or applicable tax treaty.

For claims of tax exemption, RMC No. 8-2014 mandates withholding agents/income payors to require from individuals and entities claiming tax exemption a copy of a valid, current, and subsisting tax exemption certificate or ruling before payment of the related income. The tax exemption certificate or ruling must explicitly recognize the tax exemption, as well as the corresponding exemption from imposition of withholding tax. Failure on the part of the taxpayer to present the said tax exemption certificate or ruling shall subject him to the payment of the appropriate withholding taxes due on the transaction.

Transfers taking place in the Electronic Registry of Bondholders after the Offer Bonds are listed in PDEX may be allowed between taxable and tax-exempt entities without restriction provided the same are in accordance with the relevant rules, conventions and guidelines of PDEX and PDTC. A selling or purchasing Bondholder claiming tax-exempt status is required to submit the following documents to the Issuer, upon submission of Account Opening documents to the Registry: (i) a written notification of the sale or purchase, including the tax status of the selling or buying party, and (ii) an indemnity agreement wherein the new Bondholder undertakes to indemnify the Issuer for any tax that may later on be assessed on the Issuer on account of such transfer.

VALUE-ADDED TAX

Gross receipts arising from the sale of the Shelf Bonds in the Philippines by Philippine-registered dealers in securities and lending investors shall be subject to a 12% value-added tax. The term “gross receipt” means gross selling price less acquisition cost of the Shelf Bonds sold.

“Dealer in securities” means a merchant of stock or securities, whether an individual partnership or corporation, with an established place of business, regularly engaged in the purchase of securities and their resale to customers, that is, one who as a merchant buys securities and sells them to customers with a view to the gains and profits that may be derived therefrom.

GROSS RECEIPTS TAX

Bank and non-bank financial intermediaries are subject to gross receipts tax on gross receipts derived from sources within the Philippines in accordance with the following schedule:

On interest, commissions and discounts from lending activities as well as income from financial leasing, on the basis of remaining maturities of instruments from which such receipts are derived:

Maturity period is five years or less	5%
Maturity period is more than five years	1%

In case the maturity period referred to above is shortened through pre-termination or otherwise redeemed by the Issuer pursuant to the Terms and Conditions, then the maturity period shall be reckoned to end as of the date of pre-termination for purposes of classifying the transaction and the correct rate shall be applied accordingly.

Net trading gains realized within the taxable year on the sale or disposition of the Shelf Bonds shall be taxed at 7%.

DOCUMENTARY STAMP TAX

A documentary stamp tax is imposed upon the issuance of debentures and certificates of indebtedness issued by Philippine companies, such as the Shelf Bonds, at the rate of ₱1.50 for each ₱200, or fractional part thereof, of the issue price of such debt instruments.

The documentary stamp tax is collectible wherever the document is made, signed, issued, accepted, or transferred, when the obligation or right arises from Philippine sources, or the property is situated in the Philippines. Any applicable documentary stamp taxes on the original issue shall be paid by the Issuer for its own account.

No documentary stamp tax is imposed on the subsequent sale or disposition of the Shelf Bonds.

TAXATION ON SALE OR OTHER DISPOSITION OF THE SHELF BONDS

Income Tax

Any gain realized from the sale, exchange or retirement of Shelf Bonds will, as a rule, form part of the gross income of the sellers, for purposes of computing the relevant taxable income subject to the regular rates of 15%-35% for individuals or 25% for domestic and foreign corporations, as the case may be. If the bonds are sold by a seller, who is an individual and who is not a dealer in securities, who has held the bonds for a period of more than twelve (12) months prior to the sale, only 50% of any capital gain will be recognized and included in the sellers' gross taxable income.

However, under the Tax Code, any gain realized from the sale, exchange or retirement of bonds, debentures and other certificates of indebtedness with an original maturity date of more than five (5) years (as measured from the date of issuance of such bonds, debentures or other certificates of indebtedness) shall not be subject to income tax. Moreover, any gain arising from such sale, regardless of the original maturity date of the bonds, may be exempt from income tax pursuant to various income tax treaties to which the Philippines is a party, and subject to procedures prescribed by the BIR for the availment of tax treaty benefits.

An exercise by a Bondholder of the Optional Redemption as allowed under the Terms and Conditions would each be considered a sale for purposes of such tax. However, given that the amount to be received by the Bondholder in each case is limited to the principal plus accrued but unpaid interest, there should be no income tax due on the call option or such redemption, provided that the Bondholder's acquisition cost is not lower than the par value of the Shelf Bonds.

Estate and Donor's Tax

The transfer by a deceased person, whether a Philippine resident or non-Philippine resident, to his heirs of the Shelf Bonds shall be subject to an estate tax which is levied on the net estate of the deceased at a fixed rate of 6%. A Bondholder shall be subject to donor's tax on the transfer of the Shelf Bonds by gift at the fixed rate of 6% based on the total gifts in excess of ₱250,000.00 exempt gifts made during the calendar year, whether the donor is a stranger or not.

The estate tax and the donor's tax, in respect of the Shelf Bonds, shall not be collected (a) if the deceased, at the time of death, or the donor, at the time of the donation, was a citizen and resident of a foreign country which, at the time of his death or donation, did not impose a transfer tax of any character in respect of intangible personal property of citizens of the Philippines not residing in that foreign country; or (b) if the laws of the foreign country of which the deceased or donor was a citizen and resident, at the time of his death or donation, allow a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in the foreign country.

In case the Shelf Bonds are transferred for less than an adequate and full consideration in money or money's worth, the amount by which the fair market value of the Shelf Bonds exceeded the value of the consideration may be deemed a gift and may be subject to donor's taxes. However, the transfer of the Shelf Bonds made in the ordinary course of business (a transaction which is bona fide, at arm's length, and free from any donative intent), will be considered as

made for an adequate and full consideration in money or money's worth.

DETERMINATION OF OFFER PRICE

The Shelf Bonds shall be issued at 100% of principal amount or face value.

CAPITALIZATION

The consolidated capitalization and indebtedness of the Issuer as adjusted to give effect to the issuance of each tranche of the Shelf Bonds shall be set forth in the relevant Offer Supplement under “*Capitalization*”.

USE OF PROCEEDS

The intended use of proceeds for each offer of Shelf Bonds being offered shall be set forth in the relevant Offer Supplement under “*Use of Proceeds*”.

PLAN OF DISTRIBUTION

The detailed plan of distribution and underwriting arrangement for each offer of the Shelf Bonds shall be set out in the relevant Offer Supplement.

DESCRIPTION OF THE SHELF BONDS

The detailed terms and conditions of the Offer Bonds and subsequent tranches of the Shelf Bonds shall be set out in the relevant Offer Supplement. However, any such discussion under the relevant Offer Supplement does not purport to be a complete listing of all the rights, obligations, or privileges of the Offer Bonds and subsequent tranches. Some rights, obligations, or privileges may be further limited or restricted by other documents. Prospective investors are enjoined to carefully review the Articles of Incorporation, By-Laws and resolutions of the Board of Directors of VLL, the information contained in the Prospectus, the relevant Offer Supplement, the Trust Agreement, and the other Bond Agreements or other agreements relevant to the Offer such as the Application to Purchase, and to perform their own independent investigation and analysis of the Issuer and the Offer Bonds. Prospective Bondholders must make their own appraisal of the Issuer and the Offer and must make their own independent verification of the information contained herein and the other aforementioned documents and any other investigation they may deem appropriate for the purpose of determining whether to participate in the Offer. They must not rely solely on any statement or the significance, adequacy or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective investor's independent evaluation and analysis. Prospective Bondholders are likewise encouraged to consult their legal counsels and accountants in order to be better advised of the circumstances surrounding the Offer Bonds.

INTERESTS OF NAMED EXPERTS

LEGAL MATTERS

All legal opinions/matters in connection with the Offer will be passed upon by Picazo Buyco Tan Fider & Santos (“**Picazo Law**”) for the Company and Romulo Mabanta Buenaventura Sayoc & de los Angeles for the Underwriters (“**Romulo Law**”). Picazo Law and Romulo Law have no direct or indirect interest in Vista Land. Picazo Law and Romulo Law may from time to time be engaged to advise in the transactions of the Company and perform legal services on the basis that Picazo Law and Romulo Law provide such services to its other clients.

INDEPENDENT AUDITORS

SGV & Co., independent auditors, audited the consolidated financial statements of the Company as at December 31, 2022 and for each of the three years ended December 31, 2022, 2021, and 2020 and reviewed the Company’s unaudited interim consolidated financial statements as of June 30, 2023, all included in this Prospectus. A review is substantially less in scope than an audit conducted in accordance with Philippine Standards on Auditing. Consequently, it does not enable them to obtain assurance that they would become aware of all significant matters that might be identified in an audit. Accordingly, they do not express an audit opinion on the unaudited interim condensed consolidated financial statements. SGV & Co. has no shareholdings in the Company, or any right, whether legally enforceable or not, to nominate or to subscribe to the securities of the Company, in accordance with the professional standards on independence set by the Board of Accountancy and Professional Regulation Commission.

The aggregate fees billed by SGV & Co. are shown below (with comparative figures for 2021):

	<i>(Amount in thousands of Pesos)</i>	
	2022	2021
Audit and Audit Related Fees	₱35,502	₱30,350

There is no arrangement that experts will receive a direct or indirect interest in the Issuer or was a promoter, underwriter, voting trustee, director, officer, or employee of the Issuer.

DESCRIPTION OF THE BUSINESS

OVERVIEW

Vista Land is one of the leading integrated property developers in the Philippines and the largest homebuilder in the country overall. The Company believes that it is one of the few leading integrated property developers in the Philippines that is focused on the mass market. For the years ended December 31, 2020, 2021, 2022 and six months ended June 30, 2023, the Company recorded consolidated revenues from real estate sales of ₱21,800.56 million, ₱17,397.93 million, ₱12,789.88 million and ₱8,016.84 million, respectively. Vista Land provides a wide range of residential products to its customers across all income segments and has recently expanded into the retail mall and BPO segments via the acquisition of Vistamalls. Since it commenced operations in 1977, Vista Land has built over 500,000 homes. The Company has various horizontal and vertical projects in 147 cities and municipalities across 49 provinces in the country in various stages of development and level of sales. For its leasing portfolio, it has a company-wide occupancy of 87%.

Vista Land's primary business has historically been the development and sale of horizontal real estate projects, which comprise residential lots and units in the affordable, upper mid-cost and high-end housing segments. In addition, Vista Land develops and sells vertical residential projects, including low- to high-rise condominium developments. Approximately 61.60% of residential sales are house and lot sales while the remaining 38.40% are sales of condominium units as of June 30, 2023. For the same period, the Company believes that it has the largest market share in the "house and lot" segment among the top seven listed real estate developers. The Company harnesses over 40 years of professional expertise in residential real estate development and believes it has established a nationwide presence, superior brand recognition and proven track record in homebuilding. Its projects include master-planned developments and stand-alone residential subdivisions which offer lots, house and lots and condominium units to customers in the affordable, upper mid-cost and high-end market segments. The Company has developed numerous "themed" housing and land development projects inspired by Mediterranean, Swiss, Italian, American, Caribbean and American Southern architecture and design. The Company believes that strict attention to detail in the execution of these themed communities helps to distinguish it from other companies.

The Company currently owns 88.34% of the outstanding common capital stock of Vistamalls. Vistamalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines and is widely recognized as an early mover in this market segment, focusing on establishing operating malls in densely populated areas underserved by similar retail malls and located in close proximity to transport hubs and key infrastructure. It also develops and operates BPO commercial centers.

In 2022, the Company launched Vista Estates. Vista Estates is Vista Land's collection of vast master planned communities offering unique, premium and sustainable lifescapes which provide its guests, residents, and investors with limitless growth opportunities. The development is comprised of business parks and IT zones, institutional complexes, such as learning institutions, places of worship, events venues, and healthcare centers, commercial and retail districts, leisure and wellness hubs, and horizontal and vertical residential enclaves. Vista Estates transcends the typical standards of a master planned megalopolis by building cities-within-cities that are inspiring in vision, compelling in creativity, and grand in diversity. As of June 30, 2023, the Company has launched a total of 20 Vista Estate projects across the country.

As of June 30, 2023, the Company's developments could be found in 147 cities and municipalities in 49 provinces throughout the Philippines. Most of the Company's developments are outside major central business districts. For the first six months of 2023, the Company launched 24 projects located throughout the Philippines. The Company also has an extensive nationwide land bank available for future development. As of June 30, 2023, the Company owned approximately 2,674.2 hectares of raw land ready for development, with an additional 411.2 hectares available for development under joint venture agreements. See "*Business — Joint Ventures*" in this Prospectus.

The Company operates its residential and commercial property development business through six distinct business units. Camella Homes, Communities Philippines, Crown Asia, Brittany, and Vista Residences are focused on residential property development, while Vistamalls is involved in commercial property development. Briefly, these business units may be distinguished as follows:

- *Camella Homes.* For over 40 years, Camella Homes has serviced the affordable housing segment (houses priced between ₱3.0 million and ₱12 million) in the Mega Manila area. It markets its houses primarily under the "Camella" brand. According to the 2022 Philippine Survey and Research Center ("PSRC") "MANA 2022" Study, Camella was acknowledged as the most preferred brand overall in the Philippine housing market, with a brand awareness rate of 93%. As of June 30, 2023, Camella Homes recorded ₱2,259.86 million in real estate revenues, representing 28.2% of the Company's total real estate revenues;

- Communities Philippines. Communities Philippines and its subsidiaries offer residential properties outside the Mega Manila area under the “Camella” and “Crown Asia” brands. In the last five years, majority of Communities Philippines’ new projects were launched under the “Camella” brand, the Company’s affordable housing brand. The Company believes that Communities Philippines and its subsidiaries have the widest coverage of developments in the regions outside Mega Manila by any homebuilder in the Philippines and utilizes mostly Camella Homes’ expertise and designs to offer houses in areas outside of the Mega Manila area that it believes are on par, in terms of quality, with the developments in the Mega Manila area. As of June 30, 2023, Communities Philippines and its subsidiaries recorded ₱3,129.11 million in real estate revenues, representing 39.0% of the Company’s total real estate revenues;
- Crown Asia. Crown Asia caters to the middle-income housing segment in Mega Manila, primarily offering houses priced between ₱8.0 million and ₱45.0 million. As of June 30, 2023, Crown Asia recorded ₱314.14 million in real estate revenues, representing 3.9% of the Company’s total real estate revenue.
- Brittany. Brittany caters to the high-end market segment in Mega Manila, offering luxury houses in master-planned communities, priced at ₱15.0 million and above. As of June 30, 2023, Brittany recorded ₱636.61 million in real estate revenues, representing 7.9% of the Company’s total real estate revenues;
- Vista Residences. Vista Residences offers vertical residential projects in the Mega Manila area in the low to upper mid-cost housing segments. Vertical home projects generally involve longer project development periods as well as facilities, amenities and other specifications not often found in horizontal homes. As of June 30, 2023, Vista Residences recorded ₱1,677.12 million in real estate revenues, representing 20.9% of the Company’s total real estate revenues;
- Vistamalls. Vistamalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines and also develops and operates BPO commercial centers. As of June 30, 2023, Vistamalls, through its subsidiaries, recorded ₱7,922.35 million in rental revenues representing 45.3% of the Group’s total revenue.

As of June 30, 2023, the Company had the following real estate inventories of horizontal and vertical residential projects in various stages of developments:

For the six months ended June 30, 2023	
(in ₱ millions)	
Camella Homes, Inc.	₱19,024.20
Communities Philippines, Inc.	22,313.83
Crown Asia Properties, Inc.	3,529.07
Brittany Corporation	6,880.16
Vista Residences, Inc.	7,576.35
TOTAL INVENTORY AVAILABLE	₱59,323.61

For the year 2022, the Company also launched a total of 26 residential projects with an estimated project value of about ₱40,400 million, consisting of 10 projects for the affordable segment housing segment, 1 condominium development, 2 middle income segment projects, 2 high-end income segment projects and 11 Vista Estates. All of the projects were launched in areas outside Metro Manila including Cavite, Batangas, Bulacan, Davao del Sur, Agusan del Norte, Iloilo and Zamboanga del Sur.

Moreover, for the first six (6) months 2023, the Company also launched a total of 24 residential projects with an estimated project value of about ₱24,546 million, consisting of 7 projects for the affordable housing segment, 2 high-end segment projects and 15 Vista Estates. All the projects were launched in areas outside Metro Manila including Palawan, Camarines Sur, Ilocos Norte, Leyte and Nueva Ecija.

For the years ended December 31, 2020, 2021, 2022 and for the six months ended June 30, 2023, respectively, Vista Land recorded:

- ₱31,256.08 million, ₱29,631.97 million, ₱28,840.82 million and ₱17,479.28 million of total revenue;
- ₱10,150.44 million, ₱11,690.79 million, ₱13,650.46 million and ₱7,731.21 million of total operating income;

and

- ₱6,386.61 million, ₱6,967.25 million, ₱7,392.65 million and ₱5,803.81 million of net income.

As of December 31, 2020, 2021, 2022, and June 30, 2023, respectively, Vista Land had:

- ₱284,056.77 million, ₱313,986.63 million, ₱322,214.07million and ₱332,238.80 million of total assets; and
- ₱178,377.13 million, ₱201,459.70 million, ₱198,563.87 million and ₱202,929.35 million of total liabilities.

The following tables sets out the contribution of each housing subsidiary as a percentage of total real estate sales for the periods indicated.

Development	For the years ended 31 December			For the six months ended June 30, 2023
	2020	2021	2022	
Camella Homes, Inc.	54.2%	41.4%	23.2%	28.2%
Communities Philippines, Inc.	30.8%	38.6%	43.7%	39.0%
Crown Asia Properties, Inc.....	3.6%	2.7%	4.0%	3.9%
Brittany Corporation	0.1%	2.9%	9.5%	7.9%
Vista Residences, Inc.	11.3%	14.4%	19.6%	20.9%

HISTORY

Vista Land & Lifescapes, Inc. was incorporated in the Republic of the Philippines on February 28, 2007 and is the holding company of a group of six (6) directly-owned subsidiaries that are engaged mainly in developing residential subdivisions and constructing housing and condominium units in the Philippines. The sixth subsidiary, Vistamalls, Inc., is engaged in the operation and development of commercial properties for lease.

<u>Corporate Name</u>	<u>Date of Incorporation</u>	<u>Business Unit</u>
Camella Homes, Inc.	December 8, 1994	Camella Homes
Communities Philippines, Inc.	April 12, 1996	Communities Philippines
Crown Asia Properties, Inc.	August 31, 1995	Crown Asia
Brittany Corporation	May 29, 1984	Brittany
Vista Residences, Inc.	October 29, 2009*	Vista Residences
Vistamalls, Inc.	22 December 2015*	Vistamalls

* *Date acquired.*

The Company offers a range of products from affordable housing to middle income and high-end housing, as well as various types of subdivision lots, vertical condominium developments, retail malls and BPO offices.

On March 29, 2007, the Company entered into an exchange agreement with Fine, Polar Property Holdings Corp., Adelfa Properties, Inc., Althorp Holdings, Inc. and Cambridge Group, Inc. whereby those companies sold all of their shares in the Company's subsidiaries to the Company in exchange for 4,528,801,106 shares issued by the Company out of its capital stock. This resulted in the Company owning substantially all of the outstanding shares of its directly-owned subsidiaries including Brittany, Crown Asia Properties (North), Inc., Crown Asia Properties, Inc., Crown Communities Holdings, Inc., Crown Communities (Davao), Inc., Crown Communities (Iloilo), Inc., Crown Communities (Cebu), Inc. and Crown Communities (Pampanga), Inc.

On April 25, 2007, the Company entered into an agreement with Fine and Brittany whereby Fine subscribed to 3,020,149,650 common shares of the Company, and Fine and Brittany transferred to the Company 3,020,149,650 shares of Camella Homes. The Company subsequently acquired 1,858,241,046 shares of Camella Homes from shareholders other than Fine and Brittany through a tender offer whereby each share in Camella Homes was exchanged for one share in the Company. Following the share transfer from Fine and Brittany and tender offer, the Company owned 4,878,390,696 shares in Camella Homes representing 99.34% of the total outstanding capital stock of Camella Homes as of June 15, 2007.

On May 24, 2007, the PSE approved the listing by way of introduction of the entire outstanding capital stock of the Company, consisting of 6,388,042,152 common shares. The Company's common shares were listed on the First Board of the PSE on June 25, 2007.

On October 29, 2009, the Company acquired Polar Mines Realty Ventures, Inc., and subsequently changed its name to Vista Residences, Inc. in order to strengthen Vista Land's presence in the vertical housing segment.

On December 22, 2015, the Company acquired common shares representing approximately 79.43% of the total outstanding capital stock of Vistamalls, Inc. from Fine, Althorp Holdings, Inc., Manuela Corporation, Mr. Manuel B. Villar, Jr. and Mr. Manuel Paolo A. Villar. On February 23, 2016, the Company acquired additional common shares in Vistamalls representing 8.82% of the latter's total outstanding capital stock. Vistamalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines. It also develops and operates BPO commercial centers. At the time of its acquisition, Vistamalls, through its subsidiaries, owned and operated 10 retail malls in key cities and municipalities in the Philippines with an aggregate GFA of 378,385 square meters and two BPO commercial centers in Metro Manila, with a combined GFA of 131,000 square meters and leases with BPO tenants employing approximately 15,000 employees. See “— *Vistamalls*.”

SUBSIDIARIES AND AFFILIATES

Camella Homes. The operations of Camella Homes can be traced back to 1977 through its wholly owned subsidiary, Household Development Corporation (“HDC”). HDC is focused on the development of low-cost standardized housing targeted at homebuyers who rely on Government-assisted financing. At the time, HDC conducted its activities in southern and south-western Metro Manila as well as the surrounding areas, and its homes were marketed as “Camella Homes.” In 1983, Camella Homes established a wholly owned subsidiary, Palmera Houses, Inc., to focus on real estate development activities in northern and eastern Metro Manila and the surrounding areas. In 1991, Camella Homes widened the scope of its activities to include the development of larger planned communities with the commencement of the first phase of Springville City in the province of Cavite, a development which now encompasses approximately 240 hectares. In 1993, Camella Homes expanded its operations to include socialized housing developments, marketing these homes under the “Carissa” brand name. Camella Homes was listed on the PSE in 1995 as “C&P Homes.” On October 30, 2007, the SEC approved the merger between Palmera Homes, Inc., Eastridge Estates, Inc., Ridgewood Estates, Inc. and HDC, the latter being the surviving entity. All of these entities are within the group of Camella Homes.

Communities Philippines. Communities Philippines and its subsidiaries offer residential properties outside the Mega Manila area in the affordable and middle-income segments. Communities Philippines' regional development efforts started in Cebu, Cagayan de Oro and Pangasinan. In 1996, Communities Philippines extended its nationwide presence by making its initial investment in Northern Luzon. Since then, Communities Philippines has launched a number of projects in 30 provinces, covering most of the Philippines' main urban areas including Pangasinan, Pampanga, Bulacan, Batangas, Iloilo, Cebu, Leyte, Misamis Oriental, Davao del Sur and General Santos.

Crown Asia. Crown Asia Properties, Inc. and Crown Asia Properties (North), Inc. were established to cater primarily to the middle-income housing segment. Since 1996, Crown Asia Properties, Inc. and Crown Asia Properties (North), Inc. have launched a large proportion of their projects under the “Crown Asia” brand name. Among these developments are La Mediterranea in Dasmariñas, Cavite, Maia Alta in Antipolo City, La Brea in Fairview, Quezon City, Citta Italia in Imus, Cavite and Residenza in Bacoor, Cavite. On August 13, 2008, the SEC approved the merger between Symmetrical Ventures, Inc., Crown Asia Properties (North), Inc. and Crown Asia Properties, Inc., the latter being the surviving entity.

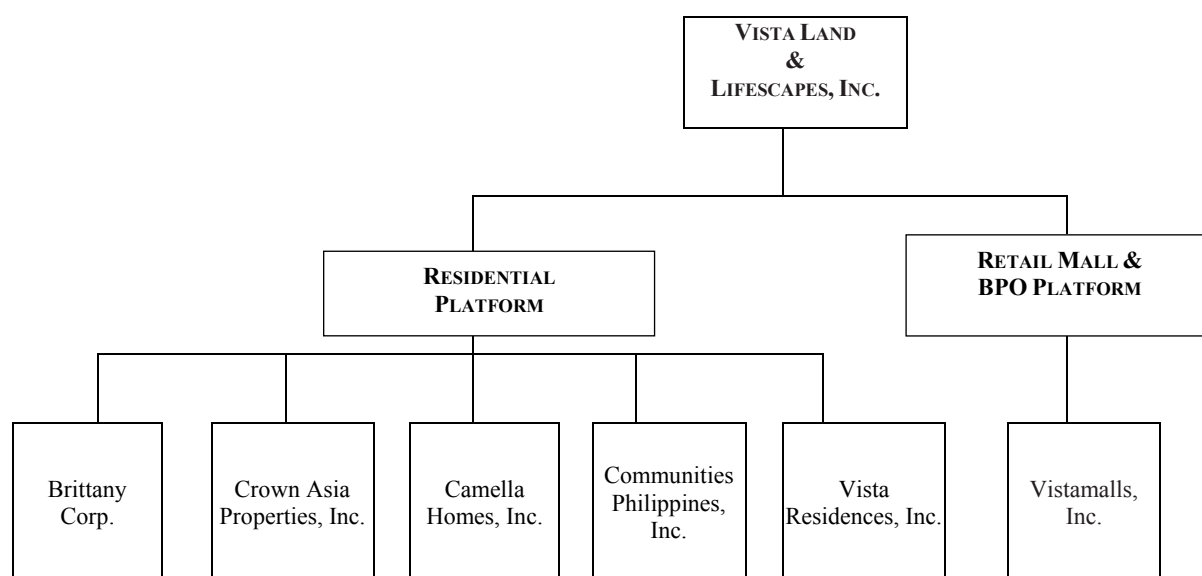
Brittany. Established in 1984, Brittany Corporation was initially engaged primarily in the land banking business through direct acquisitions and joint venture arrangements. Brittany's first development, the La Residencia de Bacoor, was launched in 1993. From 1995 to 2000, Brittany launched successive signature projects including Belle Reve in Laguna, Crosswinds in Tagaytay City, Promenade and Fontamara in Laguna and Island Park in Dasmariñas, Cavite. Brittany expanded its operations in the high-end market with the launch of La Posada at Brittany Bay in 2001 and Portofino Heights in 2002. In 2004, Brittany entered the condominium market with the launch of its first residential condominium project called “Viera at Brittany Bay” located at Sucat, Muntinlupa.

Vista Residences. The Company acquired 100% of the voting shares of Polar Mines Realty Ventures, Inc. from Polar Property on October 29, 2009. On December 4, 2009, the Company's Board of Directors approved the change of the corporate name from “Polar Mines Realty Ventures, Inc.” to “Vista Residences, Inc.” and on January 29, 2010, the SEC approved the change of name. Vista Land had only begun developing vertical homes five years before the acquisition of Polar Mines Realty Ventures, Inc., which had a particular focus on the development and sales of residential high-rise condominium projects across the Philippines. The acquisition of Polar Mines Realty Ventures, Inc. was designed to increase Vista Land's presence in the vertical homes segment. The name change to Vista Residences, Inc. was designed to consolidate the development and sales of all of Vista Land's vertical and high-rise condominium projects under the brand name “Vista Residences,” thus creating a uniform, clear and strong market identity for the Company's vertical development projects.

Vistamalls. Vistamalls, Inc. was incorporated in 1969 to engage in mineral exploration. In 2012, the SEC approved the change in name of the company from Polar Property Holdings Corp. to Starmalls, Inc. and the corresponding change in its primary business — to engage in the investment, real estate and leasing business. On September 17, 2019, the SEC approved the change of name from Starmalls, Inc. to Vistamalls, Inc. Vistamalls’ two subsidiaries, Masterpiece Asia Properties, Inc. and Manuela Corporation are both engaged in the operation and development of commercial properties for lease. The Company believes that the acquisition of Vistamalls will create substantial synergies with its existing residential development platform that will enhance its integrated real estate development model. On December 22, 2015, the Company acquired common shares representing approximately 79.4% of the total outstanding capital stock of Vistamalls from Fine, Althorp Holdings, Inc., Manuela Corporation, Mr. Manuel B. Villar, Jr. and Mr. Manuel Paolo A. Villar, who are also among the principal shareholders of the Company. On February 23, 2016, the Company acquired additional common shares in Vistamalls representing 8.82% of the latter’s total outstanding capital stock. Vistamalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines. It also develops and operates BPO commercial centers. See “— Vistamalls.”

CORPORATE STRUCTURE

As of the date of this Prospectus, the Company has six (6) directly-owned operating subsidiaries, five (5) of which are focused on residential development while the sixth is focused on commercial development. The Company’s operating and corporate structure is set forth in the chart below.



COMPETITIVE STRENGTHS

The Company believes that its principal strengths are the following:

Integrated property developer with market leadership in horizontal residential projects targeted towards end users and retail malls with strong brand recognition across the Philippines.

Horizontal residential projects

The Company is the Philippines’ largest homebuilder in the horizontal residential market with a presence in 147 cities and municipalities in 49 provinces around the country as of June 30, 2023 and having built over 500,000 homes since operations commenced in 1977.

- **Clear focus on end-users:** The Philippine residential market is dominated by end-users residing in horizontal properties; according to BMI Research, 20.6 million households resided in detached, semidetached houses or townhouses out of an estimated total occupied dwelling units of 21.5 million in the Philippines in 2012. The Company believes that it is considered the largest residential developer in the Philippines focused on this end-user market nationwide. The Company has historically been able to achieve strong take-up rates for its developments by targeting OFWs and domestic end-users who are looking to purchase property for the purposes of occupation instead of speculative or investment purposes.
- **Strong brand recognition nationwide:** The Company’s market leading position in the horizontal residential market has fostered strong brand recognition, with the “Camella”, “Crown Asia” and “Brittany” brands being three of the most recognized brands in the Philippine real estate market. According to the PSRC “PROJECT

MANA 2” Study, the Company’s “Camella”, “Crown Asia” and “Brittany” brands collectively had an awareness rate of 100%, which the Company believes is well above that of its peer companies which average approximately 50%. The Company believes that this strong brand recognition demonstrates its track record of consistently developing quality products for its customers.

- **Barriers to competition:** The Company’s strong local regulatory know-how, solid execution track record and nationwide footprint are difficult to replicate, serving as a strong barrier to competition at a national level from other property developers. As such, there is no other end-user focused residential developer in the Philippines which has the geographical reach and scale comparable to that of the Company.

Retail malls and BPO commercial centers

The Company, via the Vista Land Commercial Group including Vistamalls, has also achieved an early mover advantage, currently owning a portfolio of various retail malls and commercial strips and BPOs with a combined GFA of 1.6 million square meters as of June 30, 2023. For example, the Company, via Vistamalls, established Starmall EDSA Shaw in Mandaluyong City in 1988 before any other retail mall developer had entered the area, enabling it to establish its position as the dominant retail mall in the area. Since then, Mandaluyong City has seen the entry of several other retail mall operators.

Enjoying high footfall as well as a strong average occupancy rate, the Company’s retail malls are strategically located in areas in close proximity to transport hubs and other key infrastructure in growth markets such as Las Piñas City, Mandaluyong City and the province of Bulacan. For example, the Company’s mall in Mandaluyong City, Starmall EDSA-Shaw is directly connected to the Metro Rail Transit Line 3 (“**MRT 3**”) Shaw station, a major railway station in Metro Manila. In addition, the same mall houses various transportation terminals which serve as nodes for people transiting within and between Metro Manila and nearby provinces.

The Company believes that its growth plans for this business, which will consist of new developments as well as asset enhancements to existing retail malls, will underpin the Company’s position as the leader in the retail mall space in the Philippines.

Integrated developments – Vista Estates

The Company’s integrated developer model enhances its ability to leverage on the diverse skill sets of its various business segments to extract value across the real estate value chain, from the development of residential projects to the development and incubation of retail malls and BPO facilities and the development of Vista Estates which stretch across several asset classes. Supported by recurring income from its retail malls and other commercial assets, the Company believes that an integrated model will enable it to diversify its revenue streams while continuing to develop Vista Estates. In 2022, the Company launched Vista Estates. Vista Estates is Vista Land’s collection of vast master planned communities offering unique, premium and sustainable lifescapes which provide its guests, residents, and investors with limitless growth opportunities. The development is comprised of business parks and IT zones, institutional complexes, such as learning institutions, places of worship, events venues, and healthcare centers, commercial and retail districts, leisure and wellness hubs, and horizontal and vertical residential enclaves. Vista Estates transcends the typical standards of a master planned megalopolis by building cities-within-cities that are inspiring in vision, compelling in creativity, and grand in diversity. As of June 30, 2023, the Company has launched a total of 20 Vista Estate projects across the country.

The synergies and enhanced scale and stability that resulted from the integration of the Vista Land residential platform and the Vistamalls retail mall and BPO platform have strengthened Vista Land’s position as a top four integrated property developer.

The Company believes that its acquisition of Vistamalls in 2015, with the latter’s retail mall and BPO platform, has created substantial synergies between the two businesses, and strengthened Vista Land’s position as a top four integrated property developer and enhanced the Company’s scale and stability achieved by the acquisition.

The following table sets out the total assets of each integrated property developer as of June 30, 2023.

	In ₱ million
Ayala Land, Inc.	795,697
SM Prime Holdings, Inc.	914,057
Megaworld Corporation	422,799
Robinsons Land Corporation	241,691
Vista Land & Lifescapes, Inc.	332,239
Filinvest Development Corporation	188,887

**as disclosed in their SEC Form 17-Q*

Synergies

The Company believes that the combination of its residential platform and Vistamalls' retail mall and BPO platform has created strong synergies as the Company transitioned to a new, integrated developer model, particularly given that retail mall and BPO assets are now being located within Vista Estates:

- **Enhanced and more recurring revenue opportunities:** The Company believes that shifting to an integrated developer model, where residential developments are complemented by retail malls, BPO facilities and other commercial assets, has enhanced its revenue streams. For example, the Company believes that there is stronger demand from homebuyers, who are willing to pay a premium for homes located in Vista Estates with convenient access to retail malls for their everyday shopping needs or BPO facilities where they can work, resulting in higher residential selling prices and sales velocity. Likewise, the Company also believes that there is and will be stronger demand from tenants in retail malls located within Vista Estates due to a larger catchment area and stronger and more regular footfall from the resident population, resulting in higher rental rates and occupancy rates. In addition, the Company believes that BPO operators will be willing to pay higher rental rates, since locating in a Vista Estate provides them greater access to potential employees and enhances employee productivity. Moreover, the Company believes that Vista Land and Vistamalls target the same Filipino mass market consumer base, including OFWs and OFW-dependent customers, and have complementary expertise and product offerings, which the Company believes is crucial for integrated developments. For example, Camella Homes and Communities Philippines, the Company's affordable housing segments, accounted for 28.2% and 39.0%, respectively, or 67.2% collectively, of the Company's real estate revenue for the six (6) months ended June 30, 2023. See "*— Residential Housing and Land Development.*" These market segments are similar to the markets served by Vistamalls. Specifically, Vistamalls caters to the B, Upper C, Broad C and D markets, which constitute the Philippine mass market, and attracts quality tenants which cater to the same market.
- **Funding synergies:** The Company also believes that its access to additional funding sources stemming from the shift towards Vista Estates will provide greater flexibility in funding future developments. For example, proceeds from pre-sales of residential units in a particular Vista Estate can be directed to fund the construction of retail malls or BPO commercial centers in the same Vista Estate, thus lowering overall borrowing requirements as well as reducing interest expense and refinancing risk to the Company. In addition, following the integration of the Vistamalls platform, the Company's enhanced scale and recurring cash flow profile is expected to improve its credit profile and associated leverage metrics, allowing for a lower cost of capital going forward.
- **Lower land costs for retail mall and BPO projects:** The Company can substantially reduce Vistamalls' land costs by locating future Vistamalls developments within Vista Estates. Such developments will also benefit from the existing infrastructure at Vista Estates. The Company's extensive land bank and established nationwide platform will also allow the Company to accelerate the expansion of Vistamalls' retail mall and BPO portfolio as compared to pre-acquisition.

Enhanced scale

In addition, the enhanced scale of the Company due to the acquisition of Vistamalls also benefits the Company while eliminating potential conflicts of interest. For example, the Company's larger balance sheet and Vista Estate capabilities enable it to embark on larger projects than before, thus resulting in economies of scale and greater bargaining power with land owners and suppliers. The Company believes that this greater scale will result in greater brand equity for Vista Land projects around the country. Finally, while the Company will initially focus on retail malls and BPO facilities in its Vista Estates, it also believes that further developing capabilities outside of its traditional residential platform will provide a segue into adding new forms of utilities and township infrastructure to its Vista Estates in the future, such as hotels, educational institutions and healthcare facilities.

Enhanced recurring income contribution and profitability from the Vistamalls retail mall and BPO platform.

The Vistamall platform, with its focus on retail malls and BPO commercial centers as well as its strong growth outlook, benefits the Company. The Vista Land Commercial Group, given its focus on recurring income, is diversifying the Company's revenue streams and increasing recurring revenue contribution; for example, the recurring revenue contribution for the Company for the six-month period ended June 30, 2023 is 45.3%; the recurring revenue contribution is expected to increase going forward given the strong growth outlook for the Vistamalls mass market retail and BPO platform.

The Company believes that there is limited execution risk in respect of the expected growth of its retail mall and BPO platform. The Company expects to grow the GFA of its commercial assets to around 100,000 sqm annually; adding

GFA to existing assets is expected to provide higher returns and profitability versus greenfield projects given the benefit from the Company's existing assets' infrastructure and customer base. In addition, there is substantial scope for greater growth from greenfield retail malls and BPO facilities in Vista Estates with little to no need for further land acquisition given the breadth of Vista Land's land bank. The Company's existing commercial assets also enjoy high average occupancy rates with a host of repeat anchor and specialty tenants such as All Home, All Day, Coffee Project, Kinder City, Vista Cinemas and Puregold favorable rental terms including 5.0% to 10.0% per annum step-ups in most leases, exposure to variable rents, which provides for greater upside as retail spending rises further, and long lease terms for anchor tenants who collectively account for approximately 72% of the Company's total GFA as of June 30, 2023.

Well positioned to benefit from favorable Philippine demographic, economic and development trends, including continued demand from the OFW segment.

The Philippines has experienced robust economic growth in recent years, with GDP growth of 5.7% in 2021, 7.6% in 2022 and 4.3% in Q2 2023. Growth is expected to continue to be strong, with the International Monetary Fund's World Economic Outlook forecasting GDP growth of 6.2% in 2023 as announced in July 2023.

The Company believes that the following positive macro environment and demographic profile will be instrumental to the continued growth in demand for housing and mass market retail space in the Philippines:

- a relatively young population (approximately 73.0% under the age of 39 and below; median age of 24.7 years) according to the Euromonitor International Passport – Economies and Consumers 2019 Edition;
- a growing population that increased at an average annual rate of 1.7% from 2015 to 2020 and is forecast to grow at a rate of 1.0% from 2020 to 2025 according to the Philippine National Statistical Coordination Board;
- a rising middle class, as evidenced by GDP per capita from U.S.\$3,620 in 2023 according to the International Monetary Fund;
- a relatively low mortgage penetration rate of 3.4% mortgage-to-GDP as compared to regional peers according to the Housing Finance Information Network, Wharton, IFC, World Bank and FMO; and
- consistent growth in remittances from OFWs, with the BSP reporting U.S.\$36.14 billion remitted through official channels in 2022.

Official data on annual housing demand from the Housing and Urban Development Coordinating Council and annual housing supply from the HSAC indicate that there is a structural supply shortage of housing in the Philippines. The Company believes that this structural imbalance is most acute in the market for affordable housing, in which its "Camella" brand is a market leader. By targeting domestic end users who are looking to purchase property for the purposes of occupation instead of for investment, the Company has historically been able to achieve strong take-up rates for its developments and Vista Estates. The Company believes that these permanent populations will further contribute to consistent retail footfall in their respective local communities, which will provide greater growth for the Company's retail malls going forward given the Company's focus on Vista Estates.

The Company's developments are also well-positioned to benefit from the progress in recently completed and ongoing infrastructure and development works nationwide. For example, the Muntinlupa-Cavite Expressway ("MCX", formerly known as the Daang Hari-SLEX connector road) provides direct access to the Vista development in Daang Hari, whereas the Cavite-Laguna Expressway has improved accessibility to the Company's land bank in Cavite. Strategically positioning the Company's developments near key infrastructure networks has also been shown to positively impact selling prices. For example, selling prices of Portofino lots in Vista Estate in Daanghari have almost tripled from approximately ₱23,000.0 per square meter when the notice of the construction of the MCX in December 2011 was issued to approximately ₱35,000.0 per square meter in 2013 after construction of the Evia Lifestyle Center was commenced, and to approximately ₱56,000.0 per square meter upon the completion and launch of the MCX in July 2015. As of June 30, 2023, selling prices of lots approximately cost ₱130,000.00 per square meter.

The Company also believes that it is well positioned to benefit from growth in OFW remittances as a key driver of growth in the consumption of real estate in the Philippines. The Company believes it has one of the Philippines' most extensive global marketing networks, comprising approximately 3,000 marketing teams, 3,150 accredited licensed realtors, 100 direct marketing teams and 32,400 active agents located throughout the Philippines and approximately 350 partners and 7,200 independent agents located in countries and regions with large OFW populations, including the United States, as of December 31, 2022. In addition, demand from the OFW market has remained historically resilient, allowing the Company to maintain its strong reservation sales momentum; the Company's nationwide footprint of developments in over 147 cities and municipalities in 49 provinces across the Philippines is critical in this

regard since many OFWs are purchasing homes in locations outside of the Metro Manila area. As of June 30, 2023, approximately 50% to 60% of the Company's sales originated from OFWs primarily from Europe and the Middle East.

Diverse product offerings in order to benefit from growth in different market segments and to capitalize on demand across the full spectrum of homebuyers.

The Company believes that it is one of the few homebuilders in the Philippines that is strategically positioned to target specific consumer groups with carefully marketed brands, offering a full spectrum of residential housing products with prices that range from ₱3.0 million to ₱150.0 million. The following table illustrates the Company's key brand offerings targeting specific segments across the income spectrum. The Company has a customized pricing strategy, with products priced to sell based on the end users' affordability threshold.

	Camella	Communities Philippines	Crown Asia	Brittany	Vista Residences
Market segment	Affordable	Affordable (provincial)	Upper mid-cost	High-end	Affordable to upper mid-cost
Price range	₱3.0 – 12.0 million	₱3.0 – 12.0 million	₱8.0 – 45.0 million	₱15.0 million and above	₱6.0 – 15.0 million
Offering	Housing & lots	Housing & lots	Housing & lots	Housing & lots	Condominiums
1H2023 Real Estate Revenue Contribution (in millions)	₱2,259.86	₱3,129.11	₱314.14	₱636.61	₱1,677.12
Percentage of 1H2023 Real Estate Revenue	28.2%	39.0%	3.9%	7.9%	20.9%

In 2009, the Company acquired Polar Mines Realty Ventures, Inc. to increase its presence in the vertical home segment. Rebranded Vista Residences, the Company has since consolidated the development and sales of all its condominium projects, establishing a consistent, clear and strong market identity. In addition, Camella launched additional projects with house and lot packages at the sub-₱1 million price point to further address the growing housing backlog in such segment. The Company believes that its diverse product portfolio places it in a prime position to take advantage of market changes and to mitigate risks from negative market trends going forward.

With the integration of its Vistamalls retail mall and BPO platform, the Company plans to locate upcoming commercial developments in or around its Vista Estates in order to enhance attractiveness to potential residential customers and retail mall and BPO tenants. In doing so, the Company aims to further mitigate risks from adverse market movements. As of June 30, 2023, the Company has obtained rezoning approvals for those projects to be developed immediately.

Geographically diverse project portfolio and land bank across the Philippines, with strong nationwide footprint.

The Company owns an extensive land bank, most of which is located in areas in close proximity to major roads and primary infrastructure. As of June 30, 2023, the Company owned approximately 2,674.21 hectares of raw land ready for development, with an additional 411.20 hectares available for development under joint venture agreements. Significantly, the Company's land bank is distributed nationally:

- A significant portion of the Company's raw land inventory, approximately 1,439.03 hectares of aggregate land, is located in the growing Mega Manila area;
- In Luzon (excluding Mega Manila), the Company owns 515.49 hectares of land available for development;
- In Visayas, the Company owns 715.17 hectares of prime land, including a property in Iloilo with an area of approximately 225.44 hectares located near the recently completed international airport; and

- In Mindanao, the Company holds 415.71 hectares of raw land available for development.

The majority of the Company’s land bank is adjacent to or near its existing projects, facilitating future expansion into Vista Estates. The integration of retail mall and BPO platform through Vistamalls, Inc. (formerly Starmalls, Inc.) has further contributed 192.46 hectares of commercial land bank to the Company’s existing land bank, well suited to the development of retail malls and BPO facilities given their location in attractive areas with sizeable local catchments and proximity to infrastructure. The Company believes that its current land bank is sufficient for its existing and planned residential, commercial and Vista Estate developments for the next twenty-seven to thirty years.

The Company has an extensive nationwide presence. As of June 30, 2023, the Company’s projects are spread over 147 cities and municipalities in 49 provinces, covering most of the Philippines’ main urban areas. Brittany, Crown Asia, Camella Homes and Vista Residences operate in Mega Manila while Communities Philippines is the Company’s vehicle for operations in other parts of Luzon, the Visayas and Mindanao.

The Company believes it has the largest and most diverse geographical footprint of all real estate companies in the Philippines. This not only enhances brand recognition across the Philippines, but also places the Company in a favorable position to react to market and population trends and provides a strong barrier to competition; for example, the Company’s nationwide footprint places it in strong position with OFWs, many of whom purchase homes outside of the Metro Manila area. The Company’s size and wealth of experience working with various authorities, suppliers, contractors and brokers on a national, regional and even local scale, has also been instrumental in developing specialized industry expertise and has contributed to its ability to control and reduce costs by taking advantage of economies of scale and its strong bargaining power. As an integrated developer with a comprehensive product offering, the Company is well poised to take advantage of its status as an early entrant into the development of Vista Estates outside of Mega Manila.

Prudent financial management and stronger balance sheet providing headroom for capital expenditure and expansion plans.

The integration of the Company’s retail mall and BPO platform further strengthened the Company’s balance sheet, providing it with further debt headroom as well as flexibility in financing its commercial operations via residential pre-sales. The Company believes that its stronger balance sheet boosted by a large asset and equity base allows it to move quickly to acquire additional land bank and other real estate assets. The Company expects its credit profile and associated cost of funding to further improve on the back of a stronger combined balance sheet, a more stable cash flow profile supported by the steady recurring income of the Vistamalls platform and lower third party funding requirements due to the use of residential pre-sales to partially fund the construction of commercial assets within Vista Estates.

The Company believes it has adopted a prudent financial management policy, as primarily evidenced by its diverse domestic and international funding sources and what it believes to be a strategy to maintain relatively conservative leverage levels. The Company believes that its financial prudence has created sufficient headroom to take advantage of opportunities to expand its businesses through external financing and other means. The Company will continue to actively manage its capital structure as well as opportunistically access the debt and equity markets.

Strong and experienced management team with a demonstrated execution track record.

The Company has a highly experienced management team with an average 25 years of sound operational and management experience in real estate, particularly in the horizontal housing, retail mall and BPO markets. The Company’s management team has extensive experience in, and in-depth knowledge of, the Philippine real estate market and has also developed positive relationships with key market participants, including construction companies, regulatory agencies and local government officials in the areas where the Company’s projects are located.

