HOUSE OF INVESTMENTS

ANNEX "C"

MANAGEMENT REPORT

Financial and Other Information

Audited Financial Statements
The Statement of Management's Responsibility and Consolidated Audited Financial Statements of the Group as at December 31, 2025 are attached hereto as **Annex "D".**

Changes in and Disagreements with Accountants in Accounting and Financial Disclosure
None

Management Discussion and Analysis of Financial Condition and Plan of Operations

Item 1: Description of Business

1.1 Business Development

House of Investments, Inc. ("House of Investments" or "the Company") is an investment holding and management company with a diversified portfolio and one of the major flagship corporations of the Yuchengco Group of Companies ("YGC"). The Company undertook a portfolio realignment with a bias for recurring income and growth in 2023. As a result, the core business focus of the Company is organized into four segments, namely: financial services, education, property and property services, and automotive. The Company's portfolio investments are in energy, healthcare, and deathcare.

1.2 Business of the Issuer

THE HOLDING COMPANY

The executive management takes an active role in the management of the core businesses. In addition, the executive management monitors the business performance of the portfolio companies very closely. Through management meetings and regular review of operating results compared to targets and prior year performance, House of Investments is able to direct corporate strategy and operations.

In particular, management watches operating metrics very closely and how these would impact the financial metrics. By monitoring operating and financial metrics, executive management can always determine whether the capital deployed to various businesses within the portfolio is being used efficiently, and generating returns that meet hurdle rates.

The Company's executive management also engages in a continuous business development program. These business development activities range from identifying growth opportunities in existing businesses; helping develop new products and services that generate organic growth; or buying entire companies or controlling/significant minority stakes in companies which show high growth potential.

CORE BUSINESS UNITS:

FINANCIAL SERVICES

MICO EQUITIES, INC. AND SUBSIDIARIES
House of Investments acquired a majority stake in MICO Equities, Inc. ("MEI") from Pan Malayan Management & Investment Corporation ("PMMIC") through a share swap arrangement in 2023. MEI is the holding company under House of Investments that holds the Yuchengco Group's interests in non-life insurance. The Company also owns the following subsidiaries:

(1) **Malayan Insurance Co., Inc. ("MICO")**, is one of the leading non-life insurance companies in the Philippines that is authorized by the Insurance Commission to underwrite the following: Aviation, Engineering, Fire/Property, Marine, Miscellaneous Casualty, Motorcar, Personal Accident, Residential Fire and Travel Insurance, and Surety/Bonds. It has an extensive network of 35 branches and service offices nationwide.

(2) **Malayan International Insurance Corporation ("MIIC")** is a wholly owned subsidiary engaged in general reinsurance and investment holding and is registered as a Company and incorporated in The Bahamas under the provisions of the Companies Act 1992 (No. 18 of 1992)

on March 31, 1965. MIIC principally assumed the following types of general reinsurance contracts – fire, miscellaneous casualty and marine.

(3) **Malayan Securities Corporation ("MSC")** is a wholly owned subsidiary engaged in investing in equity and debt securities. MSC's corporate life ended on December 18, 2017 while revocation of its certificate of registration with the Bureau of Internal Revenue was on October 30, 2018 and in the process of liquidation.

RCBC TRUST CORPORATION

House of Investments together with Rizal Commercial Banking Corporation ("RCBC") and GPL Holdings, Inc. ("GPL") incorporated RCBC Trust Corporation ("RCBC Trust") a stand-alone trust corporation, with the Securities and Exchange Commission ("SEC") and duly authorized by the Bangko Sentral ng Pilipinas ("BSP") to engage primarily in trust, other fiduciary business and investment activities. RCBC Trust is a spin-off from the trust operations of RCBC and is one of the oldest trust entities in the country, boasting a rich history dating back to 1968 when it began as a department under RCBC.

RCBC Trust offers a comprehensive suite of services including Investment Management Accounts (IMA), Unit Investment Trust Funds (UITFs), retirement funds, corporate and institutional trust accounts, pre-need trust funds, personal management trusts, and mortgage or collateral trusts.