For the years 2020, 2021 and 2022, the Company and its officers received various awards as follows:

<u>Year</u>	<u>Awardee</u>	<u>Award</u>	<u>Award-Giving Body</u>
2020	Vista Land & Lifescapes, Inc.	Top 10 Developers	BCI Awards 2020
2020	Vista Land & Lifescapes, Inc.	Most Innovative Community Developer	The Global Economic Awards 2020
2020	Manuel B. Villar	Heroes of Philanthropy	Forbes Asia
2020	Manuel Paolo A. Villar	Asia’s Best CEO	Corporate Governance Awards 2020
2021	Vista Land & Lifescapes, Inc.	Top Traded Corporate Bond Issue	PDS Annual Awards

2021	Vista Land & Lifescapes, Inc.	Prix D'excellence Developer of the Year Award	FIABCI Philippines Property and Real Estate Excellence Awards
2021	Camella Savannah	2021 Outstanding Developer – Gold Winner for Master Plan Category	FIABCI Philippines Property and Real Estate Excellence Awards
2021	Brittany	2021 Outstanding Developer – Gold Winner for Resort Category	FIABCI Philippines Property and Real Estate Excellence Awards
2021	Crown Asia	Best Development - Midrise Condominium;	Carousel Property Awards
2021	Crown Asia	Best Development - High end Housing	Carousel Property Awards
2021	Camella	Best Developer- Mid Market Segment (Housing and Condominium)	Carousel Property Awards
2021	Lumina	Best Developer – Affordable Housing	Carousel Property Awards
2022	Vista Land & Lifescapes, Inc.	Best Community Real Estate Developers	The Global Economics Awards 2022
2022	Vista Land & Lifescapes, Inc.	Teamwork, Integrity, Growth, Excellence and Efficiency, and Relationship-Building (T.I.G.E.R) Champion Growth	Maybank Philippines 25th Anniversary
2022	Vista Land & Lifescapes, Inc.'s ViCon: The first and biggest virtual property Expo in the Philippines	Philippines Digital Experience of the Year - Real Estate	The Asian Business – Asian Experience Awards 2022
2022	Manuel Paolo A. Villar	Asia's Best CEO	Corporate Governance Asia – 12th Asian Excellence Award 2022
2022	Brian N. Edang	Asia's Best CFO	Corporate Governance Asia – 12th Asian Excellence Award 2022
2022	Vista Land & Lifescapes, Inc.	Asia's Best CSR	Corporate Governance Asia – 12th Asian Excellence Award 2022
2022	Vista Land & Lifescapes, Inc.	Best Investor Relations Company	Corporate Governance Asia – 12th Asian Excellence Award 2022
2022	Lumina Homes Bacolod	Highly Commended Best Housing Development (Visayas)	The Outlook 2022: Lamudi Philippine Real Estate awards
2022	Pinevale by Crown Asia	Best Development in Innovative Condominium Property	Carousell Property Awards 2022
2022	Pinevale by Crown Asia	Best Development Value for Investment	Carousell Property Awards 2022
2022	Manuel B. Villar	Grand Cordon of the Order of the Rising Sun	Government of Japan
2022	Camille A. Villar	Government Hero of the Year - Golden Awardee - COVID 19 Response category	Stevie Awards for Women in Business 2022
2022	Camille A. Villar	Female Executive of the Year - Silver Awardee- In Asia, Australia and New Zealand	Stevie Awards for Women in Business 2022
2022	Vista Land & Lifescapes, Inc.	Top 10 Developers 2022	BCI Asia Awards Philippines
2022	Vista Land & Lifescapes, Inc.	1 Golden Arrow	2022 ACGS Golden Arrow Awards
2022	Vista Land & Lifescapes, Inc.	Top Traded Corporate Bond Issue	17th PDS Annual Awards 2022

BUSINESS STRATEGY

The Company's strategy is premised on three key pillars: (i) strengthening its market position as an integrated property developer with a key focus on residential developments and retail mall and BPO operations; (ii) diversification of revenue streams through the integration of its commercial platform while enhancing the value and attractiveness of its properties; and (iii) improvement in capital efficiency and financial flexibility.

Pursue an integrated developer model with market leadership and strong brand recognition in the Philippines.

The Company plans to continue to capitalize on its leadership position in the residential housing market and in retail malls but with a focus on creating Vista Estates. In that respect, the Company intends to (i) develop synergies; (ii) integrate commercial assets into Vista Estates; and (iii) enhance project attractiveness.

Develop further synergies with the Vistamalls retail mall and BPO platform.

The Company believes that synergies arising from its combined scale and expertise across multiple real estate segments place it in a unique position to undertake larger and higher-value projects. In addition, the Company intends to lower its financial expense by partially financing its retail mall and BPO assets using residential pre-sales as opposed to debt financing. Furthermore, there is significant value to be unlocked from its unutilized land bank, most of which has received development approvals for the construction of commercial assets, given the close proximity to existing residential developments. The Company's strategic plan of integrating themed residential developments with commercial establishments is expected to significantly improve Vista Estate planning, reduce land acquisition costs, enhance property values and, more importantly, improve returns to the Company.

Integrate other commercial assets in its Vista Estates.

The Company intends to integrate other commercial asset classes beyond retail malls and BPO facilities into its Vista Estates, such as hospitality assets and healthcare and educational institutions, which it believes will further enhance these integrated developments and thus further attract homebuyers as well. For example, Vista Estate Georgia in Iloilo already contains a comprehensive suite of facilities, including various retail segments. The Company intends to further establish its reputation as an integrated developer, while diversifying its revenue to encompass a greater variety of sources of recurring income.

Enhance project attractiveness.

The Company has adopted the concept of Vista Estates as an overarching strategy spanning across its various business segments. The Company believes that the inclusion of amenities such as retail malls, hotels, healthcare facilities and educational institutions early in the development phase of its projects will complement its residential developments, making its developments more attractive to potential home buyers. For instance, the Vista Estate development is an integrated urban development that combines lifestyle retail, prime office space, university town, healthcare, themed residential developments, and leisure components.

The Company intends to make Vista Estate as a template for its future integrated developments across the Philippines. As of June 30, 2023, the Company has identified about 60 areas (excluding sites earmarked for Vistamalls' development) from its existing projects around the country, including areas in the provinces of Iloilo, Cavite and Bulacan, and the cities of Tuguegarao in Northern Luzon and Cagayan de Oro in Mindanao, that are suitable for integrated developments.

Strengthen market leadership in horizontal residential projects while expanding the Company's retail mall and BPO footprint.

With the acquisition of Vistamalls, Vista Land is now a top four integrated property developer in the Philippines, and intends on further improving its ranking. The Company believes that its transition to an integrated developer model is rooted in its strong market leadership in horizontal residential projects, which it will continue to strengthen while simultaneously expanding its commercial portfolio through (i) continuing to focus on key market segments; (ii) improving project execution efficiency; (iii) continuing to capture demand from OFWs; and (iv) generating a strong pipeline of retail malls and BPO commercial centers that can be developed within existing Vista Estates.

Continue to focus on key market segments.

The Company believes it has identified certain niches within certain income segments which it believes are not adequately covered, including the affordable and high-end residential market as well as the retail mall and BPO

segment, for which it believes there continues to be growing demand. The Company intends to continue focusing on its offerings in these sub-segments and fortify its market-leading positions through its highly-recognized brands, Camella Homes, Crown Asia, Brittany and Vistamalls. The Company will also continue to focus on the end-user market for residential real estate in the Philippines.

Improve project execution efficiency.

In order to take advantage of the growing Philippine property market, the Company intends to accelerate the development of its residential and commercial projects. The Company believes that it can maximize its revenues by shortening its project development cycle and exercising greater bargaining power with landowners and suppliers due to its enhanced scale. In addition, the integration of the Company's commercial platform is likely to improve the attractiveness of residential projects, potentially leading to higher average selling prices and sales velocity.

Capture demand from overseas Filipinos.

The Company intends to continue expanding and developing new projects outside the Metro Manila area to cater to the growing demand from OFWs for real estate located in their hometown provinces. With the BSP reporting approximately U.S.\$ 36.1 million remitted from OFWs through official channels in 2022 and U.S.\$ 34.9 million in 2021, the Company aims to leverage and grow its global marketing network to capture a sizeable, resilient and high-growth market.

Generate a strong pipeline of retail malls and BPO facilities that can be developed within existing Vista Estates.

The Company plans to actively develop a pipeline of retail malls and BPO facilities which can be developed on a standalone basis or integrated within Vista Estates, the latter of which supports the Company's shift to an integrated developer model and complements the Company's residential developments. The Company plans to increase its GFA of commercial assets by 100,000 square meters annually. Further, the Company believes that it has the flexibility to develop more projects should market conditions allow.

Diversify revenue base.

The Company aims to diversify its revenue base, with particular focus on increasing rental revenue by (i) increasing investment in retail malls and other commercial assets; (ii) increasing mid-rise residential developments; and (iii) continuing to opportunistically invest in high-rise vertical projects as well as high-end residential developments.

Increasing investment in retail malls and other commercial assets.

The Company plans to aggressively expand its retail mall and BPO platform, with the goal of growing GFA of its commercial assets by 100,000 square meters annually via enhancements to existing assets and new developments, with further growth to come from locating such assets within Vista Estates. Apart from traditional retail and commercial developments, the Company intends to expand into other niche property development projects and township infrastructure such as in the hospitality, education and healthcare sectors by developing the relevant industry expertise, and in time, allocating a proportion of its capex budget to a comprehensive offering of niche commercial developments. The Company believes that doing so will enable it to further build its brand equity across the Philippines while adding a sizeable pool of mature, income-generating assets to further grow the Company's recurring income contribution.

Increasing mid-rise residential developments.

The Company believes that there is sufficient demand and growth potential for mid-rise residential development projects, which are less capital intensive and are completed more quickly than traditional vertical developments.

Continuing to opportunistically invest in high-rise vertical projects as well as high-end developments

The Company believes there is also growth potential in certain segments of the vertical residential market as well as high-end developments, mainly driven by OFWs. The Company believes that this provides a good platform for future development. The Company aims to continue leveraging its existing extensive marketing network and strong brand names to continue to opportunistically grow its market share in this segment.

Improve capital efficiency for land banking activities and financial flexibility.

The Company plans to take advantage of joint ventures, focus on diversifying funding sources and increase recurring rental income while utilizing proceeds from residential pre-sales to improve capital efficiency.

Optimize use of joint ventures for capital efficiency.

The Company intends to improve margins while maintaining a lean balance sheet by capitalizing on opportunities to acquire and jointly develop land for new developments with various landowners as joint venture partners. The integration of the Company's retail mall and BPO platform contributes to greater operational scale, enabling the Company to negotiate and enter into joint ventures for larger and higher-value plots of land.

Focus on diversifying funding sources.

The Company also intends to diversify its funding sources and lower its cost of capital by monitoring the markets for favorable opportunities to build up its capital resources through various financing options such as loans and public debt issuances, among others. In addition, as a result of the Company's focus on integrated developments with a residential component, pre-sale proceeds from the sale of residential units can be used to partially fund the development costs of the project components.

Improve credit profile and cost of funding.

Following the Company's acquisition of the Vistamalls retail mall and BPO platform, the Company intends to improve its credit profile and thus reduce cost of funding by growing a steady stream of recurring rental income while utilizing residential pre-sales to reduce overall funding needs within its Vista Estates.

RESIDENTIAL HOUSING AND LAND DEVELOPMENT

The Company's core business is developing and selling residential subdivisions, as well as individual housing and condominium units in the Philippines. The Company sells a diverse group of products across the low-cost and affordable, upper mid-cost and high-end housing markets.

The following table sets out the contribution of each market segment as a percentage of total real estate sales for the periods indicated.

Development	For the years ended December 31			For the six months ended
	2020	2021	2022	June 30, 2023
	(%)	(%)	(%)	(%)
Affordable	85.0	79.9	66.9	67.2
Middle-income	15.0	17.2	23.6	24.8
High-end	0.1	2.9	9.5	7.9

Note:

(1) *The projects that cover the affordable segment are Camella and Communities Philippines. The projects that cover the middle-income segment are Crown Asia and Vista Residences. The project that covers the high-end segment is Brittany.*

The Company's residential product lines are categorized based on internal criteria fixed by the Company. In determining whether a project will be considered affordable, upper mid-cost or high-end project, the Company takes into consideration factors such as the price point and target market for each project.

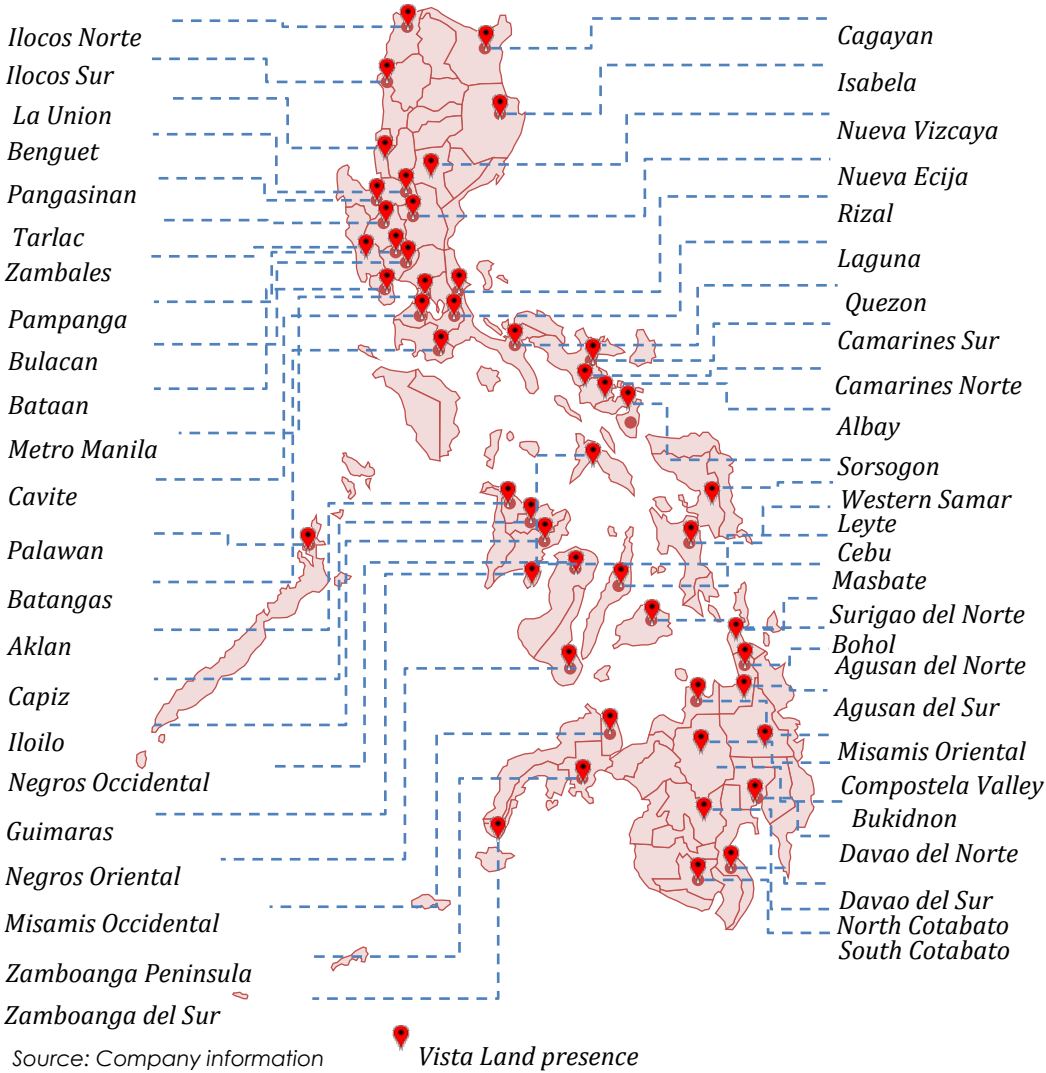
The Company operates its residential housing and land development business through five (5) distinct and independently operated business units: Brittany, Crown Asia, Camella Homes, Communities Philippines and Vista Residences. Brittany, Crown Asia, Camella Homes and Communities Philippines were combined under the Vista Land umbrella on 29 March 2007. The Company acquired the company now known as Vista Residences, Inc. on 29 October 2009.

Moreover, for the six-month period ended June 30, 2023, the Company launched a total of 24 residential projects with an estimated project value of about ₱24,546 million, consisting of 7 projects for the affordable housing segment, 2 high-end segment projects and 15 Vista Estates. All the projects were launched in areas outside Metro Manila.

In an effort to further diversify its revenue base, the Company has recently targeted the construction of medium-rise developments, which the Company believes allows it to recognize revenue quicker than typical high-rise vertical developments.

The Company has also adopted as one of its main strategies the integration of its various residential developments into Vista Estates, wherein core residential developments are supplied with amenities such as community centers, schools and health care centers, among others, to enhance the attractiveness of its developments and create large-scale mixed-use communities comprising residential, leisure and commercial facilities that cater to a range of market segments and demographics. These Vista Estates are not confined to a single business unit or development of the Company, but may be integrated across several of the Company’s developments and business units according to the area. See “—Ongoing Strategies — Vista Estates”.

The following map shows the different provinces in which the Company has ongoing residential development projects.



Camella Homes

Established 40 years ago, Camella Homes has grown to become the largest builder of affordable horizontal housing in the Philippines by volume of homes.

Camella Homes develops and markets its affordable housing projects (houses priced between ₱3.0 million and ₱12.0 million) predominately under its “Camella” brand. Through 40 years of operations, Camella Homes has attained prominence, as evidenced by the PSRC “PROJECT MANA 2” Study that proclaimed Camella as the most preferred brand overall in the Philippine housing market, following a strategy of building high quality yet affordable housing in planned residential subdivisions that incorporate the facilities and amenities traditionally found only in upscale developments. Camella Homes targets young families and Filipinos working or residing abroad.

The typical product offerings of the affordable residential developments include:

- lots-only with areas ranging from 108 to 200 square meters;
- townhouses with floor areas ranging from 42 to 63 square meters and lots of 50 to 60 square meters;
- single-attached homes, usually with two floors, floor areas of 44 to 156 square meters and lot areas of 70 to 150 square meters; and
- bungalows with floor areas of 26 to 50 square meters and lots of 50 to 115 square meters.

Camella Homes' affordable housing projects provide basic inexpensive dwelling units in properly developed communities. These developments generally provide, among others, adequate road networks, complete water and power facilities, modest community, sports and recreational facilities and ensured security with perimeter walls and gates.

For the years ended December 31, 2020, 2021 and 2022 and the six months ended June 30, 2023, Camella Homes recorded real estate revenue totaling ₱11,809.34 million, ₱7,197.49 million, ₱2,966.81 million and ₱2,259.86 million, which accounted for 54.2%, 41.4%, 23.2% and 28.2%, respectively, of the Company's total real estate revenue during these periods.

Camella Homes' projects follow specific development themes, drawing architectural inspirations from Italy, Spain, the Mediterranean and the United States. Projects are located in strategic sites north, south, and east of Mega Manila, in close proximity to major employment zones, including business and industrial estates, commercial centers, schools and medical facilities. The projects are also strategically located near major public transportation routes.

Initially, Camella Homes sold units through a domestic marketing network, but starting in 1997 it expanded its operations and established its international network to better service the OFW communities. Through the years, sales to OFWs represented a majority of Camella Homes' sales.

The following table sets forth selected financial and operating data of Camella Homes for the periods indicated:

	For the years ended December 31			Six months ended	
				June 30	
	2020	2021	2022	2022	2023
	(in ₱ millions, except for ratios)				
FINANCIAL DATA					
Real estate revenue	₱11,809.34	₱7,197.49	₱2,966.81	₱2,486.80	₱ 2,259.86
Costs of real estate	7,028.34	3,454.21	1,167.34	1,112.43	835.11
Gross profit on real estate	4,781.00	3,743.28	1,799.47	1,374.37	1,424.75
Gross margin on real estate	40.48%	52.01%	60.65%	55.27%	63.05%

Camella Homes' three (3) largest affordable housing projects, by volume of sales, are Camella Cerritos, Nova Romania and Tierra Nevada described in more detail below.

Camella Cerritos

Camella Cerritos is an affordable housing development located at Bacoor, Cavite. This project combines the exclusivity and privacy of a themed, master-planned community with proximity to shopping malls, schools, churches, membership clubs, golf courses and health care facilities.

The development is located strategically near major access routes, commercial centers and the Ninoy Aquino International Airport. It is also located within a two-minute drive from the SM Hypermart in Molino and less than

30 minutes from other major business and commercial areas, including the Alabang Commercial Districts, Cavite, the Aguinaldo Highway, the main avenue linking Cavite and Metro Manila and the Ninoy Aquino International Airport.

The development has a total land area of 54.4 hectares and 2,326 house-and-lot units contained in six (6) phases.

Set out below is a photo at Camella Cerritos, which may not necessarily represent the current condition of the actual properties.



Nova Romania

Nova Romania is an Italian-inspired 30-hectare residential development located at Deparo, North Caloocan City, an established community in the northern part of Metro Manila.

Nova Romania is conveniently located near schools, hospitals, churches, malls and other commercial areas, particularly the SM City at Fairview. The established road and transportation systems surrounding the development connect residents to the other parts of Metro Manila, particularly the Makati and Ortigas business centers.

Nova Romania targets the housing needs of the middle-income; affordable and low income market, particularly those homeowners who prefer to reside in northern Mega Manila. This market is comprised of new families, entrepreneurs, managers and professionals working in the major business centers of Metro Manila in general, and Quezon City and the Bulacan-based industries in particular.

Set out below is a photo of a home in Nova Romania, which may not necessarily represent the current condition of the actual properties.



The Company offers affordable and middle-income housing projects outside the Mega Manila area through its Communities Philippines unit. Communities Philippines and its subsidiaries offer housing under the “Camella” brand and utilizes Camella Homes’ expertise and designs to offer houses outside of the Mega Manila area that are on par, in terms of quality, with the developments in the Mega Manila area. All sales outside of Mega Manila under the “Camella” brand are attributable to Communities Philippines while sales under the “Camella” brand within Mega Manila are attributable to the Camella Homes business unit.

For the years ended December 31, 2020, 2021, 2022 and the six (6) months ended June 30, 2023, Communities Philippines recorded real estate revenue totaling ₱6,711.93 million, ₱6,709.92 million, ₱5,587.23 million and ₱3,129.11 million, which accounted for 30.8%, 38.6%, 43.7% and 39.0%, respectively, of total real estate revenue during these periods.

The following table sets forth selected financial and operating data of Communities Philippines and its subsidiaries for the periods indicated:

	For the years ended December 31			Six months ended June 30	
	2020	2021	2022	2022	2023
	(in millions, except for ratios)				
FINANCIAL DATA					
Real estate revenue.....	₱6,711.93	₱6,709.92	₱5,587.23	₱3,905.03	₱3,129.11
Costs of real estate	3,225.92	3,159.46	2,240.12	1,583.96	1,129.15
Gross profit on real estate	3,486.01	3,550.46	3,347.11	2,321.07	1,999.96
Gross margin on real estate	51.94%	52.91%	59.91%	59.44%	63.91%

The Communities Philippines projects are located in major cities and municipalities covering a significant portion of the Philippines’ main urban areas, including the provinces of Pangasinan, Pampanga, Bulacan, Batangas, Leyte, Iloilo, Cebu, Cagayan de Oro and Davao. Examples of these developments are Plantacion Meridienne in Batangas and Savannah in Iloilo.

Plantacion Meridienne, Batangas

Plantacion Meridienne, Batangas is a project of Communities Philippines, inspired by the grand hacienda homes of the southern United States. It is located near Lipa City and is comprised of several enclaves that cater to a wide range of income classes by offering affordable housing and middle-income housing.

Launched in 1997, the first phase offered lots on just 13.3 hectares. The project has since grown to 43 hectares and now offers house and lot packages as well. Housing unit floor areas range in size from 40 to 72 square meters for bungalow units and from 54 to 211 square meters for two-storey houses.

In this project, the Company offers 16 home models: Jade, Pearl, Sapphire, Emerald, Ruby, Laliq, Murano, Lladro, Marvela, Carmela, Drina, Elaisa, Chamomile, Cranberry, Citronella and Celandine.

Plantacion Meridienne offers various facilities including complete electrical facilities, a centralized water system, an underground drainage system, perimeter walls with a 24-hour security system, a multi-purpose clubhouse, a swimming pool, basketball and tennis courts, and children’s parks and playgrounds.

Set out below is a photo of a home at Plantacion Meridienne, which may not necessarily represent the current condition of the actual properties.



Plantacion Meridiene Clubhouse with Pool in Batangas

Savannah, Iloilo

Savannah, located in Iloilo, Panay Island, is a Communities Philippines development catering to both the affordable segment and the middle-income segment. The project is inspired by the “old world” communities and Victorian home style of Georgia in the United States.

The Company believes Iloilo serves as the regional hub of Western Visayas and the centre for education, medical attention, commercial servicing, government transactions and business.

Savannah was launched in 2000. The project covers a total of 400 hectares, of which 300 hectares are designated as residential areas and 100 hectares are designated as public and commercial areas. As part of this project, Communities Philippines offers almost 12 different housing products with floor areas ranging from 40 square meters to 250 square meters.

The current development has five enclaves catering to various income brackets: Savannah Glen, Orchard and Savannah Trails for the affordable segment and Savannah Glades and Savannah Crest for the middle-income segment. As part of this project, Communities Philippines offers almost 18 different housing products with floor areas ranging from 40 square meters to 250 square meters.

Set forth below is a photo of a home of Savannah, Iloilo, which may not necessarily represent the current condition of the actual properties.



Crown Asia

The Company targets the middle-income housing market (houses priced from ₱8 million to ₱45 million) principally through its Crown Asia unit.

Under its “Crown Asia” brand, the Company caters to the middle-income market by offering quality master-planned residential communities that feature distinct architectural themes. Historically, the Company’s middle-income housing developments have ranged in size from approximately 5 to 50 hectares and have been developed in phases typically comprising approximately 250 lots. Sales prices for a lot typically range from ₱2.5 million to ₱9.0 million and sales prices for a house and a lot normally range from ₱7.2 million to ₱22.0 million per unit. Lot sizes generally range from 110 to 300 square meters. A typical home in the Company’s upper mid-cost projects has two floors with a total floor area of approximately 84 to 242 square meters. The Company also designs and constructs homes in this sector with the capacity and structural integrity to allow owners to add extensions to the existing structure. Construction of a house is usually completed approximately six to eight months from commencing construction.

For the years ended December 31, 2020, 2021, 2022 and the six months ended June 30, 2023, Crown Asia recorded real-estate revenues of ₱793.08 million, ₱474.06 million, ₱513.82 million and ₱314.14 million, respectively, which accounted for 3.6%, 2.7%, 4.0% and 3.9%, respectively, of total real estate revenue during these periods.

The following table sets forth selected financial and operating data of Crown Asia for the periods indicated:

	For the years ended			Six months ended	
	December 31			June 30	
	2020	2021	2022	2022	2023
	(in millions, except for ratios)				
FINANCIAL DATA					
Real estate revenue	₱793.08	₱474.06	₱513.82	₱296.23	₱314.14
Costs of real estate	346.59	269.46	241.06	156.86	162.65
Gross profit on real estate .	446.49	204.60	272.76	139.37	151.49
Gross margin on real estate	56.30%	43.16%	53.08%	47.05%	48.22%

Two of Crown Asia’s largest upper mid-cost housing projects, in terms of total historical sales, are Ponticelli and Citta Italia.

Ponticelli

Ponticelli is a middle-income residential development inspired by Italy’s countryside towns. The development is located in an enclave within the Springville Subdivision of Bacoor, Cavite. With a total land area of 24 hectares, Ponticelli’s first phase covers 10 hectares. Each of the 336 units has an average lot area of 160 square meters. Ponticelli’s second phase covers 9.5 hectares with an average lot area of 150 square meters over its 330 units.

The development’s location next to the Daang Hari roadway provides residents with convenient access to regional areas via the South Luzon Expressway to Manila and Calabarzon or via the Dasmariñas-Molino road to various parts of Cavite.

Set out below is a photo of Ponticelli, which may not necessarily represent the current condition of the actual properties.



Citta Italia

Designed after Italy’s “old world” communities, Citta Italia is located in Bacoor and Imus, Cavite. Citta Italia caters to middle-income professionals that need to be close to either Metro Manila or the Calabarzon area.

The location puts Citta Italia close to the various commercial, recreation and entertainment areas in the Bacoor and Imus city centre, including Robinsons Place, Imus and the SM Mall, Bacoor and the Mall of Asia.

The developed area covers 102 hectares and is currently on its eighteenth phase.

Set out below is a photo of homes at Citta Italia, which may not necessarily represent the eventual state of the actual properties.



Brittany

Operating through Brittany, the Company builds premium master-planned communities and leisure projects for the high-end market. Brittany is one of the leading providers of high-end luxury homes in the Philippines. The Company believes that Brittany’s thorough and creative execution of its themed developments sets it apart from its competitors.

Project land area required for this style of development ranges in size from approximately 10 to 60 hectares and is typically developed in phases of five to ten hectare segments. Selling prices for lots only are typically above ₱10.5 million with lot sizes averaging 300 square meters. Sales prices for a house-and-lot start at ₱15.0 million with a typical home in the high-end projects having two or three floor levels and a floor area range of 200 to 625 square meters.

For the years ended December 31, 2020, 2021, 2022 and six months ended June 30, 2023, Brittany recorded real estate revenue totaling ₱19.11 million, ₱504.36 million, ₱1,216.14 million and ₱636.61 million, respectively, which accounted for 0.1%, 2.9%, 9.5% and 7.9%, respectively, of the Company’s total real estate revenue during these periods.

The following table sets forth selected financial data of Brittany for the periods indicated:

	For the years ended December 31			Six months ended June 30	
	2020	2021	2022	2022	2023
FINANCIAL DATA					
Real estate revenue	₱19.11	₱504.36	₱1,216.14	₱659.85	₱636.61
Costs of real estate	(1.06)	223.17	435.42	220.21	267.19
Gross profit on real estate	20.17	281.19	780.72	439.64	369.42
Gross margin on real estate	105.55%	55.75%	64.20%	66.63%	58.03%

Two examples of Brittany’s high-end residential projects are Portofino and Crosswinds. Portofino is an Italian-inspired upscale residential development, which takes up 300 hectares of the 1,500 hectare master-planned Vista Estate in the Daang Hari area. It is accessible mainly via the MCX. In 2014, it was recognized as the Best Housing Development in Metro Manila by the Philippines Property Awards while Amore at Portofino received the same recognition in 2015.

Portofino offers lots only and house-and-lot packages, with lots ranging from 250 to 1,200 square meters, and includes premium features. Housing unit floor areas range in size from 211 square meters (Carletti model) to 349 square meters (Ghiberti model). Unit pricing for the Portofino houses and lots range from ₱41.2 million for the Carletti model to ₱107.7 million for the Ghiberti model.

Set out below is a photo of a home at Portofino, which may not necessarily represent the eventual state of the actual properties.



Crosswinds

Crosswinds is the Company’s first leisure development project and is located in Barangay Iruhin Central, Tagaytay City. With an elevation of approximately 2,500 feet, Crosswinds offers a scenic view of Batangas and Laguna and is approximately an hour’s drive away from Manila.

The total project land area for Crosswinds is 100 hectares, although certain adjacent property owners have shown interest in partnering with the Company to include their land in a potential expansion of the project. Currently, the project is in its twelfth phase and more than 85 hectares have been developed.

Set out below is a photo of Crosswinds, which may not necessarily represent the current condition of the actual properties.



Vista Residences

Vista Residences develops and sells vertical residential projects in the Mega Manila area in the affordable to high-end housing segments priced between ₱6.0 million to ₱15.0 million. Vertical home projects generally involve longer project development periods as well as facilities, amenities and other specifications not often found in horizontal homes. Vista Residences expects to develop additional low- and mid-rise condominium projects in the next several years, mostly in Southern Luzon, to increase its existing portfolio of vertical development projects. Vista's Presidio, which is part of the 60-hectare Vista Lakefront master-planned community at Sucat in Parañaque, is expected to be one of the sites for these additional residential condominiums; the Company has already completed six of the seven mid-rise buildings in the resort-themed Presidio enclave.

In the years ended December 31, 2020, 2021, 2022 and six months ended June 30, 2023, Vista Residences recorded real estate revenue totaling ₱2,467.11 million, ₱2,512.11 million, ₱2,505.87 million and ₱1,677.12 million, respectively, which accounted for 11.3%, 14.4%, 19.6% and 20.9% respectively, of total real estate revenue during these periods.

The following table sets forth selected financial data of Vista Residences for the periods indicated:

	For the years ended December 31			Six months ended June 30	
	2020	2021	2022	2022	2023
	(in millions, except for ratios)				
FINANCIAL DATA					
Real estate revenue.....	₱2,467.11	₱2,512.11	₱2,505.87	₱1,361.81	₱1,677.12
Costs of real estate	1,420.93	1,427.09	1,459.03	790.03	935.05
Gross profit on real estate	1,046.18	1,085.02	1,046.84	571.78	742.07
Gross margin on real estate	42.41%	43.19%	41.78%	41.99%	44.25%

Set out below are renditions of some of Vista Residences' projects, which may not necessarily represent the current condition of the actual properties.



VISTAMALLS

On December 22, 2015, the Company acquired common shares representing approximately 79.43% of the total outstanding common capital stock of Vistamalls. On February 23, 2016, the Company acquired additional common shares in Vistamalls representing 8.82% of the latter's total outstanding capital stock.

Vistamalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines. It also develops and operates BPO commercial centers. At the time of its acquisition, Vistamalls, through its subsidiaries, owned and operated 10 retail malls in key cities and municipalities in the Philippines and 2 BPO commercial centers in Metro Manila, with a combined GFA of 509,385 square meters. With the acquisition of Vistamalls, the retail malls, commercial strips and BPO offices are combined under the division "Vista Land Commercial Group".

As of June 30, 2023, Vista Land Commercial Group owned and operated various retail malls and commercial strips in key cities and municipalities in the Philippines with an aggregate GFA of over 1.4 million square meters of retail malls, commercial centers, and 0.2 million GFA of BPO centers in Metro Manila, which leases with BPO tenants employing approximately 11,328 employees. The fair value of selected investment properties used as collateral to secure certain bank loans of Manuela Corporation amounted to ₱4,399.07 million as of June 30, 2023.

Retail Malls

Retail malls have become popular because of their value-for-money proposition, one-stop shopping concept and diverse tenant mix. The Company believes that it is well-placed to face the increased competition in the retail mall industry because of its competitive advantages including, among other things, the location of its existing retail malls (including proximity of a number of its malls beside major transport hubs), the existing land bank of the Group, its balance sheet strength, diverse tenant mix, proven tenant selection criteria and the presence of the key tenants within each of its retail malls. As an early mover in the underserved mass consumer retail segment, the Company believes that it has been able to benefit from a lack of direct competition for many of its retail malls given that other retail mall developers have predominantly focused on income segments above the mass market. For example, Starmall EDSA Shaw in Mandaluyong City was established in 1988 before any other retail mall developer had entered the area. Since then, Mandaluyong City has seen the entry of several other retail mall operators, however their focus remain on consumers in the upper income brackets.

Two examples of Vistamalls' retail malls are Starmall Edsa Shaw and Vista Mall Sta. Rosa.

Starmall Edsa Shaw

Starmall EDSA Shaw opened in 1988. Between 2009 and 2011, Starmall EDSA Shaw underwent major redevelopment, including facade enhancement, upgrade and addition of escalators and replacement of air-conditioning systems. Starmall EDSA Shaw is adjacent to other retail buildings forming a collection of retail malls at the corner of two major thoroughfares, EDSA and Shaw Boulevard, and is accessible by public and private transport. The second level is directly accessible from the adjacent MRT station.

Starmall EDSA Shaw has four levels of retail, food service and entertainment outlets and approximately 3,000 square meters of office space. Starmall EDSA Shaw is considered by the Company as a transit mall as its footfall is principally comprised of commuters and passengers of public transportation. For 2022, it had a daily average footfall of approximately 69,972.



Vista Mall Sta. Rosa

Vista Mall Sta. Rosa opened in April 2015 and the Company believes that it is the most prime BPO hub in Southern Luzon. Vista Mall Sta. Rosa is located along the busy Sta. Rosa-Tagaytay National Road and is anchored by the All Home Center, attracting residents and visitors from neighboring communities to shop for their home and everyday needs.

Phase two of Vista Mall Sta. Rosa opened in the first quarter of 2016, offering supermarket, department store, cinema and amusement, food court, foreign and local fashion, international and native cuisines, IT hub, services, government satellite offices, among others.

Set out below is a photo of Vista Mall Sta. Rosa, which may not necessarily represent the current condition of the actual properties.



Vistamalls also develops commercial centers designed for BPOs as anchor tenants. Food outlets and other retail establishments located at BPO commercial centers provide 24-hour support to BPO tenants and their employees. An example of this is the Worldwide Corporate Center (“WCC”) is Shaw Boulevard, Mandaluyong City.

WCC houses (i) large tenants requiring customized office space, including BPO centers and a media company; (ii) smaller corporate offices, such as residential real estate marketing offices, management offices and a direct marketing company; and (iii) retail outlets designed to cater to the other tenants in the building, such as restaurants, convenience stores and service shops. It is strategically located in the vicinity of EDSA, Metro Manila’s main thoroughfare, and is connected to transportation terminals, including the MRT, bus terminals and other forms of public transportation.

Manuela Corporation constructed WCC on land leased from Leca Realty Corporation (“Leca”) pursuant to the terms of a long term lease contract originally expiring in July 2020. In August 2011, Leca and Manuela entered into an agreement to extend the lease for another 10 years (up to July 2030) and granted Manuela a right of first refusal to purchase the land subject of the lease in the event that Leca decides to sell the land. In July 2021, Leca and Manuela amended the lease contract extending lease for another 20 years (up to July 2050).

WCC has a GFA of 122,280 square meters, four levels of office space, and has a range of retail and food outlets. WCC also contains multi-level basement parking with 532 spaces. It is positioned for BPO operators as well as retail and food and beverage outlets that support the BPO tenants. As of June 30, 2023, it has an occupancy rate of 92%.

Set out below is a photo of WCC, which may not necessarily represent the current condition of the actual properties.



WCC has a diverse tenant mix of more than 120 tenants, including major tenants such as Vista Land, AllHome, AllDay Supermarket, Sykes Marketing, Converge, Acquire Asia, CNN Philippines Interglobe Technologies, AllDay Convenience Store, Coffee Project Starbucks, Burger King and McDonald’s.

ONGOING STRATEGIES

Vista Estates

In 2022, the Company launched Vista Estates. Vista Estates is Vista Land’s collection of vast master planned communities offering unique, premium and sustainable lifescapes which provide its guests, residents, and investors with limitless growth opportunities. The development is comprised of business parks and IT zones, institutional complexes, such as learning institutions, places of worship, events venues, and healthcare centers, commercial and retail districts, leisure and wellness hubs, and horizontal and vertical residential enclaves. Vista Estates transcends the typical standards of a master planned megalopolis by building cities-within-cities that are inspiring in vision, compelling in creativity, and grand in diversity. As of June 30, 2023, the Company has launched a total of 20 Vista Estate projects across the country.

The Company intends Vista Estates to serve as a template for its future developments. As of June 30, 2023, the Company has identified about 60 areas (excluding sites earmarked for Vistamalls’ development) from its existing projects around the country, including the provinces of Iloilo, Cavite and Bulacan, and the cities of Tuguegarao in Northern Luzon and Cagayan de Oro in Mindanao, that are suitable for Vista Estates.

Vista Estate Georgia



Vista Estate Georgia is the Company's flagship integrated real estate development in the Visayas region. Plans for Vista Estate Georgia include retail malls, hotels, office buildings for the BPO industry and hospitals. It is a 500 hectare Vista Estate, which is strategically spread over the municipalities of Oton, Pavia and San Miguel on Panay Island. It is close to the University of the Philippines in the Visayas, Central Philippine University, University of San Agustin, and West Visayas University, as well as the Western Visayas Medical Center and The Medical City Iloilo. It established its presence in Iloilo in September 2000 when it opened Savannah Glades.

Savannah is the largest residential community in Panay Island. The residential community is supported by numerous amenities, including a school (Georgia Academy, which offers primary to secondary education), five clubhouses, four basketball courts, one tennis court, jogging and biking paths and numerous gazebos, parks and children's playground. The project has seven residential enclaves covering more than 300 hectares.

The integration of the residential project with the commercial development will complete Vista Estate Georgia's transformation into a Vista Estate with adequate security and convenient transportation services.

As part of its integrated real estate development strategy, the Company plans to create more Vista Estates. As an initial step, the Company believes that a Vistamalls retail mall or BPO facility can be readily developed in its existing communities which have already allocated portions of land for commercial developments. These include its communities in the provinces of Davao, Iloilo, Cavite and Bulacan, and the cities of Cabanatuan in Northern Luzon and Cagayan de Oro in Mindanao.

LAND BANK

It is an integral part of the Company's strategy to maintain an extensive land bank at all times to ensure that it has adequate land to cover its succeeding years of development for its residential and commercial development activities.

For its residential business, the Company's land bank consists of vacant or undeveloped land primarily in Metro Manila, Calabarzon, and in other major towns and cities in various provinces of the Philippines. The Company has invested in properties situated in what the Company believes are prime locations across the Philippines for existing and future housing and land development projects. As of the date of this Prospectus, some properties in the Company's raw land inventory are subject to material liens or encumbrances.

In addition to directly acquiring land for future projects, the Company has also adopted a strategy of entering into joint venture arrangements with land owners for the development of raw land into future project sites for housing and land development projects. This allows the Company to reduce its capital expenditures for land and substantially reduces the financial holding costs resulting from owning land for development. As June 30, 2023, the Company has a land bank of approximately 2,674.21 hectares of raw land for the development of its various projects, in addition to approximately 411.20 hectares (attributable to the Company) of land under joint venture agreements. The Company believes that its current land bank will be sufficient for its existing and planned projects and developments for at least twenty-seven to thirty years.

Details of the Company's raw land inventory as of June 30, 2023 are set out in the "*Description of Properties*" section of this Prospectus.

The Company intends to acquire land in various parts of the Philippines for future development, either directly or pursuant to joint venture agreements.

LAND ACQUISITION

The Company sources land for its projects either through direct purchase or through joint venture arrangements with land owners. As a matter of policy, the Company conducts due diligence before acquiring any property or entering into any joint venture. The evaluation process focuses on four major factors:

- legal documents (e.g. title) related to the property;
- property valuation;
- technical characteristics of the property (e.g. location of fault lines); and
- other factors impacting the suitability and feasibility of developing future projects.

Before the Company acquires land or enters into joint ventures to develop land, the Company conducts extensive checks on both the owner and the land itself, with a particular focus on the veracity of the title covering the land and whether it can be traced back to the original judicial decree granting title over the land. As and when needed, the Company also engages third parties, such as surveyors and engineers, to verify that the land it seeks to acquire is covered by the technical description of the title.

Before the Company acquires land or enters into joint ventures to develop land, the Company also conducts its own valuation of the property based on, among other factors, other similar properties in the market and an assessment of the potential income derivable from any development suitable for the property.

Before directly acquiring land or entering into a joint venture arrangement with a land owner, the Company also conducts engineering and environmental assessments in order to determine if the land is suitable for construction. The land must be topographically amenable to housing development.

The Company has developed specific procedures to identify land that is suitable for its needs and performs market research to determine demand for housing in the markets it wishes to enter. These factors include:

- the general economic condition of the environment surrounding the property;
- suitable land must be located near areas with sufficient demand or that the anticipated demand can justify any development;
- the site's accessibility from nearby roads and major thoroughfares;
- the availability of utility infrastructure, such as electric transmission facilities, telephone lines and water systems; and
- the overall competitive landscape and the neighbouring environment and amenities.

The Company also considers the feasibility of obtaining required governmental licenses, permits, authorisations, and adding necessary improvements and infrastructure, including sewage, roads and electricity against a purchase price that will maximise margins within the limits of available financing.

JOINT VENTURES

Historically, the Company has grown its land bank primarily through direct purchases. In the past several years, however, the Company has begun to enter into joint venture agreements with land owners for its residential development business. These joint venture arrangements offer certain advantages to the Company, particularly because the Company is not required to pay for the land in advance. The Company's interests in these joint ventures vary depending on the value of the land against the estimated development cost. The Company holds a majority interest under most of its existing joint venture arrangements.

Historically, the Company has not experienced any material difficulties in identifying and engaging joint venture partners to supply land and currently does not expect to experience any such difficulties in the future. The Company

believes that this is due to its track record of reliability and success, particularly in the suburban areas where many of the Company's projects have been located, thus giving its joint venture partners confidence in the future success of their projects. Further, there is a prevalence of land owners in the Philippines who wish to develop their land but who may not have the financial resources and expertise to do so. The Company has also entered into joint venture agreements with commercial banks, such as Banco de Oro ("BDO"), Union Bank of the Philippines and a wholly-owned subsidiary of United Coconut Planters Bank ("UCPB") (now merged with Land Bank of the Philippines), to develop specific assets of the banks.

The Company's joint venture arrangements typically require the joint venture partner to contribute the land to the project, with the Company bearing all costs related to land development and the construction of subdivision facilities. The Company and its joint venture partner then agree on which of the resulting subdivided saleable lots will be allocated to the Company and which lots will be allocated to the joint venture partner, in accordance with their respective joint venture interests.

Sales and marketing costs are allocated to both the Company and the joint venture partner, with the joint venture agreement specifying a percentage of the contract price (typically 12.0% to 15.0%) for the lots allocated to the joint venture partner as the sales and marketing costs (including commissions to brokers) attributable to the sale of such lots. However, the Company is responsible for organising and conducting actual sales and marketing activities.

The joint venture partner is also required to warrant his/her title over the land and, if necessary, to clear the land of tenants and informal occupants before the Company commences development work on the land. All costs relating to clearing the land of tenants and informal occupants are the responsibility of the joint venture partner, although the Company may provide cash advances to cover a portion of these costs, which will then be deducted from any sale proceeds attributable to the joint venture partner.

On November 27, 2020, the Company entered into a joint venture agreement with Mitsubishi Estate Co. Ltd. to develop Kizuna, a mixed-use, high-rise condominium project along Taft Avenue. It is strategically located close to various schools, hospitals, commercial centers, and public transportation. The condominium offers over 1,000 residential units in 32 floors and 7 floors of parking spaces. The expected completion of the projects is during the first half of 2026.

For a discussion of certain risks associated with these joint venture arrangements see "*Risk Factors — Risks Relating to the Company's Business — The interests of joint venture partners for the Company's projects may differ from the Company's, and they may take actions that adversely affect the Company*" of this Prospectus.

SITE DEVELOPMENT AND CONSTRUCTION

Residential Development Business

For its housing development activities, site development and construction work is contracted out to various qualified and accredited independent contractors. For larger projects, such as site development work, contracts are awarded on the basis of competitive bidding. For smaller-scale projects, such as the construction of certain structures within a project or of specific housing and condominium units, the Company will directly contract specific contractors based on its previous experience with such contractor for a specific type of project. In all cases, the Company's accreditation procedure takes into consideration each contractor's experience, financial capability, resources and track record of adhering to quality, cost and time of completion commitments. The Company maintains relationships with over 300 accredited independent contractors and deals with each of them on an arm's-length basis. The Company is not and does not expect to be dependent upon one or a limited number of suppliers or contractors.

The Company does not enter into long-term arrangements with contractors. The awarded contracts typically cover the provision of contractor's services in relation to a particular project or particular housing and condominium units. To ensure compliance with Company requirements and to maintain the quality of the developments, the Company has a team of project engineers who perform the following functions:

- directly managing site development and construction activities;
- coordinating the activities of the Company's contractors and suppliers;
- overseeing quality and cost controls; and
- ensuring compliance with zoning and building codes and other regulatory requirements.

Typically, the Company enters into fixed-price contracts with its contractors, with the cost of materials included as part of the price.

Housing unit construction will typically take three to 12 months to complete depending on the size. For vertical projects, midrise buildings take two to three years while high rise buildings take four to five years to complete.

Most construction materials are provided by the contractors themselves in accordance with the terms of their contracts. In certain cases, the Company guarantees payment to the Company-specified suppliers for purchases by contractors of construction materials. In these cases, the Company makes direct payments to such suppliers, with the amounts paid by the Company for construction materials deducted from payments to the contractors.

Progress payments are made to contractors during the term of the contract based on the accomplishment of pre-determined project performance milestones. The Company usually retains 10.0% of each progress payment in the form of a guarantee bond or cash for up to one year from the date the contracted work is completed and accepted by the Company. The amounts retained are used to meet contingency costs, such as addressing claims from purchasers thereby limiting the financial burden on the Company.

As of June 30, 2023, the Company has ongoing construction works for 307 residential development projects in various stages of development and level of sales across the Philippine. The Company expects that the construction of vertical projects will be completed in 2023 onwards.

Retail Mall Development and BPO Commercial Center Business

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, contractors are hired without a competitive process based on previous experience with the contractor. In all cases, the 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. Vistamalls maintains relationships with over 100 accredited independent contractors and deal with each of them on an arm's length basis.

Vistamalls' business and project development group is responsible for identifying sites for the construction of new retail malls, which in many cases are sites that are within the Group's properties. The business and project development group determines the viability of a potential plot of land for a new retail mall based on the demographics of the area, including the size of the population, its income levels, local government and local infrastructure and, in particular, accessibility to public transportation. Vistamalls also evaluates the presence of other retail commercial developments in the area. Once a suitable site is selected, the corporate planning group determines the absorbable size of the retail mall to be constructed and the GFA, which typically ranges from 20,000 to 70,000 square meters. The group then proceeds to secure all relevant government permits for the project, as well as all architectural and engineering schematics. The securing of permits and licenses and the completion of preliminary design works typically takes about two months. The construction of each retail mall is generally awarded on the basis of competitive bidding. The bid process and the preparation of detailed drawings and costings generally takes about three months. Vistamalls supervises the construction of each retail mall, which typically takes about six months to one year.

The Company plans to increase its GFA by 100,000 square meters annually.

SALES AND MARKETING

Residential Development Business

The Company believes it has one of the most extensive marketing networks of all Philippine housing development companies.

Local Marketing Network

The Company's local marketing and distribution network of independent contractors and agents for its housing development activities consists of approximately 3,000 teams, with a combined total of approximately 32,400 active agents. Of these marketing teams, 3,150 are accredited licensed realtors and 100 teams are direct marketing groups.

The Company believes that it offers its marketing teams competitive compensation terms. The Company's commission structure and incentive schemes vary relative to the network's affiliation and sales structure.

The Company's exclusively contracted marketing teams are compensated through a monthly allowance and are provided administrative support by the Company, including office space and expense allowances. Broker companies are compensated with relatively higher commissions with funding allocations for business development programmes.