Focused on delivering superior services and customer experience, RCBC Trust is a leader in retirement fund management and corporate trust services. Its investment management services and digital offerings have also exponentially grown in the recent years.

SUN LIFE GREPA FINANCIAL, INC.

House of Investments acquired a majority stake in Sun Life Grepa Financial, Inc. ("Sun Life Grepa") from GPL through a share swap arrangement in 2023. Sun Life Grepa is a joint venture between the YGC and Sun Life Philippines. Sun Life Grepa offers financial protection products through its agency, bancassurance and group account channels.

Sun Life Grepa was formerly known as Grepalife Financial, Inc. the flagship life insurance firm of YGC. Established in 1954, it has evolved to be one of the industry's leaders with its daring innovations that have now become industry standards. Grepalife Financial was the first local insurance firm to pioneer the installment life concept and group credit. It also introduced the salary savings/salary deduction plan which allowed public servants and ordinary employees to pay for their policies. Carrying its original mandate to bring the benefits of life insurance to those who needed it most – the underpaid and the rural folk – Grepalife Financial sought to find greater ways to give more Filipinos access to life insurance. With the joint venture between Sun Life, a part of Grepalife's name was incorporated in the new entity name, Sun Life Grepa.

As one of the country's major life insurance companies, Sun Life Grepa focuses its efforts on financial literacy, with the aim of enlightening Filipinos on the importance of preparing for a brighter, more prosperous future. The company does this through its various campaigns anchored on Money for Life – a planning tool that helps people plan for their changing financial needs at any stage of life, be it from getting started, to moving up, to preparing ahead, to leaving a legacy.

EDUCATION

iPEOPLE, INC. AND SUBSIDIARIES

iPeople, inc. ('iPeople") is the holding company under House of Investments that drives investments in the education sector. iPeople is a publicly listed company on the Philippine Stock Exchange (PSE:IPO). iPeople wholly owns Mapúa University, which owns three other operating schools: Mapúa Malayan Colleges Laguna, Mapúa Malayan Colleges Mindanao and Malayan High School of Science.

With the merger with AC Education, Inc. ("AEI") that took effect on May 2, 2019 where iPeople was the surviving entity, iPeople has become one of the leading education groups in the country. The merger folded into the iPeople network the three schools of AEI namely: Affordable Private Education Center, Inc. ("APEC Schools"), University of Nueva Caceres ("UNC") and National Teachers College ("NTC").

In September 06, 2023, the merger between NTC and APEC Schools became effective with NTC as the surviving entity. This merger will mutually strengthen the NTC and APEC Schools brand and will allow the latter to become a feeder school to NTC which will result to increased enrollment.

House of Investments and its affiliates together with Ayala Corporation controls 51.3% and 33.5%, respectively.

The operating schools under the iPeople network are as follows:

(1) **Malayan Education System, Inc. (Operating under the name of Mapúa University).** Founded in 1925 by Don Tomas Mapúa, an architecture graduate of Cornell University in the United States and the first registered architect of the Philippines, Mapúa University is the country's premier engineering and technological university. It unceasingly fosters its long tradition of leading-edge excellence in various fields of studies, such as Engineering and Sciences, Architecture and Design, Information Technology, Business and Management, Communication and Media Studies, Health Sciences, and Social Sciences and Education, and provides students with a learning environment that will make them globally competitive.

(2) **Mapúa Malayan Colleges Laguna ("Mapúa MCL")** is a tertiary institution located in Cabuyao, Laguna, offering 22 baccalaureate programs and one master's program. Its degree-offering colleges and institute include the Mapúa Institute of Technology at Laguna, the E.T. Yuchengco College of Business, the College of Computer and Information Science, the College of Arts and Science, the Mapúa-PTC College of Maritime Education, and the Institute for Excellence in Continuing Education and Lifelong Learning. The institution started with 860 students in 2007 and now has over 6,000 students in both college and Senior High School (SHS). At the start of SY2024-2025, MMCL began offering a Bachelor of Science Degree in Aeronautical Engineering and an Associate Degree in Aircraft Maintenance as of the second term.