International Marketing Network

The Company believes that the OFW population constitutes a significant portion of the demand for its housing and land development projects. The demand comes from both the direct purchase by the OFW or purchase by relatives of the OF financed by OF remittances. As such, the Company seeks to adequately service and reach the OFW and international markets. For that purpose, the Company has established an extensive international marketing network.

This network consisted of 350 partners 7,200 independent agents located in countries and regions with large OFW populations, including the United States, as of December 31, 2022.

Through this network, the Company is well-represented in key cities abroad with the highest concentration of OFW communities. The Company's presence is significant in countries and regions such as North America, Europe, Middle East and Asia including Japan. These international brokers are established in their respective areas and serve as the Company's marketing and promotion agents in their territories, to promote the Company and its products. In addition, some of these agents bought houses from the Company in the past. The Company believes that its long-standing relationships with these agents over the years distinguish it from its competitors.

The Company, together with these international brokers and agents, regularly sponsors roadshows and participates in international fairs and exhibits, Filipino social and professional gatherings, and other OFW-related events.

Awareness efforts are primarily conducted through periodic TV advertising on Philippine primetime television and sustained TV advertising on The Filipino Channel, as well as print advertising on national and geo-based publications. As added support, the Company through a special division called Prime Properties International has set up support marketing groups focused on and dedicated to servicing the international market.

Modes of Payments

The Company's customers for its housing projects can generally purchase the Company's products through:

- cash purchases;
- bank financing;
- in-house (Company-provided) financing; and
- Government-assisted financing.

Under these four major modes of payments, the Company designs flexible and creative financing packages for its customers to make their acquisitions possible.

Cash-basis acquisitions are usually given special discounts. Negotiated discounts are also allowed for accelerated payment schedules and other bulk payments. This is to encourage capable buyers to pay upfront for their property acquisition.

Mortgage loans from private banks are available. These are offered to buyers who are perceived to be acceptable credit risks. To streamline the loan processing application, the Company has arrangements with several banks regarding the processing of applications with respect to the financing of unit purchases. As of June 30, 2023, majority of the Company's buyers opt for bank financing to finance their housing purchases.

The Company also offers in-house financing to buyers. There are cases wherein in-house financing schemes serve as steppingstones to facilitate transactions. In these instances, the buyers use the in-house financing facility but convert to bank financing within a certain period.

There are also instances where customers of the Company obtain financing from the Government. Government-subsidized loans under the government financial institution programs still continue to be the largest source of purchaser financing for the socialized market.

Mortgage Loans

Mortgage loans from commercial banks are available to individuals who meet the credit risk criteria set by the relevant bank and those individuals who are able to comply with such bank's documentary requirements and credit investigation. To assist prospective buyers obtain mortgage financing from commercial banks, the Company has arrangements with several commercial banks, such as BDO, BPI Family Bank, Philippine Saving Bank, Union Bank of the Philippines, UCPB (now merged with Land Bank of the Philippines), RCBC Savings Bank, Security Bank, Bank of Commerce, Malayan Bank, and China Bank Savings. Further, the Company ensures that all of its units are properly and completely documented to adequately comply with the bank's requirements.

In addition to taking security over the property, a bank may also seek repayment guarantees from the Home Guaranty Corporation (“HGC”). The HGC is a Government-owned and controlled corporation that operates a credit guaranty program in support of the Government’s efforts to promote home ownership. It provides risk guarantees and fiscal incentives for loans and credit facilities for residential purposes provided by banks and financial institutions. In the event a buyer defaults in connection with an HGC-registered loan or credit facility, the HGC guarantees the payment to the extent of the outstanding balance, interest and yield. The interest and yield on loans and credits guaranteed by the HGC is exempt from taxation.

In-House Financing

The Company has established processes and procedures designed to screen homebuyers applying for in-house financing to ensure that they are financially capable of paying their monthly amortizations. The Company conducts strict and thorough credit checks which include but are not limited to:

- employment/career/business background checks;
- credit card verification using national credit databases; and
- conducting physical verification of claims regarding residences and properties owned by the buyer.

The Company typically finances 80.0% to 85.0% of the total purchase price of the property being sold. The loans are then repaid through equal monthly instalments over periods ranging from five to 15 years. The interest rates charged by the Company for in-house financing typically range from 16.0% per annum to 19.0% per annum, depending on the term of the loan, with the financing agreement providing for an escalation of the interest rate in the event of a general rise in interest rates charged by the banks and other financial institutions.

Where a buyer has obtained in-house financing for a purchase, the Company will retain the title to the property until full payment of the loan. During this period, if the buyer defaults on the payment of the monthly instalments due, the Company has the right to cancel the sale and retain payments already made by the buyer. See “*Risk Factors — Risks Relating to the Company’s Business — The inability of the Company’s in-house financing customers to meet their payment obligations could have a material adverse effect on the Company’s business and prospects*” of this Prospectus.

Customer Service and Warranties

The Company believes it is important to ensure that quality service is afforded to homebuyers throughout and after the relevant sales period, including during house lay-out, construction, move-in and introduction to the homeowners’ association. The Company’s Customer Care Department has qualified staff dedicated to addressing these concerns.

Apart from the standard contractual warranties on the purchased unit, for each project the Company engages the services of a professional property management group which oversees the affairs of the homeowners’ association. This helps homebuyers to achieve a smooth introduction to their new neighborhood and further enhances good customer relations. The property management group’s functions include financial management, security, landscape maintenance and association social activities.

Retail Mall Development and BPO Commercial Center Business

Leasing Policies

Retail Mall Development

The Company’s leasing policy for tenant selection follows its target market strategy. The Vista Land Commercial Group mall leasing team is responsible for tenant selection. Tenants are evaluated in terms of their product offering, store concept, compliance with regulatory requirements and operational and financial capacity. All leases include arm’s-length commercial terms, including those with the Company’s affiliates. The high demand for tenancies within Vistamalls’ retail malls means that it generally has a sufficient tenant pipeline to cover any vacancies that may arise in the retail malls.

Retail leases are generally granted for a term of two years with an average escalation of 5.0 to 10.0%, with the exception of some of the larger tenants, which are granted initial lease terms of three to five years with an escalation of 5.0% to 7.0%, renewable upon expiry for a similar period thereafter. Sixty days’ notice is required of tenants for termination of their leases. Vistamalls generally requires payment of four months’ rent as a security deposit and two months’ advance rental prior to the commencement of a lease. Upon renewal of a lease, the rental rates are adjusted to reflect the prevailing market rent.

The table below sets forth a summary of the expiration of the Company’s leases as of June 30, 2023:

Lease Expiry	Percentage (%)
Below one year	11%
1-3 years	19%
4-5 years	26%
Over 5 years	44%

BPO Commercial Centers

Tenant sourcing for WCC, Polar EDSA, BPO Las Piñas and Vista Hub BGC is conducted by the BPO division, augmented by reputable brokers, such as Colliers Philippines, Santos Knight Frank, Lee Chiu Property Consultant, Jones Lang Lasalle Leechiu, and CB Richard Ellis Philippines. Before the Company enters into lease contracts with BPO tenants, it seeks to understand their fit-out requirements for the rental space and evaluate the economics of such requirements. The Company directly engages in tenant sourcing for auxiliary food and beverage and service spaces and follows the evaluation process generally applied for retail mall tenants. Tenancies are generally granted for a term of one to three years, with the exception of larger tenants operating nationally, which are granted initial lease terms of two to ten years, renewable for a five-year term thereafter.

Management of the retail malls

The Company manages the development, leasing and marketing of its retail malls internally, rather than outsourcing these functions. The malls are managed by a mall operations team consisting of the mall manager, building administrator and tenant relations officer. Operational services, including maintenance, security and janitorial services are outsourced to reputable third-party service providers and contracts with these providers are reviewed annually.

COMPETITION

Residential Development Business

The residential development market in the Philippines is intensely competitive. The Company has significant competitors for its residential housing and land development business. Compared to the commercial real estate and high-rise residential building markets, which require the resources to acquire land in expensive urban areas and the experience to manage these projects successfully, real property companies can more easily develop horizontal residential housing and land development projects in certain areas. Nevertheless, the Company’s strong regulatory know-how, solid execution track record and nationwide footprint are difficult to replicate and effectively serve as a strong barrier against competition on a nationwide level. Because of the availability of joint venture arrangements with landowners and the ability to finance these projects through unit pre-sales, it is relatively easy for smaller players to enter into this business. There is, therefore, competition for land that is suitable for project development. There is also competition among various developers for residential real estate brokers.

Currently, the Company’s competitors in its residential development business include companies such as Filinvest Land, Inc., Megaworld Corporation, Robinsons Land Corporation, Ayala Land, Inc., and others. On the basis of publicly available information and its own market knowledge, the Company believes that it is the leading integrated property developer in the Philippines that is focused on the mass market. The Company’s management also believes that the Company is able to offer competitive commissions and incentives for brokers and that the Company is able to compete on the basis of the pricing of its various products, which span all income segments, as well as brand recognition.

The Company also faces strong competition in the condominium market. The Company believes that its main competitors in these markets include companies such as Ayala Land, Inc., DMCI Development Homes, Inc., Megaworld Corporation, Robinsons Land Corporation, SM Prime Holdings, Inc., and others.

Retail Mall Development and BPO Commercial Center Business

Vistamalls’ retail mall business competes with other retail malls in the geographic areas in which they operate. The other major retail mall operators in the Mega Manila area are Robinsons, SM Prime and Ayala Land. These national mall operators serve principally the “A”, “B” and “upper C” segments of the population. In the mass market retail segment, where Vistamalls serves the “B”, “Upper C”, “Broad C” and “D” segments, Vistamalls’ competitors consist principally of smaller mall operators such as the Ever Gotesco Group and City Malls. Vistamalls believes that it is well positioned to face increased competition in the retail mall industry given its competitive advantages including, among other things, the location of its existing retail malls, the land bank of the Group, a successful tenant mix and

selection criteria and synergies within the Group.

The Company is also in the mall business serving the “A”, “B” and “upper C” segments of the population in locations where the catchment area are in those segments such as in Evia Lifestyle Center and Vistamall Sta. Rosa

For further discussion of certain risks associated with competition, see “Risk Factors — Risks Relating to the Company’s Business — The Company operates in a highly competitive market, and any inability to effectively compete could limit the Company’s ability to maintain or increase its market share and maintain or increase profitability” and “Risk Factors — Risks Relating to the Company’s Business — The Company may not be able to acquire land for new projects” of this Prospectus.

EMPLOYEES AND LABOR

As of June 30, 2023, the Company and its subsidiaries, had 1,519 employees broken down by function as follows:

Function	Number of employees
Operations	675
Administrative	346
Technical	498
Total	<u>1,519</u>

The Company recognizes that there may be a need to hire additional personnel to handle increase in the volume of business over the next twelve months. However, all such hiring decisions will be made taking into account the uncertainties surrounding the current market environment in addition to the long-term requirements of the business. As such, the Company does not anticipate a significant increase in the number of employees this year.

The Company has no collective bargaining agreements with its employees and none of the Company’s employees belongs to a union. The Company believes it has a good relationship with its employees and no key employees have left the Company during the past three years.

The Company provides employees with on-the-job-training and other development programmes that assist them in effectively carrying out their jobs and that prepare them for career advancement in the Company.

The Company continuously strives to position itself as an employer of choice in the Philippine real estate industry. It offers what it believes to be competitive salary and benefits packages that allow it to compete in the job market for quality employees. The Company has no employee stock option plan.

RESEARCH AND DEVELOPMENT

While the Company engages in research and development activities focusing on the types of construction materials used for its housing and condominium units, construction methodology, value-engineering for its projects and quality assurance, as well as market studies on potential new retail malls and BPO commercial centers and gathering data on target retail customer base, the expenses incurred by the Company in connection with these activities for the last three fiscal years 2020 to 2022 are not material. The Company’s research and development activities include organizing regular trips for its operations personnel, architects and engineers to various cities in America, Europe and Asia to enable them to become more attuned to high quality developments and latest trends from overseas.

INTELLECTUAL PROPERTY

The Company and its subsidiaries have a number of trademarks for its development projects as well as applications for the registration of various trademarks of its property developments pending with the Philippine Intellectual Property Office. These trademarks are important in the aggregate because name recognition and exclusivity of use are contributing factors to the success of the Company’s and its subsidiaries’ property developments. In the Philippines, certificates of registration of a trademark filed with the Philippine Intellectual Property Office prior to the effective date of the Philippine Intellectual Property Code in 1998 are generally effective for a period of 20 years from the date of the certificate, while those filed after the Philippine Intellectual Property Code became effective are generally effective for a shorter period of 10 years, unless terminated earlier.

The Company has also registered a number of the business names it uses for its property developments with the Department of Trade and Industry. Registering a business name with the Department of Trade and Industry precludes another entity engaged in the same or similar business from using the same business name as one that has been registered. A registration of a business name shall be effective for five years from the initial date of registration and must be renewed within the first six months following the expiration of the five-year period from the date of original registration. Pursuant to the Philippine Department of Trade and Industry Administrative Order No. 11 (Series of 2008), where the business name of a corporation appears in its articles of incorporation as the corporate name, registration is no longer necessary. A corporation may also use a business name or style different from its corporate name provided such name or style appears in its articles of incorporation.

Trademark	Registrant	Registration Date	Renewal Date	Term	Principal Condition/s
VISTA LAND	Vista Land & Lifescapes, Inc.	09 June 2008	08 June 2018	10 Years	(1) Registrant must file a declaration of actual use within 1 year from the date of renewal and pay the required fee (2) Registrant must again file a declaration of actual use or non-use together with the evidence of use or reasons for non-use within 1 year from the 5th Anniversary of the date of renewal and pay the required fee
CROWN ASIA YOUR HOME OF CHOICE	Crown Asia Properties, Inc.	04 February 2008	04 February 2018	10 Years	
CAMELLA HOMES & COMMUNITIES	Camella Homes, Inc.	04 February 2008	04 February 2018	10 Years	
BRITTANY	Brittany Corporation	11 February 2008	11 February 2018	10 Years	
COMMUNITIES PHILIPPINES	Camella Homes, Inc.	03 March 2008	03 March 2018	10 Years	
Vistaland & Lifescapes	Vista Land & Lifescapes, Inc.	18 January 2018		10 Years	(1) Renewable upon payment of the prescribed fee and filing of request
VISTALAND HOMEBUILDER BOND	Vista Land & Lifescapes, Inc.	10 July 2020		10 Years	
STARMALL	Vistamalls, Inc.	16 August 2016		10 Years	(2) Registrant must file a declaration of actual use within 3 years from the filing of the application and pay the required fee
VISTA RESIDENCES	Vista Residences, Inc.	11 March 2016		10 Years	
STARMALL (Revised design)	Starmalls, Inc.	28 May 2015		10 Years	
MELLA	Vista Residences, Inc.	03 December 2016		10 Years	(3) Registrant must again file a declaration of actual use or non-use together with the evidence of use or reasons for non-use within 1 year from the 5 th anniversary of registration and pay the required fee
VISTA CITY	Brittany Corporation	27 February 2020		10 Years	
Lessandra	Household Development Corporation	08 November 2020		10 Years	
Camella Condo Homes	Camella Homes, Inc.	07 June 2012	07 June 2022	10 Years	

INSURANCE

The Company has insurance coverage that is required in the Philippines for real and personal property. Subject to the customary deductibles and exclusions, the Company's insurance policies include coverage for, among other things, buildings and improvements, machinery and equipment, furniture, fixtures and fittings against damage from fire and natural perils, machinery breakdown, third-party liability to the public and construction works. For its vertical projects, the Company has also obtained insurance with various general contractors. The Company does not carry business interruption insurance. See *"Risk Factors — Risks Relating to the Philippines — Natural or other catastrophes, including severe weather conditions, may materially disrupt the Company's operations, affect its ability to complete projects and result in losses not covered by its insurance"* of this Prospectus.

LEGAL PROCEEDINGS

The Company and its subsidiaries, from time to time, are subject to various civil lawsuits and legal actions arising in the ordinary course of business. Typical cases include adverse claims against a subsidiary's title over parcels of land and claims brought by buyers seeking the return of deposits or cancellations of sales. The Company believes that none of the lawsuits or legal actions to which it is currently subject will materially affect the daily operations of its business nor will they have a material adverse effect on the Company's consolidated financial position and results of operations.

REGULATORY AND ENVIRONMENTAL MATTERS

Presidential Decree No. 957, otherwise known as The Subdivision and Condominium Buyer's Protective Decree, and Batas Pambansa Blg. 220, as amended, are the principal statutes which regulate the development and sale of real property as part of a condominium project or subdivision.

P.D. 957 and B.P. 220 cover subdivision projects and all areas included therein for residential, commercial, industrial and recreational purposes, and condominium projects for residential or commercial purposes. The HLURB is the administrative agency of the Government which, together with local government units ("LGUs"), enforces these decrees and has jurisdiction to regulate the real estate trade and business.

All subdivision and condominium plans for residential, commercial, industrial and other development projects are subject to approval by the pertinent LGU of the area in which the project is situated. The development of subdivision and condominium projects can commence only after the LGU has issued the development permit.

The issuance of a development permit is dependent on, among others (i) compliance with required project standards and technical requirements which may differ depending on the nature of the project, and (ii) issuance of the barangay clearance, the HSAC locational clearance, DENR permits, and DAR, as applicable, conversion or exemption orders as discussed below.

Further, all subdivision plans and condominium project plans are required to be filed with and approved by the HSAC. Approval of such plans is conditional on, among other things, the developer's financial, technical and administrative capabilities. Alterations of approved plans which affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the HSAC and the written conformity or consent of the duly organized homeowners' association, or in the absence of the latter, by the majority of the lot buyers in the subdivision. Owners of, or dealers in, real estate projects are required to obtain licenses to sell before making sales or other dispositions of lots or real estate projects. Dealers, brokers and salesmen are also required to register with the HSAC. Project permits and licenses to sell may be suspended, cancelled or revoked by the HSAC by itself or upon complaint from an interested party for reasons such as insolvency or violation of any of the provisions of P.D. 957. A license or permit to sell may only be suspended, cancelled or revoked after a notice to the developer has been served and all parties have been given an opportunity to be heard in compliance with the HSAC's rules of procedure and other applicable laws.

Subdivision or condominium units may be sold or offered for sale only after a license to sell has been issued by the HSAC. The license to sell may be issued only against a performance bond posted to guarantee the completion of the construction and maintenance of the roads, gutters, drainage, sewerage, water system, lighting systems, and full development of the subdivision or condominium project and compliance by the owner or dealer with the applicable laws and regulations.

Subdivision Projects

There are essentially two different types of residential subdivision developments, which are distinguished by different development standards issued by the HSAC. The first type of subdivision, aimed at low-cost housing, must comply with B.P. 220, which allows for a higher density of building and relaxes some construction standards. Other subdivisions must comply with P.D. 957, which sets out standards for lower density developments. Both types of development must comply with standards regarding the suitability of the site, road access, necessary community facilities, open spaces, water supply, the sewage disposal system, electrical supply, lot sizes, the length of the housing blocks and house construction.

Under current regulations, a developer of a residential subdivision with an area of one hectare or more and covered by P.D. 957 is required to reserve at least 30% of the gross land area of such subdivision, which shall be non-saleable, for open space for common uses, which include roads and recreational facilities. A developer of a subdivision is required to reserve at least 3.5% of the gross project area for parks and playgrounds.

Republic Act No. 7279, otherwise known as the Urban Development and Housing Act, as amended, further requires developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least 20% of the total subdivision area or total subdivision project cost, at the option of the developer, within the same city or municipality, whenever feasible, and in accordance with the standards set by the HLURB and other existing laws. To comply with this requirement, the developers may choose to develop for socialized housing an area equal to 20% of the total area of the main subdivision project or allocate and invest an amount equal to 20% of the main

subdivision total project cost, which shall include the cost of the land and its development as well as the cost of housing structures therein, in development of a new settlement through purchase of socialized housing bonds, slum upgrading, participation in a community mortgage programme, the undertaking of joint-venture projects and the building of a large socialized housing project to build a credit balance.

Under the 2022 Strategic Investment Priorities Plan issued by the Board of Investments, mass housing projects remain eligible for government incentives subject to certain policies and guidelines.

The Maceda Law applies to all transactions or contracts involving the sale or financing of real estate through installment payments, including residential condominium units. Under the Maceda Law, buyers who have paid at least two years of installments are granted a grace period of one month for every year of paid installments to cure any payment default. If the contract is cancelled, the buyer is entitled to receive a refund of at least 50% of the total payments made by the buyer, with an additional 5% per annum in cases where at least five years of installments have been paid (but with the total not to exceed 90% of the total payments). Buyers who have paid less than two years of installments and who default on installment payments are given a 60-day grace period to pay all unpaid installments before the sale can be cancelled, but without right of refund.

Condominium Projects

Republic Act No. 4726, otherwise known as The Condominium Act (“**R.A. No. 4726**”), as amended, likewise regulates the development and sale of condominium projects. R.A. No. 4726 requires the annotation of the master deed on the title of the land on which the condominium project shall be located. The master deed contains, among other things, the description of the land, building/s, common areas and facilities of the condominium project. A condominium project may be managed by a condominium corporation, an association, a board of governors or a management agent, depending on what is provided in the declaration of restrictions of the condominium project. However, whenever the common areas are held by a condominium corporation, such corporation shall constitute the management body of the project.

Shopping Malls

Shopping malls are regulated by the local government unit of the city or municipality where the shopping mall is located. Shopping mall operators must secure a mayor’s permit or municipal license before operating. Shopping mall operators must also comply with the provisions of Republic Act No. 9514 or the Fire Code, and other applicable local ordinances. Shopping malls that have restaurants and other food establishments as tenants must obtain a sanitary permit from the Department of Health. Those that discharge commercial wastewater must further apply for a wastewater discharge permit from the DENR and pay the fee incidental to the permit.

As a tourism-related establishment, shopping malls may obtain accreditation from the Department of Tourism (“**DOT**”). A shopping mall can only be accredited upon compliance with the minimum physical, staff and service requirements promulgated by the DOT.

ZONING AND LAND USE

Land use may be also limited by zoning ordinances enacted by LGUs. Once enacted, land use may be restricted in accordance with a comprehensive land use plan approved by the relevant LGU. Lands may be classified under zoning ordinances as commercial, industrial, residential or agricultural. While a procedure for change of allowed land use is available, this process may be lengthy and cumbersome.

Under the agrarian reform law currently in effect in the Philippines and the regulations issued thereunder by the DAR, land classified for agricultural purposes as of or after June 15, 1988, cannot be converted to non-agricultural use without the prior approval of DAR.

SPECIAL ECONOMIC ZONE

PEZA is a Government corporation that operates, administers and manages designated special economic zones (“**Ecozones**”) around the country. Ecozones, which are generally created by proclamation of the President of the Philippines, are areas earmarked by the Government for development into balanced agricultural, industrial, commercial, and tourist/recreational regions.

An Ecozone may contain any or all of the following: industrial estates, export processing zones, free trade zones, and tourist/recreational centres. PEZA-registered enterprises locating in an Ecozone are entitled to fiscal and non-fiscal incentives such as income tax holidays and duty free importation of equipment, machinery and raw materials.

Some of the Company's investment properties are located in Ecozones. Tenants of those properties may register with PEZA to avail themselves of certain benefits under Republic Act No. 7916 and its Implementing Rules and Regulations, such as income tax holidays or a preferential rate of 5% with respect to gross income taxation, thereby making tenancy in such properties potentially more attractive.

Enterprises offering IT services (such as call centers and other BPO firms using electronic commerce) are entitled to fiscal and non-fiscal incentives if they are PEZA-registered locators in a PEZA-registered IT Park, IT Building, or Ecozone. An IT Park is an area which has been developed into a complex capable of providing infrastructure and support facilities required by IT enterprises, as well as amenities required by professionals and workers involved in IT enterprises, or easy access to such amenities. An IT Building is an edifice, a portion or the whole of which, provides such infrastructure, facilities and amenities.

PEZA requirements for the registration of an IT Park or IT Building differ depending on whether it is located within or outside Metro Manila. These PEZA requirements include clearances or certifications issued by the city or municipal legislative council, the DAR, the National Water Resources Board and the DENR.

ENVIRONMENTAL LAWS

Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain ECC prior to commencement. The DENR, through its regional offices or through the Environmental Management Bureau (“**EMB**”), determines whether a project is environmentally critical or located in an environmentally critical area. As a requisite for the issuance of an ECC, an environmentally critical project is required to submit an Environmental Impact Statement (“**EIS**”) to the EMB while a project in an environmentally critical area are generally required to submit an Initial Environmental Examination (“**IEE**”) to the proper DENR regional office. In case of an environmentally critical project within an environmentally critical area, an EIS is required. The construction of major roads and bridges are considered environmentally critical projects for which EISs and ECCs are mandated.

The EIS refers to both the document and the study of a project's environmental impact, including a discussion of the scoping agreement identifying critical issues and concerns as validated by the EMB, environmental risk assessment if determined necessary by EMB during the scoping, environmental management program, direct and indirect consequences to human welfare and ecological as well as environmental integrity. The IEE refers to the document and the study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas.

While the EIS or an IEE may vary from project to project, as a minimum, it contains all relevant information regarding the projects' environmental effects. The entire process of organization, administration and assessment of the effects of any project on the quality of the physical, biological and socio-economic environment as well as the design of appropriate preventive, mitigating and enhancement measures is known as the EIS System. The EIS System successfully culminates in the issuance of an ECC. The ECC is a Government certification, that the proposed project or undertaking will not cause a significant negative environmental impact; that the proponent has complied with all the requirements of the EIS System and that the proponent is committed to implement its approved Environmental Management Plan in the EIS or, if an IEE was required, that it shall comply with the mitigation measures provided therein before or during the operations of the project and in some cases, during the project's abandonment phase. The ECC also provides for other terms and conditions, any violation of which would result in a fine or the cancellation of the ECC.

Project proponents that prepare an EIS are required to establish an Environmental Guarantee Fund (“**EGF**”) when the ECC is issued to projects determined by the DENR to pose a significant public risk to life, health, property and the environment. The EGF is intended to answer for damages caused by such a project as well as any rehabilitation and restoration measures. Project proponents that prepare an EIS are mandated to include a commitment to establish an Environmental Monitoring Fund (“**EMF**”) when an ECC is eventually issued. The EMF shall be used to support the activities of a multi-partite monitoring team which will be organized to monitor compliance with the ECC and applicable laws, rules and regulations.

All development projects, installations and activities that discharge liquid waste into and pose a threat to the environment of the Laguna de Bay Region are also required to obtain a discharge permit from the Laguna Lake Development Authority.

PROPERTY REGISTRATION AND NATIONALITY RESTRICTIONS

The Philippines has adopted a system of land registration which conclusively confirms land ownership which is binding on all persons, including the Government. Once registered, title to registered land can no longer be challenged except with respect to claims noted on the certificate of title. Title to registered lands cannot be lost through adverse possession or prescription. Presidential Decree No. 1529, as amended, codified the laws relative to land registration and is based on the generally accepted principles underlying the Torrens System.

After proper surveying, application, publication and service of notice and hearing, unregistered land may be brought under the system by virtue of judicial or administrative proceedings. In a judicial proceeding, the Regional Trial Court within whose jurisdiction the land is situated confirms title to the land. Persons opposing the registration may appeal the judgment within 15 days to the Court of Appeals or the Supreme Court. After the lapse of the period of appeal, the Register of Deeds may issue an Original Certificate of Title. The decree of registration may be annulled on the ground of actual fraud within one year from the date of entry of the decree of registration. Similarly, in an administrative proceeding, the land is granted to the applicant by the DENR by issuance of a patent and the patent becomes the basis for issuance of the Original Certificate of Title by the Register of Deeds. All land patents such as homestead, sales and free patents, must be registered with the appropriate registry of deeds since the conveyance of the title to the land covered thereby takes effect only upon such registration.

Any subsequent transfer of encumbrance of the land must be registered in the system in order to bind third persons. Subsequent registration and a new Transfer Certificate of Title in the name of the transferee will be granted upon presentation of certain documents and payment of fees and taxes.

All documents evidencing conveyances of subdivision and condominium units should also be registered with the Register of Deeds. Title to the subdivision or condominium unit must be delivered to the purchaser upon full payment of the purchase price. Any mortgage existing thereon must be released within six months from the delivery of title. To evidence ownership of condominium units, a Condominium Certificate of Title is issued by the Register of Deeds.

NATIONALITY RESTRICTIONS

The Philippine Constitution limits ownership of land in the Philippines to Filipino citizens or to corporations the outstanding capital stock of which is at least 60% owned by Philippine Nationals. While the Philippine Constitution prescribes nationality restrictions on land ownership, there is generally no prohibition against foreigners owning building and other permanent structures. However, with respect to condominium developments, the foreign ownership of units in such developments is limited to 40%.

Republic Act No. 7042, as amended, otherwise known as the Foreign Investments Act of 1991, and the Ninth Regular Foreign Investment Negative List, provide that certain activities are nationalized or partly- nationalized, such that the operation and/or ownership thereof are wholly or partially reserved for Filipinos. Under these regulations, and in accordance with the Philippine Constitution, ownership of private lands is partly- nationalized and thus, landholding companies may only have a maximum of 40% foreign equity.

Considering the foregoing, for as long as the Company or any of its subsidiaries own land in the Philippines, or continue to conduct property development in the Philippines, foreign ownership in the Company shall be limited to a maximum of 40% of the capital stock of the Company which is outstanding and entitled to vote. Accordingly, the Company shall disallow the issuance or the transfer of shares to persons other than Philippine Nationals and shall not record transfers in its books if such issuance or transfer would result in the Company ceasing to be a Philippine National for purposes of complying with the restrictions on foreign ownership discussed above. Philippine National, as defined under the Foreign Investment Act, means a citizen of the Philippines, or a domestic partnership or association wholly-owned by citizens of the Philippines, or a corporation organized under the laws of the Philippines of which at least 60% of the capital stock outstanding and the entitlement to vote is owned and held by citizens of the Philippines, or a corporation organized abroad and registered to do business in the Philippines under the Philippine Corporation Code, of which 100% of the capital stock outstanding and the entitlement to vote is wholly-owned by Filipinos or a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine national and at least 60% of the fund will accrue to the benefit of Philippine nationals.

Compliance with the required ownership by Philippine Nationals of a corporation is determined on the basis of its outstanding capital stock whether fully paid or not, but only such stocks which are generally entitled to vote are considered.

In the case of *Express Investments v. Bayan Telecommunications, Inc.* (G.R. No. 174457-59) (the “**Express Investments Case**”), the Supreme Court ruled that “the term ‘capital’ in Section 11, Article XII of the Constitution refers only to shares of stock that can vote in the election of directors.”

On May 20, 2013, the SEC, however, issued Memorandum Circular No. 8 or the Guidelines on Compliance with the Filipino-Foreign Ownership Requirements Prescribed in the Constitution and/or Existing Laws by Corporations Engaged in Nationalized and Partly Nationalized Activities. The Circular provides that for purposes of determining compliance with nationality restrictions, the required percentage of Filipino ownership shall be applied to both (a) the total number of outstanding shares of stock entitled to vote in the election of directors; and (b) the total number of outstanding shares of stock, whether or not entitled to vote in the election of directors, which seems to contradict the *Express Investments Case* above. A petition questioning the constitutionality of the SEC issuance is currently pending with the Supreme Court.

More recently, in the case of *Narra Nickel Mining and Development Corporation, et.al vs. Redmont Consolidated Mines Corp* (G.R. No. 195580) and its corresponding motions for reconsideration (the “**Narra Nickel Case**”), the Supreme Court affirmed that the Grandfather Rule, wherein shares owned by corporate shareholders are attributed either as part of Filipino or foreign equity by determining the nationality not only of such corporate shareholders, but also such corporate shareholders’ own shareholders, until the nationality of shareholder individuals is taken into consideration, is to be used jointly and cumulatively with the Control Test, which merely takes into account the nationality of the listed shareholders of the corporation. Such joint and cumulative application shall be observed as follows: (1) if the corporation’s Filipino equity falls below 60%, such corporation is deemed foreign-owned, applying the Control Test; (2) if the corporation passes the Control Test, the corporation will be considered a Filipino corporation only if there is no doubt as to the beneficial ownership and control of the corporation; and (3) if the corporation passes the Control Test but there is doubt as to the beneficial ownership and control of the corporation, the Grandfather Rule must be applied.

On January 28, 2015, the Supreme Court issued a Resolution dismissing with finality the Motion for Reconsideration of its decision in the *Narra Nickel Case*. Thus, the Supreme Court affirmed that the Grandfather Rule is to be used jointly and cumulatively with the Control Test, as follows: (1) if the Filipino equity of the corporation falls below 60%, it is immediately considered foreign-owned, applying the Control Test; (2) if the corporation passes the Control Test, the corporation will be considered a Filipino corporation only if there is no doubt as to the beneficial ownership and control of the corporation; and (3) if the corporation passes the Control Test but there is doubt as to the beneficial ownership and control of the corporation, the Grandfather Rule must be applied.

Thus, although the *Narra Nickel Case* in no way abandons the use of the Control Test and the Foreign Investments Act provisions in determining the nationality of a corporation, it appears to expand and/or modify the doctrine laid in the *Gamboa Case* cited above. Under the Constitution, however, no doctrine or principle of law laid down by the Supreme Court in a decision *en banc* or in division may be modified or reversed except by the court sitting *en banc*.

PROPERTY TAXATION

Real property taxes are payable annually based on the property’s assessed value. The assessed value of property and improvements vary depending on the location, use and the nature of the property. Land is ordinarily assessed at 20% to 50% of its fair market value; buildings may be assessed at up to 80% of their fair market value; and machinery may be assessed at 40% to 80% of its fair market value. Real property taxes may not exceed 2% of the assessed value in municipalities and cities within Metro Manila or in other chartered cities and 1% in all other areas. An additional special education fund tax of 1% of the assessed value of the property is also levied annually.

COMPETITION LAW

Republic Act No. 10667, otherwise known as the Philippine Competition Act (the “**PCA**”), was signed into law on July 21, 2015 and took effect on August 8, 2015. This Act aims to codify anti-trust laws in the Philippines and it provides the competition framework in the country. The Philippine Competition Act was enacted to provide free and fair competition in trade, industry, and all commercial economic activities. It prohibits anti-competitive agreements between or among competitors, and mergers and acquisitions which have the object or effect of substantially preventing, restricting, or lessening competition. It also prohibits practices which involve abuse of dominant position, such as selling goods or services below cost to drive out competition, imposing barriers to entry or prevent competitors from growing, and setting prices or terms that discriminate unreasonably between customers or sellers or the same goods, subject to exceptions.

To implement its objectives, the Philippine Competition Act provides for the creation of a Philippine Competition Commission (“**PCC**”), an independent quasi-judicial agency to be composed of five (5) commissioners. Among the PCC’s powers are to: conduct investigations, issue subpoenas, conduct administrative proceedings, and impose

administrative fines and penalties. To conduct a search and seizure, the PCC must apply for a warrant with the relevant court.

On June 3, 2016, the PCC issued the implementing rules and regulations (“**IRR**”) of the Philippine Competition Act. Under the IRR, as a general rule, parties to a merger or acquisition are required to provide notification when: (a) the aggregate annual gross revenues in, into or from the Philippines, or value of the assets in the Philippines of the ultimate parent entity of the acquiring or the acquired entities exceed ₱1.0 billion (“**Size of Party**”) and (b) the value of the transaction exceeds ₱1.0 billion, as determined in the IRR (“**Size of Transaction**”); while Parties to a joint venture transaction shall also be subject to the notification requirement if either (a) the aggregate value of the assets that will be combined in the Philippines or contributed into the proposed joint venture exceeds ₱1.0 billion, or (b) the gross revenues generated in the Philippines by assets to be combined in the Philippines or contributed into the proposed joint venture exceed ₱1.0 billion.

The Size of Party and Size of Transactions have been gradually increased by the PCC to ensure that the thresholds maintain their real value over time and relative to the size of the economy. Beginning March 1, 2019 and for every subsequent year, the notification thresholds will be indexed based on the official estimates by the Philippine Statistics Authority of the nominal GDP growth for the previous calendar year rounded up to the nearest hundred million.

Under Commission Resolution No. 02-2020, effective March 1, 2020, the threshold in relation to the Size of Person was increased to ₱6,000,000,000.00, and the threshold for the Size of Transaction was increased to ₱2,400,000,000.00.

On September 11, 2020, in response to the COVID-19 pandemic, President Rodrigo Duterte signed into law Republic Act No. 11494, otherwise known as the “Bayanihan to Recover as One Act” which became effective on September 15, 2020. Under the Bayanihan to Recover as One Act, all mergers and acquisitions entered into within a period of two (2) years from its effectivity, with transaction values below ₱50 billion shall be exempt from compulsory notification under the PCA. In addition, the PCC’s power to review mergers and acquisitions *motu proprio* shall be suspended for one (1) year from effectivity of the Bayanihan to Recover as One Act. The PCC issued Memorandum Circular No. 20-003 reiterating the foregoing exemptions and clarified that mergers and acquisitions entered into prior to the Bayanihan to Recover as One Act which exceed the following thresholds: (a) Size of Party exceeds ₱6.0 billion; and (b) Size of Transaction exceeds ₱2.4 billion, are still subject to compulsory notification under the PCA, and all mergers and acquisitions entered into prior to the effectivity of the Bayanihan to Recover as One Act may still be subject to the *motu proprio* review of the PCC. On October 5, 2020, the PCC issued the Rules for the Implementation of Section 4 (eee) of Republic Act No. 11494, Otherwise Known as the “Bayanihan to Recover as One Act,” Relating to the Review of Mergers and Acquisitions.

On September 16, 2022, and with the expiration of the 2-year moratorium under the Bayanihan to Recover as One Act, the PCC provisionally set the thresholds in relation to the Size of Person and Size of Transaction by increasing these to ₱6,100,000,000.00 and ₱2,500,000,000.00, respectively. The thresholds have since been increased, and beginning March 1, 2023, the Size of Person and Size of Transaction thresholds have been increased to ₱7,000,000,000.00 and ₱2,900,000,000.00, respectively.

The Size of Person is determined by computing the aggregate value of the assets in the Philippines and revenues from sales in, into, or from the Philippines of the filing ultimate parent entity, including all entities that it controls, directly or indirectly.

For transactions involving the purchase of assets such as land, the Size of Transaction is determined by taking the higher of the gross revenues the asset generates in the Philippines or the value of the asset itself, both as indicated in the most recently audited financial statements. For joint venture transactions, the Size of Transaction is determined by computing the higher of the aggregate value of the assets combined or contributed “in” the Philippines or the gross revenues generated “in” the Philippines by the assets to be combined or contributed “in” the Philippines. In determining the value of the assets, the following shall be included: (1) Value of all assets that are not owned by any of the joint venture parties for which agreements have been secured by any of the joint venture parties for the joint venture to obtain at any time, whether or not such entity is subject to the requirements of the act; (2) any amount of credit or any obligations of the joint venture which any of the joint venture parties agreed to extend or guarantee to the joint venture, at any time; and (3) the value of the assets owned by any of the joint venture parties that will be combined in the Philippines or contributed into the proposed joint venture.

GOVERNMENT PERMITS AND LICENSES

The Company believes that the Company and its subsidiaries have all the material permits and licenses which are necessary to operate their respective businesses as currently conducted, and the failure to possess any of which would have a material adverse effect to their respective businesses. As confirmed by Atty. Rosan R. Lee in a legal opinion dated September 7, 2023, such permits and licenses are valid and subsisting as of the date of the legal opinion.

COST AND EFFECT OF COMPLIANCE WITH ENVIRONMENTAL LAWS

In general, there have been no materially significant or extraordinary costs incurred by the Company and its subsidiaries in respect of environmental compliance. The costs of compliance with applicable environmental laws depend on the nature of the project and are conditioned on various factors, particularly local conditions.

The Company incurs expenses for the purposes of complying with environmental laws that consist primarily of payments for Government regulatory fees. Such fees are standard in the industry and are minimal.

The Company secures ECCs prior to commencement of its projects and exerts best efforts to comply with the terms and conditions specified therein. Further, the Company, through its construction and property management arms, continues to keep itself abreast of the latest technologies that enable it to implement existing sanitation, environment and safety laws and regulations at cost-efficient means.

DESCRIPTION OF PROPERTIES

Details of the Company's raw land inventory, segregated into those properties directly owned by the Company and those properties subject to joint venture agreements, as of June 30, 2023 are set out in the table below.

Region	Area (in has)
Mega Manila	1,439.03
Mindanao	715.17
Other parts of Luzon	515.49
Visayas	415.71
	<u>3,085.41</u>

The Company's raw land inventory per subsidiary as of June 30, 2023 is as follows:

Subsidiary	Area (in has)
Camella Homes, Inc.	976.53
Communities Philippines	1,556.43
Crown Asia	67.43
Brittany	288.74
Vista Residences	3.81
Vistamalls, Inc.	192.46
	<u>3,085.40</u>

The Company through its subsidiaries has 191.17 hectares of land used for retail mall development.

The land and improvements are not used to secure the borrowing of VLL and its subsidiaries (see note 14 of the 2022 Audited Financial Statements).

Property Acquisitions

With 3,085.41 hectares in its land bank as of June 30, 2023, Vista Land believes that it has sufficient properties for development of sellable inventory units in the next twenty-seven to thirty years.

Nevertheless, the Company continues to seek new opportunities for additional, large-scale, master-planned developments in order to replenish its inventory and provide investors with an entry point into attractive long-term value propositions. The focus is on acquiring key sites in the Mega Manila area and other areas with progressive economies that offer attractive potential and where projected value appreciation will be fastest.

Real Estate Inventories

The Company's real estate inventory consists of the following as of June 30, 2023:

Real Estate Property	Value
Subdivision land for sale and development	₱46,951.03 million
Residential house units for sale and development	1,305.74 million
Condominium units for sale and development	9,863.41 million
Construction materials and others	1,440.97 million

Subdivision land for sale and development represents real estate subdivision projects in which the Vista Group has been granted license to sell by the HLURB and raw land inventories.

Real estate inventories recognized as cost of sales amounted to ₱12,020.71 million in 2020, ₱8,533.40 million in 2021, ₱5,542.97 million in 2022 and ₱3,329.16 million in first six months of 2023, and are included as cost of real estate sales in the consolidated statements of comprehensive income. Cost of real estate sales includes acquisition cost of subdivision land, amount paid to contractors, development costs, capitalized borrowing costs and other costs attributable to bringing the real estate inventories to its intended condition.

Liabilities for Purchased Land

Liabilities for purchased land are payables to various real estate property sellers. Under the terms of the agreements executed by the Vista Group covering the purchase of certain real estate properties, the titles of the subject properties

shall be transferred to the Vista Group only upon full payment of the real estate loans.

Mortgage, Lien or Encumbrance Over Properties

The lots on which Starmall Alabang is located, which lots are owned by Manuela Corporation, are currently mortgaged in favor of BDO Unibank, Inc. to secure a loan of Manuela Corporation in the aggregate principal amount of ₱2,000 million. The mortgage secures the fulfillment of the outstanding loan obligations and does not restrict the right of ownership and possession by Manuela Corporation as registered owner of the lots.

Except for mortgage discussed above, all other properties mentioned in this section are free of any lien or encumbrance.

LEGAL PROCEEDINGS

The Company's subsidiaries are subject to various civil lawsuits and legal actions arising in the ordinary course of business. Typical cases include adverse claims against a subsidiary's title over parcels of land and claims brought by buyers seeking the return of deposits or cancellations of sales. In the opinion of the Company's management, none of the lawsuits or legal actions to which it is currently subject will materially affect the daily operations of its business nor will they have a material adverse effect on the Company's consolidated financial position and results of operations.

MARKET PRICE OF AND DIVIDENDS ON VLL'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's common shares have been listed on the Philippine Stock Exchange (PSE) since 2007. The common shares (PSE: VLL) closed at ₱1.62/share on November 15, 2023.

DIVIDENDS

The declaration and payment of dividends are subject to certain conditions under the Company's existing long term loan agreements with various banks and other. Under said loan agreements, the Company may declare and pay dividends provided: (a) all payments (including pre-payments) due on said loan and premiums on insurance of assets are current and updated; (b) all financial covenants set forth therein are satisfied; (c) certain financial ratios are met and such payment will not result in the violation of the required financial ratios under the loan agreements; (d) no event of default as provided in the loan agreements shall exist or occur as a result of such payment; and (e) the total amount of the cash dividends is at least 20% of the Company's net income after taxes for the fiscal year preceding the declaration.

The Company intends to maintain an annual cash dividend payment ratio for its Shares of approximately at least 20% of its consolidated net income from the preceding fiscal year, subject to the requirements of the applicable laws and regulations and the absence of circumstances which may restrict the payment of such dividends. Circumstances which could restrict the payment of cash dividends include, but are not limited to, when the Company undertakes major projects and developments requiring substantial cash expenditures or when it is restricted from paying cash dividends by its loan covenants. The Company's Board, may, at any time, modify such dividend payout ratio depending upon the results of operations and future projects and plans of the Company.

As of the date hereof, none of the Subsidiaries has a formal dividend policy. However, the Company and its management, to the extent permissible under applicable law and consistent with the Company's and each subsidiary's fiscal requirements, generally procures that up to 100% of each subsidiary's unrestricted retained earnings are declared, distributed and paid as dividend by such subsidiary to the Company.

CASH DIVIDEND

₱0.0292 per share Regular Cash Dividend

Declaration Date: September 30, 2022

Record date: October 14, 2022

Payment date: October 28, 2022

₱0.0250 per share Regular Cash Dividend

Declaration Date: September 30, 2021

Record date: October 15, 2021

Payment date: October 29, 2021

₱0.05 per share Regular Cash Dividend

Declaration Date: September 30, 2020

Record date: October 16, 2020

Payment date: October 30, 2020

₱0.2646 per share Regular Cash Dividend

Declaration Date: September 30, 2019

Record date: October 16, 2019

Payment date: October 31, 2019

₱0.2252 per share Regular Cash Dividend

Declaration Date: September 28, 2018

Record date: October 15, 2018

Payment date: October 29, 2018

₱0.1342 per share Regular Cash Dividend

Declaration Date: September 29, 2017

Record date: October 16, 2017

Payment date: October 30, 2017

₱0.1185 per share Regular Cash Dividend

Declaration Date: September 28, 2016

Record date: October 13, 2016

Payment date: October 28, 2016

HIGH AND LOW SHARE PRICES

The market capitalization of VLL as of December 31, 2022 based on the closing price of ₱1.65/share was approximately ₱20,951.71 million.

As of June 30, 2023, VLL's market capitalization stood at ₱21,586.61 million based on a ₱1.70/share closing price.

Quarter	2023			2022			2021		
	High	Low	Close	High	Low	Close	High	Low	Close
1 st	2.01	1.62	1.71	3.53	2.57	2.61	4.81	3.72	3.74
2 nd	1.78	1.65	1.70	2.84	1.92	1.98	3.88	3.40	3.80
3 rd	-	-	-	2.26	1.60	1.60	3.87	3.38	3.50
4 th	-	-	-	1.73	1.39	1.65	3.86	3.35	3.53

As of August 31, 2023, the foreign equity ownership of the Company is 8.47% of the total issued common shares of 12,698,007,676 and total issued preferred shares of 3,300,000,000.

The number of shareholders of record as of August 31, 2023 was 933. Common shares outstanding as of August 31, 2023 were 12,698,007,676.

As of August 31, 2023, the Top 20 stockholders of VLL own an aggregate of 15,996,792,676 common and preferred shares or 99.99% of outstanding share capital.

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

Common

	Name	No. of Shares	Percentage ¹
1	FINE PROPERTIES, INC. ²	7,125,545,458	56.12%
2	PCD NOMINEE CORPORATION (FILIPINO) ³	1,707,340,160	13.45%
3	PCD NOMINEE CORPORATION (FOREIGN)	1,354,633,812	10.67%
4	ALTHORP HOLDINGS, INC. ⁴	1,235,292,469	9.73%
5	MANUELA CORPORATION ⁵	752,208,215	5.92%
6	MANUEL B. VILLAR, JR. ⁵	293,969,986	2.32%
7	MANUEL PAOLO A. VILLAR ⁶	222,796,324	1.75%
8	JOHN T. LAO	2,853,000	0.02%
9	SULFICIO TAGUD JR. &/OR ESTER TAGUD	401,000	0.00%
10	ACRIS CORPORATION	300,000	0.00%
11	CHRISTIAN A. AGUILAR	290,617	0.00%
12	BENJAMARIE THERESE N. SERRANO	200,000	0.00%
13	MARIBETH TOLENTINO	200,000	0.00%
14	CHERYL JOYCE YOUNG	200,000	0.00%
15	LUCIO W. YAN &/OR CLARA Y. YAN	150,000	0.00%
16	MAXIMO S. UY &/OR LIM HUE HUA	120,000	0.00%

17	LUCIO WONG YAN	100,000	0.00%
18	ALBERTO MENDOZA &/OR JEANIE MENDOZA	94,635	0.00%
19	LUCIANO R. TAN	50,000	0.00%
20	VICENTE DE VERA	47,000	0.00%
	Total	12,696,792,676	99.99%
	Others	1,215,000	0.01%
	TOTAL OUTSTANDING, ISSUED AND SUBSCRIBED	12,698,007,676	100.00%

¹ Based on the total outstanding, issued and subscribed shares of 12,698,007,676 as of August 31, 2023

² Includes 443,192,641 lodged under PCD Nominee Corp. (Filipino)

³ Excludes 416,128,700 treasury shares lodged under PCD Nominee Corp. (Filipino)

⁴ Includes 10,983,363 shares owned by ML&H Corporation which have been merged with Althorp Holdings, Inc. and 1,224,309,106 lodged under PCD Nominee Corp. (Filipino)

⁵ Lodged under PCD Nominee Corp. (Filipino)

⁶ Includes 222,596,324 lodged under PCD Nominee Corp. (Filipino)

Preferred

	Name	No. of Shares	Percentage
1	FINE PROPERTIES, INC.	3,300,000,000	100.00%
	Total outstanding, issued and subscribed	3,300,000,000	100.00%

RECENT SALES OF UNREGISTERED OR EXEMPT SECURITIES, INCLUDING RECENT ISSUANCE OF SECURITIES CONSTITUTING EXEMPT TRANSACTIONS

Corporate Notes

On July 15, 2019, the Company entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of five-year corporate notes due 2024 amounting to ₱15 billion at a fixed rate of 7.125% per annum. The Company made an initial drawdown of ₱14.5 billion at a fixed interest rate of 7.1250% per annum. On October 17, 2019, the Company made a subsequent drawdown of ₱0.5 billion at a fixed interest rate of 7.1250%. The proceeds of the corporate notes were utilized for the 2019 capital expenditures for commercial property projects and to fund other general corporate expenses.

On March 28, 2022, the Company entered into a Five-Year Corporate Notes Facility Agreement amounting to ₱6 billion. The Company made an initial drawdown of ₱4 billion at a fixed interest rate of 6.6416% per annum. On June 1, 2022, the Company made a subsequent drawdown of ₱2 billion at a fixed interest rate of 7.2359%. The proceeds of the corporate notes were utilized for the purpose of refinancing existing or maturing short term obligation and for other general corporate purposes.

On December 28, 2022, the Company entered into a Three-Year Corporate Notes Facility Agreement amounting to ₱12 billion. The Company made an initial drawdown of ₱8.6 billion at a fixed interest rate of 7.9314% per annum. On January 31, 2023, the Company made a subsequent drawdown of ₱2.9 billion at a fixed interest rate of 7.2595% per annum. The proceeds of the corporate notes were utilized for the purpose of refinancing existing or maturing obligations of the Vista Group and for other general corporate purposes.

On April 4, 2023, the Company entered into a Three-Year Corporate Notes Facility Agreement amounting to ₱10 billion. The Company made an initial drawdown of ₱6 billion at a fixed interest rate of 7.6139% per annum. On April 14, 2023, the Company made a subsequent drawdown of ₱4 billion at a fixed interest rate of 7.6264% per annum. The proceeds of the corporate notes were utilized for the purpose of refinancing existing or maturing obligations of the Vista Group and for other general corporate purposes.

As part of the issuance of the aforementioned corporate notes, the subsidiaries of the Company that acted as guarantors, irrevocably and unconditionally, are: Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. and Vista Residences Inc.

The aforementioned corporate notes were offered exclusively to, and are held by primary institutional lenders in the Philippines, pursuant to Section 10.1 of the SRC and Rule 10.1.4 of the SRC implementing rules and regulations. As such, the corporate notes are considered exempt securities and no notice of exemption from the registration requirements under the SRC was required to be filed with the SEC in relation to the sale of these corporate notes.

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

Results of operations covering the first six (6) months of 2023 vs. the first six (6) months of 2022

Statement of Profit or Loss and other Comprehensive Income

	Unaudited Apr-Jun Q2 2023	Unaudited Jan - Jun 2023	Unaudited Apr-Jun Q2 2022	Unaudited Jan - Jun 2022
(in ₱ millions, except for ratios)				
REVENUE				
Real estate	3,259	8,017	3,928	8,710
Rental income	4,138	7,922	3,595	6,392
Interest income from installment contracts receivable	148	295	179	372
Parking, hotel, mall administrative and processing fees, and other	740	1,245	214	769
	8,285	17,479	7,916	16,243
COSTS AND EXPENSES				
Costs of real estate sales	1,366	3,329	1,710	3,863
Operating expenses	3,497	6,419	2,517	5,901
	4,863	9,748	4,227	9,764
OTHER EXPENSES				
Gain from insurance proceeds	1,841	1,841	-	-
Interest income from investments and other income	382	873	296	713
Interest and other financing charges	(1,378)	(2,855)	(1,728)	(2,988)
	845	(141)	(1,431)	(2,275)
INCOME BEFORE INCOME TAX	4,267	7,590	2,258	4,204
PROVISION FOR INCOME TAX	1,004	1,786	551	1,026
NET INCOME	3,263	5,804	1,707	3,178
OTHER COMPREHENSIVE INCOME				
Changes in fair value of equity investments at fair value through other comprehensive income	15	30	2	2
Cumulative translation adjustments	27	58	52	56
	42	88	54	58
TOTAL COMPREHENSIVE INCOME	3,305	5,892	1,761	3,236
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the Parent Company	2,802	4,885	1,178	2,739
Non-controlling interests	461	919	529	439
TOTAL COMPREHENSIVE INCOME	3,263	5,804	1,707	3,178
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Equity holders of the Parent Company	2,844	4,974	1,232	2,797
Non-controlling interests	461	918	529	440
TOTAL COMPREHENSIVE INCOME	3,305	5,892	1,761	3,237

Basic/ Diluted Earnings Per Share	0.235	0.409	0.099	0.229
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Revenues

Real Estate

The Company recorded revenue from real estate sales of ₱8,017 million for the six months ended June 30, 2023, a decrease of 8% from ₱8,710 million for the six months ended June 30, 2022. This was primarily attributable to the decrease in the overall completion rate of sold inventories of some of its business units. The Company uses the Percentage of Completion method of revenue recognition where revenue is recognized in reference to the stages of development of the properties:

- Real estate revenue from Vista Residences increased by 23% to ₱1,677 million for the six months ended June 30, 2023 from ₱1,362 million for the six months ended June 30, 2022. This increase was principally attributable to the increase in the number of sold condominium units completed or under construction during the period. Vista Residences is the business unit of Vista Land that develops and sells vertical projects across the Philippines.
- Real estate revenue of Crown Asia increased by 6% to ₱314 million for the six months ended June 30, 2023 from ₱296 million for the six months ended June 30, 2022. This increase was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the upper middle-income housing segment during the year.
- Real estate revenue of Brittany decreased by 4% to ₱637 million for the six months ended June 30, 2023 from ₱660 million in the same period last year. This decrease was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the high-end or upscale housing segment.
- Real estate revenue of Camella decreased by 9% to ₱2,260 million for the six months ended June 30, 2023 from ₱2,487 million for the six months ended June 30, 2022. This decrease was principally attributable to the decrease in the number of sold homes completed or under construction in the Mega Manila area in the low and affordable housing segment during the period as a result of the extended down payment terms implemented in the previous years.
- Real estate revenue of Communities Philippines decreased by 20% to ₱3,129 million for six months ended June 30, 2023 from ₱3,905 million for the six months ended June 30, 2022. This decrease was principally attributable to the decrease in the number of sold homes completed or under construction outside the Mega Manila area in the low and affordable housing segment during the period as a result of the extended down payment terms implemented in the previous years.

Rental income

Rental income increased by 24% from ₱6,392 million for the six months ended June 30, 2022 to ₱7,922 million for the six months ended June 30, 2023. The increase was primarily attributable to higher occupancy and the increase in rates for the period including the upside from the higher sales of variable rental based tenants.

Interest income from installment contract receivable and investments

Interest income from installment contract receivable and investments increased by 8% from ₱1,085 million for the six months ended June 30, 2022 to ₱1,168 million for the six months ended June 30, 2023. The increase was primarily attributable the increase in interest income from investments of 22% to ₱873 million offset by the decrease in the interest income from installment contract receivables of 21% to ₱295 million for the six months ended June 30, 2023.

Parking, hotel, mall administrative and processing fees and others

Income from parking, hotel, mall administrative and processing fees and others increased by 62% from ₱769 million for the six months ended June 30, 2022 to ₱1,245 million for six months ended June 30, 2023. The increase was primarily attributable to the increase mall related administrative and processing fees, parking, hotel operations as well as forfeitures.

Costs and Expenses

Cost and expenses was flat to ₱9,748 million for the six months ended June 30, 2023 from ₱9,764 million for the six months ended June 30, 2022.

- Cost of real estate sales decreased by 14% from ₱3,863 million for the six months ended June 30, 2022 to ₱3,329 million for the six months ended June 30, 2023 primarily due to the decrease in the overall recorded sales of Vista Land's business units and cost savings from various cost saving initiatives implemented.

- Operating expenses increased by 9% from ₱5,901 million for the six months ended June 30, 2022 to ₱6,419 million for the six months ended June 30, 2023 with increases of the following:
 - an increase in advertising and promotion from ₱95 million for the six months ended June 30, 2022 to ₱388 million for the six months ended June 30, 2023 due to various advertising campaigns as the company launch a number of Vista Estate projects across the country.
 - an increase in repairs and maintenance from ₱428 million for the six months ended June 30, 2022 to ₱648 million in the six months ended June 30, 2023 due to the various site preparations for potential Vista Estate launch.
 - an increase in occupancy costs from ₱378 million for the six months ended June 30, 2022 to ₱625 million for the six months ended June 30, 2023 due to the increased in security and other occupancy related expenses of our malls.

Gain from insurance proceeds

The company recognized a gain from insurance proceed amounting to ₱1,841 million for the six months ended June 30, 2023.

Interest and other financing charges

Interest and other financing charges decreased by 4% from ₱2,988 million for the six months ended June 30, 2022 to ₱2,855 million for the six months ended June 30, 2023. The decrease was primarily attributable to the capitalization for the period.

Provision for Income Tax

Provision for income tax increased by 74% from ₱1,026 million for the six months ended June 30, 2022 to ₱1,786 million for the six months ended June 30, 2023 primarily due to the higher taxable base for the period coming from the higher contribution of the commercial leasing segment.

Net Income

As a result of the foregoing, the Company's net income increased by 83% to ₱5,804 million for the six months ended June 30, 2023 from ₱3,178 million for the six months ended June 30, 2022.

For the 1st semester of 2023, except for the impact of the COVID-19 pandemic, there were no other 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 for the gain from insurance proceeds, there are no other significant elements of income or loss that did not arise from the Company's continuing operations.

FINANCIAL CONDITION

As of June 30, 2023 vs. December 31, 2022

	Unaudited June 30, 2023	Audited December 31, 2022
In ₱ millions		
ASSETS		
Current Assets		
Cash and cash equivalents	₱10,439	₱15,070
Short-term cash investments	7	47
Current portion of:		
Receivables	57,777	53,235
Cost to obtain	284	386
Investments at amortized cost	13,924	9,440
Real estate inventories	59,561	53,534
Other current assets	5,962	5,725
Total Current Assets	147,954	137,437
Noncurrent Assets		
Investments at amortized cost - net of current portion	26,999	32,059

Investments at fair value through other comprehensive income	147	117
Receivables – net of current portion	20,819	21,166
Cost to obtain contract – net of current portion	275	355
Project development costs	1,448	1,269
Advances to a related party	7,812	7,042
Investment in joint venture	476	468
Property and equipment	2,416	2,301
Investment properties	122,035	118,344
Goodwill	147	147
Pension assets - net	313	321
Deferred tax assets - net	134	111
Other noncurrent assets	1,264	1,077
Total Noncurrent Assets	184,285	184,777
	₱332,239	₱322,214

LIABILITIES AND EQUITY

Current Liabilities

Accounts and other payables	₱18,982	₱15,891
Security deposits and advance rent	1,898	1,857
Income tax payable	174	127
Dividends payable	81	96
Current portion of:		
Contract liabilities	1,245	1,085
Bank loans	8,844	11,562
Loans payables	4,026	3,767
Notes payable	12,743	12,746
Lease liabilities	381	368
Total Current Liabilities	₱48,374	₱47,499

Noncurrent Liabilities

Contract liabilities – net of current portion	₱745	₱1,058
Notes payable - net of current portion	98,602	89,702
Bank loans - net of current portion	38,422	44,385
Loans payable - net of current portion	1,550	1,567
Lease liabilities – net of current portion	5,040	5,066
Deferred tax liabilities - net	7,223	6,107
Other noncurrent liabilities	2,973	3,179
Total Noncurrent Liabilities	154,555	151,064
Total Liabilities	202,929	198,563

Equity

Attributable to equity holders of the Parent Company		
Preferred stock	33	33
Common stock	13,114	13,114
Additional paid-in capital	30,685	30,685
Other comprehensive income	887	799
Treasury shares	(7,740)	(7,740)
Retained earnings	83,196	78,311
	120,175	115,202
Non-controlling interest	9,135	8,449
Total Equity	129,310	123,651
	₱332,239	₱322,214

Total assets as of June 30, 2023 were ₱332,239 million compared to ₱322,214 million as of December 31, 2022, or an increase of 3% due to the following:

- Cash and cash equivalents including short term and long term investments and investments at amortized costs decreased from ₱56,616 million as of December 31, 2022 to ₱51,369 million as of June 30, 2023 or a 9% decrease due uses of cash for the period specifically debt servicing and investing activities.

- Receivables including current portions thereof increased slightly by 6% from ₱74,401 million as of December 31, 2022 to ₱78,596 million as of June 30, 2023 due primarily to due to the increase in advances to contractors and supplier due to increased activities for the period.
- Real estate inventories increased by 11% from ₱53,534 million as of December 31, 2022 to ₱59,561 million as of June 30, 2023 due to project launches for the period.
- Investments at fair value through OCI increased by 26% from ₱117 million as of December 31, 2022 to ₱147 million as of June 30, 2023 due to increase in fair value of the investments for the period.
- Project development costs increased by 14% from ₱1,269 million as of December 31, 2022 to ₱1,448 million as of June 30, 2023 due to advances to joint venture partner for the period.
- Advances to a related party increased by 11% from ₱7,042 million as of December 31, 2022 to ₱7,812 million as of June 30, 2023 due to advances for the period.
- Property and equipment increased by 5% from ₱2,301 million as of December 31, 2022 to ₱2,416 million as of June 30, 2023 due to additions offset by depreciation and disposals for the period.
- Investment properties increased by 3% from ₱118,344 million as of December 31, 2022 to ₱122,035 million as of June 30, 2023 due primarily to additions and reclassification of land for commercial use for the period.
- Other assets, cost to obtain contract including current portions thereof increased by 3% from ₱7,543 million as of December 31, 2022 to ₱7,785 million as of June 30, 2023 due primarily to increase in prepaid expenses and cost to obtain during the period.

Total liabilities as of June 30, 2023 were ₱202,930 million compared to ₱198,564 million as of December 31, 2022, or an increase of 2%. This was due to the following:

- Accounts and other payables increased by 19% from ₱15,891 million as of December 31, 2022 to ₱18,982 million as of June 30, 2023 due accruals for the period.
- Current portion of security deposits and advance rent increased by 2% from ₱1,857 million as of December 31, 2022 to ₱1,898 million as of June 30, 2023 due to additions for the period.
- Income tax payable increased by 36% from ₱127 million as of December 31, 2022 to ₱174 million as of June 30, 2023 due to higher taxable income for the period.
- Dividends payable decreased by 15% from ₱96 million as of December 31, 2022 to ₱81 million as of June 30, 2023 due to settlement for the period.
- Notes payable including current portion increased by 9% from ₱102,448 million as of December 31, 2022 to ₱111,345 million as of June 30, 2023 due primarily to the issuance of peso denominated corporate notes during the period.
- Bank loans including current portion decreased by 16% from ₱55,947 million as of December 31, 2022 to ₱47,266 million as of June 30, 2023 due primarily to the payment during the period.
- Loans including current portion increased by 5% from ₱5,334 million as of December 31, 2022 to ₱5,576 million as of June 30, 2023 due primarily to the availments during the period.
- Deferred tax liabilities – net increased by 18% to ₱7,223 million as of June 30, 2023 from 6,107 million as of December 31, 2022 due to an increase in temporary difference that will result to a potential tax liability for the period.
- Other noncurrent liabilities decreased by 6% from ₱3,179 million as of December 31, 2022 to ₱2,973 million as of June 30, 2023 due primarily to the decrease in noncurrent portion of liabilities for purchase land, deferred output tax, and security deposits.

Total stockholder's equity increased by 5% from ₱123,651 million as of December 31, 2022 to ₱129,310 million as of June 30, 2023 due mainly to the net income and increase in other comprehensive income recorded for the period.

For the period ended June 30, 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.

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.

There are no material commitments for capital expenditures.

Except for the recovery as a result of the opening up of the economy, there are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

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 registrant's continuing operations.

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

Key Performance Indicators	06/30/2023	12/31/2022
Current ratio ^(a)	3.06:1	2.89:1
Liability-to-equity ratio ^(b)	1.57:1	1.61:1
	06/30/2023	06/30/2022
Interest expense/Income before Interest expense and Income tax ^(c)	27.3%	41.5%
Return on assets ^(d)	1.7%	1.0%
Return on equity ^(e)	4.5%	2.7%

Notes:

- (a) Current Ratio: This ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.*
- (b) Liability-to-equity ratio: This ratio is obtained by dividing the Company's Total Liabilities by its Total Equity. The ratio reveals the proportion of liability and equity a company is using to finance its business. It also measures a company's borrowing capacity.*
- (c) Interest expense/Income before interest expense and income tax: This ratio is obtained by dividing interest expense for the period by its income before interest expense. This ratio shows whether a company is earning enough profits before interest to pay its interest cost comfortably*
- (d) Return on assets: This ratio is obtained by dividing the Company's net income by its total assets. This measures the Company's earnings in relation to all of the resources it had at its disposal.*
- (e) Return on equity: This ratio is obtained by dividing the Company's net income by its total equity. This measures the rate of return on the ownership interest of the Company's stockholders.*

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 increased due primarily to the slight increase in the current liabilities with the corresponding significant increase in current assets brought about by the increase in the current portion of the receivables account.

Liability-to-equity ratio was flat.

Interest expense to Income before interest expense decreased due to the higher income for the period compared to the same period last year.

Return on asset increased in the six months ended June 30, 2023 compared to that of the six months ended June 30, 2022 due to the higher annualized income for the 2023.

Return on equity increased due primarily to the higher annualized income recorded for the period.

COMMITMENTS AND CONTINGENCIES

The Parent Company's subsidiaries are contingently liable for guarantees arising in the ordinary course of business, including surety bonds, letters of guarantee for performance and bonds for its entire real estate project.

REVIEW OF YEAR ENDED DECEMBER 31, 2022 VS YEAR ENDED DECEMBER 31, 2021

	December 31 2022	December 31 2021	Change Value	%age
	In ₱ millions, except ratios			
REVENUE				
Real estate	12,789.9	17,397.9	(4,608.0)	(26.5)%
Rental income	13,742.3	9,312.7	4,429.6	47.6%
Interest income from installment contracts receivable	701.3	774.4	(73.1)	(9.4)%
Parking, hotel, mall administrative and processing fees, and others	1,607.3	2,146.9	(539.6)	25.1%
	28,840.8	29,631.9	(791.1)	(2.7)%
COSTS AND EXPENSES				
Costs of real estate sales	5,543.0	8,533.4	(2,990.4)	(35.0)%
Operating expenses	9,647.4	9,407.8	239.6	2.5%
	15,190.4	17,941.2	(2,750.8)	(15.3)%
OTHER INCOME (EXPENSES)				
Interest income from investments and other income	981.2	1,549.4	(568.2)	(36.7)%
Interest and other financing charges	(5,217.9)	(4,315.3)	(902.6)	20.9%
	(4,236.7)	(2,765.9)	(1,470.8)	53.2%
INCOME BEFORE INCOME TAX	9,413.7	8,924.8	488.9	5.5%
PROVISION FOR INCOME TAX	2,021.1	1,957.6	63.5	3.2%
NET INCOME	7,392.6	6,967.2	425.4	6.1%

Revenues

Real Estate

The Company recorded revenue from real estate sales amounting to ₱12,789.9 million for the year ended December 31, 2022, a decrease of 26.5% from ₱17,397.9 million last year. This was primarily attributable to the decrease in the overall completion rate of sold inventories of its business units specifically in the affordable segment as a result various factors such as (a) the impact of the extended payment terms granted to buyers during the pandemic specifically in the affordable segment. (b) the implementation of the community quarantine that slowed down construction activities in certain areas (c) the rainy season in the 2nd half of the year. The Company uses the Percentage of Completion method of revenue recognition where revenue is recognized in reference to the stages of development of the properties:

- Real estate revenue of Brittany increased by 141.1% to ₱1,216.1 million for 2022 from ₱504.4 million last year. This increase was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the high-end housing segment.
- Real estate revenue of Crown Asia increased by 8.4% to ₱513.8 million for 2022 from ₱474.1 million in 2021. This increase was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the upper middle-income housing segment during the year.
- Real estate revenue from Vista Residences was flat at ₱2,505.9 million for 2022 from ₱2,512.1 million for 2021. This was principally attributable to the number of sold condominium units completed or under construction during the period. Vista Residences is the business unit of Vista Land that develops and sells vertical projects across the Philippines.

- Real estate revenue of Communities Philippines decreased by 16.7% to ₱5,587.2 million for 2022 from ₱6,709.9 million for 2021. This decrease was principally attributable to the decrease in the number of sold homes completed or under construction outside the Mega Manila area in the low and affordable housing segment during the period as a result of the various lockdown measures implemented in the provincial areas.
- Real estate revenue of Camella decreased by 58.8% to ₱2,966.8 million for 2022 from ₱7,197.5 million for 2021. This decrease was principally attributable to the decrease in the number of sold homes completed or under construction in the Mega Manila area in the low and affordable housing segment during the period.

Rental income

Rental income increased by 47.6% from ₱9,312.7 million for the year ended December 31, 2021 to ₱13,724.3 million for the year ended December 31, 2022. The increase was primarily attributable to the recovery of the malls, increase foot traffic and the contribution of newly opened commercial centers.

Interest income from installment contract receivable and investments

Interest income from installment contract receivable and investments decreased by 27.6% from ₱2,323.8 million for the year ended December 31, 2021 to ₱1,682.5 million for the year ended December 31, 2022. The decrease was primarily attributable to the decrease in both the interest income from investments of 36.7% to ₱981.2 million for the year ended December 31, 2022 due to settlement of dollar liabilities using our dollar investments and interest income from installment contract receivables of 9.4% to ₱701.3 million for the year ended December 31, 2022 as more buyers are availing of bank financing.

Parking, hotel, mall administrative and processing fees and others

Income from parking, hotel, mall administrative and processing fees and others decreased by 25.1% from ₱2,146.9 million for the year ended December 31, 2021 to ₱1,607.3 million for the year ended December 31, 2022. The decrease was primarily attributable to the mall administrative and processing fees as well as loan processing fees from banks. Parking fees and hotel revenues posted increases for the year.

Costs and Expenses

Cost and expenses decreased by 15.3% to ₱15,190.4 million for the year ended December 31, 2022 from ₱17,941.2 million for the year ended December 31, 2021.

- Cost of real estate sales decreased by 35.0% from ₱8,533.4 million for the year ended December 31, 2021 to ₱5,543.0 million for the year ended December 31, 2022 primarily due to the decrease in the overall recorded sales of Vista Land's business units specifically the provincial projects. The decrease was also due to cost efficiencies realized during the year as the decline in costs was significantly higher than the decline in real estate revenues.
- Operating expenses increased by 2.5% from ₱9,407.8 million for the year ended December 31, 2021 to ₱9,647.4 million for the year ended December 31, 2022 primarily due to the following:
 - a decrease in commission expenses from ₱829.7 million for the year ended December 31, 2021 to ₱606.1 million in the year ended December 31, 2022 due to decrease in real estate sales for the year and the shift to digital marketing.
 - a decrease in provision from impairment losses on receivables and investments from ₱443.3 million for the year ended December 31, 2021 to ₱21.7 million for the year ended December 31, 2022 due to the reduced probability of impairment for receivables and investments as situation are returning to normalcy.

Interest and other financing charges

Interest and other financing charges increased by 20.9% from ₱4,315.3 million for the year ended December 31, 2021 to ₱5,217.9 million for the year ended December 31, 2022. The decrease was primarily attributable decrease in interest bearing debt for the year and the lower capitalization rate for interest expense.

Provision for Income Tax

Provision for income tax increased by 3.2% from ₱1,957.6 million for the year ended December 31, 2021 to ₱2,021.1 million for the year ended December 31, 2022 primarily due to a higher taxable base for the year coming from the higher contribution of the commercial segment compared to prior year.

Net Income

As a result of the foregoing, the Company's net income increased by 6.1% to ₱7,392.6 million for the year ended December 31, 2022 from ₱6,967.2 million for the year ended December 31, 2021.

For the year ended December 31, 2022, except as discussed in *Note 36 – Other Matters* of the 2022 Audited Financial Statements on the impact of the COVID-19 pandemic, there were no other 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

	December 31		Change	
	2022	2021	Amount	%
In ₱ millions, except ratios				
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	15,070.2	11,856.7	3,213.5	27.1%
Short-term cash investments	47.3	336.0	(288.7)	(85.9)%
Current portion of:				
Receivables	53,234.5	50,916.7	2,317.8	4.6%
Cost to obtain contract	385.7	448.2	(62.5)	(13.9)%
Investments at amortized cost	9,440.4	15,751.5	(6,311.1)	(40.1)%
Real estate inventories	53,533.9	49,596.9	3,937.0	7.9%
Other current assets	5,724.8	5,587.2	137.6	2.5%
Total Current Assets	137,436.8	134,493.2	2,943.6	2.2%
Noncurrent Assets				
Investments at amortized cost – net of current portion	32,059.1	34,065.9	(2,006.8)	(5.9)%
Investments at fair value through other comprehensive income	117.2	124.5	(7.3)	(5.9)%
Receivables - net of current portion	21,166.1	20,316.7	849.4	4.2%
Cost to obtain contract - net of current portion	354.5	450.5	(96.0)	(21.3)%
Project development costs	1,269.1	1,274.0	(4.9)	(0.4)%
Advances to a related party	7,042.3	6,085.2	957.1	15.7%
Investment in joint venture	468.1	458.8	9.3	2.0%
Property and equipment	2,301.1	2,316.9	(15.8)	(0.7)%
Investment properties	118,343.6	112,991.8	5,351.8	4.7%
Goodwill	147.3	147.3	-	0.0%
Pension assets	320.7	283.0	37.7	13.3%
Deferred tax assets - net	111.4	48.4	63.0	130.2%
Other noncurrent assets	1,076.8	930.4	146.4	15.7%
Total Noncurrent Assets	184,777.3	179,493.4	5,283.9	2.9%
	322,214.1	313,986.6	8,227.5	2.6%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	15,890.5	15,221.5	669.0	4.4%
Security deposits and advance rent	1,856.5	1,729.3	127.2	7.4%
Income tax payable	127.1	49.7	77.4	155.7%
Dividends payable	96.0	15.9	80.1	503.8%
Current portion of:				
Contract liabilities	1,085.1	1,234.6	(149.5)	(12.1)%
Notes payable	12,745.8	24,170.7	(11,424.9)	(47.3)%
Bank loans	11,561.6	8,067.3	3,494.3	43.3%
Loans payables	3,767.3	3,460.1	307.2	8.9%

	December 31		Change	
	2022	2021	Amount	%
	In ₱ millions, except ratios			
Lease liabilities	368.5	348.2	20.3	5.8%
Total Current Liabilities	47,498.4	54,297.3	(6,798.9)	(12.5)%
Noncurrent Liabilities				
Contract liabilities- net of current portion	1,058.5	566.8	491.7	86.8%
Notes payable - net of current portion	89,702.4	83,759.5	5,942.9	7.1%
Bank loans - net of current portion	44,385.2	48,925.0	(4,539.8)	(9.3)%
Loans payable - net of current portion	1,567.4	319.4	1,248.0	390.7%
Lease liabilities - net of current portion	5,065.6	5,087.6	(22.0)	(0.4)%
Deferred tax liabilities - net	6,107.4	4,982.7	1,124.7	22.6%
Other noncurrent liabilities	3,179.0	3,521.4	(342.4)	(9.7)%
Total Noncurrent Liabilities	151,065.5	147,162.4	3,903.1	2.7%
Total Liabilities	198,563.9	201,459.7	(2,895.8)	(1.4)%
Equity				
Attributable to equity holders of the Parent Company				
Common stock	13,114.1	13,114.1	-	0.0%
Preferred stock	33.0	33.0	-	0.0%
Additional paid-in capital	30,684.7	30,655.4	29.3	0.1%
Treasury shares	(7,740.3)	(7,740.3)	-	0.0%
Retained earnings	78,311.1	72,539.6	5,771.5	8.0%
Other comprehensive income	799.0	778.1	20.9	2.7%
	115,201.6	109,379.9	5,821.7	5.3%
Non-controlling interest	8,448.6	3,147.0	5,301.6	168.5%
Total Equity	123,650.2	112,526.9	11,123.3	9.9%
	322,214.1	313,986.6	8,227.5	2.6%

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

Total assets as of December 31, 2022 were ₱322,214.10 million compared to ₱313,986.6 million as of December 31, 2021, or a 2.6% increase. This was due to the following:

- Cash and cash equivalents including short term and long-term cash investments, and investments at amortized costs decreased by 8.7% from ₱62,010.1 million as of December 31, 2021 to ₱56,617.0 million as of December 31, 2022 due primarily to decrease in investments at amortized costs as this was used for payment of dollar bond that matured during the year.
- Investments at fair value through other comprehensive income decreased by 5.9% from ₱124.5 million as of December 31, 2021 to ₱117.2 million as of December 31, 2022 due to the disposal during the year.
- Real estate inventories including raw land for residential development and construction materials increased by 7.9% from ₱49,596.9 million as of December 31, 2021 to ₱53,533.9 million as of December 31, 2022 due to increase in project launches for the year.
- Advances to a related parties increased by 15.7% from ₱6,085.2 million as of December 31, 2021 to ₱7,042.3 million as of December 31, 2022 due to advances for the year.
- Pension assets - net increased by 13.3% to ₱320.7 million as of December 31, 2022 from ₱283.0 million as of December 31, 2021 as a result of actuarial adjustment for the company's retirement program.

Total liabilities as of December 31, 2022 were ₱198,563.9 million compared to ₱201,459.7 million as of December 31, 2021, or a 1.4% decrease. This was due to the following:

- Security deposits and advance rent increased by 7.4% to ₱1,856.5 million as of December 31, 2022 from ₱1,729.3 million as of December 31, 2021 due to renewal of lease contract and new tenants of our commercial segment.

- Income tax payable increased by 155.7% from ₱49.7 million as of December 31, 2021 to ₱127.1 million as of December 31, 2022 due primarily to the higher taxable income for the year coming from the commercial segment.
- Dividend payable increased by 503.8% from ₱15.9 million as of December 31, 2021 to ₱96.0 million as of December 31, 2022 due primarily to the remaining dividends for the year.
- Notes payable including non-current portion decreased by 5.1% from ₱107,930.2 million as of December 31, 2021 to ₱102,448.2 million as of December 31, 2022 due primarily to the settlement of USD370.5 million dollar bond in June offset by the corporate note issuance in December.
- Loans payable including non-current portion increased by 41.1% from ₱3,779.5 million as of December 31, 2021 to ₱5,334.7 million as of December 31, 2022 due to availment of Contract to sell financing during the year.
- Contract liabilities including non-current portion increased by 19.0% from ₱1,801.4 million as of December 31, 2021 to ₱2,143.6 million as of December 31, 2022 due to advance payments from buyers of residential properties under construction.
- Deferred tax liabilities – net increased by 22.6% from ₱4,982.7 million as of December 31, 2021 to ₱6,107.4 million as of December 31, 2022 due to the additional deferred tax liabilities recognized for the year.
- Other noncurrent liabilities decreased by 9.7% from ₱3,521.4 million as of December 31, 2021 to ₱3,179.0 million as of December 31, 2022 due primarily to the decrease in the liabilities for purchased land.

Total stockholder's equity increased by 9.9% from ₱112,526.9 million as of December 31, 2021 to ₱123,650.2 million as of December 31, 2022 due to the net income recorded for the year ended December 31, 2022 and increase in non-controlling interest coming from the proceeds from the offering of Vista REIT.

For the period 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.

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

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.

There are no material commitments for capital expenditures.

Except for the recovery as a result of the opening up of the economy, there are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

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 registrant's continuing operations.

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

Key Performance Indicators	December 31, 2022	December 31, 2021
Current ratio ^(a)	2.89:1	2.48:1
Liability-to-equity ratio ^(b)	1.61:1	1.79:1
Interest expense/Income before Interest expense and Income tax ^(c)	35.7%	32.6%
Return on assets ^(d)	2.3%	2.2%
Return on equity ^(e)	6.0%	6.2%

Notes:

- a. *Current Ratio: This ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.*
- b. *Liability-to-equity ratio: This ratio is obtained by dividing the Company's Total Liabilities by its Total Equity. The ratio reveals the proportion of liability and equity a company is using to finance its business. It also measures a company's borrowing capacity.*
- c. *Interest expense/Income before interest expense and income tax: This ratio is obtained by dividing interest expense for the period by its income before interest expense. This ratio shows whether a company is earning enough profits before interest to pay its interest cost comfortably*
- d. *Return on assets: This ratio is obtained by dividing the Company's net income by its total assets. This measures the Company's earnings in relation to all of the resources it had at its disposal.*
- e. *Return on equity: This ratio is obtained by dividing the Company's net income by its total equity. This measures the rate of return on the ownership interest of the Company's stockholders.*

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 increased from that of December 31, 2021 due primarily to the increase in the current assets with the corresponding decrease in current liabilities.

Liability-to-equity ratio decreased due to the decrease in the interest bearing debt of the Group.

Interest expense as a percentage of income before interest expense increased in the year ended December 31, 2022 compared to the ratio for the year ended December 31, 2021 due to the higher interest expense for the year.

Return on asset slightly higher for the year ended December 31, 2022 compared to that on December 31, 2021.

Return on equity was flat for the year ended December 31, 2022 compared to that on December 31, 2021.

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 and cash equivalents including short term and long-term cash investments, and investments at amortized costs decreased by 8.7% from ₱62,010.1 million as of December 31, 2021 to ₱56,617.0 million as of December 31, 2022 due primarily to decrease in investments at amortized costs as this was used for payment of dollar bond that matured during the year.

Investments at fair value through other comprehensive income decreased by 5.9% from ₱124.5 million as of December 31, 2021 to ₱117.2 million as of December 31, 2022 due to the disposal during the year.

Real estate inventories including raw land for residential development and construction materials increased by 7.9% from ₱49,596.9 million as of December 31, 2021 to ₱53,533.9 million as of December 31, 2022 due to increase in project launches for the year.

Advances to a related parties increased by 15.7% from ₱6,085.2 million as of December 31, 2021 to ₱7,042.3 million as of December 31, 2022 due to advances for the year.

Pension assets - net increased by 13.3% to ₱320.7 million as of December 31, 2022 from ₱283.0 million as of December 31, 2021 as a result of actuarial adjustment for the company's retirement program.

Security deposits and advance rent increased by 7.4% to ₱1,856.5 million as of December 31, 2022 from ₱1,729.3 million as of December 31, 2021 due to renewal of lease contract and new tenants of our commercial segment.

Income tax payable increased by 155.7% from ₱49.7 million as of December 31, 2021 to ₱127.1 million as of December 31, 2022 due primarily to the higher taxable income for the year coming from the commercial segment.

Dividend payable increased by 503.8% from ₱15.9 million as of December 31, 2021 to ₱96.0 million as of December 31, 2022 due primarily to the remaining dividends for the year.

Notes payable including non-current portion decreased by 5.1% from ₱107,930.2 million as of December 31, 2021 to ₱102,448.2 million as of December 31, 2022 due primarily to the settlement of USD370.5 million dollar bond in June offset by the corporate note issuance in December.

Loans payable including non-current portion increased by 41.1% from ₱3,779.5 million as of December 31, 2021 to ₱5,334.6 million as of December 31, 2022 due to availment of Contract to sell financing during the year.

Contract liabilities including non-current portion increased by 19.0% from ₱1,801.5 million as of December 31, 2021 to ₱2,143.6 million as of December 31, 2022 due to advance payments from buyers of residential properties under construction.

Deferred tax liabilities – net increased by 22.6% from ₱4,982.70 million as of December 31, 2021 to ₱6,107.40 million as of December 31, 2022 due to the additional deferred tax liabilities recognized for the year.

Other noncurrent liabilities decreased by 9.7% from ₱3,521.4 million as of December 31, 2021 to ₱3,179.0 million as of December 31, 2022 due primarily to the decrease in the liabilities for purchased land.

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)

The Company recorded revenue from real estate sales amounting to ₱12,789.9 million for the year ended December 31, 2022, a decrease of 26.5% from ₱17,397.9 million last year. This was primarily attributable to the decrease in the overall completion rate of sold inventories of its business units specifically in the affordable segment as a result various factors such as (a) the impact of the extended payment terms granted to buyers during the pandemic specifically in the affordable segment. (b) the implementation of the community quarantine that slowed down construction activities in certain areas (c) the rainy season in the 2nd half of the year. The Company uses the Percentage of Completion method of revenue recognition where revenue is recognized in reference to the stages of development of the properties:

Rental income increased by 47.6% from ₱9,312.7 million for the year ended December 31, 2021 to ₱13,742.3 million for the year ended December 31, 2022. The increase was primarily attributable to the recovery of the malls, increased foot traffic and the contribution of newly opened commercial centers.

Interest income from installment contract receivable and investments decreased by 27.6% from ₱2,323.8 million for the year ended December 31, 2021 to ₱1,682.5 million for the year ended December 31, 2022. The decrease was primarily attributable to the decrease in both the interest income from investments of 36.7% to ₱981.2 million for the year ended December 31, 2022 due to settlement of dollar liabilities using our dollar investments and interest income from installment contract receivables of 9.4% to ₱701.3 million for the year ended December 31, 2022 as more buyers are availing of bank financing.

Income from parking, hotel, mall administrative and processing fees and others decreased by 25.1% from ₱2,146.9 million for the year ended December 31, 2021 to ₱1,607.3 million for the year ended December 31, 2022. The decrease was primarily attributable to the mall administrative and processing fees as well as loan processing fees from banks. Parking fees and hotel revenues posted increases for the year.

Cost of real estate sales decreased by 35.0% from ₱8,533.4 million for the year ended December 31, 2021 to ₱5,543.0 million for the year ended December 31, 2022 primarily due to the decrease in the overall recorded sales of Vista Land’s business units specifically the provincial projects. The decrease was also due to cost efficiencies realized during the year as the decline in costs was significantly higher than the decline in real estate revenues.

Operating expenses increased by 2.5% from ₱9,407.8 million for the year ended December 31, 2021 to ₱9,647.4 million for the year ended December 31, 2022 primarily due to the i) decrease in commission expenses from ₱829.7 million for the year ended December 31, 2021 to ₱606.1 million in the year ended December 31, 2022 due to decrease in real estate sales for the year and the shift to digital marketing and ii) a decrease in provision from impairment losses on receivables and investments from ₱443.3 million for the year ended December 31, 2021 to ₱21.7 million for the year ended December 31, 2022 due to the reduced probability of impairment for receivables and investments as situation are returning to normalcy.

Interest and other financing charges increased by 20.9% from ₱4,315.3 million for the year ended December 31, 2021 to ₱5,217.9 million for the year ended December 31, 2022. The decrease was primarily attributable decrease in interest bearing debt for the year and the lower capitalization rate for interest expense.

Provision for income tax increased by 3.2% from ₱1,957.6 million for the year ended December 31, 2021 to ₱2,021.1 million for the year ended December 31, 2022 primarily due to a higher taxable base for the year coming from the higher contribution of the commercial segment compared to prior year.

The Company's net income increased by 6.1% to ₱7,392.6 million for the year ended December 31, 2022 from ₱6,967.2 million for the year ended December 31, 2021.

For the year ended December 31, 2022, except as discussed in *Note 36 – Other Matters* of the 2022 Audited Financial Statements on the impact of the COVID-19 pandemic, there were no other 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 ENDED DECEMBER 31, 2021 VS YEAR ENDED DECEMBER 31, 2020

	December 31		Change	
	2021	2020	Value	%
	In ₱ millions, except ratios			
REVENUE				
Real estate	17,397.9	21,800.6	(4,402.7)	(20.2)%
Rental income	9,312.7	7,196.7	2,116.0	29.4%
Interest income from installment contracts receivable	774.4	628.2	146.2	23.3%
Parking, hotel, mall administrative and processing fees, and others	2,146.9	1,630.5	516.4	31.7%
	<u>29,631.9</u>	<u>31,256.0</u>	<u>(1,624.1)</u>	<u>(5.2)%</u>
COSTS AND EXPENSES				
Costs of real estate sales	8,533.4	12,020.7	(3,487.3)	(29.0)%
Operating expenses	9,407.8	9,084.9	322.9	3.6%
	<u>17,941.2</u>	<u>21,105.6</u>	<u>(3,164.4)</u>	<u>(15.0)%</u>
OTHER INCOME (EXPENSES)				
Interest income from investments and other income	1,549.4	1,437.3	112.1	7.8%
Interest and other financing Charges	(4,315.3)	(3,971.9)	(343.4)	8.6%
	<u>(2,765.9)</u>	<u>(2,534.6)</u>	<u>(231.3)</u>	<u>9.1%</u>
INCOME BEFORE INCOME TAX	8,924.8	7,615.8	1,309.0	17.2%
PROVISION FOR INCOME TAX	1,957.6	1,229.2	728.4	59.3%
NET INCOME	<u>6,967.2</u>	<u>6,386.6</u>	<u>580.6</u>	<u>9.1%</u>

Revenues

Real Estate

The Company recorded revenue from real estate sales amounting to ₱17,397.9 million for the year ended December 31, 2021, a decrease of 20.2% from ₱21,800.6 million in same period last year. This was primarily attributable to the decrease in the overall completion rate of sold inventories of its business units as a result of the community quarantine implemented on during the year that prohibited construction activities specifically in the provincial areas. The Company uses the Percentage of completion method of revenue recognition where revenue is recognized in reference to the stages of development of the properties.

- Real estate revenue of Brittany increased by 2539% to ₱504.4 million for the year ended December 31, 2021 from ₱19.1 million in the same period last year. The increase was principally attributable

to the increase in the number of completed sold units for the year of projects in the Mega Manila area in the high-end housing segment.

- Real estate revenue from Vista Residences slightly increased by 2% to ₱2,512.1 million for the year ended December 31, 2021 from ₱2,467.1 million for the year ended December 31, 2020. This increase was principally attributable to the increase in the number of sold condominium units completed or under construction during the year including that of the prior years. Vista Residences is the business unit of Vista Land that develops and sells vertical projects across the Philippines.
- Real estate revenue of Camella Homes decreased by 39% to ₱7,197.5 million for the year ended December 31, 2021 from ₱11,809.3 million for the year ended December 31, 2020. This was principally attributable to the decrease in the number of sold homes completed or under construction in the Mega Manila area in the affordable housing segment during the year.
- Real estate revenue of Communities Philippines decreased by 0.03% to ₱6,709.9 million for the year ended December 31, 2021 from ₱6,711.9 million for the year ended December 31, 2020. This was principally attributable to the decrease in the number of sold homes completed or under construction outside the Mega Manila area in the affordable housing segment during the year.
- Real estate revenue of Crown Asia decreased by 40% to ₱474.1 million for the year ended December 31, 2021 from ₱793.1 million for the year ended December 31, 2020. The decrease was principally attributable to the decrease in the number of completed units sold for the year of projects in the Mega Manila area in the middle-income housing segment.

Rental income

Rental income increased by 29.4% from ₱7,196.7 million for the year ended December 31, 2020 to ₱9,312.7 million for the year ended December 31, 2021. The increase was primarily attributable to the recovery of the malls due primarily to the tenant mix of the malls being majority essential which registered improve sales during the year. In addition, the group provided some concession to tenants on a case by case rather than an across the board concessions.

Interest income from installment contract receivable and investments

Interest income from installment contract receivable and investments slightly increased by 12.5% from ₱2,065.5 million for the year ended December 31, 2020 to ₱2,323.8 million for the year ended December 31, 2021. The increase was primarily attributable to the increase in interest income from investments of 7.8% to ₱1,549.4 million for the year ended December 31, 2021 and the increase in the interest income from installment contract receivables of 23.3% to ₱774.4 million for the year ended December 31, 2020.

Parking, hotel, mall administrative and processing fees and others

Income from parking, hotel, mall administrative and processing fees and others increased by 31.7% from ₱1,630.5 million for the year ended December 31, 2020 to ₱2,146.9 million for the year ended December 31, 2021.

The increase was primarily attributable to the 63.1% increase in our income from mall administrative and processing fee to ₱890.9 million, 84.0% increase in income from our hotel operations to ₱89.3 million for the year ended December 31, 2021, a 3.7% increase from parking fees from our malls to ₱121.9 million. All were attributable to the increased in activities as the alert level restrictions were decreased.

Costs and Expenses

Cost and expenses decreased by 15.0% to ₱17,941.2 million for the year ended December 31, 2021 from ₱21,105.6 million for the year ended December 31, 2020.

- Costs of real estate sales decreased by 29.0% from ₱12,020.7 million for the year ended December 31, 2020 to ₱8,533.4 million for the year ended December 31, 2021 primarily due to the decrease in the overall recorded sales of Vista Land's business units specifically the provincial projects. The company also recorded a non-cash adjustment to cost out borrowing costs previously capitalized on certain real estate inventories sold during the year.
- Operating expenses increased by 3.6% from ₱9,084.9 million for the year ended December 31, 2020 to ₱9,407.8 million for the year ended December 31, 2021 primarily due to the following:
 - an increase in depreciation and amortization from ₱2,247.7 million for the year ended December 31, 2020 to ₱2,686.6 million for the year ended December 31, 2020 due the increase in the investment properties and property and equipment.

- a decrease in advertising and promotions from ₱714.0 million for the year ended December 31, 2020 to ₱314.5 million for the year ended December 31, 2020 resulting from subsequent decrease in marketing expenses due to the pandemic and shift to digital marketing.
- a decrease in commission expenses from ₱1,031.5 million for the year ended December 31, 2020 to ₱829.7 million in the year ended December 31, 2021 due to decrease in real estate sales for the year and to the shift to digital marketing.

Interest and other financing charges

Interest and other financing charges increased by 8.6% from ₱3,971.9 million for the year ended December 31, 2020 to ₱4,315.3 million for the year ended December 31, 2021. The increase was primarily attributable increase in interest bearing debt for the year.

Provision for Income Tax

Provision for income tax increased by 59.3% from ₱1,229.2 million for the year ended December 31, 2020 to ₱1,957.6 million for the year ended December 31, 2021 primarily due to a higher taxable base for the year coming from the higher contribution of the commercial segment compared to prior year.

Net Income

As a result of the foregoing, the Company's net income increased by 9.1% to ₱6,967.2 million for the year ended December 31, 2021 from ₱6,386.6 million for the year ended December 31, 2020.