(3) **Mapúa Malayan Colleges Mindanao ("Mapúa MCM")** was established to offer a Mapua education in Davao and Mindanao. Located along General Douglas MacArthur Highway in Matina, Davao City, MMCM opened its doors to junior high school student in 2021 and senior high school and college students on July 2, 2018 The institution is committed to transforming students into globally competitive professionals that are highly preferred by industries locally and abroad. MMCM stands out from other colleges and universities in Mindanao due to its learner-centered outcomes-based education, blended online and face-to-face learning sessions, industry partnerships, Mindanao-centric learning, and advanced learning facilities.

(4) **Malayan High School of Science, Inc. ("MHSS")** is a wholly-owned subsidiary of Mapúa University. MHSS is a science- and math-oriented high school located in Pandacan, Manila. Modeled after similar but publicly funded science high schools, MHSS offers a rigorous academic program geared towards graduating hard-working, mathematical and scientific-trained students that will excel in their university studies and beyond. The school is focused on optimizing student-to-teacher time and in providing a top-notch faculty, state-of-the-art facilities, and a curriculum that will allow students to "fully express not only their scientific inclinations but also their artistic bent."

(5) **The University of Nueva Caceres ("UNC"),** the first university in Southern Luzon, traces its humble beginning with the benevolence of Dr. Jaime Hernandez, former Secretary of the Department of Finance, as his way of giving back to the Bicolano community. In February 1948, Dr. Hernandez together with other prominent Bicolanos, formed the Nueva Caceres College, and in 1953, the school attained University Status. In July 2015, the University of Nueva Caceres partnered with Ayala Corporation through Ayala Education, Inc to further enhance the quality of education through industry and technology driven innovations. Currently, the University offers complete basic education, four programs in the College of Arts and Sciences, thirteen in the College of Business and Administration, five in the College of Computer Studies, thirteen in the College of Education, six in the College of Engineering, Nursing Course, Criminal Justice Education, Juris Doctor, and three Doctorate and fifteen Masters Degree programs in the Graduate Studies department. UNC endeavors to fulfill its tri-focal function of instruction, research, and extension while making education accessible and affordable. The battle cry "from

first to number one" summarizes UNC's goals of excellence in quality, access, relevance, and responsiveness. UNC aims to be known not only as the first university in Bicol, but to be the Number 1 university in terms of employability of graduates.

(6) The **National Teachers College (Doing Business Under the Name of the National Teachers College)("NTC")** was founded by Dr. Segundo M. Infantado, Sr., a former Director of Public Instruction of the Philippines and Dr. Flora Amoranto-Ylagan, one of the country's leading educators. NTC was officially incorporated on September 29, 1928 and was authorized by the Department of Public Instruction on April 17, 1929 to operate as an educational institution. Its doors opened to the student public on June 10, 1929 and was granted government recognition on February 17, 1930. NTC was the first Higher Education Institution in the Philippines to offer collegiate programs dedicated to teacher education. Among private educational institutions in the Philippines, it has attained a pre-eminent place in educational leadership, particularly in the field of teacher education. Its performance in the Licensure Examination for Teachers is always above the national passing rate. NTC continues to perform its share in educating and training teachers, administrators, supervisors, and other professionals who will serve in the interest of the Republic of the Philippines and the world at large.

PROPERTY & PROPERTY SERVICES

ATYC, INC.

House of Investments incorporated ATYC, Inc. to be the vehicle for the acquisition of the A.T. Yuchengco Centre from Rizal Commercial Banking Corporation in September 2022. A.T. Yuchengco Centre is a 34-storey building located in Bonifacio Global City and has a leasable area of 36,665. RCBC is the anchor tenant.

SAN LORENZO RUIZ INVESTMENT HOLDINGS AND SERVICES, INC.

House of Investments acquired 100% of the issued and outstanding capital stock in San Lorenzo Ruiz Investment Holdings & Services, Inc. (SLR) in December 2020. In June 2021, Sojitz Corporation ("Sojitz") of Japan invested into SLR for a 40% stake of the company. Together, House of Investments and Sojitz are developing the property owned by SLR within the Makati Central Business District into a mixed-use office-commercial development. It features an iconic design with a network of open spaces, public art facilities, incorporating green and sustainable technology.