For the year ended December 31, 2021, except as discussed in *Notes 36 – Other Matters* of the 2021 Audited Financial Statements on the impact of the COVID-19 pandemic, there were no other 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, 2021 vs. December 31, 2020

	December 31		Change	
	2021	2020	Amount	%
In ₱ millions, except ratios				
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	11,856.66	7,785.79	4,070.87	52.3%
Short-term cash investments	336.02	116.93	219.09	187.4%
Current portion of:				
Receivables	50,916.73	43,140.00	7,776.73	18.0%
Cost to obtain contract	448.19	821.41	(373.22)	(45.4)%
Investments at amortized cost	15,751.51	7,721.20	8,030.31	104.0%
Receivables from related parties	-	5,687.75	(5,687.75)	(100.0)%
Real estate inventories	49,596.88	44,371.14	5,225.74	11.8%
Other current assets	5,587.21	5,829.97	(242.76)	(4.2)%
Total Current Assets	134,493.20	115,474.19	19,019.01	16.5%
Noncurrent Assets				
Investments at amortized cost – net of current portion	34,065.94	33,972.09	93.85	0.3%
Investments at fair value through other comprehensive income	124.50	116.50	8.00	6.9%
Receivables - net of current portion	20,316.70	21,487.83	(1,171.13)	(5.5)%
Cost to obtain contract - net of current portion	450.47	460.31	(9.84)	(2.1)%

	December 31		Change	
	2021	2020	Amount	%
	In ₱ millions, except ratios			
Project development costs	1,274.05	2,681.40	(1,407.35)	(52.5)%
Advances to a related party	6,085.19	-	6,085.19	100.0%
Investment in joint venture	458.77	-	458.77	100.0%
Property and equipment	2,316.89	2,305.50	11.39	0.5%
Investment properties	112,991.83	105,872.92	7,118.91	6.7%
Goodwill	147.27	147.27	-	0.0%
Pension assets - net	282.97	164.01	118.96	72.5%
Deferred tax assets - net	48.38	188.10	(139.72)	(74.3)%
Other noncurrent assets	930.47	1,186.65	(256.18)	(21.6)%
Total Noncurrent Assets	179,493.43	168,582.58	10,910.85	6.5%
	313,986.63	284,056.77	29,929.86	10.5%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	15,221.44	16,770.31	(1,548.87)	(9.2)%
Security deposits and advance rent	1,729.27	839.84	889.43	105.9%
Income tax payable	49.68	109.27	(59.59)	(54.5)%
Dividends payable	15.86	28.10	(12.24)	(43.6)%
Current portion of:	-	-		
Contract liabilities	1,234.63	2,545.17	(1,310.54)	(51.5)%
Notes payable	24,170.71	5,647.21	18,523.50	328.0%
Bank loans	8,067.32	7,177.33	889.99	12.4%
Loans payables	3,460.14	3,195.01	265.13	8.3%
Lease liabilities	348.21	202.00	146.21	72.4%
Total Current Liabilities	54,297.26	36,514.24	17,783.02	48.7%
Noncurrent Liabilities				
Contract liabilities- net of current portion	566.84	133.57	433.27	324.4%
Notes payable - net of current portion	83,759.53	93,356.36	(9,596.83)	(10.3)%
Bank loans - net of current portion	48,925.02	35,196.45	13,728.57	39.0%
Loans payable - net of current portion	319.37	1,126.89	(807.52)	(71.7)%
Lease liabilities - net of current portion	5,087.63	2,472.86	2,614.77	105.7%
Deferred tax liabilities - net	4,982.65	4,025.69	956.96	23.8%
Other noncurrent liabilities	3,521.40	5,551.07	(2,029.67)	(36.6)%
Total Noncurrent Liabilities	147,162.44	141,862.89	5,299.55	3.7%
Total Liabilities	201,459.70	178,377.13	23,082.57	12.9%
Equity				
Attributable to equity holders of the Parent Company				
Common stock	13,114.14	13,114.14	-	0.0%
Preferred stock	33.00	33.00	-	0.0%
Additional paid-in capital	30,655.43	30,655.43	-	0.0%
Treasury shares	(7,740.26)	(7,740.26)	-	0.0%
Retained earnings	72,539.57	66,411.67	6,127.90	9.2%
Other comprehensive income	778.07	585.60	192.47	32.9%
	109,379.95	103,059.58	6,320.37	6.1%
Non-controlling interest	3,146.98	2,620.06	526.92	20.1%
Total Equity	112,526.93	105,679.64	6,847.29	6.5%
	313,986.63	284,056.77	29,929.86	10.5%

Total assets as of December 31, 2021 were ₱313,986.6 million compared to ₱284,056.8 million as of December 31, 2020, or an 11% increase. This was due to the following:

- Cash and cash equivalents including short term and long-term cash investments, available-for-sale financial assets (excluding equity securities), held-to-maturity investments and investments at amortized costs slightly increased by 25% from ₱49,596.0 million as of December 31, 2020 to ₱62,010.1 million as of December 31, 2021 due primarily to cash from operations and financing activities.

- Investments at fair value through other comprehensive income increased from ₱116.5 million as of December 31, 2020 to ₱124.5 million as of December 31, 2021 due to the increase in fair value of quoted equity securities for the year.
- Receivables including non-current portion thereof increased by 10% from ₱64,627.8 million as of December 31, 2020 to ₱71,233.4 million as of December 31, 2021 due to an increase in the various receivables of the company such as installment contracts receivable, accounts receivable from tenants, and accrued rental receivables.
- Receivables from related parties - net decreased by 100% from ₱5,687.8 million as of December 31, 2020 to nil as of December 31, 2021 due to reclassification to advances to a related party arising from expected settlement through Land Development Agreement.
- Real estate inventories including raw land for residential development and construction materials increased by 12% from ₱44,371.1 million as of December 31, 2020 to ₱49,596.9 million as of December 31, 2021 due to the increase in the subdivision land for sale as well as the increase in the construction materials which is included in the account.
- Project development costs decreased by 53% from ₱2,681.4 million as of December 31, 2020 to ₱1,274.1 million as of December 31, 2021 due settlements for the year.
- Investment properties increased by 7% from ₱105,872.9 million as of December 31, 2020 to ₱112,991.8 million as of December 31, 2021 due primarily to the additions to commercial developments during the year as well as the increase in the right of use asset for leased properties.
- Pension assets - net increased by 73% to ₱283.0 million as of December 31, 2021 from ₱164.0 million as of December 31, 2020 as a result of actuarial adjustment for the company's retirement program.
- Other assets, cost to obtain contract including current portions thereof decreased by 11% from ₱8,298.3 million as of December 31, 2020 to ₱7,416.3 million as of December 31, 2021 due primarily the decrease in cost to obtain contract.

Total liabilities as of December 31, 2021 were ₱201,459.7 million compared to ₱178,377.1 million as of December 31, 2020, or a 13% increase. This was due to the following:

- Accounts and other payables decreased by 9% to ₱15,221.4 million as of December 31, 2021 from ₱16,770.3 million as of December 31, 2020 due to the increase in the various payables and decrease in the current portion of retention payable due to longer than usual completion of projects due to quarantine restrictions imposed by the Government specifically in the provincial areas.
- Current portion of security deposits and advance rent increased by 106% to ₱1,729.3 million as of December 31, 2021 from ₱839.8 million as of December 31, 2020 due to renewal of lease contract and new tenants of our commercial segment.
- Income tax payable decreased by 55% from ₱109.3 million as of December 31, 2020 to ₱49.7 million as of December 31, 2021 due primarily to the application of creditable withholding taxes for the year.
- Dividend payable decreased by 44% from ₱28.1 million as of December 31, 2020 to ₱15.9 million as of December 31, 2021 due primarily to the lower dividends declared during the year.
- Notes payable including non-current portion increased by 9% from ₱99,003.6 million as of December 31, 2020 to ₱107,930.2 million as of December 31, 2020 due primarily to the issuance of dollar notes during the year.
- Bank loans including non-current portion increased by 34% from ₱42,373.8 million as of December 31, 2020 to ₱56,992.3 million as of December 31, 2021 due primarily to the availments during the year.
- Loans payable including non-current portion decreased by 13% from ₱4,321.9 million as of December 31, 2020 to ₱3,779.5 million as of December 31, 2021 due to settlements during the year.

- Lease liabilities including non-current portion increased by 103% from ₱2,674.9 million as of December 31, 2020 to ₱5,435.8 million as of December 31, 2021 due to renewal of a land lease that resulted to a higher lease liabilities recognition.
- Deferred tax liabilities – net increased by 24% from ₱4,025.7 million as of December 31, 2020 to ₱4,982.7 million as of December 31, 2021 due to the additional deferred tax liabilities recognized for the year.
- Other noncurrent liabilities decreased by 37% from ₱5,551.1 million as of December 31, 2020 to ₱3,521.4 million as of December 31, 2021 due primarily to the decrease in the retention payable as well as increase in security deposits and advance rent for the year.

Total stockholder's equity increased by 7% from ₱105,679.6 million as of December 31, 2020 to ₱112,526.9 million as of December 31, 2021 due to the net income recorded for the year ended December 31, 2021 and increase in non-controlling interest.

For the period ended December 31, 2021, 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.

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.

There are no material commitments for capital expenditures.

Except for the recovery as a result of the opening up of the economy, there are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

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 registrant's continuing operations.

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

Key Performance Indicators	December 31, 2021	December 31, 2020
Current ratio ^(a)	2.48:1	3.16:1
Liability-to-equity ratio ^(b)	1.79:1	1.69:1
Interest expense/Income before Interest expense and Income tax ^(c)	32.6%	34.3%
Return on assets ^(d)	2.2%	2.2%
Return on equity ^(e)	6.2%	6.0%

Notes:

- a) *Current Ratio: This ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.*
- b) *Liability-to-equity ratio: This ratio is obtained by dividing the Company's Total Liabilities by its Total Equity. The ratio reveals the proportion of liability and equity a company is using to finance its business. It also measures a company's borrowing capacity.*
- c) *Interest expense/Income before interest expense and income tax: This ratio is obtained by dividing interest expense for the period by its income before interest expense. This ratio shows whether a company is earning enough profits before interest to pay its interest cost comfortably*
- d) *Return on assets: This ratio is obtained by dividing the Company's net income by its total assets. This measures the Company's earnings in relation to all of the resources it had at its disposal.*
- e) *Return on equity: This ratio is obtained by dividing the Company's net income by its total equity. This measures the rate of return on the ownership interest of the Company's stockholders.*
- f) *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, 2021 decreased from that of December 31, 2020 due primarily to the increase in the current liabilities specifically the notes payable.

Liability-to-equity ratio increased due to the increase in the interest bearing debt of the Group.

Interest expense as a percentage of income before interest expense decreased in the year ended December 31, 2021 compared to the ratio for the year ended December 31, 2020 due to the higher income before interest expense for the year.

Return on asset remained the same for the year ended December 31, 2021 compared to the same period ended December 31, 2020.

Return on equity was flat for the year ended December 31, 2021 compared to that on December 31, 2020.

Material Changes to the Company's Balance Sheet as of December 31, 2021 compared to December 31, 2020 (increase/decrease of 5% or more)

Receivables including non-current portion thereof increased by 10% from ₱64,627.8 million as of December 31, 2020 to ₱71,233.4 million as of December 31, 2021 due to an increase in the various receivables of the company such as installment contracts receivable, accounts receivable from tenants, and accrued rental receivables.

Receivables from related parties - net decreased by 100% from ₱5,687.7 million as of December 31, 2020 to nil as of December 31, 2021 due to reclassification to advances to a related party arising from expected settlement through Land Development Agreement.

Real estate inventories including raw land for residential development and construction materials increased by 12% from ₱44,371.1 million as of December 31, 2020 to ₱49,596.9 million as of December 31, 2021 due to the increase in the subdivision land for sale as well as the increase in the construction materials which is included in the account.

Project development costs decreased by 53% from ₱2,681.4 million as of December 31, 2020 to ₱1,274.1 million as of December 31, 2021 due settlements for the year.

Investment properties increased by 7% from ₱105,872.9 million as of December 31, 2020 to ₱112,991.8 million as of December 31, 2021 due primarily to the additions to commercial developments during the year as well as the increase in the right of use asset for leased properties.

Pension assets - net increased by 73% to ₱283.0 million as of December 31, 2021 from ₱164.0 million as of December 31, 2020 as a result of actuarial adjustment for the company's retirement program.

Other assets, cost to obtain contract including current portions thereof decreased by 11% from ₱8,298.3 million as of December 31, 2020 to ₱7,416.3 million as of December 31, 2021 due primarily the decrease in cost to obtain contract.

Accounts and other payables decreased by 9% to ₱15,221.4 million as of December 31, 2021 from ₱16,770.3 million as of December 31, 2020 due to the increase in the various payables and decrease in the current portion of retention payable due to longer than usual completion of projects due to quarantine restrictions imposed by the Government specifically in the provincial areas.

Current portion of security deposits and advance rent increased by 106% to ₱1,729.3 million as of December 31, 2021 from ₱839.8 million as of December 31, 2020 due to renewal of lease contract and new tenants of our commercial segment.

Income tax payable decreased by 55% from ₱109.3 million as of December 31, 2020 to ₱49.7 million as of December 31, 2021 due primarily to the application of creditable withholding taxes for the year.

Dividend payable decreased by 44% from ₱28.1 million as of December 31, 2020 to ₱15.9 million as of December 31, 2021 due primarily to the lower dividends declared during the year.

Notes payable including non-current portion increased by 9% from ₱99,003.6 million as of December 31, 2020 to ₱107,930.2 million as of December 31, 2021 due primarily to the issuance of dollar notes during the year.

Bank loans including non-current portion increased by 34% from ₱42,373.8 million as of December 31, 2020 to ₱56,992.3 million as of December 31, 2021 due primarily to the availments during the year.

Loans payable including non-current portion decreased by 13% from ₱4,321.9 million as of December 31, 2020 to ₱3,779.5 million as of December 31, 2021 due to settlements during the year.

Lease Liabilities including non-current portion increased by 103% from ₱2,674.9 million as of December 31, 2020 to ₱5,435.8 million as of December 31, 2021 due to renewal of a land lease that resulted to a higher lease liabilities recognition.

Deferred tax liabilities – net increased by 24% from ₱4,025.7 million as of December 31, 2020 to ₱4,982.7 million as of December 31, 2021 due to the additional deferred tax liabilities recognized for the year.

Other noncurrent liabilities decreased by 37% from ₱5,551.1 million as of December 31, 2020 to ₱3,521.4 million as of December 31, 2021 due primarily to the decrease in the retention payable as well as increase in security deposits and advance rent for the year.

Total stockholder's equity increased by 7% from ₱105,679.6 million as of December 31, 2020 to ₱112,526.9 million as of December 31, 2021 due to the net income recorded for the year ended December 31, 2021 and increase in non-controlling interest.

Material Changes to the Company's Statement of Income for the year ended December 31, 2021 compared to the year ended December 31, 2020 (increase/decrease of 5% or more)

Revenue from real estate sales amounting to ₱17,397.9 million for the year ended December 31, 2021, a decrease of 20% from ₱21,800.6 million in same period last year. This was primarily attributable to the decrease in the overall completion rate of sold inventories of its business units as a result of the enhanced community quarantine ("ECQ") implemented on during the year that prohibited construction activities specifically in provincial areas. The Company uses the Percentage of completion method of revenue recognition where revenue is recognized in reference to the stages of development of the properties.

Rental income increased by 29% from ₱7,196.7 million for the year ended December 31, 2020 to ₱9,312.7 million for the year ended December 31, 2021. The increase was primarily attributed to the recovery of the malls due primarily to the tenant mix of the malls being majority essential which registered improved sales during the year. In addition, the group provided some concession to tenants on a case by case rather than an across the board concessions.

Income from parking, hotel, mall administrative and processing fees and others increased by 32% from ₱1,630.5 million for the year ended December 31, 2020 to ₱2,146.9 million for the year ended December 31, 2021. The increase was primarily attributable to the 63% increase in our income from mall administrative and processing fee to ₱890.9 million, 84% increase in income from our hotel operations to ₱89.3 million for the year ended December 31, 2021, a 4% increase from parking fees from our malls to ₱121.9 million. All were attributable to the increased in activities as the alert level restrictions were decreased.

Cost of real estate sales decreased by 29% from ₱12,020.7 million for the year ended December 31, 2020 to ₱8,533.4 million for the year ended December 31, 2021 primarily due to the decrease in the overall recorded sales of Vista Land's business units specifically the provincial projects. The company also recorded a non-cash adjustment to cost out borrowing costs previously capitalized on certain real estate inventories sold during the year.

Operating expenses increased by 4% from ₱9,084.9 million for the year ended December 31, 2020 to ₱9,407.8 million for the year ended December 31, 2021 primarily due to i) an increase in depreciation and amortization

from ₱2,247.7 million for the year ended December 31, 2020 to ₱2,686.6 million for the year ended December 31, 2020 due the increase in the investment properties and property and equipment, ii) a decrease in advertising and promotions from ₱714.0 million for the year ended December 31, 2020 to ₱314.5 million for the year ended December 31, 2020 resulting from subsequent decrease in marketing expenses due to the pandemic and shift to digital marketing, and, iii) a decrease in commission expenses from ₱1,031.5 million for the year ended December 31, 2020 to ₱829.7 million in the year ended December 31, 2021 due to decrease in real estate sales for the year and to the shift to digital marketing.

Interest and other financing charges increased by 9% from ₱3,971.9 million for the year ended December 31, 2020 to ₱4,315.3 million for the year ended December 31, 2021. The increase was primarily attributable increase in interest bearing debt for the year.

Provision for income tax increased by 59% from ₱1,229.2 million for the year ended December 31, 2020 to ₱1,957.6 million for the year ended December 31, 2021 primarily due to a higher taxable base for the year coming from the higher contribution of the commercial segment compared to prior year.

Net income increased by 9% to ₱6,967.2 million for the year ended December 31, 2021 from ₱6,386.6 million for the year ended December 31, 2020.

For the year ended December 31, 2021, except as discussed in *Notes 36 – Other Matters* of the 2021 Financial Statements on the impact of the COVID-19 pandemic, there were no other 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.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Vista Land has not had any disagreements on accounting and financial disclosures with SGV & Co. SGV & Co. has neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in the Company. SGV & Co. will not receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants or rights thereto) pursuant to or in connection with the Offer. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

AUDIT AND AUDIT-RELATED FEES

VLL and its subsidiaries paid its external auditors the following fees for the past three years: (in thousands)

	Audit & Audit-related Fees	Tax Fees	Other Fees
2022	₱35,502	–	–
2021	₱30,350	–	–
2020	₱30,862	–	–

Under the VLL Audit and Risk Committee Charter, the Audit Committee (composed of Cherrylyn P. Caoile, Justina F. Callangan, and Frances Rosalie T. Coloma) recommends to the Board and stockholders the appointment of the external auditor and the fixing of audit fees. In arriving at its recommendation, the Audit Committee takes into consideration the volume of audit work required, estimated time to complete the audit and level of expertise required. The Board and stockholders approve the Audit Committee's recommendation.

TAX FEES

Tax consultancy services are secured from entities other than the appointed external auditor.

DIRECTORS, EXECUTIVE OFFICERS AND CONTROL PERSONS

The overall management and supervision of the Company is undertaken by the Board. The Company's executive officers and management team cooperate with its Board by preparing appropriate information and documents concerning the Company's business operations, financial condition and results of operations for its review. Currently, the Board consists of seven members, of which two are independent directors. All of the directors were elected at the Company's annual stockholders meeting on June 15, 2023 and will hold office until their successors have been duly elected and qualified.

The table sets forth each member of the Company's Board as of the date of this Prospectus.

Name	Age	Position	Citizenship
Manuel B. Villar, Jr.	73	Chairman of the Board	Filipino
Manuel Paolo A. Villar	47	Vice Chairman, President and Chief Executive Officer	Filipino
Cynthia J. Javarez	60	Director, Treasurer, and Chief Risk Officer	Filipino
Frances Rosalie T. Coloma	61	Director	Filipino
Camille A. Villar	38	Director, Managing Director of Vista Land Commercial	Filipino
Justina F. Callangan	71	Independent Director	Filipino
Cherrylyn P. Caoile	48	Independent Director	Filipino

The table below sets forth the Company's executive officers in addition to its executive directors listed above as of the date of this Prospectus.

Name	Age	Position	Citizenship
Jerylle Luz C. Quismundo	59	Chief Operating Officer	Filipino
Brian N. Edang	45	Chief Financial Officer and Head, Investor Relations	Filipino
Gemma M. Santos	61	Corporate Secretary	Filipino
Ma. Nalen S.J. Rosero	52	Chief Information Officer, Chief Compliance Officer and Assistant Corporate Secretary	Filipino
Lorelyn D. Mercado	53	Controller	Filipino
Melissa Camille Z. Domingo	36	Chief Audit Executive	Filipino

Manuel B. Villar, Jr. *Chairman of the Board.* Mr. Villar was Senator of the Philippines from 2001 to June 2013. He served as Senate President from 2006 to 2008. He also served as a Congressman from 1992 to 2001 and as Speaker of the House of Representatives from 1998 to 2000. A Certified Public Accountant, Mr. Villar graduated from the University of the Philippines in 1970 with the degree of Bachelor of Science in Business Administration and in 1973 with the degree of Masters in Business Administration. He founded Camella Homes in the early 1970s and successfully managed said company over the years, to become the largest homebuilder in the Philippines now known as the Vista Land Group. Mr. Villar is also Chairman of the Board of Vistamalls, Inc. (formerly Starmalls, Inc.), AllHome Corp., AllValue Holdings Corp. and Golden MV Holdings, Inc. (formerly Golden Bria Holdings, Inc.). He is a member of the following organizations: Makati Business Club, Manila Golf Club, Management Association of the Philippines, Financial Executive Institute of the Philippines (FINEX), Philippine Institute of Certified Public Accountants, and the Villar Social Institute for Poverty Alleviation and Governance (SIPAG).

Manuel Paolo A. Villar, *Vice Chairman of the Board and President & Chief Executive Officer.* Mr. Villar 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 the Chief Financial Officer of the Company in 2008. He was elected President and Chief Executive Officer of the Company in July 2011 and President of Vistamalls, Inc. (formerly Starmalls, Inc.) 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., Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation, Vista Residences, Inc., VistaREIT, Inc., and Powersource Phils Development Corp. Mr. Villar is also the majority shareholder of Prime Asset Ventures, Inc., and director of Fine Properties, Inc. and AllHome Corp.

Cynthia J. Javarez, *Director, Treasurer, and Chief Risk Officer.* Ms. Javarez graduated from the University of the East with a degree in Bachelor of Science in Business Administration major in Accounting. She is a Certified Public

Accountant. She completed a Management Development Program at the Asian Institute of Management in 2006. Ms. Javarez was previously the Chief Financial Officer of Polar Property Holdings Corp. until 2011 and the Tax & Audit Head in the MB Villar Group of Companies until 2007. She was the Controller and Chief Financial Officer of Vista Land since 2013 until she became Chief Operating Officer from November 2018 to June 2022. She was the President of Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation and Vista Residences, Inc. until 2021. She is currently the Chairperson of the Board of Prime Asset Ventures, Inc. and is the President of Fine Properties, Inc.

Camille A. Villar, *Managing Director, Vista Land Commercial Division*. Ms. Villar graduated from Ateneo de Manila University with a degree in Bachelor of Science in Management. She took Management in Business Administration, Global Executive MBA Program in Instituto de Estudios Superiores de la Eprese (IESE) Business School, Barcelona, Spain. She joined the Corporate Communications Group of Brittany in 2007 until she assumed the position of Managing Director of Vista Land Commercial. She is a Director of Vistamalls, Inc. (formerly Starmalls, Inc.) and Golden MV Holdings, Inc. (formerly Golden Bria Holdings, Inc.). She is also the concurrent President of All Value Holdings Corp., and the Vice Chairman of AllHome Corp. Ms. Villar is currently a Congresswoman, representing Las Piñas City.

Frances Rosalie T. Coloma, *Director*. Ms. Coloma graduated cum laude from the University of the Philippines with the degree of Bachelor of Science in Business Administration and Accountancy. She is a Certified Public Accountant. She was previously the Finance Manager of Alcatel Philippines, Inc. and Intel Philippines, Inc., Country Controller of Ericsson Telecommunications Philippines, Inc., Deal Finance Manager of Accenture Delivery Center, Philippines, and Assistant General Manager of Maersk Global Services, Philippines. Ms. Coloma was also the Chief Financial Officer and Chief Information Officer of Golden Bria Holdings, Inc. from 2016 to 2019. She was also the Chief Financial Officer of Vistamalls, Inc. (formerly Starmalls, Inc.) from 2012 to 2016. She is currently the Chief Financial Officer and Director of AllHome Corp. and Director of Golden MV Holdings, Inc. (formerly Golden Bria Holdings, Inc.).

Justina F. Callangan, *Independent Director*. Atty. Callangan 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, Panasonic Manufacturing Philippines Corp. and AIB Money Market Fund, 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 UP Law Center Institute for the Administration of Justice and Center for Global Best Practices.

Cherrylyn P. Caoile, *Independent Director*. Atty. Caoile, obtained her Bachelor of Science in Legal Management from the De La Salle University and earned the degree of Juris Doctor in Ateneo de Manila School of Law. She worked in Picazo Buyco Tan Fider & Santos in 1998, where she became a partner in 2009 until 2019. She served as an Assistant Professor in Commercial Law Department for De La Salle University – College of Business & Economics from 2003 to 2005. Ms. Caoile was recently the legal consultant of House of Representatives, Committee on Economic Affairs. She is currently the chairman of the board of Taipan Security Services, Inc. and an independent director of Vistamalls, Inc. She was the former Director of MJC Investment Corporation, Narra Wellness Resorts, Inc., and PALI Investments, Inc. She was appointed as the Corporate Secretary of MetroPac Water Investments, Inc. and was the Assistant Corporate Secretary of Smart Communications, Inc., Paymaya Philippines, Inc. and MPCALA Holdings, Inc. Ms. Caoile possesses all the qualifications and none of the disqualifications of an Independent Director under SRC Rule 38.

Jerylle Luz C. Quismundo, *Chief Operating Officer*. Ms. Quismundo graduated cum laude with a degree in Bachelor of Science in Business Economics from the University of the Philippines Diliman in 1983. She took 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 & Lifescapes, Inc. subsidiaries including Brittany Corporation, Camella Homes, Inc. Vista Residences, Inc., and Crown Asia Properties, Inc.

Gemma M. Santos, *Corporate Secretary*. Atty. Santos 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 Golden MV Holdings, Inc. (formerly Golden Bria Holdings, Inc.) and VistaREIT, Inc. and a director of Philippine Associated Smelting and Refining Corporation (PASAR), Fine Properties, Inc., Bulacan Water District and Bulakan Water Co., Inc.

Ma. Nalen S.J. Rosero. *Chief Information Officer and Chief Compliance Officer, and Assistant Corporate Secretary.* Atty. Rosero graduated salutatorian from the San Beda College of Law in 1997. She is currently the Corporate Secretary and a Director of the following companies: Household Development Corporation, Brittany Corporation, Crown Asia Properties, 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 currently serving as the Chief Compliance Officer and Assistant Corporate Secretary of VistaREIT, Inc. She is also a Director of Manuela Corporation and Masterpiece Properties, Inc., and the Corporate Secretary of Vistamalls, Inc. (formerly Starmalls, Inc.). From 1997 to 2000, she was an Associate in the Litigation Group of Angara Abello Concepcion Regala & Cruz (ACCRA) Law Offices. On September 11, 2013, Atty. Rosero was appointed as Compliance Officer and Chief Information Officer of the Company.

Brian N. Edang. *Chief Financial Officer and Head, Investor Relations.* Mr. Edang 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, 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 from 2007 up to present and the Chief Financial Officer of the Company 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). He is also currently serving as a director of VistaREIT, Inc.

Lorelyn D. Mercado. *Controller.* Ms. Mercado graduated from the University of Batangas with a degree in Bachelor of Science in Business Administration-Accounting. She took Master in Business Administration at the De La Salle University. She used to be the Chief Accountant of Vista Residences, Inc. and Adelfa Properties, Inc., She is currently the Chief Accountant of Vista Land & Lifescapes, Inc. and its subsidiaries, and a Director in Vista Residences, Inc., Brittany Corporation, Crown Asia Properties, Inc., and Camella Homes, Inc.

Melissa Camille Z. Domingo. *Chief Audit Executive.* Ms. Domingo 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. She is also currently serving as a director, and Chief Financial Officer, Treasurer, and Head, Investor Relations of VistaREIT, Inc.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS OF DIRECTORS AND EXECUTIVE OFFICERS

To the best knowledge of the Company, during the past five (5) years up to the date of this Prospectus, none of the above-named directors or executive officers has been subject to the following:

- Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- Any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his or her involvement in any type of business, securities, commodities, or banking activities; or
- Found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

FAMILY RELATIONSHIPS

The Chairman of the Board, Mr. Manuel B. Villar, Jr., is the father of Mr. Manuel Paolo A. Villar, who is the President and Chief Executive Officer of the Company and Ms. Camille A. Villar who is a director and the Managing Director of Vista Land Commercial.

COMMITTEES OF THE BOARD

The Amended By-Laws of Vista Land provide for the following committees:

Audit Committee

The Company's Audit Committee is responsible for assisting the Board in its fiduciary responsibilities by providing an independent and objective assurance to its management and shareholders of the continuous improvement of its risk management systems, business operations and the proper safeguarding and use of its resources and assets. The Audit Committee provides a general evaluation of and assistance in the overall improvement of its risk management, control and governance processes.

The Audit Committee checks all financial reports against compliance with Manual on Corporate Governance, pertinent accounting standards, and regulatory requirements; performs oversight financial management functions; pre-approves all audit plans and interacts directly with the external auditors of the Company; seeks to elevate to international standards the accounting and auditing processes and practices of the Company; and seeks to develop a transparent financial management system to better ensure the integrity of internal control activities throughout the Company.

The Audit Committee must be comprised of at least three (3) members, one of whom shall be an independent director. Each member of the Audit Committee must have an adequate understanding of the Company's financial management systems and environment. The Audit Committee reports to the Board and is required to meet at least four times a year. As of the date of this Prospectus, Cherrylyn P. Caoile serves as the chairman of the Audit Committee and Justina F. Callangan and Frances Rosalie T. Coloma serve as members of the audit committee.

Compensation and Remuneration Committee

The Compensation and Remuneration Committee seeks to establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provides oversight over remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Company's culture, strategy and control environment. The Compensation and Remuneration Committee also establishes a formal and transparent procedure for developing a policy on executive remuneration, develops a form on full business interest disclosure as part of the pre-employment requirements for all incoming officers, which among others, compels all officers to declare under the penalty of perjury, any existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired by the Company, and reviews the Company's human resources development or personnel handbook. The Compensation and Remuneration Committee must have at least three (3) members, one of whom must be an independent director. As of the date of this Prospectus, Manuel Paolo A. Villar serves as the chairman of the Remuneration and Compensation Committee and Camille A. Villar and Cherrylyn P. Caoile serve as members of the Remuneration and Compensation Committee.

Nomination Committee

The Company's Nomination Committee is responsible for providing shareholders with an independent and objective evaluation of and assurance that the members of its Board are competent and will foster the Company's long-term success and secure its competitiveness. In that respect, the Nomination Committee formulates the screening policies to enable it to effectively review the qualification of the nominees for independent directors and conducts nominations of independent directors prior to the shareholders' meetings in accordance with the procedures set forth under the SRC. The Nomination Committee must have at least three (3) members, one of whom must be an independent director. As of the date of this Prospectus, Manuel B. Villar, Jr. serves as the chairman of the Nomination Committee and Manuel Paolo A. Villar and Cynthia J. Javarez serve as members of the Nomination Committee.

Executive Committee

The Executive Committee, which may be organized from time to time upon determination of the Board of Directors, shall have and may exercise, when the Board is not in session, the powers of the Board in the management of the

business and affairs of the Company, except with respect to certain actions specifically reserved for Board action. The Executive Committee must have at least three (3) members, one of whom must be the President.

The Revised Manual on Corporate Governance of Vista Land also provides that the Board may also establish the following committees:

Corporate Governance Committee

Upon its establishment, the Corporate Governance Committee shall be tasked with assisting the Board in the performance of its corporate governance policies, including ensuring that the Company complies with and properly observes the principles and practices related to corporate governance. The Corporate Governance Committee shall be composed of at least three (3) members. As of the date of this Prospectus, Justina F. Callangan serves as the chairman of the Corporate Governance Committee and Manuel B. Villar, Jr. and Cherrylyn P. Caoile serve as members of the Corporate Governance Committee.

Board Risk Oversight Committee

Subject to the Company's size, risk profile, and complexity of operations, the Board may establish a separate Board Risk Oversight Committee that shall be responsible for the oversight of the Company's Enterprise Risk Management system to ensure its functionality and effectiveness. The Board Risk Oversight Committee shall be composed of at least three (3) members. As of the date of this Prospectus, Cherrylyn P. Caoile serves as the chairman of the Board Risk Oversight Committee and Cynthia J. Javarez and Justina F. Callangan serve as members of the Board Risk Oversight Committee.

Related Party Transaction Committee

Subject to the Company's size, risk profile, and complexity of operations, the Board may also establish a Related Party Transaction Committee, which shall be tasked with reviewing all material related party transactions of the Company and should be composed of at least three (3) members. As of the date of this Prospectus, Justina F. Callangan serves as the chairman of the Related Party Transaction Committee and Frances Rosalie T. Coloma and Cherrylyn P. Caoile serve as members of the Related Party Transaction Committee.

EXECUTIVE COMPENSATION

The Company pays compensation to its directors and key executive officers. Other executive officers of the Company receive fixed salaries on a monthly basis from the respective subsidiaries of the Company that they manage. The compensation for its executive officers for the years ended December 31 2021, and 2022 (actual), and 2023 (projected) are shown below:

Names	Position	Year	Salary	Bonus	Others
Manuel Paolo A. Villar	President & CEO				
Cynthia J. Javarez	COO				
Camille A. Villar (not included in 2018)	Managing Director, Vista Land Commercial				
Brian N. Edang (starting 2018)	CFO and Head Investor Relations				
Ma. Nalen S.J. Rosero	Chief Legal Counsel/CIO				
Lorelyn D. Mercado	Controller				
Aggregate executive compensation for above named officers		Actual 2021	<u>₱56.2M</u>	<u>₱7.8M</u>	None
		Actual 2022	<u>₱56.9M</u>	<u>₱8.8M</u>	None
		Projected 2023	<u>₱58.1M</u>	<u>₱9.0M</u>	None
Aggregate executive compensation of all other officers and directors, unnamed		Actual 2021	<u>₱132.4M</u>	<u>₱20.4M</u>	None
		Actual 2022	<u>₱151.6M</u>	<u>₱23.4M</u>	None
		Projected 2023	<u>₱157.6M</u>	<u>₱24.3M</u>	None

Standard Arrangements

Other than payment of reasonable per diem of ₱125,000 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 2020, 2021 and 2022.

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 2020, 2021 and 2022 for any service provided as a director.

Employment Contract between the Company and Executive Officers

There are no special employment contracts between Vista Land 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 Chief Executive Officer, the named executive officers, and all officers and directors as a group.

Significant Employee

While the Company values the contribution of each of its executive and non-executive employees, the Company

believes there is no non-executive employee that the resignation or loss of whom would have a material adverse impact on the business of the Company. Other than standard employment contracts, there are no special arrangements with non-executive employees of the Company.

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT

Security ownership of certain record and beneficial owners of more than 5.0% of the Company's voting securities as of August 31, 2023:

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 Ownership¹
Common	Fine Properties, Inc. Las Piñas Business Center Alabang Zapote Road, Talon, Las Piñas City Shareholder	Fine Properties, Inc./ Record Owner is also Beneficial Owner ²	Filipino	7,125,545,458	44.54%
Preferred	Fine Properties, Inc. Las Piñas Business Center Alabang Zapote Road, Talon, Las Piñas City Shareholder	Fine Properties, Inc./ Record Owner is also Beneficial Owner ²	Filipino	3,300,000,000	20.63%
Common	PCD Nominee Corporation 37/F Tower 1, The Enterprise Ctr. 6766 Ayala Ave. cor. Paseo de Roxas, Makati City Shareholder	Fine Properties, Inc./ Record Owner is not the Beneficial Owner ⁴	Filipino	1,707,340,160	10.67%
Common	PCD Nominee Corporation 37/F Tower 1, The Enterprise Ctr. 6766 Ayala Ave. cor. Paseo de Roxas, Makati City Shareholder	Record Owner is not the Beneficial Owner ⁴	Non-Filipino	1,354,633,812	8.47%

¹ Based on the total issued and outstanding capital stocks as of August 31, 2023 of 15,998,007,676 shares (common and preferred).

² Mr. Manuel B. Villar, Jr. and his spouse are the controlling shareholders of Fine Properties, Inc. The right to vote the shares held by Fine Properties, Inc. has in the past been exercised by either Mr. Villar or Ms. Cynthia J. Javarez.

³ Fine Properties Inc. is the controlling shareholder of Althorp Holdings, Inc. Mr. Manuel B. Villar, Jr. and his spouse are the controlling shareholders of Fine Properties, Inc. The right to vote the shares held by Fine Properties, Inc. has in the past been exercised by either Mr. Villar or Ms. Cynthia J. Javarez.

⁴ PCD Nominee Corporation is the registered owner of shares beneficially owned by participants in the Philippine Depository & Trust Corporation, a private company organized to implement an automated book entry system of handling securities transactions in the Philippines (PCD). Under the PCD procedures, when an issuer of a PCD-eligible issue will hold a stockholders' meeting, the PCD shall execute a pro-forma proxy in favor of its participants for the total number of shares in their respective principal securities account as well as for the total number of shares in their client securities account. For the shares held in the principal securities account, the participant concerned is appointed as proxy with full voting rights and powers as registered owner of such shares. For the shares held in the client securities account, the participant concerned is appointed as proxy, with the obligation to constitute a sub-proxy in favor of its clients with full voting and other rights for the number of shares beneficially owned by such clients. Except as indicated above, as of Record Date, the Company is not aware of any investor beneficially owning shares lodged with the PCD which comprise more than five percent (5%) of the Company's total outstanding capital stock.

Common	Althorp Holdings, Inc. 3L Starmall Las Piñas, CV Starr Ave., Pamplona, Las Piñas City Shareholder	Fine Properties, Inc./ Record owner is also the Beneficial Owner ³	Filipino	1,235,292,469	7.72%
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Security ownership of management as of August 31, 2023:

Title of class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	% of Class¹	
Common	Manuel B. Villar, Jr. C. Masibay St. BF Resort Village, Talon, Las Piñas City	293,969,986 9,113,046,142	Indirect ² Indirect ³	Filipino Filipino	1.838% 56.964%
Preferred	Manuel B. Villar, Jr. C. Masibay St. BF Resort Village, Talon, Las Piñas City	3,300,000,000	Indirect ⁴	Filipino	20.628%
Common	Manuel Paolo A. Villar C. Masibay St. BF Resort Village, Talon, Las Piñas City	200,000 222,596,324	Direct Indirect ²	Filipino Filipino	0.001% 1.391%
Common	Cynthia J. Javarez B3A/L2 Vetta di Citta Italia Imus, Cavite	160	Direct	Filipino	0.000%
Common	Camille Lydia A. Villar C. Masibay St. BF Resort Village, Talon, Las Piñas City	1,000	Indirect ²	Filipino	0.000%
Common	Frances Rosalie T. Coloma 1-10 Granwood Villas, BF Homes, Quezon City	4,815	Direct	Filipino	0.000%
Common	Justina F. Callangan B164 L17 Castello St., Casa Milan Subd., Fairview, Quezon City	75	Direct	Filipino	0.000%
Common	Cherrylyn P. Caoile U12 Verde De Pasadena Townhomes, 209 Pasadena Drive, San Juan City	1,000	Indirect	Filipino	0.000%
Common	Gemma M. Santos 17 Matungao, Bulacan, Bulacan	1,000	Direct	Filipino	0.000%
Common	Jerylle Luz C. Quismundo #15 Garnet Ext., Doña Juana, Rosario, Pasig City	3,190	Direct	Filipino	0.000%
Common	Lorelyn D. Mercado Blk 2 Lot 1 Via Parini St., Napoli, Di Citta Italia, Molino, Bacoor, Cavite	100	Direct	Filipino	0.000%
-	Brian N. Edang B11 L16 Pacita 2, San Pedro, Laguna	-	N/A	Filipino	0.000%

-	Ma. Nalen SJ. Rosero Blk 5 Lot 1A New Victorienne Row, La Posada Subd., Sucat, Muntinlupa	-	N/A	Filipino	0.000%
-	Melissa Camille Z. Domingo 62A Labo St., Sta. Mesa Heights, Brgy. San Isidro Labrador, Quezon City	-	N/A	Filipino	0.000%
Total					80.821%

¹ Based on the total outstanding, issued and subscribed shares of 15,998,007,676 (common and preferred) as of August 31, 2023

² Shares lodged under PCD Nominee Corporation (Filipino)

³ Includes 7,125,545,458 shares held thru Fine Properties, Inc., 1,235,292,469 shares held thru Althorp Holdings, Inc. and 752,208,215 shares held thru Manuela Corp.

⁴ Shares held thru Fine Properties, Inc.

Except as indicated in the above table, the above named officers have no indirect beneficial ownership in the Company.

Except as aforementioned, no other officers of the Company holds, directly or indirectly, shares in the Company.

Voting Trust Holders of 5.0% or More

As of August 31, 2023, there were no persons holding more than 5.0% of a class of shares under a voting trust or similar agreement.

Changes in Control

The Company is not aware of any voting trust agreements or any other similar agreements which may result in a change in control of the Company. No change in control of the Company has occurred since the beginning of its last fiscal year.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

RELATED PARTY TRANSACTIONS

As of June 30, 2023, Fine and its subsidiaries hold 65.17% of the total issued and outstanding share capital of the Company.

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 (referred herein as affiliates). Related parties may be individuals or corporate entities.

The Company and its subsidiaries, in their regular conduct of business, has entered into transactions with affiliates and other related parties principally consisting of advances and reimbursement of expenses and purchase and sale of real estate properties. See “*Risk Factors and Other Considerations*”— “*Risk Related to the Company’s Business*” of this Prospectus. The Company’s policy is to settle its intercompany receivables and payable on a net basis. Transactions entered by the Company with related parties are made at terms equivalent to those that prevail in arm’s length transactions. Outstanding balances at reporting date are unsecured, interest free and settlement occurs in cash.

Advances to a related party totaled ₱7,811.85 million as of June 30, 2023, ₱7,042.28 million as of December 31, 2022, ₱6,085.19 million as of December 31, 2021 and receivables from related party of ₱5,687.75 million as of December 31, 2020.

For further information on the Company’s related party transactions, see Note 26 to the Company’s interim condensed consolidated financial statements as of June 30, 2023 included in this Prospectus.

DESCRIPTION OF INDEBTEDNESS

As of June 30, 2023, Vista Land had the equivalent of ₱164,186.84 million of outstanding debt, of which ₱31,564.22 million is secured.

Vista Land's outstanding unsecured debt of ₱132,622.62 million is evidenced by a debt instrument that was acknowledged by both the creditor and Vista Land before a notary public. Under Philippine law, in the event that a borrower submits to insolvency or liquidation proceedings in which the borrower's assets are liquidated, unsecured debt evidenced by a debt instrument that has been acknowledged by the creditor and the borrower before a notary public enjoys a preference over unsecured debt that has not been so notarized. (See discussion under "Risk Factors and Other Considerations" of this Prospectus.)

The following table describes the consolidated outstanding long and short-term debt of Vista Land and its subsidiaries as of June 30, 2023:

Description of Indebtedness	Borrower	Lender	Original Principal Amount (in PHP unless otherwise indicated)	Maturity	Outstanding Amount as of June 30, 2023 (in PHP unless otherwise indicated)
Bank Loans	Vista Land & Lifescapes, Inc.	BDO Unibank	3,500,000,000	22-Sep-23	125,000,000
Bank Loans	Vista Land & Lifescapes, Inc.	BDO Unibank	5,000,000,000	6-Oct-23	200,000,000
Bank Loans	Vista Land & Lifescapes, Inc.	BDO Unibank	2,000,000,000	6-May-24	399,397,533
Bank Loans	Vista Land & Lifescapes, Inc.	BOC	1,000,000,000	12-Apr-24	1,000,000,000
Bank Loans	VLL International	J Saffra	\$18,000,000	10-Jun-24	1,031,841,263
Bank Loans	Vista Land & Lifescapes, Inc.	Various	25,458,325,534	Various dates	24,946,525,534
Bank Loans	Masterpiece Asia Properties, Inc.	RCBC	500,000,000	22-Jul-27	265,625,000
Bank Loans	Manuela Corporation	BDO Unibank	2,000,000,000	29-Oct-24	1,700,000,000
Bank Loans	Vista Land & Lifescapes, Inc.	BDO Unibank	5,000,000,000	16-Apr-25	1,600,000,000
Bank Loans	Vista Land & Lifescapes, Inc.	Bank of Commerce	2,000,000,000	16-Nov-23	250,000,000
Bank Loans	Vista Land & Lifescapes, Inc.	Sumitomo Bank	2,000,000,000	3-Oct-23	249,962,422
Bank Loans	Vista Land & Lifescapes, Inc.	BDO Unibank	3,000,000,000	6-May-24	631,578,947
Bank Loans	Vista Land & Lifescapes, Inc.	BDO Unibank	5,000,000,000	11-Mar-25	1,838,953,819
Bank Loans	Vista Land & Lifescapes, Inc.	BDO Unibank	5,000,000,000	4-Jun-26	3,000,000,000

Bank Loans	Vista Land & Lifescapes, Inc.	Chinabank	2,500,000,000	28-May-26	1,867,708,333
Bank Loans	Vista Land & Lifescapes, Inc.	BDO Unibank	5,000,000,000	1-Jun-27	3,983,706,533
Bank Loans	Vista Land & Lifescapes, Inc.	BDO Unibank	5,000,000,000	1-Jun-27	3,983,706,533
Bank Loans	Brittany Corporation	Various	3,033,000	30-Jun-25	7,742,230
Bank Loans	Vista Residences, Inc.	Maybank	1,000,000,000	2-Dec-24	213,781,905
Bank Loans	Vista Residences, Inc.	Various	6,665,600	2-Dec-24	1,633,929
Bank Loans	Prima Casa	Various		27-Apr-25	867,675
Issue costs					(31,638,465)
Sub-total					47,266,393,191
Loans Payable	Camella Homes, Inc.	Various	1,738,965,571	30-Mar-29	196,983,568
Loans Payable	Vista Residences, Inc.	Various	1,015,258,758	30-Dec-29	1,424,197,307
Loans Payable	Communities Philippines, Inc.	Various	706,581,622	30-Oct-28	796,080,366
Loans Payable	Prima Casa	Various	301,772,782	30-Jun-30	3,158,343,230
Sub-total					5,575,604,471
Bond - USD	VLL International, Inc.	Various	350,000,000	28-Nov-24	19,320,000,000
Bond - USD	VLL International, Inc.	Various	200,000,000	21-Jul-27	11,040,000,000
Bond - USD	VLL International, Inc.	Various	170,000,000	20-Jul-27	9,384,000,000
Bond - USD	VLL International, Inc.	Various	50,000,000	20-Jul-27	2,760,000,000
Premium / Discount on Bonds					324,531,905
Bond issue costs					(297,743,475)
Sub-total					42,530,788,430
Corporate Note	Vista Land & Lifescapes, Inc.	Chinabank	3,150,000,000	29-Dec-26	2,740,500,000
Corporate Note	MAPI	Chinabank	2,000,000,000	29-Dec-26	1,740,000,000
Corporate Note	Vista Land & Lifescapes, Inc.	RCBC	1,000,000,000	29-Dec-26	870,000,000
Corp Notes (STR share P2.5B)	Vista Land & Lifescapes, Inc.	RCBC	2,500,000,000	29-Dec-26	2,175,000,000

Corp Notes	Vista Land & Lifescapes, Inc.	Chinabank	1,350,000,000	29-Dec-26	1,174,500,000
Corp Notes	Vista Land & Lifescapes, Inc.		6,000,000,000	13-Jul-28	3,499,980,000
Corp Notes	Vista Land & Lifescapes, Inc.		200,000,000	13-Jul-25	74,999,000
Corp Notes	Vista Land & Lifescapes, Inc.		1,500,000,000	13-Jul-25	562,492,500
Corp Notes	Vista Land & Lifescapes, Inc.	EastWest	500,000,000	27-Jul-25	187,497,500
Corp Notes	Vista Land & Lifescapes, Inc.	PNB Capital	10,000,000,000	19-Jul-24	3,125,000,000
Corp Notes	Vista Land & Lifescapes, Inc.	PNB Capital	4,000,000,000	19-Jul-24	1,250,000,000
Corp Notes	Vista Land & Lifescapes, Inc.	EastWest	500,000,000	19-Jul-24	156,250,000
Corp Notes	Vista Land & Lifescapes, Inc.	SunLife	500,000,000	19-Jul-24	156,250,000
Corp Notes	Vista Land & Lifescapes, Inc.	Security Bank	4,000,000,000	31-Mar-27	3,333,333,333
Corp Notes	Vista Land & Lifescapes, Inc.	Union Bank	2,000,000,000	31-Mar-27	1,666,666,667
Corp Notes	Vista Land & Lifescapes, Inc.	BDO Unibank	3,600,000,000	26-Dec-25	3,600,000,000
Corp Notes	Vista Land & Lifescapes, Inc.	UBP	5,000,000,000	26-Dec-25	5,000,000,000
Corp Notes	Vista Land & Lifescapes, Inc.	Chinabank	2,900,000,000	26-Dec-25	2,900,000,000
Corp Notes	Vista Land & Lifescapes, Inc.	BDO Unibank	6,000,000,000	1-Apr-26	6,000,000,000
Corp Notes	Vista Land & Lifescapes, Inc.	Security Bank	3,000,000,000	1-Apr-26	3,000,000,000
Corp Notes	Vista Land & Lifescapes, Inc.	Chinabank	1,000,000,000	1-Apr-26	1,000,000,000
Bond issue costs					(313,111,210)
Sub-total					43,899,357,790
Retail Bonds	Vista Land & Lifescapes, Inc.		3,000,000,000	8-Aug-24	3,000,000,000
Retail Bonds	Vista Land & Lifescapes, Inc.		2,000,000,000	9-Aug-27	2,000,000,000
Retail Bonds	Vista Land & Lifescapes, Inc.		6,500,000,000	21-Dec-23	6,500,000,000
Retail Bonds	Vista Land & Lifescapes, Inc.		3,500,000,000	21-Dec-25	3,500,000,000
Retail Bonds	Vista Land & Lifescapes, Inc.		10,000,000,000	20-Jun-25	10,000,000,000
Bond issue costs					(85,300,795)
Sub-total					24,914,699,205
GRAND TOTAL					164,186,843,087

CORPORATE GOVERNANCE

The Board of Directors, Management, officers and staff of Vista Land commit themselves to the principles and best practices contained in the Company's Manual for Corporate Governance. The Company's Board and its employees acknowledge that corporate governance is a necessary component of what constitutes sound strategic business management and will therefore undertake every effort necessary to create awareness and effect implementation within the organization.

Vista Land seeks to promote and enhance compliance of good corporate governance of all its subsidiaries, including those that are not listed on the PSE and not covered by the SEC Code of Corporate Governance.

The Company's Board adopted a Manual on Corporate Governance on March 31, 2007 and revised the same on June 21, 2010. The Company's Manual on Corporate Governance describes the terms and conditions by which the Company intends to conduct sound corporate governance practices that are consistent with the relevant laws and regulations of the Republic of the Philippines, and which seek to enhance business transparency and build shareholder value.

Ultimate responsibility and oversight of the Company's adherence to superior corporate governance practices rests with the Board of Directors. As a policy matter, the Board holds monthly meetings, at which any number of relevant corporate governance issues may be raised for discussion.

Practical oversight of the Company's corporate governance standards is exercised through the Board's three standing committees:

- The Audit Committee is charged with internal audit oversight over all of the Company's business transactions and the effective management of risk.
- The Nomination Committee is charged with ensuring that potential candidates for the Board are fully qualified as well as ensuring that the Board maintains adequate independent membership.
- The Compensation and Remuneration Committee is charged with ensuring that fair and competitive compensation policies are maintained.

To ensure good governance, the Board establishes the vision, strategic objectives, key policies, and procedures for the management of the company, as well as the mechanism for monitoring and evaluating Management's performance. The Board also ensures the presence and adequacy of internal control mechanisms for good governance.

In October 2012, in compliance with SEC Memo Circular No. 4 series of 2012, the Board approved and adopted the Audit Committee Charter.

There were no deviations from the Manual. The Company has adopted in the Manual the leading practices and principles of good corporate governance, and full compliance therewith have been made since the adoption of the Manual.

The Company is taking further steps to enhance adherence to principles and practices of good corporate governance.

On May 31, 2017, in compliance with SEC Memo Circular No. 19 series of 2016, the Board approved and adopted the revised Manual on Corporate Governance.

FINANCIAL INFORMATION

The following pages set forth VLL's audited consolidated financial statements as at December 31, 2022 and for each of the three years in the period ended December 31, 2022, 2021, and 2020 and the unaudited interim consolidated financial statements as of June 30, 2023 and the six-month period ended June 30, 2022.

ADDITIONAL ANNEXES TO THE FINANCIAL STATEMENTS

Additional Annexes to the 2022 Consolidated Audited Financial Statements

Schedule A – Financial Assets

Additional Annexes to the Consolidated Unaudited Interim Financial Statements as of June 30, 2023

Schedule of Financial Soundness Indicators



Vista Land & Lifescapes, Inc.

Lower Ground Floor, Building B, Evia Lifestyle Center
Vista City, Daang Hari, Almanza II
Las Piñas City, Philippines
Telephone Number: (632) 3226-3552
www.vistaland.com.ph

OFFER SUPPLEMENT

**Offer of Fixed Rate Bonds of ₱6,000,000,000.00
with an oversubscription option of up to ₱4,000,000,000.00
consisting of:**

**Series F Bonds: 7.5426 % p.a. due 2026
Series G Bonds: 7.6886 % p.a. due 2028**

**to be issued from the
₱35,000,000,000.00 Bonds under Shelf Registration**

**Offer Price: 100% of Face Value
to be listed and traded through the
Philippine Dealing & Exchange Corp.**

Joint Lead Underwriters and Joint Bookrunners



Trustee

China Banking Corporation through its Trust and Asset Management Group

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

The date of this Offer Supplement is November 16, 2023

¹ China Bank Capital Corporation is the wholly-owned investment banking subsidiary of China Banking Corporation. One of the business units of China Banking Corporation, the Trust and Asset Management Group, serves as the trustee for the Offer Bonds. China Banking Corporation is also among the holders of the corporate notes to be repaid from the net proceeds of the Offer Bonds. In addition, China Banking Corporation, through its Trust and Asset Management Group, is the facility agent for the aforementioned corporate notes, and China Bank Capital Corporation acted as one of the mandated lead arrangers and bookrunners for the said corporate notes issuance. The Trustee is an organizationally and operationally distinct group within China Banking Corporation and is separate and independent from Chinabank Capital.

² SB Capital Investment Corporation is a subsidiary of Security Bank Corporation, one of the holders of the corporate notes to be repaid from the net proceeds of the Offer Bonds. SB Capital Investment Corporation also acted as one of the mandated lead arrangers and bookrunners for the said corporate notes issuance.

Vista Land & Lifescapes, Inc.

Lower Ground Floor, Building B, Evia Lifestyle Center

Vista City, Daang Hari, Almanza II

Las Piñas City, Philippines

Telephone Number: (632) 3226-3552

www.vistaland.com.ph

Vista Land & Lifescapes, Inc. (“**Vista Land**”, “**VLL**”, the “**Company**”, or the “**Issuer**”), a corporation duly organized and existing under Philippine law, prepared a Prospectus dated November 16, 2023 (the “**Prospectus**”) relating to the shelf registration and sale in the Philippines of fixed rate bonds (the “**Shelf Bonds**”) in the aggregate principal amount of ₱35,000,000,000.00. The shelf registration of the Shelf Bonds is expected to be rendered effective by the Securities and Exchange Commission (the “**SEC**”) on November 20, 2023.

The Shelf Bonds shall be issued in tranches within a period of three (3) years from the effective date of the Registration Statement of the Shelf Bonds, subject to applicable regulations and any extension as may be granted by the SEC (the “**Shelf Period**”). The offer and sale of the Shelf Bonds, including the terms and conditions for each tranche shall be at the sole discretion of the Company. The specific terms for each tranche of the Shelf Bonds will be determined by the Company considering prevailing market conditions and shall be provided in an offer supplement to be circulated at the time of the offer of the relevant tranche.

This offer supplement dated November 16, 2023 (the “**Offer Supplement**” and as the context may require, the term may refer to the Prospectus, as supplemented by this Offer Supplement) relates to the first tranche of the Shelf Bonds (the “**Offer Bonds**” or the “**Bonds**”) and the public offer for sale, distribution and issuance by the Company of the Offer Bonds (the “**Offer**”). The Offer Bonds will be issued at face-value and listed and traded through the Philippine Dealing & Exchange Corp. (“**PDEX**”).

The Offer Bonds will have an aggregate principal amount of ₱6,000,000,000.00 (the “**Firm Bonds**”). In the event of an oversubscription, China Bank Capital Corporation, SB Capital Investment Corporation, and Union Bank of the Philippines, in their capacity as the Joint Lead Underwriters and Joint Bookrunners and in consultation with the Issuer, reserve the right to increase the size of the Offer Bonds by up to ₱4,000,000,000.00 (the “**Oversubscription Option**”, the Offer Bonds pertaining to such option, the “**Oversubscription Option Bonds**”). The Oversubscription Option, if and to the extent exercised during the Offer Period, shall be deemed firmly underwritten by the Joint Lead Underwriters and Joint Bookrunners.

If the Oversubscription Option is fully exercised during the Offer Period, the remaining balance of the Shelf Bonds in the aggregate principal amount of ₱25,000,000,000.00 will be issued in tranches within the Shelf Period. However, in case the Oversubscription Option is partly exercised or not exercised at all during the Offer Period, the Shelf Bonds will be automatically increased by such principal amount of Oversubscription Option Bonds that will not be taken up. Hence, after the Offer, the Shelf Bonds may potentially increase to an aggregate principal amount of up to ₱29,000,000,000.00, which may be issued in tranches within the Shelf Period.

The Offer Bonds will be issued on December 6, 2023 or such other date as may be agreed upon in writing between the Issuer and the Joint Lead Underwriters and Joint Bookrunners (the “**Issue Date**”), and will comprise of fixed rate bonds to be issued in two (2) series: three (3)-year bonds due 2026 (the “**Series F Bonds**”) and five (5)-year bonds due 2028 (the “**Series G Bonds**”). The Issuer has the discretion to allocate the principal amount between the Series F Bonds and the Series G Bonds.

The Series F Bonds shall bear interest on its principal amount from and including the Issue Date at the rate of 7.5426% p.a., and the Series G Bonds shall bear interest on its principal amount from and including the Issue Date at the rate of 7.6886% p.a. Interest on the Bonds shall be payable quarterly in arrears starting on March 6, 2024 for the first Interest Payment Date and on March 6, June 6, September 6, and December 6 of each year thereafter or the next Business Day if such date falls on a non-Business Day, for as long as the Bonds remain outstanding. Should the Issue Date fall on a date other than December 6, 2023, the Interest Payment Dates shall be adjusted accordingly, subject to the requirements of PDEX.

The last Interest Payment Date on the Series F Bonds shall fall on its Maturity Date or on December 6, 2026 or three (3) years from Issue Date.

The last Interest Payment Date on the Series G Bonds shall fall on its Maturity Date or on December 6, 2028 or five (5) years from Issue Date.

The Bonds shall be repaid at maturity at par (or 100% of face value) plus any outstanding interest, on December 6, 2026 for the Series F Bonds and on December 6, 2028 for the Series G Bonds, unless the Company exercises its early redemption option according to the conditions therefor (see “*Description of the Offer Bonds*” – “*Redemption and Purchase*”).

The Issuer has been rated AAA by the Credit Rating and Investors Services Philippines, Inc. (“**CRISP**”) on September 8, 2023, and the Offer Bonds have been rated PRS Aaa by the Philippine Rating Services Corporation (“**PhilRatings**”) on September 20, 2023.

Upon issuance, the Bonds shall constitute the direct, unconditional, unsecured and unsubordinated obligations of the Company and shall at all times rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of Vista Land, other than obligations preferred by law. The Bonds shall effectively be subordinated in right of payment to, among others, all of Vista Land’s secured debts to the extent of the value of the assets securing such debt and all of its debt that is evidenced by a public instrument under Article 2244(14) of the Civil Code of the Philippines (see “*Description of the Offer Bonds*”).

The Offer Bonds are offered to the public at face value through the Joint Lead Underwriters and Joint Bookrunners with the Philippine Depository and Trust Corp. (“**PDTC**”) as the Registrar of the Offer Bonds. It is intended that upon issuance, the Bonds shall be issued in scripless form, with PDTC maintaining the scripless Electronic Registry of Bondholders. The Offer Bonds are intended to be listed on the Philippine Dealing & Exchange Corp. (“**PDEX**”). The Offer Bonds shall be issued in minimum denominations of ₱50,000.00 each, and in integral multiples of ₱10,000.00 thereafter. The Bonds shall be traded in denominations of ₱10,000.00 in the secondary market.

The Company estimates that the net proceeds from the Offer shall amount to approximately ₱5,890,570,107.00 (assuming the Oversubscription Option is not exercised), after deducting fees, commissions and expenses. Assuming full exercise of the Oversubscription Option, the Company estimates that the net proceeds from the Offer shall amount to approximately ₱9,832,570,107.00, after deducting fees, commissions and expenses. The net proceeds of the Offer shall be used for refinancing maturing loan obligations as well as for general corporate purposes. If the Oversubscription Option is exercised, the additional net proceeds from the Oversubscription Option shall likewise be used for refinancing maturing loan obligations, for capital expenditures, as well as for general corporate purposes. For a more detailed discussion on the use of proceeds, see “*Use of Proceeds*” of this Offer Supplement.

The Joint Lead Underwriters and Joint Bookrunners will receive a fee equivalent to 0.70% on the final aggregate nominal principal amount of the Offer Bonds issued, which is inclusive of the fee to be ceded to selling agents, if any, and in accordance with the terms of the Underwriting Agreement. For a more detailed discussion on the fees to be received by the Joint Lead Underwriters and Joint Bookrunners, see “*Plan of Distribution*” of this Offer Supplement.

This document constitutes the Offer Supplement relating to the Offer Bonds. Unless defined in this Offer Supplement, terms used herein shall be deemed to be defined as set forth in the Prospectus. This Offer Supplement contains the terms of the Offer and must be read in conjunction with the Prospectus and the other Bond Agreements. Full information on the Issuer and the Offer is only available on the basis of the combination of the Offer Supplement, the Prospectus and the other Bond Agreements. All information contained in the Prospectus are deemed incorporated by reference to this Offer Supplement.

Since this is a debt issuance, holders of the Bonds shall not be entitled to any dividends from the Issuer. Vista Land’s dividend policy is discussed further in the section “*Market Price of and Dividends on VLL’s Common Equity and Related Stockholder Matters*” on page 91 of the Prospectus.

The Company reserves the right to withdraw the offer and sale of the Offer Bonds at any time, and the Company and the Joint Lead Underwriters and Joint Bookrunners reserve the right to reject any application to purchase the Offer Bonds in whole or in part and to allot to any prospective purchaser less than the full amount of the Offer Bonds sought by such purchaser. If the Offer is withdrawn or discontinued, the Company shall subsequently notify the SEC and, as applicable, the PDEX. Any of the Joint Lead Underwriters and Joint Bookrunners, or any selling agent, as the case may be, may acquire for their own account a portion of the Offer Bonds.

The Company has applied with the SEC for the issuance of a Permit to Sell for the Offer Bonds, and expects to receive such permit before commencing with the Offer. The Company will apply for the listing of the Offer Bonds in the PDEX. However, there is no assurance that such a listing will actually be achieved by or after the Issue Date of the Offer Bonds or whether such a listing will materially affect the liquidity of the Offer Bonds on the secondary market. Such listing will be subject to the Company’s execution of a listing agreement with PDEX that may require the Company to make certain disclosures, undertakings and payments on an ongoing basis.

All disclosures, reports, and filings of the Company made after the date of the Prospectus and this Offer Supplement (the “**Company Disclosures**”) and submitted to the SEC, the PSE and/or PDEx pursuant to the Revised Corporation Code, the SRC, and the disclosure rules of the PSE and/or PDEx are incorporated or deemed incorporated by reference in this Offer Supplement. Copies of the Company Disclosures may be viewed at the website of the Company at www.vistaland.com.ph. The Company Disclosures contain material and meaningful information relating to the Company and investors should review all information contained in the Prospectus, this Offer Supplement and the Company Disclosures incorporated or deemed incorporated herein by reference.

The distribution of this Offer Supplement and the offer and sale of the Offer Bonds may, in certain jurisdictions, be restricted by law. This Offer Supplement does not constitute an offer to sell or a solicitation of any offer to buy any securities of the Company in any jurisdiction, to or from any person to whom it is unlawful to make such offer in such jurisdiction. The Company and the Joint Lead Underwriters and Joint Bookrunners require persons into whose possession this Offer Supplement comes to inform themselves of and observe all such restrictions. Each investor in the Offer Bonds must comply with all laws applicable to it and must obtain the necessary consent, approvals or permission for its purchase or subsequent offer and sale of the Offer Bonds under the laws and regulations in force in any jurisdiction to which it is subject. None of the Company or the Joint Lead Underwriters and Joint Bookrunners will have any responsibility therefor.

There can be no assurance in respect of: (i) whether Vista Land would issue any additional debt securities at all; (ii) the size or timing of any individual issuance or the total issuance of such debt securities; or (iii) the specific terms and conditions of any such issuance. Any decision by Vista Land to offer such debt securities will depend on a number of factors at the relevant time, many of which are not within Vista Land’s control, including but not limited to: prevailing interest rates, the financing requirements of Vista Land’s business and prospects, market liquidity and the state of the domestic capital market, and the Philippine, regional and global economies in general.

The price of securities can and does fluctuate. Any individual security may experience upward or downward movements, and may lose all or part of its value over time. The future performance of a security may defy the trends of its past performance, and there may be a significant difference between the buying price and the selling price of any security. As such, there is an inherent risk that losses may be incurred, rather than profit made, as a result of buying and selling securities. Thus, an investment in the Offer Bonds described in this Offer Supplement involves a certain degree of risk. In deciding whether to invest in the Offer Bonds, a prospective purchaser of the Offer Bonds (“**Prospective Bondholder**”) should carefully consider several factors both internal and external to the Company, in addition to the other information provided in this Offer Supplement.

Vista Land confirms that this Offer Supplement and the Prospectus contain all material information relating to the Company, its affiliates and subsidiaries, as well as all material information on the issue and offering of the Offer Bonds as may be required by the applicable laws of the Republic of the Philippines. To the best of the Company’s knowledge, no facts have been omitted that would make any statement in this Offer Supplement misleading in any material respect. Vista Land confirms that it has made all reasonable inquiries with respect to any information, data and analysis(es) provided to it by its advisors and consultants or which is otherwise publicly available for inclusion into this Offer Supplement. Vista Land, however, has not independently verified any or all such publicly available information, data or analysis(es).

Neither the delivery of this Offer Supplement nor any sale made pursuant to the Offer shall, under any circumstance, create any implication that the information contained or referred to in this Offer Supplement is accurate as of any time subsequent to the date hereof. The Joint Lead Underwriters and Joint Bookrunners have exercised the required due diligence in ascertaining that all material representations contained in this Offer Supplement, and any amendment or supplement thereto, are true and correct and that no material information was omitted, which was necessary in order to make the statements contained in said documents not misleading in any material respect. The Joint Lead Underwriters and Joint Bookrunners do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Offer Supplement.

The contents of this Offer Supplement are not to be considered as definitive legal, business or tax advice. Each Prospective Bondholder receiving a copy of this Offer Supplement acknowledges that he has not relied on the Company or the Joint Lead Underwriters and Joint Bookrunners in his investigation of the accuracy of any information found in this Offer Supplement or in his investment decision. Prospective purchasers should consult their own counsel, accountants or other advisors as to legal, tax, business, financial and related aspects of the purchase of the Offer Bonds, among others. It bears emphasis that investing in the Offer Bonds involves certain risks. Please refer to the section on “*Risk Factors and Other Considerations*” of the Prospectus for a discussion of the risks associated and certain considerations with respect to an investment in the Offer Bonds.

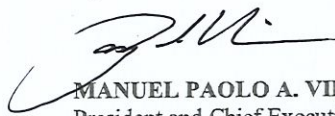
No dealer, salesman or other person has been authorized by Vista Land or the Joint Lead Underwriters and Joint Bookrunners to give any information or to make any representation concerning the Offer Bonds other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorized by Vista Land or the Joint Lead Underwriters and Joint Bookrunners.

Vista Land is organized under the laws of the Philippines. Its registered business office is at the Lower Ground Floor, Building B, Evia Lifestyle Center, Vista City, Daang Hari, Almanza II, Las Piñas City, Philippines, with telephone number: (+632) 3226 3552. The Company has been listed on The Philippine Stock Exchange, Inc. (“**PSE**”) since 2007 under ticker symbol “VLL.” Its corporate website is <http://www.vistaland.com.ph>. The information in the website is not incorporated by reference into this Offer Supplement.

ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED HEREIN ARE TRUE AND CURRENT

VISTA LAND & LIFESCAPES, INC.

By:


MANUEL PAOLO A. VILLAR
President and Chief Executive Officer

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

Before me, a notary public for and in the city named above, personally appeared Manuel Paolo A. Villar, who was identified by me through Philippine Passport No. P4237701B to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Witness my hand and seal this NOV 16 2023 day of _____ 2023 at Makati City.

Doc No. 441 ;
Page No. 90 ;
Book No. II ;
Series of 2023.



JOANNA PAULINE T. BITOIN
Appointment No. M-387
Notary Public for Makati City
Until December 31, 2023
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 78967
PTR No. 9573210/Makati City/01-07-2023
IBP No. 211202/Quezon Province/05-15-2022
MCLE Exempted-Admitted to the bar in 2022

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DEFINITION OF TERMS

As used in this Offer Supplement, the following terms shall have the meanings ascribed to them:

“Application to Purchase” shall mean the document to be executed by any Person or entity qualified to become a Bondholder.

“Applicant” shall mean a person, whether natural or juridical, who seeks to subscribe to the Offer Bonds and submits a duly accomplished Application to Purchase, together with all requirements set forth therein.

“Banking Day” or **“Business Day”** shall mean any day other than Saturday, Sunday and public non-working holidays on which the BSP’s Philippine Payment and Settlement System (“PhilPaSS”) and the Philippine Clearing House Corporation (or, in the event of discontinuance of their respective functions, their respective replacements) are open and available for clearing and settlement, and commercial banks are generally open for the transaction of business in Metro Manila, Philippines.

“Beneficial Owner” shall mean any person (and **“Beneficial Ownership”** shall mean ownership by any person) who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting of such security; and/or investment returns or power in respect of any security, which includes the power to dispose of, or to direct the disposition of, such security; provided, however, that a person shall be deemed to have an indirect beneficial ownership interest in any security which is held by:

- i. members of his immediate family sharing the same household;
- ii. a partnership in which he is a general partner;
- iii. a corporation of which he is a controlling shareholder; or
- iv. subject to any contract, arrangement or understanding, which gives him voting power or investment power with respect to such securities; provided, however, that the following persons or institutions shall not be deemed to be beneficial owners of securities held by them for the benefit of third parties or in customer or fiduciary accounts in the ordinary course of business, so long as such securities were acquired by such persons or institutions without the purpose or effect of changing or influencing control of the issuer:
 - a. A broker dealer;
 - b. An investment house registered under the Investment Houses Law;
 - c. A bank authorized to operate as such by the Bangko Sentral ng Pilipinas;
 - d. An insurance company subject to the supervision of the Office of the Insurance Commission;
 - e. An investment company registered under the Investment Company Act;
 - f. A pension plan subject to regulation and supervision by the Bureau of Internal Revenue and/or the Securities and Exchange Commission or relevant authority; and
 - g. A group in which all of the members are persons specified above.

“BIR” shall mean the Bureau of Internal Revenue of the Philippines.

“Bond Agreements” shall mean the Trust Indenture between the Issuer and the Trustee, the Registry and Paying Agency Agreement between the Issuer and the Registrar and Paying Agent, and the Underwriting Agreement between the Issuer and the Joint Lead Underwriters and Joint Bookrunners, or any document, certificate or writing contemplated thereby.

“Bondholder” shall mean a Person whose name appears, at any time, as a holder of the Bonds in the Registry of Bondholders.

“BSP” shall mean Bangko Sentral ng Pilipinas.

“Chinabank Capital” shall mean China Bank Capital Corporation.

“CRISP” shall mean Credit Rating and Investors Services Philippines, Inc.

“Electronic Registry of Bondholders” shall mean the electronic registry book of the Registrar and Paying Agent containing the official information on the Bondholders and the amount of Bonds they respectively hold, including all transfers and assignments thereof or any liens or encumbrances thereon.

“**Fine**” shall refer to Fine Properties, Inc.

“**Government**” shall refer to the Government of the Republic of the Philippines.

“**HSAC**” shall refer to the Human Settlements Adjudication Commission.

“**Interest Payment Date**” shall mean, for the Bonds, March 6, 2024 for the first Interest Payment Date, and on March 6, June 6, September 6, and December 6 of each year, or the next Business Day if such date falls on a non-Business Day, for as long as the Bonds remain outstanding. Should the Issue Date fall on a date other than December 6, 2023, the Interest Payment Date shall be adjusted accordingly, subject to the requirements of PDEX.

The last Interest Payment Date on the Series F Bonds shall fall on its Maturity Date or on December 6, 2026 or three (3) years from the Issue Date.

The last Interest Payment Date on the Series G Bonds shall fall on its Maturity Date or on December 6, 2028 or five (5) years from the Issue Date.

“**Issue Date**” shall mean December 6, 2023 or such other date as may be agreed upon in writing by the Issuer and the Joint Lead Underwriters and Joint Bookrunners on which the Offer Bonds shall be issued by Vista Land to the Bondholders.

“**Joint Lead Underwriters and Joint Bookrunners**” means China Bank Capital Corporation, SB Capital Investment Corporation, and Union Bank of the Philippines.³

“**Lien**” shall mean any mortgage, pledge, security interest, lien, or encumbrance constituted on any of the Issuer’s properties for the purpose of securing its or its Affiliate’s obligations.

“**Maceda Law**” shall refer to Republic Act No. 6552, a Philippine statute entitled “An Act to Provide Protection to Buyers of Real Estate on Instalment Payments.”

“**Majority Bondholders**” shall mean, at any time, the Bondholder or Bondholders who hold, represent or account for more than 50% of the aggregate outstanding principal amount of the Bonds.

“**Master Bond Certificates**” shall mean the certificates to be issued by Vista Land to the Trustee evidencing and covering the aggregate principal amount of the Bonds issued on Issue Date.

“**Maturity Date**” shall mean December 6, 2026 for the Series F Bonds and December 6, 2028 for the Series G Bonds.

“**Mega Manila**” shall mean Metro Manila and the neighboring provinces of Cavite, Laguna, Rizal, Batangas and Bulacan.

“**Offer**” shall mean the offer for sale and issuance of Offer Bonds by VLL under the terms and conditions as contained herein and in the Prospectus.

“**Offer Bonds**” shall mean the SEC-registered bonds in the aggregate principal amount of ₱6,000,000,000.00 and an oversubscription option of up to ₱4,000,000,000.00, consisting of three (3)-year Series F Bonds due 2026 and five (5)-year Series G Bonds due 2028 to be issued by the Issuer as the first tranche under its ₱35,000,000,000.00 shelf registration of bonds.

“**Offer Period**” shall refer to the period, commencing at 9:00 a.m. on November 21, 2023 and ending at 5:00 p.m. on November 29, 2023, or such other date as may be mutually agreed between the Issuer and the Joint Lead Underwriters and Joint Bookrunners, during which the Offer Bonds shall be offered to the public.

“**Offer Supplement**” shall mean this document dated November 16, 2023, containing the specific terms and conditions of the Offer Bonds. As the context may require, the term shall refer to the Prospectus, as supplemented by this Offer Supplement.

³ China Bank Capital Corporation is the wholly-owned investment banking subsidiary of China Banking Corporation. One of the business units of China Banking Corporation, the Trust and Asset Management Group, serves as the trustee for the Offer Bonds. China Banking Corporation is also among the holders of the corporate notes to be repaid from the net proceeds of the Offer Bonds. In addition, China Banking Corporation, through its Trust and Asset Management Group, is the facility agent for the aforementioned corporate notes, and China Bank Capital Corporation acted as one of the mandated lead arrangers and bookrunners for the said corporate notes issuance. The Trustee is an organizationally and operationally distinct group within China Banking Corporation and is separate and independent from Chinabank Capital.

“**OFW**” shall refer to an overseas Filipino worker.

“**Oversubscription Option**” shall refer to the exclusive right and option that may be exercised by the Joint Lead Underwriters and Joint Bookrunners, in consultation with the Issuer, to offer up to an additional ₱4,000,000,000.00 Offer Bonds to the investing public, to cover oversubscriptions, if any. The Oversubscription Option once exercised during the Offer Period, shall be deemed firmly underwritten by the Joint Lead Underwriters and Joint Bookrunners.

“**Paying Agent**” shall mean Philippine Depository & Trust Corp.

“**Payment Account**” means the account to be opened and maintained by the Paying Agent with such bank designated by the Issuer and solely managed by the Paying Agent, in trust and for the irrevocable benefit of Bondholders, into which the Issuer shall deposit the amount of the interest and/or principal payments due on the outstanding Bonds on a relevant date and exclusively used for that purpose, the beneficial ownership of which shall always remain with the Bondholders.

“**PCD Nominee**” shall refer to PCD Nominee Corporation, a corporation wholly owned by the PDTC.

“**PDEX**” shall refer to the Philippine Dealing & Exchange Corp.

“**PDTC**” shall refer to the Philippine Depository & Trust Corp., (formerly, the Philippine Central Depository, Inc.), which provides an infrastructure for post trade securities services through the operations of the central depository; and likewise provides registry services in relation to which it maintains the electronic official registry or records of title to the Bonds, in accordance with the PDTC Rules, and its successor-in-interest.

“**PDTC Rules**” shall mean the Securities and Exchange Commission-approved rules of the PDTC, including the PDTC Operating Procedures and PDTC Operating Manual, as may be amended, supplemented, or modified from time to time.

“**Pesos**”, “**PhP**”, and “**₱**” shall mean the legal currency of the Republic of the Philippines.

“**PFRS**” shall mean Philippine Financial Reporting Standards.

“**Philippines**” shall mean the Republic of the Philippines.

“**Philippine Constitution**” shall mean the 1987 Constitution of the Philippines.

“**PhilRatings**” shall mean the Philippine Rating Services Corporation.

“**Prospectus**” shall mean, as the context may require, the prospectus dated November 16, 2023, and any amendments, supplements and addenda thereto for the offer and sale to the public of the Shelf Bonds.

“**PSE**” shall refer to the Philippine Stock Exchange, Inc.

“**Registrar**” shall mean Philippine Depository & Trust Corp.

“**Registration Statement**” shall refer to the registration statement filed with the SEC in connection with the offer and sale to the public of the Shelf Bonds, inclusive of the Offer Bonds.

“**SB Capital**” means SB Capital Investment Corporation.

“**SEC**” means the Philippine Securities and Exchange Commission.

“**SEC Permit**” shall mean the Permit to Sell Securities issued by the SEC in connection with the Offer.

“**Security Interest**” means any mortgage, pledge, lien or encumbrance constituted on any of the Issuer’s properties.

“**Series F Bonds**” shall refer to the Offer Bonds with a term of three (3) years from the Issue Date, to be issued by the Issuer pursuant to the Offer.

“**Series G Bonds**” shall refer to the Offer Bonds with a term of five (5) years from the Issue Date, to be issued by the Issuer pursuant to the Offer.

“**Shelf Bonds**” shall collectively refer to the fixed rate bonds covered by the Registration Statement expected to be rendered effective by the SEC on November 20, 2023, consisting of an aggregate principal amount of ₱35,000,000,000, inclusive of the Series F Bonds and Series G Bonds.

“**Shelf Period**” means, subject to applicable regulations and any extension as may be granted by the SEC, a period of three (3) years from the effective date of the Registration Statement within which the Shelf Bonds may be offered and sold in tranches.

“**Starmalls**” means Starmalls, Inc. which has been renamed “Vistamalls, Inc.” effective as of September 17, 2019.

“**SRC**” shall mean the Securities Regulation Code of the Philippines.

“**Subsidiary/ies**” shall mean, with respect to Vista Land, Brittany Corporation, Crown Asia Properties, Inc. Camella Homes, Inc., Communities Philippines, Inc., Vista Residences, Inc., and Vistamalls, Inc., and all other subsidiaries or companies that are identified as such in the consolidated financial statements of Vista Land.

“**Tax Code**” shall mean the Philippine National Internal Revenue Code of 1997, as amended.

“**Taxes**” shall refer to any present or future taxes, including, but not limited to, documentary stamp tax, levies, imposts, filing and other fees or charges imposed by the Republic of the Philippines or any political subdivision or taxing authority thereof, including surcharges, penalties and interests on said taxes, but excluding final withholding tax, gross receipts tax, taxes on the overall income of the underwriter or of the Bondholders, value added tax, and taxes on any gains realized from the sale of the Offer Bonds.

“**Terms and Conditions**” shall refer to the terms and conditions of the issuance of the Bonds as set forth in the Trust Indenture Agreement.

“**Trust Agreement**” shall mean the Trust Indenture between the Issuer and the Trustee.

“**Trustee**” shall refer to China Banking Corporation through its Trust and Asset Management Group.

“**Union Bank**” shall refer to Union Bank of the Philippines.

“**VAT**” shall refer to value-added tax.

“**Villar Family**” shall mean Mr. Manuel B. Villar, Jr., Ms. Cynthia A. Villar, and their children, Manuel Paolo, Mark and Camille Lydia.

“**Vista Estate**” shall mean Vista Land Group’s development model, or fully integrated developments with residential, retail and office/BPO components along with additional components such as utilities and township infrastructure, hotels, healthcare facilities or educational institutions.

“**Vista Group**” refers to Vista Land & Lifescapes, Inc., and its Subsidiaries.

“**Vistamalls**” means Vistamalls, Inc. which was formerly known as Starmalls, Inc. until the approval of the change of its corporate name by the SEC on September 17, 2019.

“**Vista Land**” or “**VLL**” or the “**Company**” or the “**Issuer**” refers to Vista Land & Lifescapes, Inc.

“**Vista Land Commercial Group**” or “**Vista Commercial Group**” refers to the commercial property leasing business of Vista Land and Vistamalls which includes retail malls, commercial strips and BPO offices.

“**VLLI**” refers to VLL International, Inc.

“**Vista Land Property**” refers to any property in any subdivision or condominium projects being offered for sale by the Vista Group.

Titles of sections, subsections and clauses in this Offer Supplement are used for convenience of reference only and do not limit or affect the interpretation of the sections and subsections hereof. In case of conflict between the provisions of this Offer Supplement and the Bond Agreements, the provisions of the Bond Agreements shall prevail.

SUMMARY OF THE OFFERING

The following summary should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in the Prospectus and this Offer Supplement, including, but not limited to, the discussion on the “Description of the Offer Bonds” and “Plan of Distribution.” This overview may not contain all of the information that prospective investors should consider before deciding to invest in the Offer Bonds. Accordingly, any decision by a prospective investor to invest in the Offer Bonds should be based on a consideration of the Prospectus, this Offer Supplement and the Bond Agreements as a whole.

Issuer	Vista Land & Lifescapes, Inc.
Instrument	Fixed rate Philippine Peso Bonds in the amount of ₱6,000,000,000.00 and an Oversubscription Option of up to ₱4,000,000,000.00 to be issued in two (2) series: three (3)-year Series F Bonds due 2026 and five (5)-year Series G Bonds due 2028. The Issuer has the discretion to allocate the principal amount between the Series F Bonds and the Series G Bonds.
Use of Proceeds	The net proceeds of the Offer Bonds shall be used for refinancing maturing loan obligations as well as for general corporate purposes. (see “Use of Proceeds” on page 19).
Form and Denomination of Bond	The Offer Bonds shall be issued in scripless form in minimum denominations of ₱50,000.00 each, and in integral multiples of ₱10,000.00 thereafter.
Offer Price	100% of face value
Offer Period	The period when the Offer Bonds are offered for sale by the Issuer to the public, through the Joint Lead Underwriters and Joint Bookrunners, commencing at 9:00 a.m. on November 21, 2023 and ending at 5:00 p.m. on November 29, 2023 or on such other date as the Issuer and the Joint Lead Underwriters and Joint Bookrunners may agree upon.
Issue Date	December 6, 2023, or such other date as may be agreed upon in writing by the Issuer and the Joint Lead Underwriters and Joint Bookrunners
Maturity Date	Series F Bonds: December 6, 2026 Series G Bonds: December 6, 2028
Interest Rate	Series F Bonds: 7.5426% p.a. Series G Bonds: 7.6886% p.a.
Interest Payment	Interest on the Offer Bonds shall be calculated on a 30/360-day count basis and shall be paid quarterly in arrears starting on March 6, 2024 for the first Interest Payment Date, and March 6, June 6, September 6, and December 6 of each year thereafter, or the next Business Day if such date falls on a non-Business Day, for as long as the Offer Bonds remain outstanding. Should the Issue Date fall on a date other than December 6, 2023, the Interest Payment Dates shall be adjusted accordingly, subject to the requirements of PDEX. The last Interest Payment Date on the Series F Bonds shall fall on its Maturity Date or on December 6, 2026 or three (3) years from the Issue Date. The last Interest Payment Date on the Series G Bonds shall fall on its Maturity Date or on December 6, 2028 or five (5) years from the Issue Date.
Early Redemption Option	The Issuer shall have the right, but not the obligation, to redeem in whole (and not in part), the outstanding Series G Bonds on the following relevant dates. The amount payable to the Bondholders upon the exercise of the Early

	<p>Redemption Option by the Issuer shall be calculated, based on the principal amount of Series G Bonds being redeemed, as the sum of:</p> <p>(i) accrued interest computed from the last Interest Payment Date up to the relevant Early Redemption Option Date; and</p> <p>(ii) the product of the principal amount of the Series G Bonds being redeemed and the Early Redemption Price in accordance with the following schedule:</p> <table border="1" data-bbox="596 474 1412 672"> <thead> <tr> <th></th> <th>Early Redemption Date</th> <th>Early Redemption Price</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Series G Bonds</td> <td>Third (3rd) Anniversary of the Issue Date</td> <td>101.0%</td> </tr> <tr> <td>Fourth (4th) Anniversary of the Issue Date</td> <td>100.5%</td> </tr> </tbody> </table> <p>The Issuer shall give no less than thirty (30) nor more than sixty (60) days prior written notice of its intention to redeem the Series G Bonds to the Trustee, which notice shall be irrevocable and binding upon the Issuer to effect such early redemption of the Series G Bonds on the Early Redemption Option Date stated in such notice.</p> <p>The Series F Bonds do not have an Early Redemption Option.</p>		Early Redemption Date	Early Redemption Price	Series G Bonds	Third (3 rd) Anniversary of the Issue Date	101.0%	Fourth (4 th) Anniversary of the Issue Date	100.5%
	Early Redemption Date	Early Redemption Price							
Series G Bonds	Third (3 rd) Anniversary of the Issue Date	101.0%							
	Fourth (4 th) Anniversary of the Issue Date	100.5%							
Redemption for Taxation Reasons	<p>If payments under the Offer Bonds become subject to additional or increased taxes other than the taxes and rates of such taxes prevailing on the Issue Date as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such additional or increased rate of such tax cannot be avoided by use of reasonable measures available to the Issuer, the Issuer may redeem the Offer Bonds in whole, but not in part, (having given not more than sixty (60) nor less than thirty (30) days' prior written notice to the Trustee) at par plus accrued interest, net of applicable withholding taxes.</p> <p>Upon receipt by the Trustee of a redemption notice from the Issuer pursuant to the Trust Indenture, the Trustee shall secure from the Registrar an updated list of Bondholders as of the Record Date indicated in the notice and the Trustee shall transmit the same notice to all registered Bondholders.</p>								
Redemption by reason of Change of Law or Circumstances	<p>Upon the occurrence of a Change of Law or Circumstance, the Issuer shall provide the Trustee an opinion of a legal counsel confirming the occurrence of the relevant event and the consequences thereof as consistent herewith, such legal counsel being from a recognized law firm reasonably acceptable to the Trustee. Thereupon, the Trustee shall confirm that the Issuer may redeem the Offer Bonds in whole, but not in part, on any Banking Day (having given not more than sixty (60) nor less than thirty (30) days' notice to the Trustee) at par plus accrued interest.</p> <p>The Trustee shall secure from the Registrar an updated list of Bondholders as of the Record Date indicated in the notice and the Trustee shall transmit the same notice to all registered Bondholders.</p>								
Final Redemption	<p>The Offer Bonds shall be redeemed at 100% of face value, plus any outstanding interest, on Maturity Date, unless earlier redeemed by the Company.</p>								
Status of the Bonds	<p>The Offer Bonds shall constitute the direct, unconditional, unsubordinated, and unsecured obligations of VLL and shall at all times rank <i>pari passu</i> and rateably without any preference or priority amongst themselves and at least <i>pari passu</i> with all other present and future unsubordinated and unsecured obligations of VLL, other than obligations preferred by law.</p>								

Negative Pledge	The Offer Bonds will have the benefit of a negative pledge on all existing and future assets of the Issuer, subject to the exceptions provided for in the Trust Indenture Agreement.
Taxation	<p>Based on law and regulations effective as of the date of this Offer Supplement:</p> <ol style="list-style-type: none"> (1) Interest income on the Offer Bonds to be received by Philippine citizens or resident aliens from the Offer Bonds will be subject to income tax, which is withheld at source, at the rate of 20%. (2) Interest income on the Offer Bonds to be received by non-resident aliens engaged in trade or business in the Philippines will be subject to a 20% final withholding tax while that to be received by non-resident aliens not engaged in trade or business will be subject to a 25% final withholding tax. (3) Interest income on the Offer Bonds to be received by domestic corporations and resident foreign corporations will be taxed at the rate of 20%. (4) Interest income on the Offer Bonds to be received by non-resident foreign corporations will be subject to a 25% final withholding tax. <p>Bondholders who are exempt from or are not subject to final withholding tax on interest income or are covered by a lower final withholding tax rate by virtue of a tax treaty may claim such exemption or lower rate, as the case may be, by submitting the necessary documents as required by the BIR and the Issuer.</p> <p>Documentary stamp tax for the primary issue of the Offer Bonds and the execution of the Bond Agreements, if any, shall be for the Issuer's account.</p> <p>Please see the sections on "<i>Taxation</i>" in the Prospectus and "<i>Description of the Offer Bonds</i>" in this Offer Supplement for a more detailed discussion on the tax consequences of the acquisition, ownership and disposition (e.g., secondary transfer) of the Offer Bonds.</p>
Transfer of the Bonds	Trading of the Offer Bonds shall be coursed through a PDEX participant subject to the applicable PDEX rules and conventions. Transfer and/or settlement of the Offer Bonds shall be performed in accordance with the PDTTC rules and procedures to be set by the Issuer and the Registrar. Upon any assignment of the Offer Bonds, title thereto will pass by recording of the transfer from the transferor to the transferee in the electronic register of bondholders to be maintained by the Registrar.
Bond Rating	<p>The Issuer has been rated AAA by CRISP and the Offer Bonds have been rated PRS Aaa by PhilRatings.</p> <p>Ratings given by CRISP and PhilRatings are subject to regular annual reviews, or more frequently as market developments may dictate, for as long as the Bonds are outstanding.</p>
Listing	The Issuer intends to list the Offer Bonds on the PDEX on December 6, 2023.
Trustee	China Banking Corporation through its Trust and Asset Management Group
Registrar and Paying Agent	Philippine Depository and Trust Corp.

Governing Law	Republic of the Philippines	
Indicative Timetable	Filing of Registration Statement	September 15, 2023
	Issuance of Permit to Sell	November 20, 2023
	Offer Period	November 21, 2023 to November 29, 2023
	Issue Date and Listing Date	December 6, 2023

DETERMINATION OF OFFER PRICE

The Offer Bonds shall be issued at 100% of principal amount or face value.

CAPITALIZATION

As at June 30, 2023, the authorized capital stock of the Issuer is ₱18,000,000,000.00, divided into 17,900,000,000 common shares with ₱1.00 par value per share and 8,000,000,000 Series 1 preferred shares with ₱0.01 par value per share and 200,000,000 Series 2 preferred shares with ₱0.10 par value per share. As of June 30, 2023, the Company has an outstanding capital stock of ₱12,731,007,676.00, consisting of 12,698,007,676 common shares and 3,300,000,000 Series 1 preferred shares.

The following table sets forth the consolidated capitalization and indebtedness of the Issuer as at June 30, 2023 and as adjusted to give effect to the issuance of the Offer Bonds. This table should be read in conjunction with the Issuer's interim unaudited consolidated financial statements as at June 30, 2023 and notes thereto.

Capitalization without the Oversubscription Option at Issue Size of ₱6,000,000,000.00:

(in ₱ millions)	Unaudited as of 30 June 2023	Adjustments	Unaudited as of 30 June 2023
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts and other payables	18,982.49		18,982.49
Security deposits and advance rent	1,898.06		1,898.06
Income tax payable	173.47		173.47
Dividends payable	81.28		81.28
Current portion of:			
Contract liabilities	1,244.75		1,244.75
Notes payable	12,742.90		12,742.90
Bank loans	8,844.19		8,844.19
Loans payable	4,026.09		4,026.09
Lease liabilities	381.33		381.33
Total current liabilities	48,374.58		48,374.58
Noncurrent Liabilities			
Contract liabilities - net of current portion	745.36		745.36
Notes payable - net of current portion	98,601.95	6,000.00	104,601.95
Bank loans - net of current portion	38,422.21		38,422.21
Loans payable - net of current portion	1,549.51		1,549.51
Lease liabilities - net of current portion	5,040.16		5,040.16
Deferred tax liabilities - net	7,223.04		7,223.04
Other noncurrent liabilities	2,972.54		2,972.54
Total noncurrent liabilities	154,554.77		160,554.77
Total liabilities	202,929.35		208,929.35
Equity			
Attributable to equity holders of the Parent Company			
Preferred stock	33.00		33.00
Common stock	13,114.14		13,114.14
Additional paid-in capital	30,684.71		30,684.71
Retained earnings	83,196.38		83,196.38
Other comprehensive income	887.24		887.24
Treasury shares	(7,740.26)		(7,740.26)
	120,175.20		120,175.20
Noncontrolling interest	9,134.26		9,134.26
Total equity	129,309.45		129,309.45

Total liabilities and equity	332,238.80	338,238.80
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Capitalization with full exercise of the Oversubscription Option at Issue Size of ₱10,000,000,000.00:

(in ₱ millions)	Unaudited as of 30 June 2023	Adjustments	Unaudited as of 30 June 2023
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts and other payables	18,982.49		18,982.49
Security deposits and advance rent	1,898.06		1,898.06
Income tax payable	173.47		173.47
Dividends payable	81.28		81.28
Current portion of:	-		
Contract liabilities	1,244.75		1,244.75
Notes payable	12,742.90		12,742.90
Bank loans	8,844.19		8,844.19
Loans payable	4,026.09		4,026.09
Lease liabilities	381.33		381.33
Total current liabilities	48,374.58		48,374.58
Noncurrent Liabilities			
Contract liabilities - net of current portion	745.36		745.36
Notes payable - net of current portion	98,601.95	10,000.00	108,601.95
Bank loans - net of current portion	38,422.21		38,422.21
Loans payable - net of current portion	1,549.51		1,549.51
Lease liabilities - net of current portion	5,040.16		5,040.16
Deferred tax liabilities - net	7,223.04		7,223.04
Other noncurrent liabilities	2,972.54		2,972.54
Total noncurrent liabilities	154,554.77		164,554.77
Total liabilities	202,929.35		212,929.35
Equity			
Attributable to equity holders of the Parent Company			
Preferred stock	33.00		33.00
Common stock	13,114.14		13,114.14
Additional paid-in capital	30,684.71		30,684.71
Retained earnings	83,196.38		83,196.38
Other comprehensive income	887.24		887.24
Treasury shares	(7,740.26)		(7,740.26)
	120,175.20		120,175.20
Noncontrolling interest	9,134.26		9,134.26
Total equity	129,309.45		129,309.45
Total liabilities and equity	332,238.80		342,238.80

USE OF PROCEEDS

VLL expects that for an issue size of ₱6,000,000,000.00 and after deduction of fees, commissions, and expenses, the net proceeds of the Offer shall amount to approximately ₱5,890,570,107.00. Assuming the Oversubscription Option of up to ₱4,000,000,000.00 is fully exercised or for an issue size of up to ₱10,000,000,000.00, VLL expects total net proceeds of approximately ₱9,832,570,107.00 after deducting fees, commissions, and expenses.

Net proceeds from the Offer are estimated to be at least as follows:

Without the Oversubscription Option: ₱6.0 Billion Issue Size

	Total
Estimated proceeds from the sale of Offer Bonds	₱6,000,000,000.00
Less: Estimated expenses	
A. Upfront expenses	
Underwriting fee	₱42,000,000.00
Documentary stamp tax	45,000,000.00
SEC Registration Fee and Legal Research Fee	3,093,125.00
Publication fee	166,768.00
Rating agency fee	5,360,000.00
Professional fees (excluding OPE)	8,988,000.00
PDEX listing application fee	200,000.00
Registry and Paying Agency account opening fee	100,000.00
Marketing expenses and signing ceremony expenses	300,000.00
Total upfront expenses	₱105,207,893.00
B. Annual expenses	
Monitoring fee of rating agency	672,000.00
Trustee	300,000.00
Registry	200,000.00
Listing maintenance fee	300,000.00
Paying agent	2,750,000.00
Total Annual Expenses	₱4,222,000.00
 Estimated net proceeds	 ₱5,890,570,107.00

With Full Exercise of Oversubscription Option: ₱10.0 Billion Issue Size

	Total
Estimated proceeds from the sale of Offer Bonds	₱10,000,000,000.00
Less: Estimated expenses	
A. Upfront expenses	
Underwriting fee	₱70,000,000.00
Documentary stamp tax	75,000,000.00
SEC Registration fee and legal research fee	3,093,125.00
Publication fee	166,768.00
Rating agency fee	5,360,000.00
Professional fees (excluding OPE)	8,988,000.00
PDEX listing application fee	200,000.00

Registry and Paying Agency account opening fee	100,000.00
Marketing expenses and signing ceremony expenses	300,000.00
Total upfront expenses	₱163,207,893.00
B. Annual expenses	
Monitoring fee of rating agency	672,000.00
Trustee	300,000.00
Registry	200,000.00
Listing maintenance fee	300,000.00
Paying agent	2,750,000.00
Total annual expenses	₱4,222,000.00
Estimated net proceeds	₱9,832,570,107.00

The net proceeds shall be used for refinancing of certain maturing loan obligations of the Company as well as for general corporate purposes.

The net proceeds from the Offer assuming an issue size of ₱6,000,000,000.00 will be allocated as follows:

Description of Indebtedness	Borrower/ Issuer	Lender/ Holder	Original Principal Amount (in PHP millions unless otherwise indicated)	Maturity	Interest Rate	Outstanding Amount as of June 30, 2023 (in PHP millions unless otherwise indicated)
Retail Bonds – Series C Bonds	Vista Land & Lifescapes, Inc.	Various	6,500.00	21-Dec-23	8.000%	6,500.00
Total			6,500.00			6,500.00

Any deficit arising from the net proceeds from the Offer and the outstanding loan obligations shall be managed using internally generated funds of the Company.

The proceeds from the exercise of the Oversubscription Option shall be used to refinance maturing loan obligations as well as for general corporate purposes.