GREPA REALTY HOLDINGS CORPORATION

House of Investments acquired a majority stake in Grepa Realty Holdings Corporation ("GRHC") from GPL through a share swap arrangement in 2023. The Company holds a 49% stake while Sun Life Grepa owns the other 51% of GRHC. Effectively house of Investments owns 75% of GRHC.

GRHC is presently engaged in owning and operating building units, which are being leased to related and third parties. The main asset of GRHI is Grepalife Building which stands on a 5,000 sq.m. land along Sen. Gil J. Puyat Avenue in Makati adding to the property portfolio of the Company which includes A.T. Yuchengco Centre, RCBC Plaza, and the upcoming The Yuchengco Centre.

TARLAC TERRA VENTURES, INC.

Tarlac Terra Ventures, Inc. ("TTVI") was incorporated as a wholly-owned subsidiary of House of Investments. In December 2023, TTVI purchased a 184-hectare property located at Central Techno Park in Luisita Industrial Park. In October 2024, House of Investments and Aboitiz InfraCapital ("AIC") signed the Preliminary Terms of the Definitive Agreement for the development the property in Tarlac City into a mixed-use real estate development.

RCBC REALTY CORPORATION

House of Investments owns a minority stake in RCBC Realty Corporation, which owns the YGC flagship property, the RCBC Plaza.

The RCBC Plaza is the biggest and most modern office development in the Philippines today. Inaugurated in 2001, the complex consists of the 46-storey Yuchengco Tower, 41-storey Tower 2, and a three-level podium. Also housed in RCBC Plaza are the 450-seat Carlos P. Romulo Auditorium, the Yuchengco Museum, a 200-seat chapel, a VIP lounge, banking chambers, convenience and service shops, food court, seven-level basement parking, and open-air courtyard. YGC members such as the RCBC and AY Foundation hold their offices here.

RCBC Plaza is the first IT zone in Makati designated by the Philippine Economic Zone Authority.

In March 2024, RCBC Plaza has been re-certified LEED GOLD for Operations and Maintenance. LEED is a certification program designed by the US Green Building Council ("USGBC") and has become the most widely used green building rating system to assess environmental compliance in terms of sustainability, energy conservation, water reduction, air quality and materials, and resources. In July of the same year, the building has shifted to 100% renewable energy.

LANDEV CORPORATION
Landev Corporation ("Landev") is a wholly-owned subsidiary of the House of Investments. Landev is engaged in construction project management, property redevelopment, property management and facilities management.

In addition, Landev owns Greyhounds Security and Investigation Agency Corp. (GSIA) which provides comprehensive security services to RCBC Plaza, ATYC, and RCBC business centers and branches in Metro Manila and Luzon provinces.

AUTOMOTIVE

HI CARS, INC.
House of Investments operates two car-retailing brands: Honda and Isuzu under its wholly owned subsidiary HI Cars, Inc. ("HI Cars"). Honda's vehicle line-up includes passenger cars and light commercial vehicle categories while Isuzu's is purely commercial vehicles.

HI Cars' Honda full-service dealerships are located in Quezon Ave., Manila and Greenhills. It also operates a service center in Tandang Sora. Meanwhile, the Isuzu dealerships are in Manila, Commonwealth, and Leyte.

PORTFOLIO INVESTMENTS:

ENERGY

PETROENERGY RESOURCES CORPORATION ("PetroEnergy" or "PERC") is a publicly listed Philippine energy company founded in 1994 to undertake upstream oil exploration and development. Since then, it has diversified into renewable energy and power generation. PetroEnergy, through its renewable energy arm, PetroGreen Energy Corporation, has investments in the following companies: PetroSolar Corporation, PetroWind Energy Inc., Maibarara Geothermal, Inc., Rizal Green Energy Corporation and Buhawind Energy.

In 2022, PetroGreen took in a new strategic partner in Kyuden International Corporation as Kyuden infused Php3.4 billion for a 25% stake in PGEC. Also in 2022, Buhawind Energy was created via a joint venture between PGEC and Copenhagen Energy to develop wind farms with aggregate capacity of 4.0GW.

In 2023, PetroEnergy bought out the shares of EEI Power Corporation in PetroGreen, PetroSolar and PetroWind.

In 2024, PetroGreen implemented the P1.2 billion Dagohoy Solar Power Project (DSPP) which is intended to supply 27 megawatts of solar power to over 15,000 households. The DSPP also includes a teachers' training program with the Department of Education and Bohol college scholarship grants through partner agencies

HEALTHCARE

HI-EISAI PHARMACEUTICAL, INC. ("HEPI") is a joint venture between House of Investments and the Eisai Co. of Japan with the Company owning 50%. HEPI imports pharmaceuticals from Japan, which it sells in the Philippine market through established drug distributors. Over the past 50 years, the partnership through the introduction of new and innovative medicines to the Philippine market has significantly impacted the healthcare industry as a whole and the well-being and lives of Filipino patients we serve.

DEATHCARE

MANILA MEMORIAL PARK CEMETERY, INC. ("MMPCI") is the recognized market leader in death care services. It sells memorial lots and owns, operates, and maintains memorial parks in Sucat, Quezon City, Bulacan, Laguna, Cavite, Cebu, Davao. House of Investments owns a material stake in MMPCI.

LA FUNERARIA PAZ-SUCAT, INC. ("LFPSI") provides mortuary services to the bereaved and their loved ones. House of Investments, together with MMPCI, jointly owns LFPSI.

OUR RISK MANAGEMENT

House of Investments, Inc. (HI) as an operating, holding and management company with significant involvement in a number of industries through its various divisions, subsidiaries, associates, joint ventures, and managed companies is exposed to risks that are particular to its nature of operations, the environment in which it operates, and sector-specific risks which may impact reputation, stakeholder confidence, and overall business sustainability. HI's current core business is organized into four segments; financial services, property and property services, education, and automotive. The Company's portfolio investments are in energy, health care, and death care. HI believes that risk management is the responsibility of all stakeholders and underscores the importance of an integrated risk and sustainability management approach across the Group. As such, risk and sustainability management is integrated into the businesses' organizational activities and processes, embedded into the regular functions and operational requirements to achieve the corporate goals.

Through the Risk Management Council ("RMC"), the Company defines a risk management strategy and is responsible for identifying and analyzing key risk exposures relating to economic, environmental, social and governance (EESG) factors and the achievement of the organization's strategic objectives; establishing a risk register with clearly defined, prioritized and residual risks; and developing a risk mitigation plan for the most important risks to the company, as defined by the risk management strategy. The RMC communicates and reports significant risk exposures including business risks (e.g. strategic, compliance, operational, financial and reputational risks), control issues and risk mitigation plan to the Board Risk Oversight Committee; and is responsible for monitoring and evaluating the effectiveness of the organization's risk management processes.

The Board Risk Oversight Committee (BROC) assists the Board of Directors in fulfilling its corporate governance functions on risk and sustainability management. The BROC is responsible for the oversight of the company's enterprise risk and sustainability management system. The Chief Risk Officer reports to the BROC developments and matters relevant to risk and sustainability management. Management, through the company's Risk Management Council, is accountable for managing the associated risks and sustainability-related exposures. The management team of the subsidiaries are responsible for managing their respective risk and sustainability exposures and reports periodically to HI.

As the risk environment for the Group continues to evolve, HI reviews and conducts a group-wide risk assessment periodically, monitors the identified risks to ensure that these are current and regularly taken into account. The following key risks confronting the holding company as the strategic parent and the specific risks embedded in each business segment have been identified which may impact the operations, objectives, and long-term value creation of the Group.

Reputational and Stakeholder Risk
The inability of the Company to maintain and failure to protect its reputation may adversely affect its objective of creating and growing its value for its stakeholders. The Group's reputation is closely tied to the performance and image of its subsidiaries. Negative publicity or poor performance within any subsidiary may damage the Company's overall brand which may impact stakeholder confidence and future business opportunities. A reputational setback in one subsidiary can cascade across the Group, affecting its ability to fulfill its growth and value objectives. HI communicates its vision, mission, core values, and objectives to all its stakeholders and ensures all stakeholders are mindful with certainty of the company DNA in accomplishing the corporate objectives. The HI senior management participates in

the Group's strategic planning, management, and operational meetings to ensure alignment with the holding company.