The net proceeds from the Offer assuming the full exercise of the Oversubscription Option or an issue size of ₱10,000,000,000.00 will be allocated as follows:

Description of Indebtedness	Borrower/ Issuer	Lender/ Holder	Original Principal Amount (in PHP millions unless otherwise indicated)	Maturity	Interest Rate	Outstanding Amount as of June 30, 2023 (in PHP millions unless otherwise indicated)
Retail Bonds – Series C Bonds	Vista Land & Lifescapes, Inc.	Various	6,500.00	21-Dec-23	8.000%	6,500.00
Corp Notes	Vista Land & Lifescapes, Inc.	Various	14,500.00	15-Jul-24	7.125%	4,531.25
Corp Notes	Vista Land & Lifescapes, Inc.	Various	500.00	15-Jul-24	7.125%	156.25
Corp Notes	Vista Land & Lifescapes, Inc.	Various	1,700.00	13-Jul-25	7.491%	637.49
Corp Notes	Vista Land & Lifescapes, Inc.	Various	500.00	27-Jul-25	7.499%	187.50
Corp Notes	Vista Land & Lifescapes, Inc.	Various	5,150.00	29-Dec-26	6.188%	4,480.50
Corp Notes	Vista Land & Lifescapes, Inc.	Various	4,850.00	29-Dec-26	6.226%	4,219.50
Corp Notes	Vista Land & Lifescapes, Inc.	Various	4,000.00	31-Mar-27	6.642%	3,333.33
Corp Notes	Vista Land & Lifescapes, Inc.	Various	2,000.00	31-Mar-27	6.642%	1,666.67
Corp Notes	Vista Land & Lifescapes, Inc.	Various	6,000.00	13-Jul-28	7.708%	3,499.98
Total			45,700.00			29,212.47

In the event that the net proceeds from the Offer is less than the expected amount, any deficit shall be managed using internally generated funds of the Company.

The indicative timing of the disbursement of the net proceeds, including the proceeds from the Oversubscription Option Bonds shall be as follows:

PRINCIPAL PAYMENT SCHEDULE								
Description	Borrower/ Issuer	Original Principal Amount*	Maturity	Interest Rate	4Q2023	1Q2024	2Q2024	Total
Retail Bonds - Series C Bonds	Vista Land	6,500.00	21-Dec-23	8.000%	6,500.00	-	-	6,500.00
Corp Notes	Vista Land	5,150.00	29-Dec-26	6.188%	-	25.75	-	25.75
Corp Notes	Vista Land	4,850.00	29-Dec-26	6.226%	-	24.25	-	24.25
Corp Notes	Vista Land	6,000.00	13-Jul-28	7.708%	-	166.67	166.67	333.34
Corp Notes	Vista Land	1,700.00	13-Jul-25	7.491%	-	70.83	70.83	141.67
Corp Notes	Vista Land	500.00	27-Jul-25	7.499%	-	20.83	20.83	41.67
Corp Notes	Vista Land	14,500.00	15-Jul-24	7.125%	-	906.25	906.25	1,812.50
Corp Notes	Vista Land	500.00	15-Jul-24	7.125%	-	31.25	31.25	62.50
Corp Notes	Vista Land	4,000.00	31-Mar-27	6.642%	-	444.44	-	444.44
Corp Notes	Vista Land	2,000.00	31-Mar-27	6.642%	-	222.22	-	222.22
General purposes					-	224.23	-	224.23
Total					6,500.00	2,136.73	1,195.84	9,832.57

**in PHP millions unless otherwise indicated*

Pending the above use of proceeds, the Company shall invest the net proceeds from the Offer Bonds in short-term liquid investments including but not limited to short-term government securities, bank deposits and money market placements which are expected to earn interest at prevailing market rates. In the event such investments should incur losses, any shortfall will be financed from the Company's internally generated funds.

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

China Banking Corporation and Security Bank Corporation are among the holders of the corporate notes to be repaid from the net proceeds of the Offer Bonds. Two of the Joint Lead Underwriters and Joint Bookrunners, China Bank Capital Corporation and SB Capital Investment Corporation, subsidiaries of China Banking Corporation and Security Bank Corporation, respectively, also served as mandated lead arrangers and bookrunners for the said corporate notes issuance. In addition, China Banking Corporation, acting through its Trust and Asset Management Group, serves as the trustee for the Offer Bonds and is also the facility agent for the aforementioned corporate notes. Except for the underwriting fees and expenses in relation to the Offer Bonds, no amount of the proceeds will be utilized to pay any outstanding financial obligations to the Joint Lead Underwriters and Joint Bookrunners. Please see section on "*Plan of Distribution*" of this Offer Supplement.

The foregoing discussion represents a best estimate of the use of proceeds of the Offer based on the Company's current plans and anticipated expenditures. In the event that there is any change in the Company's development plan, including force majeure, market conditions and other circumstances, the Company will carefully evaluate the situation and may reallocate the proceeds for future investments or other uses, and/or hold such funds in investments, whichever is better for the Company's and its shareholders' interest taken as a whole. For these reasons, timing and actual use of the net proceeds may vary from the foregoing discussion and the Company's management may find it necessary or advisable to alter its plans. In the event of any substantial deviation, adjustment or reallocation in the planned use of proceeds, the Company shall inform the SEC, PDEx, and the bondholders in writing at least thirty (30) days before such deviation, adjustment or reallocation is implemented.

PLAN OF DISTRIBUTION

THE OFFER BONDS

The SEC is expected to issue an Order on November 20, 2023 rendering effective the Registration Statement of the Company in connection with the offer and sale to the public of the Shelf Bonds to be issued in one or more tranches within a three-year period from the effective date of the same Registration Statement.

The Offer Bonds (which are subject of this Offer Supplement and consisting of Series F Bonds and Series G Bonds) will be issued with an aggregate principal amount of up to ₱10,000,000,000.00. The Oversubscription Option once exercised during the Offer Period, shall be deemed firmly underwritten by the Joint Lead Underwriters and Joint Bookrunners. After the issuance of the Bonds, the remaining amount shall be lodged under a shelf registration and may be issued in one or more tranches within the Shelf Period. However, in case the Oversubscription Option is partly exercised or not exercised at all during the Offer Period, the Shelf Bonds will be automatically increased by such principal amount of Offer Bonds that will not be taken up. Hence, after the Offer, the remaining Shelf Bonds may potentially increase to an aggregate principal amount of up to ₱29,000,000,000.00, which may be issued in tranches within the Shelf Period. The SEC is expected to issue the corresponding Permit to Sell Securities covering the Offer Bonds.

THE UNDERWRITERS OF THE OFFER

China Bank Capital Corporation, SB Capital Investment Corporation, and Union Bank of the Philippines, pursuant to an Underwriting Agreement with VLL executed on November 16, 2023 (the “Underwriting Agreement”), have agreed to act as the Joint Lead Underwriters and Joint Bookrunners for the Offer and as such, distribute and sell the Offer Bonds at the Offer Price, and have also committed to underwrite the Firm Bonds on a firm basis subject to the satisfaction of certain conditions and in consideration of an underwriting fee equivalent to 0.70% of the gross proceeds of the Offer.

The amounts of the underwriting commitments of the Joint Lead Underwriters and Joint Bookrunners are as follows:

China Bank Capital	₱3,000,000,000.00
SB Capital	₱2,000,000,000.00
UBP	₱1,000,000,000.00
TOTAL	₱6,000,000,000.00

In the event of an oversubscription, the Joint Lead Underwriters and Joint Bookrunners, in consultation with the Issuer, reserve the right, but do not have the obligation, to increase the Offer Bonds by up to ₱4,000,000,000.00, subject to the applicable requirements of the SEC. The Oversubscription Option, to the extent exercised during the Offer Period, shall be deemed firmly underwritten by the Joint Lead Underwriters and Joint Bookrunners, in addition to the amounts above. Any Offer Bonds issued under the Oversubscription Option will be allocated subject to the discretion of the Joint Lead Underwriters and Joint Bookrunners, with the consent of the Issuer.

There is no arrangement for the Joint Lead Underwriters and Joint Bookrunners to return to VLL any unsold Offer Bonds. The Underwriting Agreement may be terminated in certain circumstances prior to payment of the net proceeds of the Offer Bonds being made to VLL. There is no arrangement giving the Joint Lead Underwriters and Joint Bookrunners the right to designate or nominate member(s) to the Board of Directors of VLL.

Each of the Joint Lead Underwriters and Joint Bookrunners is duly licensed by the SEC to engage in underwriting or distribution of the Offer Bonds and have undertaken the requisite due diligence over the Issuer as underwriters of the Offer. The Joint Lead Underwriters and Joint Bookrunners may, from time to time, engage in transactions with and perform services in the ordinary course of its business for VLL.

None of the Joint Lead Underwriters and Joint Bookrunners has any direct relations with VLL in terms of ownership by either of their respective major stockholder/s.

China Bank Capital Corporation

Chinabank Capital is the wholly-owned investment banking subsidiary of China Banking Corporation. It was registered and licensed as an investment house in 2015 as a result of the spin-off of China Banking Corporation’s Investment Banking Group. The firm offers a full suite of investment banking solutions that enable clients to achieve their fundraising objectives and strategic goals. The company’s services include arranging, managing and

underwriting debt and equity transactions, such as bond offerings, corporate notes issuances, initial public offerings, and follow-on offerings of common and preferred shares, private placement of securities, structured loans, project finance, real estate investment trusts, and asset securitizations. Chinabank Capital provides financial advisory services to its clients, such as deal structuring, valuation exercises, and execution of mergers, acquisitions, divestitures, joint ventures, recapitalizations, and other corporate transactions. As of December 31, 2022, it had ₱3.09 billion and ₱3.00 billion in assets and capital, respectively.

SB Capital Investment Corporation

SB Capital Investment Corporation is a Philippine corporation organized in October 1995 as a wholly-owned subsidiary of Security Bank Corporation. It obtained its license to operate as an investment house in 1996 and is licensed by the SEC to engage in underwriting and distribution of securities to the public. SB Capital Investment Corporation provides a wide range of investment banking services including underwriting of debt and equity securities, project finance, loan syndications, mergers and acquisitions and other corporate/financial advisory services. SB Capital Investment Corporation is also involved in equity trading through its wholly-owned stock brokerage subsidiary, SB Equities, Inc. Its senior executives have extensive experience in the capital markets and were involved in a lead role in a substantial number of major debt and equity issues. As of December 31, 2022, its total assets amounted to ₱1.63 billion and its capital base amounted to ₱1.60 billion.

Union Bank of the Philippines

Union Bank of the Philippines (“**Union Bank**”) is a publicly listed universal bank whose principal shareholders are Aboitiz Equity Ventures, Inc. (“**AEV**”), Social Security System (“**SSS**”), and The Insular Life Assurance Company, Ltd. (“**Insular Life**”). Union Bank has always been among the first to embrace technological innovations to empower its customers. Union Bank leverages on technology and its agile culture to meet the customers’ changing and diverse needs and continuously enhance customer experience. Determined to be an enabler of the Philippines’ bid to be a G20 country by 2050, Union Bank stands firm in its promise to power the future of banking by co-creating innovations for its customers and for a better world.

Union Bank offers a broad range of products and services, which include deposit and related services, consumer finance (comprising credit card services, mortgage and auto loans, and personal/salary loans), corporate banking, commercial banking (comprising middle-market banking), micro, small and medium-sized enterprises (“**MSME**”) banking, cash management, trust and investment services, treasury products distribution, and funding and trading (involving management of Union Bank’s liquidity and funding requirements and handling of transactions in the financial markets covering foreign exchange, fixed income trading and investments, and derivatives). In addition, Union Bank has a private banking unit which offers estate planning solutions and a global and diversified multi-asset fund to its high-net-worth and ultra-high-net-worth clients through its partnership with Lombard Odier and various life insurance products through its bancassurance partnership with Insular Life.

SALE AND DISTRIBUTION

The distribution and sale of the Offer Bonds shall be undertaken by the Joint Lead Underwriters and Joint Bookrunners who shall distribute and sell the Offer Bonds to third party buyers/investors. Nothing herein shall limit the rights of the Joint Lead Underwriters and Joint Bookrunners to purchase the Offer Bonds for their own account.

There are no persons to whom the Offer Bonds are allocated or designated. The Offer Bonds shall be offered to the public at large and without preference.

OFFER PERIOD

The Offer Period shall commence at 9:00 a.m. on November 21, 2023 and end at 5:00 pm on November 29, 2023.

APPLICATION TO PURCHASE

Applicants may purchase the Offer Bonds during the Offer Period by submitting to any of the Joint Lead Underwriters and Joint Bookrunners or any selling agent, as applicable, properly completed Applications to Purchase, whether originally signed or electronically submitted (through the e-Securities Issue Portal (“**e-SIP**”)), together with the applicable supporting documentation in the prescribed form and submitted in the prescribed manner, with full payment of the purchase price of the Offer Bonds in the manner provided therein.

Corporate and institutional applicants must also submit, in addition to the foregoing:

- (i) one (1) copy, certified by the SEC (or equivalent regulatory body) or Corporate Secretary (or by an equivalent officer) of the applicant of the SEC Certificate of Registration, Articles of Incorporation and By-Laws or equivalent charter or constitutive documents of the applicant, as amended to date;
- (ii) one (1) copy, certified by the Corporate Secretary (or by an equivalent officer) of the applicant of the resolutions adopted by the applicant's Board of Directors or equivalent body authorizing the applicant to purchase the Securities and certifying the names and specimen signatures of the applicant's duly authorized signatories for that purpose;
- (iii) two (2) fully executed PDTC signature cards of the authorized signatories duly authenticated by the Corporate Secretary (or by an equivalent officer) of the applicant in the form attached to the Application to Purchase, together with a copy of at least one (1) valid ID of the authorized signatories;
- (iv) a list, certified by the Corporate Secretary (or by an equivalent officer) of the applicant, of the natural persons who are the ultimate beneficial owners of the applicant; and
- (v) such other documentary requirements as may be reasonably required by the Joint Lead Underwriters and Joint Bookrunners in implementation of its internal policies regarding "knowing your customer" and anti-money laundering.

Individual applicants must also submit, in addition to accomplished Application to Purchase and its required attachments:

- (i) one (1) copy, certified by the SEC (or equivalent regulatory body) or Corporate Secretary (or by an equivalent officer) of the applicant of the SEC Certificate of Registration, Articles of Incorporation and By-Laws or equivalent charter or constitutive documents of the applicant, as amended to date;
- (ii) one (1) copy, certified by the Corporate Secretary (or by an equivalent officer) of the applicant of the resolutions adopted by the applicant's Board of Directors or equivalent body authorizing the applicant to purchase the Securities and certifying the names and specimen signatures of the applicant's duly authorized signatories for that purpose;
- (iii) two (2) fully executed PDTC signature cards of the authorized signatories duly authenticated by the Corporate Secretary (or by an equivalent officer) of the applicant in the form attached to the Application to Purchase, together with a copy of at least one (1) valid ID of the authorized signatories;
- (iv) a list, certified by the Corporate Secretary (or by an equivalent officer) of the applicant, of the natural persons who are the ultimate beneficial owners of the applicant; and
- (v) such other documentary requirements as may be reasonably required by the Joint Lead Underwriters and Joint Bookrunners in implementation of its internal policies regarding "knowing your customer" and anti-money laundering.

An Applicant who is claiming exemption from any applicable tax, or entitlement to preferential tax rates shall, in addition to the requirements set forth above, be required to submit the following requirements to any of the Joint Lead Underwriters and Joint Bookrunners (together with their respective Applications to Purchase), subject to acceptance by the Issuer as being sufficient in form and substance:

- (i) a current and valid BIR-certified true copy of the tax exemption certificate, ruling or opinion addressed to the relevant applicant or Bondholder, confirming its exemption or entitlement to preferential rate, as required under BIR Revenue Memorandum Circular No. 8-2014 and RMC No. 20-2022, including any clarification, supplement or amendment thereto, and certified by the corporate secretary of the Bondholder that as being a true copy of the original on file with the Bondholder, which notarized certification indicates that: (a) the exemption certificate is a true copy of the original; (b) the original is in the possession of the corporate secretary as the duly authorized custodian of the same; and (c) the corporate secretary has personal knowledge based on his official functions of any amendment, revocation, expiration, change, or any circumstance affecting said certification's validity, or a copy of the law of the country of domicile allowing a deemed paid tax credit in an amount to the 15% spared or waived by the Philippines duly authenticated by the Philippine embassy or, for countries that are members to the Apostille Convention, an apostilled copy of the law of the country of domicile which apostilled or authenticated copy shall be valid for one year from the date of issuance;
- (ii) with respect to tax treaty relief:

- (a) prior to the payment of the initial interest due, (i) three (3) originals of the submitted BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes filed by the Bondholder or, if the Bondholder is a fiscally transparent entity, each of the Bondholder's owners or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under BIR Revenue Memorandum Order No. 14-2021, (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries in the form acceptable for recognition under Philippine laws, (iii) the relevant provision of the tax treaty providing for the claimed tax exemption or preferential tax rate, in a form acceptable to the Issuer, and (iv) three (3) originals of the duly notarized, consularized, or apostilled (as the case may be), if executed outside of the Philippines, special power of attorney executed by the Bondholder or the Bondholder's owners or beneficiaries, as may be applicable, in favor of the authorized representative (if the Application Form for Treaty Purposes and other documents are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries is/are not doing business in the Philippines to support the applicability of a tax treaty relief;
- (b) prior to the payment of subsequent interests due, (i) three (3) originals of the submitted new or updated BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes, as the Issuer deems applicable, and (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries in the form acceptable for recognition under Philippine laws, if the validity period of the previously issued tax residency certificate has already lapsed;
- (c) other additional documents as may be required by the Issuer or pursuant to applicable tax regulations, which shall be submitted by the Bondholder/Registrar to the Issuer no later than the first (1st) day of the month when such initial or subsequent interest payment/s shall fall due and, if applicable, including any clarification, supplement, or amendment thereto;
- (iii) a duly notarized undertaking executed by (1) the corporate secretary or any authorized representative of such applicant or Bondholder, who has personal knowledge of the exemption or entitlement to preferential tax rate based on his official functions, if the Applicant purchases, or the Bondholder holds, the Offer Bonds for its account, or (2) the trust officer, if the applicant is a universal bank authorized under Philippine law to perform trust and fiduciary functions and purchase the Offer Bonds pursuant to its management of tax-exempt entities (i.e. Employee Retirement Fund, etc.), declaring and warranting such entities' tax-exempt status or preferential rate entitlement, undertaking to immediately notify the Issuer, the Registrar and the Paying Agent of any suspension or revocation of the tax exemption certificate, certificate, ruling or opinion issued by the BIR, executed using the prescribed form, with a declaration and warranty of its tax exempt status or entitlement to a preferential tax rate, and agreeing to indemnify and hold the Issuer, the Registrar and the Paying Agent free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or incorrect withholding of the required tax; and
- (iv) such other documentary requirements as may be required under the applicable regulations of the relevant taxing or other authorities which for purposes of claiming tax treaty withholding rate benefits, shall include evidence of the applicability of a tax treaty and consularized proof of the Bondholder's legal domicile in the relevant treaty state, and confirmation acceptable to the Issuer that the Bondholder is not doing business in the Philippines; provided that the Issuer, the Registrar and the Paying Agent shall have the exclusive discretion to decide whether the documents submitted are sufficient for purposes of applying the exemption or the reduced rate being claimed by the Bondholder on the interest payments to such Bondholder;

provided further that, all sums payable by the Issuer to tax exempt entities shall be paid in full without deductions for taxes, duties assessments or government charges subject to the submission by the Bondholder claiming the benefit of any exemption of reasonable evidence of such exemption to the Registrar and Paying Agent.

The purchase price for each Offer Bond which is equal to the face amount of such Offer Bond (the "**Purchase Price**") is payable in full upon submission of the duly executed Application to Purchase. Payments of the Purchase Price shall be made either in checks or appropriate debit instructions or payment instructions made out to the order of any of the Joint Lead Underwriters and Joint Bookrunners or selling agent (if any). All payments must be made or delivered to any of the Joint Lead Underwriters and Joint Bookrunners or selling agent (if any) to whom the Application to Purchase is submitted.

Completed Applications to Purchase and corresponding payments must reach the Joint Lead Underwriters and Joint Bookrunners prior to the end of the Offer Period, or such earlier date as may be specified by the Joint Lead Underwriters and Joint Bookrunners. Acceptance by the Joint Lead Underwriters and Joint Bookrunners of the

completed Application to Purchase shall be subject to the availability of the Offer Bonds and the acceptance by VLL. In the event that any check payment is returned by the drawee bank for any reason whatsoever or the nominated bank account to be debited is invalid, the Application to Purchase shall be automatically canceled and any prior acceptance of the Application to Purchase is deemed revoked.

MINIMUM PURCHASE

A minimum purchase of Fifty Thousand Pesos (₱50,000.00) shall be considered for acceptance. Purchases in excess of the minimum shall be in multiples of Ten Thousand Pesos (₱10,000.00).

ALLOTMENT OF THE BONDS

If the Offer Bonds are insufficient to satisfy all Applications to Purchase, the available Offer Bonds shall be allotted at the discretion of the Joint Lead Underwriters and Joint Bookrunners, in consultation with the Issuer and subject to VLL's exercise of its right of rejection.

ACCEPTANCE OF APPLICATIONS

VLL and the Joint Lead Underwriters and Joint Bookrunners reserve the right to accept or reject applications to subscribe in the Offer Bonds, and in case of oversubscription, allocate the Offer Bonds available to the applicants in a manner they deem appropriate. If any application is rejected or accepted in part only, the application money or the appropriate portion thereof will be returned without interest by the Joint Lead Underwriters and Joint Bookrunners.

REFUNDS

If any application is rejected or accepted in part only, the application money or the appropriate unused portion thereof shall be returned without interest to such applicant through any of the Joint Lead Underwriters and Joint Bookrunners with whom such application to purchase the Offer Bonds was made.

PAYMENTS

The Paying Agent shall open and maintain a Payment Account, which shall be operated solely and exclusively by said Paying Agent in accordance with the Registry and Paying Agency Agreement and the PDTC Rules, provided that beneficial ownership of the Payment Account shall always remain with the Bondholders. The Payment Account shall be used exclusively for the payment of the relevant interest and principal on each Payment Date.

The Paying Agent shall maintain the Payment Account for six (6) months from the relevant Maturity Date or Early Redemption Option Date or date of early redemption other than the Early Redemption Option Date. Upon closure of the Payment Account, any balance remaining in such Payment Account shall be returned to the Issuer and shall be held by the Issuer in trust and for the irrevocable benefit of the Bondholders with unclaimed interest and principal payments.

PURCHASE AND CANCELLATION

The Issuer may purchase the Offer Bonds at any time in the open market or by tender or by contract, in accordance with PDEX Rules, without any obligation to make pro-rata purchases from all Bondholders. Offer Bonds so purchased shall be redeemed and cancelled and may not be re-issued.

Upon listing of the Offer Bonds on the PDEX, the Issuer shall disclose any such transaction in accordance with applicable PDEX disclosure rules.

SECONDARY MARKET

VLL intends to list the Offer Bonds on the PDEX. VLL may purchase the Bonds at any time without any obligation to make pro-rata purchases of Bonds from all Bondholders.

REGISTRY OF BONDHOLDERS

The Offer Bonds shall be issued in scripless form and shall be registered in the scripless Electronic Registry of Bondholders maintained by the Registrar. Master Bond Certificates representing the Offer Bonds sold in the Offer shall be issued to and registered in the name of the Trustee, on behalf of the Bondholders.

Legal title to the Offer Bonds shall be shown in the Electronic Registry of Bondholders to be maintained by the Registrar. Initial placement of the Offer Bonds and subsequent transfers of interests in the Bonds shall be subject to

applicable prevailing Philippine selling restrictions. The names and addresses of the Bondholders and the particulars of the Offer Bonds held by them and of all transfers of Offer Bonds shall be entered into the Electronic Registry of Bondholders. Transfers of ownership shall be effected through book-entry transfers in the scripless Electronic Registry of Bondholders.

DESCRIPTION OF THE OFFER BONDS

The following does not purport to be a complete listing of all the rights, obligations, or privileges of the Offer Bonds. Some rights, obligations, or privileges may be further limited or restricted by other documents. Prospective investors are enjoined to carefully review the Articles of Incorporation, By-Laws and resolutions of the Board of Directors of VLL, the information contained in the Prospectus, the Trust Agreement, and the other Bond Agreements or other agreements relevant to the Offer such as the Application to Purchase, and to perform their own independent investigation and analysis of the Issuer and the Offer Bonds. Prospective Bondholders must make their own appraisal of the Issuer and the Offer, and must make their own independent verification of the information contained herein and the other aforementioned documents and any other investigation they may deem appropriate for the purpose of determining whether to participate in the Offer. They must not rely solely on any statement or the significance, adequacy or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective investor's independent evaluation and analysis. Prospective Bondholders are likewise encouraged to consult their legal counsels and accountants in order to be better advised of the circumstances surrounding the Offer Bonds.

GENERAL

The Offer Bonds shall be issued as the first tranche from the Issuer's ₱35,000,000,000 Shelf Bonds registered with the SEC. The Offer Bonds will be issued on December 6, 2023 (the "**Issue Date**") and will comprise of fixed rate bonds to be issued in two (2) series: three (3) year bonds, which shall be due in 2026 (the "**Series F Bonds**") and five (5) year bonds which shall be due in 2028 (the "**Series G Bonds**").

The Offer Bonds are constituted by a Trust Indenture executed on November 16, 2023 (the "**Trust Indenture**") between the Issuer and China Banking Corporation through its Trust and Asset Management Group (the "Trustee", which term shall, wherever the context permits, include all other persons or companies for the time being acting as trustee or trustees under the Trust Indenture). The description of the terms and conditions of the Offer Bonds set out below includes summaries of, and is subject to, the detailed provisions of the Trust Indenture and the Registry and Paying Agency Agreement executed on November 16, 2023 (the "**Registry and Paying Agency Agreement**") among the Issuer, the Registrar, and the Paying Agent.

PDTC has no interest in or relation to the Issuer which may conflict with its roles as Registrar and as Paying Agent for the Offer.

Copies of the Trust Indenture and the Registry and Paying Agency Agreement are available for inspection during normal business hours at the specified offices of the Trustee and the Registrar. The holders of the Bonds (the "**Bondholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Indenture and are deemed to have notice of those provisions of the Registry and Paying Agency Agreement applicable to them.

1. **Form, Denomination and Title**

(a) Form and Denomination

The Offer Bonds shall be in scripless form, and shall be issued, in denominations of Fifty Thousand Pesos (₱50,000.00) each, as a minimum, and in multiples of Ten Thousand Pesos (₱10,000.00) thereafter and traded in denominations of Ten Thousand Pesos (₱10,000.00) in the secondary market.

(b) Title

The beneficial interest to the Offer Bonds shall be shown on and recorded in the Register of Bondholders maintained by the Registrar. A notice confirming the principal amount of the Offer Bonds purchased by each applicant in the Offer shall be issued by the Registrar to all Bondholders following the Issue Date. Upon any assignment, title to the Offer Bonds shall pass by recording the transfer from a transferor to the transferee in the Register of Bondholders maintained by the Registrar. Settlement in respect of such transfer or change of title to the Offer Bonds, including the settlement of any cost arising from such transfers, including, but not limited to, documentary stamps taxes, if any, arising from subsequent transfers, shall be for the account of the relevant Bondholder.

(c) Bond Rating

The Issuer has been rated AAA by CRISP. Issuers rated AAA reflect the strongest capacity to repay debt obligations. CRISP has also assigned a stable outlook on the Issuer. The ratings reflect the following factors:

- The Company's leadership in the low-cost and affordable housing market;
- The Company's excellent financial performance; and
- The Company's strong management and a successful operating model.

AAA is the highest rating assigned by CRISP.

CRISP's ratings are based on available information and projections at the time that the rating review was performed. The rating is subject to regular annual reviews, or more frequently as market developments may dictate, for as long as the Bonds are outstanding. CRISP shall continuously monitor developments relating to the Issuer and may change the ratings at any time, should circumstances warrant a change. After Issue Date, the Trustee shall monitor the compliance of the Bonds with the regular annual reviews.

In addition, the Bonds have been rated PRS Aaa by PhilRatings, considering the Issuer's business portfolio, business plans, growth prospectus and cash flows.

PRS Aaa is the highest rating assigned by PhilRatings. Obligations rated PRS Aaa are of the highest quality with minimal credit risk. The Issuer's capacity to meet its financial commitment on the obligation is extremely strong. PhilRatings has also assigned a stable outlook on the Issuer. The ratings reflect the following factors:

- The Company's well-diversified portfolio;
- The Company's continuously growing profitability with strong margins and its ability to generate cash flows from operations; and
- The favorable industry outlook, backed by resilient and growing demand.

The ratings are subject to annual review, or more frequently as market developments may dictate, for as long as the Bonds are outstanding. After the Issue Date, the trustee shall monitor the Compliance of the Bonds with the regular annual reviews.

2. Transfer of Bonds

(a) Registry of Bondholders

The Issuer shall cause the Register of Bondholders to be kept by the Registrar, in electronic form. The names and addresses of the Bondholders and the particulars of the Offer Bonds held by them and of all transfers of Offer Bonds shall be entered into the Register of Bondholders. Transfer of ownership shall be effected through the book-entry transfers in the scripless Registry of Bondholders.

As required by Circular No. 428-04 issued by the *Bangko Sentral ng Pilipinas*, the Registrar shall send each Bondholder a written statement of registry holdings at least quarterly (at the cost of the Issuer) and a written advice confirming every receipt or transfer of the Offer Bonds that is effected in the Registrar's system (at the cost of the relevant Bondholder). Such statement of registry holdings shall serve as the confirmation of ownership of the relevant Bondholder as of the date thereof. Save in the case of manifest error or fraud, the foregoing written statement of registry holdings shall be final and binding on the Bondholder. The Bondholder shall examine such statement and promptly (and in no case more than thirty (30) days from receipt thereof) notify the Registrar in writing of any error and they shall together resolve to correct such error promptly (and in no case more than five (5) Business Days from receipt of the notice by the Registrar), failing which such transaction advice, statement or report shall be conclusive against the Bondholder. Any requests of Bondholders for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the account of the requesting Bondholder. No transfers of the Offer Bonds may be made during the period commencing on a Record Date as defined in the section on "*Interest Payment Date*."

(b) Transfers; Tax Status

Trading of the Offer Bonds will be coursed through a PDEX Trading Participant subject to the applicable PDEX Rules. Trading, transfer and/or settlement of the Offer Bonds shall be performed in accordance with the PDTC rules and procedures to be set by the Issuer and the Registrar and Paying Agent. Upon any

assignment of the Offer Bonds, title thereto will pass by recording of the transfer from the transferor to the transferee in the Registry of Bondholders.

Settlement in respect of transfers or change of title to the Offer Bonds, including the settlement of any documentary stamps taxes, if any, arising from subsequent transfers, shall be for the account of the relevant Bondholder or the transferee, as applicable.

Subject to the provisions of the Registry and Paying Agency Agreement, the relevant rules, conventions and guidelines of PDEX and PDTC, the Bondholders may not transfer their Offer Bonds as follows:

- (a) Transfers across Tax Categories shall not be allowed except on Interest Payment Dates that fall on a business day, provided however that transfers from a Tax-Exempt Category to a Taxable Tax Category on a non-Interest Payment Date shall be allowed using the applicable tax on the PDEX Trading System, ensuring the computations are based on the final withholding tax rate of the taxable party to the trade. Should this transaction occur, the tax-exempt entity shall be treated as being of the same Tax Category as its taxable counterpart for the interest period within which such transfer occurred. For purposes hereof, "Tax Categories" refer to the three (3) final withholding tax categories covering, particularly, tax-exempt entities, 20% tax-withheld entities, and 25% tax-withheld entities. This restriction shall be in force until a Non-Restricted Trading & Settlement Environment for Corporate Securities is implemented;
- (b) transfers by Bondholders with deficient documents; and
- (c) transfers during a Closed Period. For purposes of the Trust Indenture, "Closed Period" means the period during which the Registrar shall not register any transfer or assignment of the Offer Bonds, specifically: (i) the period of two (2) Business Days preceding any Interest Payment Date or the due date for any payment of the final redemption amount of the Offer Bonds; or (ii) the period when any of the Offer Bonds have been previously called for redemption.

Transfers taking place in the Registry of Bondholders after the Offer Bonds are listed in PDEX may be allowed between taxable and tax-exempt entities without restriction and observing the tax exemption of tax-exempt entities, if and/or when so allowed under and in accordance with the relevant rules, conventions and guidelines of PDEX and PDTC.

A Bondholder claiming tax-exempt status is required to submit to the Registry of Bondholders the required tax-exempt documents as detailed in the Registry and Paying Agency Agreement upon submission of the account opening documents to the Registrar. Please see the sections on "*Description of the Offer Bonds – Tax-Exempt Status or Entitlement to Preferential Tax Rate*" of this Offer Supplement for a detailed discussion on the requirements for claiming a preferential tax status.

Notwithstanding the submission by the Bondholder, or the receipt by the Issuer, the Registrar, or the Joint Lead Underwriters and Joint Bookrunners of documentary proof of tax-exempt status of a Bondholder, the Issuer may, in its sole and reasonable discretion, determine that such Bondholder is taxable and require the Registrar and Paying Agent to proceed to apply the tax due on the Offer Bonds. Any question on such determination shall be referred to the Issuer.

The Bondholders shall be responsible for monitoring and accurately reflecting their tax status in the Registry of Bondholders. The payment report to be prepared by the Registrar and submitted to the Issuer in accordance with the Registry and Paying Agency Agreement, which shall be the basis of payments on the Offer Bonds on any Interest Payment Date, shall reflect the tax status of the Bondholders as indicated in their accounts as of the Record Date.

(c) Registrar

For transfers and record updates, notices and communication with the Registrar may be made thru the following:

Philippine Depository & Trust Corporation	
Attention:	Josephine F. Dela Cruz
Address:	29 th Floor, BDO Equitable Tower 8751 Paseo de Roxas, Makati City, Metro Manila
Telephone no.:	(632) 8884-4425
Fax no.:	(632) 8757-6025
E-mail:	josephine.delacruz@pds.com.ph

(d) Secondary Trading of the Bonds

The Issuer intends to list the Offer Bonds on the PDEX for secondary market trading. The Offer Bonds will be traded in a minimum board lot size of ₱10,000.00 as a minimum, and in multiples of ₱10,000.00 in excess thereof for as long as any of the Offer Bonds are listed on PDEX. Secondary market trading in PDEX shall follow the applicable PDEX rules, conventions, and guidelines governing trading and settlement between bondholders of different tax status and shall be subject to the relevant fees of PDEX and PDTC, all of which shall be for the account of the Bondholders.

3. Ranking

The Offer Bonds constitute direct, unconditional, unsubordinated, general, and unsecured obligations of the Issuer to the Bondholders, enforceable according to the terms and conditions thereof. The obligations of the Issuer shall at all times rank at least *pari passu* in all respects with all other unsecured obligations of the Issuer, except for any obligation enjoying a statutory preference or priority established under Philippine laws, including but not limited to preferred claims under any bankruptcy, insolvency, reorganization, moratorium, liquidation, or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, other than the preference or priority established by Article 2244, paragraph 14(a), of the Civil Code of the Philippines, as the same may be amended.

4. Interest

(a) Interest Payment Date

The Series F Bonds shall bear interest on its principal amount from and including the Issue Date at the rate of 7.5426 % p.a., and the Series G Bonds shall bear interest on its principal amount from and including the Issue Date at the rate of 7.6886 % p.a., payable quarterly in arrears on March 6, June 6, September 6, and December 6 of each year while the Offer Bonds are outstanding or the subsequent Business Day, without adjustment for accrued interest, if such Interest Payment Date is not a Business Day (each of which, for purposes of this section is an ("**Interest Payment Date**") commencing on March 6, 2024. The last Interest Payment Date shall fall on the relevant Maturity Date. Should the Issue Date fall on a date other than December 6, 2023, the Interest Payment Dates shall be adjusted accordingly, subject to the requirements of PDEX.

The last Interest Payment Date on the Series F Bonds shall fall on its Maturity Date or on December 6, 2026 or three (3) years from the Issue Date.

The last Interest Payment Date on the Series G Bonds shall fall on its Maturity Date or on December 6, 2028 or five (5) years from the Issue Date.

The cut-off date in determining the existing Bondholders entitled to receive interest or principal amount due shall be the day two (2) Business Days prior to the relevant Interest Payment Date (the "Record Date"), which shall be the reckoning day in determining the Bondholders entitled to receive interest, principal or any other amount due under the Offer Bonds. No transfers of the Offer Bonds may be made during this period intervening between and commencing on the Record Date and the relevant Interest Payment Date.

(b) Interest Accrual

Each Bond shall cease to bear interest, net of applicable withholding taxes, from and including the relevant Maturity Date, as defined in the discussion on "*Final Redemption*", unless, upon due presentation, payment of the principal in respect of the Bond then outstanding is not made, is improperly withheld or refused, in which case the Penalty Interest (see "*Penalty Interest*") shall apply.

(c) Determination of Interest Amount

The interest shall be calculated on the basis of an 30/360-day count.

5. Early Redemption Option

(a) Early Redemption Option

The Series F Bonds do not have an Early Redemption Option.

The Issuer shall have the right, but not the obligation, to redeem in whole (and not in part), the outstanding Series G Bonds on the following relevant dates. The amount payable to the Bondholders upon the exercise of the Early Redemption Option by the Issuer shall be calculated, based on the principal amount of Series G Bonds being redeemed, as the sum of:

- (i) accrued interest computed from the last Interest Payment Date up to the relevant Early Redemption Option Date; and
- (ii) the product of the principal amount of the Series G Bonds being redeemed and the Early Redemption Price in accordance with the following schedule:

	Early Redemption Date	Early Redemption Price
Series G Bonds	Third (3 rd) Anniversary of the Issue Date	101.0%
	Fourth (4 th) Anniversary of the Issue Date	100.5%

(b) Exercise of an Early Redemption Option

The Issuer shall give no less than thirty (30) nor more than sixty (60) days prior written notice of its intention to redeem the Series G Bonds to the Trustee, which notice shall be irrevocable and binding upon the Issuer to effect such early redemption of the Series G Bonds on the Early Redemption Option Date stated in such notice.

6. Redemption and Purchase

(a) Final Redemption

The Offer Bonds shall be redeemed at 100% of face value, plus any outstanding interest, on their respective Maturity Dates, unless earlier redeemed by the Company.

(b) Redemption for Taxation Reasons

If payments under the Offer Bonds become subject to additional or increased taxes other than the taxes and rates of such taxes prevailing on the Issue Date as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such additional or increased rate of such tax cannot be avoided by use of reasonable measures available to the Issuer, the Issuer may redeem the Offer Bonds in whole, but not in part, (having given not more than sixty (60) nor less than thirty (30) days' prior written notice to the Trustee) at par plus accrued interest, net of applicable withholding taxes.

Upon receipt by the Trustee of a redemption notice from the Issuer pursuant to the Trust Indenture, the Trustee shall secure from the Registrar an updated list of Bondholders as of the Record Date indicated in the notice and the Trustee shall transmit the same notice to all registered Bondholders of the intended redemption.

(c) Purchase and Cancellation

The Issuer may at any time, purchase any of the Offer Bonds in the open market or by tender or by contract, in accordance with PDEX Rules, as may be amended from time to time, without any obligation to purchase (and the Bondholders shall not be obliged to sell) Offer Bonds pro-rata from all Bondholders. Any Offer Bonds so purchased shall be redeemed and cancelled and may not be re-issued. Upon listing of the Offer Bonds on PDEX, the Issuer shall disclose any such transactions in accordance with the applicable PDEX disclosure rules.

(d) Change of Law or Circumstance

The following events shall be considered as changes in law or circumstances ("**Change of Law or Circumstance**") as it refers to the obligations of the Issuer and to the rights and interests of the Bondholders under the Trust Indenture and the Offer Bonds:

- (i) Any government and/or non-government consent, license, authorization, registration or approval now or hereafter necessary to enable the Issuer to comply with its obligations

under the Trust Indenture or the Offer Bonds shall be modified in a manner which, in the reasonable opinion of the Trustee, shall materially and adversely affect the ability of the Issuer to comply with such obligations, or shall be withdrawn or withheld.

- (ii) Any provision of the Trust Indenture or any of the related documents is or shall become, for any reason, invalid, illegal or unenforceable to the extent that shall become for any reason unlawful for the Issuer to give effect to its rights or obligations under the Trust Indenture, or to enforce any provisions of the Trust Indenture or any of the related documents in whole or in part, or any law shall be introduced to prevent or restrain the performance by the parties of their obligations under the Trust Indenture or any other related documents.
- (iii) Any concessions, permits, rights, franchise or privileges required for the conduct of the business and operations of the Issuer shall be revoked, canceled or otherwise terminated, or the free and continued use and exercise thereof shall be curtailed or prevented, in such manner as to constitute a Material Adverse Effect.
- (iv) The Republic of the Philippines or any competent authority thereof takes any action to suspend the whole or a substantial portion of the operations of the Issuer and to condemn, seize, nationalize or appropriate (either with or without compensation) the Issuer or any material portion of its properties or assets, unless such act, deed or proceedings are contested in good faith by the Issuer or the same does not constitute a Material Adverse Effect.

In the event the Issuer should invoke the foregoing provisions of the Trust Indenture, the Issuer shall provide the Trustee an opinion of legal counsel confirming the occurrence of the relevant event and the consequences thereof as consistent herewith, such legal counsel being from a recognized law firm reasonably acceptable to the Trustee. Thereupon, the Trustee shall confirm that the Issuer may redeem the Offer Bonds in whole, but not in part, on any Business Day (having given not more than sixty (60) nor less than thirty (30) days' notice to the Trustee) at par plus accrued interest.

The Trustee shall secure from the Registrar an updated list of Bondholders as of the Record Date indicated in the notice and the Trustee shall transmit the same notice to all registered Bondholders.

7. Payments

The principal of, interest on, and all other amounts payable on the Offer Bonds shall be paid to the Bondholders through the Paying Agent. The Paying Agent shall credit the proper amounts received from the Issuer, net of final taxes and fees (if any) to the cash settlement accounts designated by each of the Bondholders. The principal of, and interest on, the Offer Bonds shall be payable in Philippine Pesos.

The Issuer shall ensure that so long as any of the Offer Bonds remains outstanding, there shall at all times be a Paying Agent for the purposes of the Offer Bonds and the Issuer or the Paying Agent may only terminate the appointment of the Paying Agent as provided in the Registry and Paying Agency Agreement. In the event the appointed office of any institution shall be unable or unwilling to continue to act as the Paying Agent, the Issuer shall appoint the Makati City office of such other leading institution in the Philippines authorized to act in its place. The Paying Agent may not resign its duties or be removed without a successor having been appointed.

8. Payment of Additional Amounts; Taxation

Interest income on the Offer Bonds is subject to a final withholding tax at rates provided by applicable laws, currently between twenty percent (20%) and twenty-five percent (25%) depending on the tax status of the relevant Bondholder under relevant law, regulation or tax treaty. Except for such final withholding tax and as otherwise provided, all payments of principal and interest are to be made free and clear of any deductions or withholding for or on account of any present or future taxes or duties imposed by or on behalf of Republic of the Philippines, including, but not limited to, issue, registration or any similar tax or other taxes and duties, including interest and penalties, if any. If such taxes or duties are imposed, the same shall be for the account of the Issuer; provided however that, the Issuer shall not be liable for the following:

- (a) The final withholding tax applicable on interest earned on the Offer Bonds prescribed under the Tax Code, as amended, and its implementing rules and regulations as may be in effect from time to time; provided, that all Bondholders are required to provide the Issuer through the Paying Agent their validly issued tax identification numbers issued by the BIR;

- (b) Gross Receipts Tax under Section 121 of the Tax Code;
- (c) Taxes on the overall income of any securities dealer or Bondholder, whether or not subject to withholding;
- (d) VAT under Sections 106 to 108 of the Tax Code, as amended by Republic Act No. 9337 and Republic Act No. 10963; and
- (e) any applicable taxes on any subsequent sale or transfer of the Offer Bonds by any holder which shall be for the account of such holder (or its buyer, as the holder and the buyer may have agreed upon).

Documentary stamp tax for the primary issue of the Offer Bonds and the execution of the Bond Agreements, if any, shall be for the Issuer's account.

9. Tax-Exempt Status or Entitlement to Preferential Tax Rate

A Bondholder who is exempt from the aforesaid withholding tax, or is subject to a preferential withholding tax rate shall be required to submit the following requirements to the Registrar, subject to acceptance by the Issuer as being sufficient in form and substance:

- (i) a current and valid BIR-certified true copy of the tax exemption certificate, ruling or opinion addressed to the relevant applicant or Bondholder, confirming its exemption or entitlement to preferential rate, as required under BIR Revenue Memorandum Circular No. 8-2014 and RMC No. 20-2022, including any clarification, supplement or amendment thereto, and certified by the corporate secretary of the Bondholder that as being a true copy of the original on file with the Bondholder, which notarized certification indicates that: (a) the exemption certificate is a true copy of the original; (b) the original is in the possession of the corporate secretary as the duly authorized custodian of the same; and (c) the corporate secretary has personal knowledge based on his official functions of any amendment, revocation, expiration, change, or any circumstance affecting said certification's validity, or a copy of the law of the country of domicile allowing a deemed paid tax credit in an amount to the 15% spared or waived by the Philippines duly authenticated by the Philippine embassy or, for countries that are members to the Apostille Convention, an apostilled copy of the law of the country of domicile which apostilled or authenticated copy shall be valid for one year from the date of issuance;
- (ii) with respect to tax treaty relief:
 - (a) prior to the payment of the initial interest due, (i) three (3) originals of the submitted BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes filed by the Bondholder or, if the Bondholder is a fiscally transparent entity, each of the Bondholder's owners or beneficiaries with the proof of receipt by the concerned office of the BIR, as required under BIR Revenue Memorandum Order No. 14-2021, (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries in the form acceptable for recognition under Philippine laws, (iii) the relevant provision of the tax treaty providing for the claimed tax exemption or preferential tax rate, in a form acceptable to the Issuer, and (iv) three (3) originals of the duly notarized, consularized, or apostilled (as the case may be), if executed outside of the Philippines, special power of attorney executed by the Bondholder or the Bondholder's owners or beneficiaries, as may be applicable, in favor of the authorized representative (if the Application Form for Treaty Purposes and other documents are accomplished by an authorized representative) and confirmation acceptable to the Issuer that the Bondholder or the Bondholder's owners or beneficiaries is/are not doing business in the Philippines to support the applicability of a tax treaty relief; and
 - (b) prior to the payment of subsequent interests due, (i) three (3) originals of the submitted new or updated BIR Form 0901-I (Interest Income) or Application Form for Treaty Purposes, as the Issuer deems applicable, and (ii) one (1) original of the valid and existing tax residency certificate duly issued by the respective foreign tax authority of the country of residence of the Bondholder or, if the Bondholder is a fiscally transparent entity, the country of residence of each of the Bondholder's owners or beneficiaries in the form acceptable for recognition under Philippine laws, if the validity period of the previously issued tax residency certificate has

already lapsed;

- (c) other additional documents as may be required by the Issuer or pursuant to applicable tax regulations, which shall be submitted by the Bondholder/Registrar to the Issuer no later than the first (1st) day of the month when such initial or subsequent interest payment/s shall fall due and, if applicable, including any clarification, supplement, or amendment thereto;
- (iii) a duly notarized undertaking executed by (1) the corporate secretary or any authorized representative of such applicant or Bondholder, who has personal knowledge of the exemption or entitlement to preferential tax rate based on his official functions, if the Applicant purchases, or the Bondholder holds, the Offer Bonds for its account, or (2) the trust officer, if the applicant is a universal bank authorized under Philippine law to perform trust and fiduciary functions and purchase the Offer Bonds pursuant to its management of tax-exempt entities (i.e. Employee Retirement Fund, etc.), declaring and warranting such entities' tax-exempt status or preferential rate entitlement, undertaking to immediately notify the Issuer, the Registrar and the Paying Agent of any suspension or revocation of the tax exemption certificate, certificate, ruling or opinion issued by the BIR, executed using the prescribed form, with a declaration and warranty of its tax exempt status or entitlement to a preferential tax rate, and agreeing to indemnify and hold the Issuer, the Registrar and the Paying Agent free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or incorrect withholding of the required tax; and
- (iv) such other documentary requirements as may be required under the applicable regulations of the relevant taxing or other authorities which for purposes of claiming tax treaty withholding rate benefits, which shall include evidence of the applicability of a tax treaty and consularized proof of the Bondholder's legal domicile in the relevant treaty state, and confirmation acceptable to the Issuer that the Bondholder is not doing business in the Philippines; provided that the Issuer, the Registrar and the Paying Agent shall have the exclusive discretion to decide whether the documents submitted are sufficient for purposes of applying the exemption or the reduced rate being claimed by the Bondholder on the interest payments to such Bondholder;

provided further that, all sums payable by the Issuer to tax exempt entities shall be paid in full without deductions for taxes, duties assessments or government charges subject to the submission by the Bondholder claiming the benefit of any exemption of reasonable evidence of such exemption to the Registrar and Paying Agent.

The foregoing requirements shall be submitted, (i) in respect of an initial issuance of Offer Bonds, to the Joint Lead Underwriters and Joint Bookrunners who shall then forward the same with the Application to Purchase to the Registrar; or (ii) in respect of a transfer from a Bondholder to a purchaser, to the Registrar upon submission of the account opening documents.