Information and Cyber Security/Safety Risk
The failure to protect the Company from data breaches and/or the inability of the information systems to adequately protect the critical data and infrastructure may adversely affect stakeholders' confidence, disrupt operations, and may result to business losses and reputational damage. The Company may handle sensitive stakeholder data which can lead to privacy and cybersecurity risks such as data breaches, cyber-attacks, and ransomware. The increasing frequency and severity of cyber incidents, such as data breaches and information technology disruptions, not only locally but also globally, have heightened awareness of exposures within the Group. The rapid development of artificial intelligence (AI) further increases these risks, introducing new challenges in data protection and system integrity. To mitigate the risks, HI directs groupwide investments in cybersecurity resources and implementation of strong data security measures. HI ensures strict compliance with the data privacy act and the company's information and communications technology security policy. HI conducts periodic review and update of its cybersecurity policies and information campaign through cybersecurity awareness programs.

Talent Risk
The probability that a critical role will become vacant and cannot be satisfactorily filled may negatively affect the Company's continuity of its strategic imperatives and/or products and services standards. The success of the Company depends on the quality and effectiveness of the leadership and employees and may face challenges in attracting and retaining top talent. The challenges in hybrid work models, shortage of highly technical and skilled talent add to this. HI established programs in building key competencies and capability, as well as implementing succession planning to address the exposures. The Company continue to improve on its employee engagement through activities and programs, including but not limited to individual development and career growth plan.

Compliance and Regulatory Risk
The Group, operating largely in regulated business segments, may be impacted by changes in laws and policies or the introduction of new laws or regulations which may affect its business operations and financial results. The subsidiaries are subject to a range of national, local, and sectoral legal and regulatory requirements. Failure to adapt to sector regulations or non-compliance may result in fines, legal action, reputational damage, and even the loss of operating licenses and accreditations. Changes in and stringent compliance requirements can lead to increased operational costs, may impact growth or new business strategies. The Group manages these risks by monitoring emerging laws and regulations and industry developments affecting or may affect its business. The Group takes the position of proactively participating in consultations and dialogues with pertinent regulatory agencies and organizations relevant to its operations strengthening its capability to anticipate and adapt to potential changes, aiming to attain thought leadership status in the industry where it operates.

ESG and Sustainability Risk
The failure to address and manage the environmental, social, and governance concerns may impact the Group's reputation, financial performance, business sustainability, ethical performance, or result in regulatory fines. The country is highly vulnerable to typhoons, floods, and rising sea levels and may impact infrastructure and disrupt operations. The increasing frequency and severity of such events can increase climate-related financial risks. The Group is mindful that understanding and managing ESG risks is crucial to its long-term sustainability and resilience. HI developed its enterprise sustainability management framework which provides guidance on sustainability management. ESG considerations and sustainability are integrated into the Company's businesses' organizational activities and processes and the enterprise risk management. The Company has invested in the digitalization of sustainability and risk management to better manage the ESG risks.

Operational Risk
The inefficiencies and/or failure of internal processes and/or systems, non-compliance with policies and regulatory requirements, human errors in the conduct of the Groups' daily activities may result to financial losses. Technology is transforming the way business operate, failure to adapt to the

technological change may result in inefficiency or disrupt operations. Disruptions in operations not only affect service delivery but can impact stakeholder trust and legal compliance. To manage these risks, the Group ensures that all operating units have efficient and effective processes and support systems to meet and deliver its objectives. The Group continuously evaluate technologies, improve skills, or digitalize critical processes to ensure operational continuity. Further, the Group periodically assesses existing controls and compliance to ensure its continued relevance and effectiveness by conducting periodic operational audit.

Item 2: Properties

The office space used by House of Investments belongs to a subsidiary. As a holding company, the Company does not use large amounts of office space. The Automotive businesses use leased properties to sell and service vehicles. Each dealership site has lease contracts with their respective landlords. The only exception to this is the property used by Honda Cars Quezon Avenue, which is owned by House of Investments.