10. Financial Ratios

The Issuer shall maintain, for as long as any of the Offer Bonds remain outstanding, the following financial ratios:

- (i) a Current Ratio of 1.0x;
- (ii) a maximum total Debt-to-Equity Ratio of 2.50x; and
- (iii) a Debt Service Coverage Ratio of not less than 1.0x.

For purposes of computing the above ratios, the following shall have the following meanings:

“Consolidated EBITDA” means, for any period, Consolidated Net Income less interest income from investments in US Dollar-denominated instruments for such period plus, to the extent such amount was deducted in calculating such Consolidated Net Income:

- (a) Consolidated Interest Expense;
- (b) Income taxes (other than income taxes attributable to extraordinary and non-recurring gains or sales of assets);

- (c) Depreciation expense, amortization expense and all other non-cash items in a period which reflect cash expenses paid or to be paid in another period, less all non-cash items increasing Consolidated Net Income; and
- (d) Non-cash adjustments such as accretion and interest from lease obligations in compliance with PAS 16.

all as determined on a consolidated basis for the Issuer and its Material Subsidiaries in conformity with PFRS as shown in the Consolidated Financial Statements of the Parent Company and its Subsidiaries. The provision for income taxes and the depreciation and amortization expense and non-cash charges of a Material Subsidiary shall be added to Consolidated Net Income to compute Consolidated EBITDA only to the extent (and in the same proportion) that the net income or loss of such Material Subsidiary was included in calculating Consolidated Net Income and only if a corresponding amount would be permitted to be paid as a dividend to the Issuer at the date of determination and without any approvals.

“Consolidated Interest Expense” means, for any period, the amount that would be included in gross interest expense on a consolidated income statement prepared in accordance with PFRS for such period of the Issuer and its Material Subsidiaries, plus, to the extent not included in such gross interest expense, and to the extent incurred or paid during such period by the Issuer and its Material Subsidiaries, without duplication, (a) interest expense attributable to Capitalized Lease Obligations, (b) amortization of debt issuance costs and original issue discount expense and non-cash interest expense in respect of any Debt, (c) the interest portion of any deferred payment obligation, (d) all commissions, discounts and other fees and charges with respect to letters of credit or similar instruments issued for financing purposes or in respect of any Debt, (e) the net costs associated with Hedging Obligations (including the amortization of fees), (f) interest accruing on Debt of any other Person that is guaranteed by, or secured on the assets of, the Issuer or any Material Subsidiary, (g) any capitalized interest, (h) interest incurred in connection with investments in discontinued operations and (i) cash contributions to an employee stock ownership plan or similar trust, which are used to pay interest on Debt incurred by such plan or trust, provided that interest expense attributable to interest on any Debt bearing a floating interest rate will be computed on a pro forma basis as if the rate in effect on the date of determination had been the applicable rate for the entire relevant period. Consolidated Interest Expense will not include non-cash adjustments such as accretion.

“Consolidated Net Income” means, with respect to the Issuer for any period, the aggregate net income (or loss) of the Issuer and its Material Subsidiaries for such period, on a consolidated basis, determined in conformity with PFRS; provided that the following items shall be excluded in computing Consolidated Net Income (without duplication):

- (a) the net income of any Person that is not a Material Subsidiary or that is accounted for by the equity method of accounting except to the extent of the amount of dividends or similar distributions actually paid in cash to the Issuer or a Material Subsidiary of the Issuer during such period (subject to the limitation in clause (c) below in the case of distributions paid to a Material Subsidiary); provided that the Issuer’s equity in a net loss of such person shall be included, to the extent funded by the Issuer or a Material Subsidiary;
- (b) the net income (or loss) of any Person accrued prior to the date it becomes a Material Subsidiary or is merged into or consolidated with the Issuer or any Material Subsidiary or all or substantially all of the property and assets of such Person are acquired by the Issuer or any Material Subsidiary provided that such transaction was accounted for in a manner similar to the pooling of interests;
- (c) the net income of any Material Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Material Subsidiary of such net income is not at the time permitted by the operation of the terms of its charter, articles of association or other similar constitutive documents, or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Material Subsidiary; provided that the Issuer’s equity in a net loss of such person shall be included;
- (d) the cumulative effect of a change in accounting principles;
- (e) any net after-tax gains realized on the sale or other disposition of (i) any property or assets of the Issuer or any Material Subsidiary which is not sold in the ordinary course of its business or (ii) any Capital Stock of any Person (including any gains by the Issuer realized on sales of Capital Stock of the Issuer or any Material Subsidiary);

- (f) any non-cash unrealized gains and losses due solely to fluctuations in currency values and related tax effects; and
- (g) any net after-tax extraordinary or non-recurring gains;

“**Current Ratio**” means current assets over current liabilities.

“**Debt**” means any indebtedness for or in respect of:

- (a) monies borrowed;
- (b) any debenture, bond, note, loan stock, or any similar instrument;
- (c) any amount raised by acceptance under any acceptance credit facility;
- (d) any obligation in respect of a standby or documentary letter of credit or any other similar instrument issued by a bank or financial institution;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount of any liability under an advance or deferred purchase agreement, if one of the primary reasons behind entering into that agreement is to raise financing or that agreement is in respect of the supply of assets or services;
- (g) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;
- (h) marked to market liability amount of any currency swap, or interest rate swap, cap or collar arrangement, or any other derivative instrument other than those qualified for hedged accounting under the GAAP;
- (i) any amount raised under any other transaction having the commercial effect of a borrowing, provided that for the avoidance of doubt, perpetual capital securities or similar instruments having an equity accounting treatment under PFRS shall not be considered Debt;
- (j) any guarantee or indemnity or other assurance against financial loss of any Person, excluding any endorsements for collection or deposit in the ordinary course of business; and/or
- (k) all obligations secured by any Lien on any property, whether or not such obligations have been assumed;

“**Debt-to-Equity Ratio**” means the ratio of current Debt of Issuer against its total equity as shown in the Issuer’s consolidated financial statements.

“**Debt Service Coverage Ratio**” or “**DSCR**” means

$$\text{DSCR}_{\text{CY}} = \frac{\text{Consolidated EBITDA}_{\text{CY}} + \text{Investments}_{\text{CY}} + \text{Cash and Cash Equivalents}_{\text{CY}}}{(\text{Current Portion of: Bank Loans}_{\text{CY}} + \text{Notes Payable}_{\text{CY}} + \text{Loans Payable}_{\text{CY}} + \text{Lease Liability}_{\text{CY}}) + \text{Consolidated Interest Expense}_{\text{CY}} - \text{Interest Income from Investment in US Dollar denominated instruments}_{\text{CY}}}$$

Legend:

CY = most current year presented in the latest Consolidated Financial Statements of the Parent Company and its Subsidiaries

Notes:

(i) Investments refer to investments in US\$ dollar denominated instruments, which captures all short and long term investments.

(ii) Cash and Cash Equivalents, Bank Loans, Notes Payable, Loans Payable, and Lease Liability shall be as presented in the Issuer's latest audited financial statements.

"Debt Service" means debt principal amortizations, interest payments, financing fees and charges due during such period.

11. Negative Pledge

For as long as any of the Offer Bonds remain outstanding, the Issuer covenants that it shall not, without the prior written consent of the Bondholders who hold, represent or account for more than fifty percent (50%) of the principal amount of the Offer Bonds then outstanding (the **"Majority Bondholders"**), permit any indebtedness for borrowed money to be secured by or to benefit from any mortgage, pledge, lien or encumbrance constituted on any of the Issuer's properties for the purpose of securing its or its Affiliate's obligation (a **"Lien"**) in favor of any creditor or class of creditors without providing the Bondholders with a Lien, the benefit of which is extended equally and ratably among them to secure the Offer Bonds; provided however that, this restriction shall not prohibit "Permitted Liens," which are:

- i) Liens for taxes, assessments or governmental charges or levies, including custom duties, on the assets of VLL which are being contested in good faith;
- ii) Liens arising by operation of law (including, for the avoidance of doubt, any preference or priority under Article 2244, paragraph 14(a) of the Civil Code of the Philippines existing prior to the date of this Agreement) on any property or asset of VLL, including, without limitation, amounts owing to a landlord, carrier, warehouseman, mechanic or materialman or other similar liens arising in the ordinary course of business or arising out of pledges or deposits under workers' compensation laws, unemployment, insurance and other social security laws;
- iii) Liens incurred or deposits made in the ordinary course of business to secure (or obtain letters of credit that secure) the performance of tenders, statutory obligations or regulatory requirements, performance or return of money bonds, surety or appeal bonds, bonds for release of attachment, stay of execution or injunction, bids, tenders, leases, government contracts and similar obligations) and deposits for the payment of rent;
- iv) Liens created on VLL's shareholdings in Subsidiaries or affiliates (whether now existing or acquired hereafter) to secure any debt incurred by such Subsidiaries or affiliates for project financing;
- v) Liens created by or resulting from any litigation or legal proceeding which is effectively stayed while the underlying claims are being contested in good faith by appropriate proceedings and with respect to which VLL has established adequate reserves on its books in accordance with PAS/PFRS;
- vi) Liens arising from leases or subleases granted to others, easements, building and zoning restrictions, rights-of-way and similar charges or encumbrances on real property imposed by applicable Law or arising in the ordinary course of business that are not incurred in connection with the incurrence of a Debt and that do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of VLL;
- vii) Liens incidental to the normal conduct of the business of VLL or ownership of its properties and which are not incurred in connection with the incurrence of a Debt and which do not in the aggregate materially impair the use of such property in the operation of the business of VLL or the value of such property for the purpose of such business;
- viii) Liens upon tangible personal property (by purchase or otherwise) granted by VLL to (i) the vendor, supplier, any of their affiliates or lessor of such property, or (ii) other lenders arranged to secure Debt representing the costs of such property, or incurred to refinance the same principal amount of such debt outstanding at the time of the refinancing, and not secured by any other asset other than such property;
- ix) Pre-existing Liens on after-acquired property of VLL;

- x) Liens arising from financial lease, hire purchase, conditional sale arrangements or other agreements for the acquisition of assets on deferred payment terms to the extent relating only to the assets which are subject of those arrangements, subject to such financial leases, hire purchase, conditional sale agreements or other agreements for the acquisition of such assets on deferred payment terms;
- xi) Liens arising over any asset, including, but not limited to assets purchased, leased, or developed in the ordinary course of business, to secure: (i) the payment of the purchase price or cost of leasehold rights of such asset; (ii) the payment of the cost and expenses for the development of such asset pursuant to any development made or being made by VLL in the ordinary course of business; (iii) the payment of any indebtedness in respect of borrowed money (including extensions and renewals thereof and replacements therefor) incurred for the purpose of financing the purchase, lease or development of such asset; or (iv) the rediscounting of receivables or securitization of assets of VLL;
- xii) Liens established in favor of insurance companies and other financial institutions in compliance with the applicable requirements of the Office of the Insurance Commission on admitted assets;
- xiii) Rights of set-off arising in the ordinary course of business between the VLL and its suppliers, clients or customers;
- xiv) Netting or set-off arrangement entered into by VLL in the ordinary course of business of its banking arrangements for the purpose of netting debt and credit balances;
- xv) Title transfer or retention of title arrangement entered into by VLL in the ordinary course of business;
- xvi) Liens on property of, or on shares of capital stock or debt of, any person existing at the time such person becomes, or becomes a part of, a subsidiary of the Issuer;
- xvii) Liens created in substitution for any Lien otherwise permitted provided such Lien is over the same asset and the principal amount so secured following the substitution does not exceed the principal amount secured on such asset immediately prior to such substitution;
- xviii) Liens securing indebtedness under hedging transactions (including foreign currency and interest rate swap and derivative transactions) entered into in the ordinary course of business and designed solely to protect VLL or its affiliates from fluctuations in interest rates or currencies or commodities and not for speculation;
- xix) Liens constituted for any obligation or credit facility, incurred for the purpose of pursuing any infrastructure project or investment therein, undertaken by VLL itself, by its Subsidiaries, and/ or by VLL or its subsidiaries;
- xx) Liens in favor of banks, insurance companies, other financial institutions and Philippine government agencies, departments, authorities, corporations or other judicial entities, which secure a preferential financing obtained by VLL (or any of its Subsidiaries) under a governmental program, and which cover assets of VLL which have an aggregate appraised value, determined in accordance with generally accepted appraisal principles and practices consistently applied not exceeding ₱5,000,000,000.00;
- xxi) The assignment, transfer or conveyance of the right of VLL (or any of its Subsidiaries) to receive any of its income or revenues from receivables arising out of the sale of property held for sale by VLL (or any of its Subsidiaries) in the ordinary course of business (“**Project Receivables**”);
- xxii) The assignment, transfer or conveyance of the right of VLL (or any of its Subsidiaries) to receive any income or revenues other than from Project Receivables; provided that, the constitution by VLL (or any of its Subsidiaries) of such lien shall not cause the Company to exceed the ratio of the amount of indebtedness of VLL secured by any lien on non-current assets of the Company to the non-current assets of VLL (as computed in accordance with PFRS and based on the most recent audited financial statements of the Issuer) which ratio shall not be more than 0.5:1;
- xxiii) Any Lien to be constituted on the assets of VLL after the date of the Trust Agreement, which is disclosed in writing by VLL to the Trustee prior to the execution of the Trust Agreement or any Lien for an aggregate loan accommodation not exceeding the equivalent of 10% of the market value

of the consolidated assets of VLL as reflected in the latest appraisal report submitted by an independent and reputable appraiser;

- xxiv) The assignment, transfer or conveyance by way of security (in any case without recourse) of VLL's right to receive any income or revenues from asset/s of VLL not used in the ordinary course of business; *provided that* such assets have an aggregate appraised value, determined in accordance with generally accepted appraisal principles and practices consistently applied not exceeding ₱5,000,000,000.00;
- xxv) Any Lien created over (i) deposits made by VLL (or any of its Subsidiaries) with the proceeds of any loan facility made to it by any bank or financial institution denominated in a currency other than Philippine Pesos ("**foreign currency**"); or financial instruments denominated in foreign currency owned by VLL (or any of its Subsidiaries), in each case solely for the purpose of securing loan facilities denominated in Philippine Pesos, granted to VLL (or any of its Subsidiaries) in an aggregate principal amount not exceeding the amount of the deposit or the face amount (or value) of the financial instrument;
- xxvi) Liens existing as of the date of this Offer Supplement and the Prospectus which is disclosed in writing by VLL or in its financial statements; and
- xxvii) Liens created with the prior written consent of the Majority Bondholders.

12. Events of Default

The Issuer shall be considered in default under the Offer Bonds and the Trust Indenture in case any of the following events (each an "**Event of Default**") shall occur and is continuing:

(a) Payment Default

The Issuer fails to pay when due and payable any amount which the Issuer is obliged to pay to the Bondholders under the Trust Indenture and the Offer Bonds, unless such failure, (i) arises as a result of an administrative or technical error or Disruption Event, or (ii) is due to causes other than the willful misconduct or gross negligence of the Issuer, and payment is made within five (5) Business Days from the date on which such amount fell due;

For purposes of this section, a Disruption Event shall mean either or both of: (a) a material disruption to those payment communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the transactions contemplated by the Trust Agreement to be carried out which disruption is not caused by, and is beyond the control of, any of the parties; or (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a party preventing that party from: (1) performing its payment obligations under the Trust Agreement and the Registry and Paying Agency Agreement; or (2) communicating with other relevant parties (including, but not limited to, the Trustee and Paying Agent) in accordance with the terms of the Trust Agreement and the Registry and Paying Agency Agreement.

(b) Representation/Warranty Default

Any representation and warranty of the Issuer or any certificate or opinion submitted pursuant to the Trust indenture proves to have been untrue, incorrect or misleading in any material respect as and when made and the circumstances which cause such representation or warranty to be incorrect or misleading continue for not less than thirty (30) days (or such longer period as the Majority Bondholders shall approve) after receipt of written notice from the Bondholders to that effect.

(c) Other Default

The Issuer fails to perform or violates any other provision, term of the Trust Indenture and the Offer Bonds (other than by reason of paragraph (a) above), and such failure or violation is not remediable or, if remediable, continues to be unremedied after the applicable grace period, or in the absence of such grace period, after thirty (30) days (or such longer period granted to the Issuer by the Majority Bondholders) from the date of occurrence of the said violation.

(d) Cross Default

The Issuer violates any material term or condition of any contract executed by the Issuer with any bank, financial institution or other person, corporation or entity for the payment of borrowed money which constitutes an event of default under said contract, or in general, violation of any, law or regulation which violation, if remediable, is not remedied by the Issuer within ten (10) Business Days from receipt of notice by the Trustee to the Issuer, or which violation is otherwise not contested by the Issuer, and the effect of such violation results in the acceleration or declaration of the whole financial obligation to be due and payable prior to the stated normal date of maturity; and which violation shall, further, in the reasonable opinion of the Trustee, adversely and materially affect the performance by the Issuer of its obligations under the Trust Indenture and the Offer Bonds; provided however that, no event of default shall occur under this paragraph unless the aggregate amount of indebtedness in respect of which one or more of the events above mentioned has/have occurred equals or exceeds ₱1,500,000,000.00.

(e) Insolvency Default

The Issuer becomes insolvent or unable to pay its debts when due or commits or permits any act of bankruptcy, which term shall include, but shall not be limited to: (i) filing of a petition in any bankruptcy, reorganization (other than a labor or management reorganization), winding-up, suspension of payment or liquidation proceeding, or any other proceeding analogous in purpose and effect unless such petition filed against the Issuer, it is contested in good faith by the Issuer in appropriate proceedings or otherwise dismissed by the relevant court within sixty (60) days from the filing of such petition; (ii) appointment of a trustee or receiver of all or a substantial portion of its properties, unless contested in good faith by the Issuer in appropriate proceedings; (iii) making of an assignment for the benefit of its creditors; (iv) the admission in writing by the Issuer, through a senior management officer, of its inability to pay its debts; or (v) the entry of any order or judgment of any court, tribunal or administrative agency or body confirming the bankruptcy or insolvency of the Issuer or approving any rehabilitation, reorganization (other than a labor or management reorganization), winding-up, liquidation or appointment of trustee or receiver of the Issuer or a substantial portion of its property or assets.

(f) Judgment Default

Any final and executory judgment, decree or arbitral award for the sum of money, damages or for a fine or penalty in excess of ₱500,000,000.00 or its equivalent in any other currency is rendered by a court of competent jurisdiction against the Issuer from which no appeal may be made for the payment of money and (i) such judgment, decree, or arbitral award remain unsatisfied or undischarged after thirty (30) days; or (ii) the enforcement of the said final judgment, decree, or arbitral award is not stayed, paid, discharged, or duly bonded within thirty (30) days after the date when payment of such judgment, decree or award is due under the applicable law or agreement.

(g) Writ and Similar Process Default

Any judgment, writ, warrant of attachment, injunction, stay order, execution or similar process shall be issued or levied against any material part of the Issuer's assets and such judgment, writ, warrant or similar process shall not be released, vacated or fully bonded within thirty (30) days (or such longer period as is granted by the Majority Bondholders) after its issue or levy.

13. Notice of Default

The Trustee shall, within five (5) Business Days after receipt of written notice from the Issuer, give to the Bondholders written notice of such default known to it, unless the same shall have been cured before the giving of such notice; provided that, in the case of payment default, as described in "*Payment Default*," the Trustee shall immediately notify the Bondholders upon the occurrence of such payment default. The existence of a written notice required to be given to the Bondholders shall be published in a newspaper of general circulation in Metro Manila for two (2) consecutive days, further indicating in the published notice that the Bondholders or their duly authorized representatives may obtain an important notice regarding the Offer Bonds at the principal office of the Trustee upon presentment of sufficient and acceptable identification.

14. Consequences of Default

(a) If any one or more of the Events of Default shall have occurred and be continuing, either the Trustee, upon the written instructions of the Majority Bondholders and by notice in writing delivered to the Issuer, or the Majority Bondholders, by notice in writing delivered to the Issuer and the Trustee, may declare the principal of the Offer Bonds, including all accrued interest, net of applicable withholding taxes, and other charges thereon, if any, to be immediately due and payable, and upon

such declaration the same shall be immediately due and payable, anything contained in the Trust Indenture or in the Offer Bonds to the contrary notwithstanding.

- (b) This provision, however, is subject to the condition that, except in the case of a Writ and Similar Process Default, the Majority Bondholders, by written notice to the Issuer and the Trustee may, during the prescribed curing period, if any, rescind and annul such declaration made by the Trustee pursuant to a consequence of default, and the consequences of such declaration, upon such terms, conditions and agreement, if any, as they may determine; provided that, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.
- (c) At any time after any Event of Default shall have occurred, the Trustee may:
 - (i) by notice in writing to the Issuer, require the Registrar and Paying Agent to:
 - (aa) act thereafter as agents of the Bondholders represented by the Trustee on the terms provided in the Paying Agency and Registry Agreement (with consequential amendments as necessary and save that the Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Paying Agent and the Registrar shall be limited to amounts for the time being held by the Trustee on the trusts of the Trust Indenture in relation to the Offer Bonds and available to the Trustee for such purpose) and thereafter to hold all sums, documents and records held by them in respect of the Offer Bonds on behalf of the Trustee; and/or
 - (bb) deliver all evidence of the Offer Bonds and all sums, documents and records held by them in respect of the Offer Bonds to the Trustee or as the Trustee shall direct in such notice; provided that, such notice shall be deemed not to apply to any document or record which the Registrar and Paying Agent is not obliged to release by any law or regulation; and
 - (ii) by notice in writing to the Issuer, require the Issuer to make all subsequent payments in respect of the Offer Bonds to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, provision (bb) above and the Issuer's positive covenant to pay principal and interest, net of applicable withholding taxes, on the Offer Bonds, more particularly set forth in the Trust Indenture, shall cease to have effect.

15. **Penalty Interest**

In case any amount payable by the Issuer under the Offer Bonds, whether for principal, interest, net of applicable withholding taxes, or otherwise, is not paid on due date, the Issuer shall, without prejudice to its obligations to pay the said principal, interest, net of applicable withholding taxes, and other amounts, pay penalty interest on the defaulted amount(s) at the rate of one percent (1.00%) per month (the "**Penalty Interest**") from the time the amount falls due until it is fully paid.

16. **Payment in the Event of Default**

The Issuer covenants that upon the occurrence of any Event of Default unless remedied within the relevant period provided under the Terms and Conditions of the Offer Bonds, the Issuer shall pay to the Bondholders, through the Paying Agent, the whole amount which shall then have become due and payable on all such outstanding Offer Bonds with interest at the rate borne by the Offer Bonds on the overdue principal, net of applicable withholding taxes, and with Penalty Interest as described above, and in addition thereto, the Issuer shall pay to the Trustee such further amounts as shall be determined by the Trustee to be sufficient to cover the cost and expenses of collection, including reasonable compensation to the Trustee, its agents, attorneys and counsel, and any reasonable expenses or liabilities incurred without gross or willful negligence or evident bad faith by the Trustee pursuant to the Trust Indenture.

17. **Application of Payments**

Any money collected or delivered to the Paying Agent, and any other funds held by it, subject to any other provision of the Trust Indenture and the Registry and Paying Agency Agreement relating to the disposition of such money and funds, shall be applied by the Paying Agent in the order of preference as follows:

- (i) *first*, to the payment to the Trustee, the Registrar and Paying Agent, of the costs, expenses, fees and other charges of collection, including reasonable compensation to them, their agents, attorneys and counsel, and all reasonable expenses and liabilities incurred or disbursements made by them, without negligence or bad faith;
- (ii) *second*, to the payment of the interest, net of applicable withholding taxes, in default, in the order of the maturity of such interest with Penalty Interest, which payment shall be made pro-rata among the Bondholders;
- (iii) *third*, to the payment of the whole amount then due and unpaid upon the Offer Bonds for principal, and interest, net of applicable withholding taxes, with Penalty Interest, which payment shall be made pro-rata among the Bondholders; and
- (iv) *fourth*, the remainder, if any shall be paid to the Issuer, its successors or assigns, or to whoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Except for any interest and principal payments, all disbursements of the Paying Agent in relation to the Offer Bonds shall require the conformity of the Trustee. For this purpose, the Paying Agent shall deliver to the Trustee a joint certification of the funds to be applied for payment, and a schedule of payments to be made in accordance with the conditions.

18. Prescription

Claims in respect of principal and interest or other sums payable under the Trust Indenture shall prescribe unless made within ten (10) years (in the case of principal or other sums) or five (5) years (in the case of interest) from the date on which payment becomes due.

19. Remedies

All remedies conferred by the Trust Indenture and these Terms and Conditions to the Trustee and the Bondholders shall be cumulative and not exclusive and shall not be so construed as to deprive the Trustee or the Bondholders of any legal remedy by judicial or extra judicial proceedings appropriate to enforce the conditions and covenants of the Trust Indenture, subject to the discussion below on “*Ability to File Suit.*”

No delay or omission by the Trustee or the Bondholders to exercise any right or power arising from or on account of any default under the Trust Indenture shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence thereto; and every power and remedy given by the Trust Indenture to the Trustee or the Bondholders may be exercised from time to time and as often as may be necessary or expedient.

20. Ability to File Suit

No Bondholder shall have any right by virtue of or by availing of any provision of the Trust Indenture to institute any suit, action or proceeding for the collection of any sum due from the Issuer on account of principal, interest, net of applicable withholding taxes, and other charges, or for the appointment of a receiver or trustee, or for any other remedy, unless (i) such Bondholder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof and the related request for the Trustee to convene a meeting of the Bondholders to take up matters related to their rights and interests under the Offer Bonds; (ii) the Majority Bondholders shall have decided and made the written request upon the Trustee to institute such action, suit or proceeding in the latter's name; (iii) the Trustee, for sixty (60) days after the receipt of such notice and request shall have neglected or refused to institute any such action, suit or proceeding; and (iv) no directions inconsistent with such written request shall have been given under a waiver of default by the Bondholders, it being understood and intended, and being expressly covenanted by every Bondholder with every other Bondholder and the Trustee, that no one or more Bondholders shall have any right in any manner whatever by virtue of or by availing of any provision of the Trust Indenture to affect, disturb or prejudice the rights of the holders of any other such Offer Bonds or to obtain or seek to obtain priority over or preference to any other such holder or to enforce any right under the Trust Indenture, except in the manner provided in the Trust Indenture and for the equal, ratable and common benefit of all the Bondholders.

21. Waiver of Default by the Bondholders

The Majority Bondholders may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee, or may, on behalf of the Bondholders waive in writing submitted to the Trustee any past default, except the events of default defined as a payment default, breach of representation or warranty default, insolvency default, or closure default, and its consequences, which may only be waived by all Bondholders. In case of any such waiver, the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights; provided however that, no such waiver shall extend to any subsequent or other default or impair any right consequent thereto. Any such waiver by the Majority Bondholders shall be conclusive and binding upon all Bondholders and upon all future holders and owners thereof, irrespective of whether or not any notation of such waiver is made upon the certificate representing the Offer Bonds.

22. Trustee; Notices

(a) Notice to the Trustee

All documents required to be submitted to the Trustee pursuant to the Trust Indenture and this Offer Supplement and the Prospectus and all correspondence addressed to the Trustee shall be delivered to:

To the Trustee:	China Banking Corporation through its Trust and Asset Management Group
Attention:	Jericho D. Lagustan Assistant Vice President
Subject:	Vista Land & Lifescapes, Inc. Fixed Rate Bonds Series F Bonds Due 2026 and Series G Bonds Due 2028
Address:	8 th Floor, China Bank Building 8745 Paseo de Roxas corner Villar Street Makati City, Philippines
Facsimile:	(632) 8750-1531

All documents and correspondence not sent to the above-mentioned address shall be considered as not to have been sent at all.

Any requests for documentation or certification and other similar matters must be communicated by the Bondholder to the Trustee in writing and shall be subject to review, acceptance and approval by the Trustee. Upon such acceptance and approval, the Bondholder shall pay to the Trustee upfront a fee of ₱1,000.00 (the “**Activity Fee**”) plus the costs of legal review, courier and the like. The Activity Fee may be adjusted from time to time, at the discretion of the Trustee.

In the absence of any applicable period stated elsewhere in these Terms and Conditions, written requests shall be reviewed and, if accepted and approved, addressed by the Trustee within thirty (30) days from receipt. This period may be extended should the Trustee be unable to review and address the requests for causes not attributable to the Trustee.

(b) Notice to the Bondholders

The Trustee shall send all Notices to Bondholders to their mailing address as set forth in the Register of Bondholders. Except where a specific mode of notification is provided for, notices to Bondholders shall be sufficient when made in writing and transmitted in any one of the following modes: (i) registered mail; (ii) surface mail; (iii) by one-time publication in a newspaper of general circulation in the Philippines; or, (iv) personal delivery to the address of record in the Register of Bondholders. The Trustee shall rely on the Register of Bondholders in determining the Bondholders entitled to notice. All notices shall be deemed to have been received (i) ten (10) days from posting if transmitted by registered mail; (ii) fifteen (15) days from mailing, if transmitted by surface mail; (iii) on date of publication; or, (iv) on date of delivery, for personal delivery.

A notice made by the Issuer to the Trustee is notice to the Bondholders. The publication in a newspaper of general circulation in the Philippines of a press release or news item about a communication or disclosure made by the Issuer to the SEC on a matter relating to the Offer Bonds shall be deemed a notice to Bondholders of said matter on the date of the first publication.

(c) Binding and Conclusive Nature

Except as provided in the Trust Indenture, all notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained by the Trustee for the purposes of

the provisions of the Trust Indenture, shall (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, and all Bondholders and (in the absence as referred to above) no liability to the Issuer, the Paying Agent or the Bondholders shall attach to the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions under the Trust Indenture.

23. Duties and Responsibilities of the Trustee

- (a) The Trustee is appointed as trustee for and on behalf of the Bondholders and accordingly shall perform such duties and shall have such responsibilities as provided in the Trust Indenture.
- (b) The Trustee shall, in accordance with the terms and conditions of the Trust Indenture, monitor the compliance or non-compliance by the Issuer with all its representations and warranties, and the observance by the Issuer of all its covenants and performance of all its obligations, under and pursuant to the Trust Indenture.
- (c) The Trustee shall have custody of and hold in its name, for and in behalf of the Bondholders, the Master Certificate of Indebtedness for the total issuance of the Offer Bonds.
- (d) The Trustee shall promptly and faithfully carry out the instructions or decisions of the Majority Bondholders issued or reached in accordance with Section 14 (Consequences of Default) of the Trust Indenture.
- (e) The Trustee shall, from time to time, request the Issuer to submit such certification of its officers, reports of its external auditors, and other documents relating to the Issuer's ability to comply with its obligations under the Offer Bonds and the Trust Indenture, as well as to examine such records of the Issuer as may be related to the Issuer's obligations under the Offer Bonds and the Trust Indenture.

The request shall be reasonable, made not less than seventy-two (72) hours prior to the intended date of examination and shall be in writing to the Issuer, which shall include, in reasonable detail, the purpose for such request and the intended use of the requested documents or information. The Issuer may require the Trustee, its directors, officers, employees, representatives, agents, partners, consultants and advisors to hold in confidence such documents and information furnished to the Trustee pursuant to said request or to limit the use thereof for the purpose intended as stated in the request; provided, such limitation shall not apply if in conflict with the duties and responsibilities of the Trustee under any provision of the Trust Indenture.

- (f) The Trustee shall, prior to the occurrence of an Event of Default or after the curing of all such defaults which may have occurred, perform only such duties as are specifically set forth in the Trust Indenture or which are reasonably necessary to perform such duties. In case of default, the Trustee shall exercise such rights and powers vested in it by the Trust Indenture, and use such judgment, under the circumstances then prevailing, that individuals of prudence, discretion and intelligence, and familiar with such matters, exercise in the management of their own affairs.
- (g) The Trustee, in the performance of its duties, shall exercise such rights and powers vested in the Trust Indenture, with the care, prudence and diligence necessary under the circumstances then prevailing that a prudent man, acting in like capacity and familiar with such matters, would exercise in the conduct of an enterprise of like character and with similar aims, and use such judgment and care under the circumstances then prevailing that individuals of prudence, discretion and intelligence, and familiar with such matters exercise in the management of their own affairs.
- (h) Unless a fixed period is otherwise specified in the Trust Indenture and in the absence of a period specifically agreed to by the Trustee and the Issuer and in the case of notices required to be sent by the Trustee to Bondholders, the Trustee shall act promptly in the sending of such notices but in any case shall have a period of not more than thirty (30) days to complete the sending of all such notices in the manner allowed by the Trust Indenture.
- (i) Notwithstanding the above, the Trustee, on its own discretion, may send notices or disclose to the Bondholders any fact, circumstance or event, which would have the effect of effectively reducing the principal amount of the Offer Bonds outstanding, including changes in Laws, or which has an adverse effect on the ability of the Issuer to comply with its obligations to the Bondholders, breach of representations and warranties, and Events of Default, within a reasonable period from the time that the Trustee learns of such events subject to Section 13 (Notice of Default) of the Trust Indenture.

- (j) The Trustee shall observe due diligence in the performance of its duties and obligations under the Trust Indenture. For the avoidance of doubt, notwithstanding any actions that the Trustee may take, the Trustee shall remain to be the party responsible to the Bondholders, and to whom the Bondholders shall communicate with in respect to any matters that must be taken up with the Issuer.
- (k) None of the provisions contained in the Terms and Conditions, the Prospectus nor the Offer Supplement shall require or be interpreted to require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.
- (l) The Trustee shall perform such other powers and functions as provided for elsewhere under the Trust Indenture.

24. Resignation and Change of Trustee

- (a) The Trustee may at any time resign by giving thirty (30) days' prior written notice to the Issuer and to the Bondholders of such resignation.

Upon receiving such notice of resignation of the Trustee, the Issuer shall immediately appoint a successor Trustee by written instrument in duplicate, executed by its authorized officers, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor Trustee. However, notwithstanding the immediately preceding sentence, in cases where an Event of Default shall have occurred and be continuing, it is the Majority Bondholders, not the Issuer, that shall appoint the successor Trustee. If no successor shall have been so appointed and have accepted appointment within thirty (30) days after the giving of such notice of resignation, the resigning Trustee or any Bondholder who has been a bona fide holder for at least six (6) months (the "**Bona Fide Bondholder**") may, for and in behalf of the Bondholders, petition any such court for the appointment of a successor. Such court may thereupon after notice, if any, as it may deem proper, appoint a successor Trustee.

- (b) Upon the acceptance of any appointment as trustee by a successor trustee, such successor trustee shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the resigning Trustee, and the resigning Trustee shall be discharged from its duties and obligations. The resigning Trustee shall cooperate with the successor trustee and the Bondholders in all reasonable ways to ensure an orderly turnover of its functions and the records in its custody.
- (d) In case at any time the Trustee shall become incapable of acting, or has acquired conflicting interest, or shall be adjudged as bankrupt or insolvent, or a receiver for the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its properties or affairs for the purpose of rehabilitation, conservation or liquidation, then the Issuer may within thirty (30) days therefrom remove the Trustee concerned, and appoint a successor Trustee, by written instrument in duplicate, executed by its authorized officers, one (1) copy of which instrument shall be delivered to the Trustee so removed and one (1) copy to the successor Trustee. If the Issuer fails to remove the Trustee concerned and appoint a successor Trustee, any Bona Fide Bondholder may petition any court of competent jurisdiction for the removal of the Trustee concerned and the appointment of a successor Trustee. Such court may thereupon after such notice, if any, as it may deem proper, remove the Trustee and appoint a successor Trustee.
- (e) The Majority Bondholders may at any time remove the Trustee for cause, by giving thirty (30) day prior written notice, and appoint a successor Trustee, by the delivery to the Trustee so removed, to the successor Trustee and to the Issuer of the required evidence under the provisions on Evidence Supporting the Action of the Bondholders in the Terms and Conditions of the Offer Bonds. This is without prejudice to whatever remedies may be available to the Majority Bondholders under the Law or in equity.
- (f) Any resignation or removal of the Trustee and the appointment of a successor Trustee pursuant to any provisions of the Trust Indenture shall become effective upon the earlier of: (i) acceptance of appointment by the successor Trustee as provided in the Trust Indenture; or (ii) effectivity of the resignation notice sent by the Trustee under the Trust Indenture (the "**Resignation Effective Date**"); provided however that, until such successor Trustee is qualified and appointed, the resigning Trustee shall continue to discharge its duties and responsibilities as trustee; provided finally that, such successor Trustee possesses all the qualifications as required by pertinent laws.

25. Successor Trustee

- (a) Any successor Trustee appointed shall execute, acknowledge and deliver to the Issuer and to its predecessor Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor Trustee, without further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusteeship with like effect as if originally named as Trustee in the Trust Indenture. The foregoing notwithstanding, on the written request of the Issuer or of the successor Trustee, the Trustee ceasing to act as such shall execute and deliver an instrument transferring to the successor Trustee, all the rights, powers and duties of the Trustee so ceasing to act as such. Upon request of any such successor Trustee, the Issuer shall execute any and all instruments in writing as may be necessary to fully vest in and confer to such successor trustee all such rights, powers and duties.
- (b) No successor trustee shall accept appointment unless at the time of acceptance, such successor trustee shall be qualified and eligible.
- (c) Upon acceptance of the appointment by a successor Trustee, the Issuer shall notify the Bondholders in writing of the succession of such trustee to the trusteeship. If the Issuer fails to notify the Bondholders within ten (10) days after the acceptance of appointment by the successor trustee, the latter shall cause the Bondholders to be notified at the expense of the Issuer.

26. Reports to the Bondholders

- (a) The Trustee shall submit to the Bondholders on March 31 of each year, or on the next working day, if the date falls on a non-working day or holiday, from the relevant Issue Date until full payment of the Offer Bonds a brief report dated as of December 31 of the immediately preceding year with respect to any action taken by the Trustee in the performance of its duties under the Trust Indenture which it has not previously reported and which in its opinion materially affects the Offer Bonds, except action in respect of a default, notice of which has been or is to be withheld by it.
- (b) The Trustee shall submit to the Bondholders a brief report within ninety (90) days from the making of any advance for the reimbursement of which it claims or may claim a lien or charge which is prior to that of the Bondholders on the property or funds held or collected by the Paying Agent with respect to the character, amount and the circumstances surrounding the making of such advance; provided that, such advance remaining unpaid amounts to at least 10% of the aggregate outstanding principal amount of the Offer Bonds at such time.
- (c) The following pertinent documents may be inspected during regular business hours on any Business Day at the principal office of the Trustee with at least fifteen (15) calendar days prior written notice of the intended date of inspection:
 - (i) Trust Indenture
 - (ii) Registry and Paying Agency Agreement
 - (iii) Articles of Incorporation and By-Laws of the Company
 - (iv) Registration Statement of the Company with respect to the Shelf Bonds

27. Meetings of the Bondholders

A meeting of the Bondholders may be called at any time for the purpose of taking any actions authorized to be taken by or in behalf of the Bondholders of any specified aggregate principal amount of Offer Bonds under any other provisions of the Trust Indenture or under the law and such other matters related to the rights and interests of the Bondholders under the Offer Bonds.

- (a) Notice of Meetings

The Trustee may at any time call a meeting of the Bondholders, or the holders of at least twenty-five percent (25%) of the aggregate outstanding principal amount of Offer Bonds may direct in writing the Trustee to call a meeting of the Bondholders, to take up any allowed action, to be held at such time and at such place as the Trustee shall determine. Notice of every meeting of the Bondholders, setting forth the time and the place of such meeting and the purpose of such meeting in reasonable detail, shall be sent by the Trustee to the Issuer and to each of the registered Bondholders not earlier than forty-five (45) days nor later than fifteen (15) days prior to the date fixed for the meeting. All reasonable costs and expenses incurred by the Trustee for the

proper dissemination of the requested meeting shall be reimbursed by the Issuer within ten (10) days from receipt of the duly supported billing statement.

(b) Failure of the Trustee to Call a Meeting

In case at any time, the Issuer, pursuant to a resolution of its board of directors or executive committee, or the holders of at least twenty-five percent (25%) of the aggregate outstanding principal amount of the Offer Bonds shall have requested the Trustee to call a meeting of the Bondholders by written request setting forth in reasonable detail the purpose of the meeting, and the Trustee shall not have mailed and published, in accordance with the notice requirements, the notice of such meeting, then the Issuer or the Bondholders in the amount above specified may determine the time and place for such meeting and may call such meeting by mailing and publishing notice thereof.

(c) Quorum

The Trustee shall determine and record the presence of the Majority Bondholders, personally or by proxy. The presence of the Majority Bondholders, personally or by proxy, shall be necessary to constitute a quorum to do business at any meeting of the Bondholders.

(d) Procedure for Meetings

- (i) The Trustee shall preside at all the meetings of the Bondholders, unless the meeting shall have been called by the Issuer or by the Bondholders, in which case the Issuer or the Bondholders calling the meeting, as the case may be, shall in like manner move for the election of the chairman and secretary of the meeting.
- (ii) Any meeting of the Bondholders duly called may be adjourned for a period or periods not to exceed in the aggregate of one (1) year from the date for which the meeting shall originally have been called and the meeting as so adjourned may be held without further notice. Any such adjournment may be ordered by persons representing a majority of the aggregate principal amount of the Offer Bonds represented at the meeting and entitled to vote, whether or not a quorum shall be present at the meeting.

(e) Voting Rights

To be entitled to vote at any meeting of the Bondholders, a person shall be a registered holder of one or more Offer Bonds or a person appointed by an instrument in writing as proxy by any such holder as of the date of the said meeting. Bondholders shall be entitled to one (1) vote for every Ten Thousand Pesos (₱10,000) of the principal amount of the Offer Bonds held. The only persons who shall be entitled to be present or to speak at any meeting of the Bondholders shall be the persons entitled to vote at such meeting and any representatives of the Issuer and its legal counsel.

(f) Voting Requirement

Except as provided in Condition 30 (Amendments), all matters presented for resolution by the Bondholders in a meeting duly called for the purpose shall be decided or approved by the affirmative vote of the Majority Bondholders present or represented in a meeting at which there is a quorum except as otherwise provided in the Trust Indenture. Any resolution of the Bondholders which has been duly approved with the required number of votes of the Bondholders shall be binding upon all the Bondholders and the Issuer as if the votes were unanimous.

(g) Role of the Trustee in Meetings of the Bondholders

Notwithstanding any other provisions of the Trust Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of the Bondholders, in regard to proof of ownership of the Offer Bonds, the appointment of proxies by registered holders of the Offer Bonds, the election of the chairman and the secretary, the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidences of the right to vote and such other matters concerning the conduct of the meeting as it shall deem fit.

28. Evidence Supporting the Action of the Bondholders

Wherever in the Trust Indenture it is provided that the holders of a specified percentage of the aggregate outstanding principal amount of the Offer Bonds may take any action (including the making of any demand

or requests and the giving of any notice or consent or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by: (i) any instrument executed by the Bondholders in person or by the agent or proxy appointed in writing, or (ii) the duly authenticated record of voting in favor thereof at the meeting of the Bondholders duly called and held in accordance herewith, or (iii) a combination of such instrument and any such record of meeting of the Bondholders.

29. Non-Reliance

Each Bondholder also represents and warrants to the Trustee that it has independently and, without reliance on the Trustee, made its own credit investigation and appraisal of the financial condition and affairs of the Issuer on the basis of such documents and information as it has deemed appropriate and that it has subscribed or purchased the Offer Bonds on the basis of such independent appraisal, and each Bondholder represents and warrants that it shall continue to make its own credit appraisal without reliance on the Trustee. The Bondholders agree to indemnify and hold the Trustee harmless from and against any and all liabilities, damages, penalties, judgments, suits, expenses and other costs of any kind or nature against the Trustee in respect of its obligations under the Trust Indenture, except for its gross negligence or wilful misconduct.

30. Amendments

The Issuer and the Trustee may amend or waive any provisions of the Bond Agreements if such amendment or waiver is of a formal, minor, or technical nature or to correct a manifest error or inconsistency, without prior notice to or the consent of the Bondholders or other parties, provided in all cases that such amendment or waiver does not adversely affect the interests of the Bondholders and provided further that all Bondholders are notified of such amendment or waiver.

The Issuer and the Trustee may amend the Terms and Conditions of the Offer Bonds with notice to every Bondholder following the written consent of the Majority Bondholders (including consents obtained in connection with a tender offer or exchange offer for the Offer Bonds) or a vote of the Majority Bondholders at a meeting called for the purpose. However, without the consent of each Bondholder affected thereby, an amendment may not:

- (a) reduce the percentage of principal amount of Offer Bonds outstanding that must consent to an amendment or waiver;
- (b) reduce the rate of or extend the time for payment of interest on the Offer Bonds;
- (c) reduce the principal of or extend the Maturity Date or vary the Early Redemption Option Dates of the Offer Bonds;
- (d) impair the right of any Bondholder to receive payment of principal of and interest on such Bondholder's Offer Bonds on or after the due dates therefore or to institute suit for the enforcement of any payment on or with respect to such Bondholders;
- (e) reduce the amount payable upon the redemption or repurchase of the Offer Bonds under the Terms and Conditions or change the time at which the Offer Bonds may be redeemed;
- (f) make the Offer Bonds payable in money other than that stated in the Offer Bonds;
- (g) subordinate the Offer Bonds to any other obligation of the Issuer;
- (h) release any security interest that may have been granted in favor of the Bondholders;
- (i) amend or modify the Payment of Additional Amounts, Taxation, the Events of Default of the Terms and Conditions or the Waiver of Default by the Bondholders; or
- (j) make any change or waiver of this Condition.

It shall not be necessary for the consent of the Bondholders under this Condition to approve the particular form of any proposed amendment, but it shall be sufficient if such consent approves the substance thereof. After an amendment under this Condition becomes effective, the Issuer shall send a notice briefly describing such amendment to the Bondholders in the manner provided in the paragraph entitled "Notice to the Bondholders."

31. Governing Law

The Bond Agreements are governed by and are construed in accordance with Philippine law.

32. Venue

Any suit, action, or proceeding against the Issuer with respect to the Offer Bonds or the Bond Agreements or on any judgment entered by any court in respect thereof may be brought in any competent court in the Cities of Makati, Pasig, and Las Piñas, at the option of the party initiating the legal action, and the parties submit to the exclusive jurisdiction of such courts for the purpose of any such suit, action, proceeding or judgment, the Issuer and Bondholders expressly waiving other venue.

33. Waiver of Preference

The obligation created under the Trust Agreement and the Offer Bonds shall not enjoy any priority of preference or special privileges whatsoever over any indebtedness or obligations of the Issuer. Accordingly, whatever priorities or preferences that the Trust Agreement and the Offer Bonds may have or any person deriving a right thereunder may have under Article 2244, paragraph 14 of the Civil Code of the Philippines are hereby absolutely and unconditionally waived and renounced. This waiver and renunciation of the priority or preference under Article 2244, paragraph 14 of the Civil Code of the Philippines shall be deemed revoked if it be shown that an indebtedness of the Issuer for borrowed money has a priority or preference under the said provision.

34. Certain Defined Terms

The following sets forth the respective definitions of certain terms used in these Terms and Conditions of the Offer Bonds. Except as otherwise provided and where context indicates otherwise, defined terms in these Terms and Conditions of the Offer Bonds have the meanings ascribed to them in the Trust Indenture.

- (a) **Affiliate** means any corporation, directly or indirectly controlled by the Issuer, whether by way of ownership of at least twenty percent (20%) of the total issued and outstanding capital stock of such corporation, or the right to elect at least twenty percent (20%) of the number of directors in such corporation, or the right to control the operation and management of such corporation by reason of contract or authority granted by said corporation to the Issuer.
- (b) **Bankruptcy** means, with respect to a Person, (a) that such Person has (i) made an assignment for the benefit of creditors; (ii) filed a voluntary petition in bankruptcy; (iii) been adjudged bankrupt, or insolvent; or had entered against such Person an order of relief in any bankruptcy or insolvency proceeding; (iv) filed a petition or an answer seeking for such Person any rehabilitation, reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation or filed an answer or other pleading admitting or failing to contest the material allegations of a petition filed against such Person in any proceeding of such nature; or (v) sought, consented to, or acquiesced in the appointment of a trustee, receiver or liquidator of such Person or of all or any substantial part of such Person's properties; (b) sixty (60) days have elapsed after the commencement of any proceeding against such Person seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation and such proceeding has not been dismissed; or (c) sixty (60) days have elapsed since the appointment without such Person's consent or acquiescence of a trustee, receiver or liquidator of such Person or of all or any substantial part of such Person's properties and such appointment has not been vacated or stayed or the appointment is not vacated within sixty (60) days after the expiration of such stay.
- (c) **Lien** means any mortgage, pledge, security interest, lien or encumbrance constituted on any of the Issuer's properties, for the purpose of securing its or its Affiliates' obligation.
- (d) **Majority Bondholders** means the holders of more than fifty percent (50%) in principal amount, of the Offer Bonds then outstanding.

LEGAL MATTERS

All legal opinions/matters in connection with the Offer will be passed upon by Picazo Buyco Tan Fider & Santos (“**Picazo Law**”) for the Company and Romulo Mabanta Buenaventura Sayoc & de los Angeles for the Joint Lead Underwriters and Joint Bookrunners (“**Romulo Law**”). Picazo Law and Romulo Law have no direct or indirect interest in Vista Land. Picazo Law and Romulo Law may from time to time be engaged to advise in the transactions of the Company and perform legal services on the basis that Picazo Law and Romulo Law provide such services to its other clients.

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