The following summarizes information on House of Investments and subsidiaries real property ownership as of December 31, 2024.

PROPERTY DESCRIPTION	DATE ACQUIRED	TYPE
HOUSE OF INVESTMENTS, INC.		
Quezon Avenue	2002	Industrial
SAN LORENZO INVESTMENT HOLDINGS AND SERVICES, INC.		
Sen. Gil Puyat Ave., Makati	2019	For development
ATYC, INC.		
Bonifacio Global City, Taguig	2022	Office/Commercial
GREPA REALTY HOLDINGS CORPORATION		
Sen. Gil Puyat Ave., Makati	2011	Office/Commercial
Calamba Laguna	2011	Land – Industrial
Binondo, Manila	2011	Office Units
Osmena Boulevard, Cebu City	2011	Office Condominium Units
North Reclamation Area, Cebu City	2011	Land – Commercial
Barangay Dela Paz, Antipolo City	2011	Land – Residential
Sagcahan, Tacloban City	2011	Land – Commercial/Residential
TARLAC TERRA VENTURES, INC.		
Bo. San Miguel, Tarlac City	2023	Land – Industrial
MALAYAN INSURANCE COMPANY, INC.		
Alcala, Pangasinan	1961	Land - Commercial
Lacson St, Bacolod City	1972	Land - Commercial
Lacson St, Bacolod City	1973	Office/Commercial
JP Laurel St. Lanang, Davao City	1974	Land - Commercial
Bo. Bangad, Cabanatuan City	1975	Land – Commercial
Eliza Valley Subd, Cebu City	1975	Office/Commercial
JP Laurel St, Davao City	1976	Office/Commercial
Eliza Valley Subd, Cebu City	1977	Office/Commercial
Binondo, Manila	1978	Condominium Office Units
Salcedo Village, Makati City	1986	Condominium Office Units
Salcedo Village, Makati City	1989	Condominium Office Units
Bo. Tungtong, Las Pinas City	1993	Land – Commercial
Binondo, Manila	1995	Condominium Office Units
Mactan Island, Cebu	1996	Condominium Units and Parking
Salcedo Village, Makati City	1998	Condominium Office Units
Calumpit, Bulacan	2004	Land - Commercial
Calumpit, Bulacan	2004	Land - Commercial
Commonwealth, Quezon City	2006	Land - Commercial
Mayapa, Laguna	2007	Land - Commercial
Binondo, Manila	2008	Condominium Office Units

PROPERTY DESCRIPTION	DATE ACQUIRED	TYPE
Binondo, Manila	2010	Condominium Office Unit
Binondo, Manila	2010	Condominium Office Unit
Binan, Laguna	2018	Office/Commercial
MALAYAN EDUCATION SYSTEM, INC.		
Intramuros, Manila	1999	School campus
Intramuros, Manila	2013	Vacant lot for expansion
Sta. Cruz, Makati City	2018	School Campus
MALAYAN HIGH SCHOOL OF SCIENCE, INC.		
Paco, Manila	2002	School campus
MALAYAN COLLEGES LAGUNA, INC.		
Cabuyao, Laguna	2010	School campus
Cabuyao, Laguna	2012	Vacant lot for expansion
MALAYAN COLLEGES MINDANAO, INC.		
Ma-a, Davao	2015	School campus
Ma-a, Davao	2018	School campus
NATIONAL TEACHERS COLLEGE		
Quiapo, Manila	2019	School Campus
Quiapo, Manila	2019	School Campus
Quiapo, Manila	2019	School Campus
Mendiola	2024	Lease of space
UNIVERSITY OF NUEVA CACERES		
J. Hernandez Ave., Naga City	2019	School Campus
AC COLLEGE OF ENTERPRISE AND TECHNOLOGY, INC.		
San Jose del Monte City, Bulacan	2019	Vacant Lot

The following details the properties that House of Investments and subsidiaries have leased:

PROPERTY DESCRIPTION	LOCATION	LEASE EXPIRATION
HI CARS, INC.		
Dealership	Paco, Manila	2026
Dealership	Paco, Manila	2026
Dealership	Commonwealth, QC	2034
Service Center	Tandang Sora, QC	2028
Dealership	Leyte	2030
Warehouse	Leyte	2029
Dealership	Greenhills, Mandaluyong	2028
Dealership	Quezon Avenue, QC	2027
MALAYAN INSURANCE COMPANY, INC.		
Branch	Laoag	2025
Branch	Legazpi	2025
Branch	Tuguegarao	2026
Branch	Subic	2026
Branch	Naga	2025
Branch	Ortigas	2026
Branch	Quezon Ave	2025
Branch	Lipa	2025
Branch	Tagum	2027
Branch	Imus	2025
Branch	Baliuag	2025
Office	Binondo	2025

PROPERTY DESCRIPTION	LOCATION	LEASE EXPIRATION
Office	Binondo	2025
Office	Binondo	2025
Office	Binondo	2025
Office	Binondo	2025
Branch	Alabang	2025
Branch	Cabanatuan	2025
Branch	Baguio	2025
Branch	Calamba	2025
Branch	Cebu	2025
Branch	General Santos	2025
Branch	Iloilo	2025
Branch	Palawan	2025
Branch	Tagbilaran	2025
Branch	CDO	2025
Branch	Dumaguete	2025
Branch	Dagupan	2025
Branch	General Santos	2025
Branch	Butuan	2025
Branch	Laguna	2025

The principal assets reflected in the consolidated balance sheets are registered mainly under the Company and its main subsidiaries that are engaged in financial services, property and property management, education, and car dealership. As a holding company, House of Investment's indirect ownership on the said properties covers/applies only to the extent of, and is limited by the number of holdings it has in these subsidiaries.

Item 3 – Legal Proceedings

House of Investments and its subsidiaries is involved in disputes that arise in the ordinary course of its business such as labor disputes pending before the NLRC and criminal cases which it filed against erring employees pending before the courts of general jurisdiction. The Company's management believes that these suits will ultimately be settled and/or decided in its favor and will not adversely affect its financial position and operating results.

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

There were no matters submitted to the vote of the security holders of House of Investments during the Annual Stockholders Meeting held on August 9, 2024.

2. Management Discussion and Analysis of Financial Condition and Results of Operations

Management Discussion and Analysis

CONSOLIDATED RESULTS

Year 2024 vs. 2023

RESULTS OF OPERATIONS

2024 vs 2023

	Period Ended December 31				
	2024	2023	2022	% Change	% to Revenues
REVENUES	**36,096,981,006**	11,094,211,630	9,478,680,114	225.4%	100.0%
COSTS OF SALES AND SERVICES	**27,949,445,942**	8,067,570,593	6,873,239,184	246.4%	77.4%
GROSS PROFIT	**8,147,535,064**	3,026,641,037	2,605,440,930	169.2%	22.6%
GENERAL AND ADMINISTRATIVE EXPENSE	**(5,001,533,998)**	(1,680,825,829)	(1,570,794,443)	197.6%	(13.9)%
OTHER INCOME	**688,822,300**	243,482,184	311,999,656	182.9%	1.9%
EQUITY IN NET EARNINGS OF ASSOCIATES	**81,479,896**	116,716,080	530,888,513	(30.2)%	0.2%
INTEREST AND FINANCE CHARGES	**(630,532,352)**	(525,779,116)	(271,576,420)	19.9%	(1.7)%
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	**3,285,770,910**	1,180,234,356	1,605,958,236	178.4%	9.1%
PROVISION FOR INCOME TAX	**(607,080,589)**	(138,322,300)	(48,404,042)	338.9%	(1.7)%
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	**2,678,690,321**	1,041,912,056	1,557,554,194	157.1%	7.4%
Deconsolidated Operations					
NET INCOME (LOSS) FROM DECONSOLIDATED OPERATIONS	-	(426,307,138)	166,789,425	(100.0)%	0.0%
NET INCOME (LOSS)	**2,678,690,321**	615,604,918	1,724,343,619	335.1%	7.4%

For the year ended December 31, 2024, the Parent Company reported a significant improvement in financial performance, reflecting the first full recognition of operational results from subsidiaries acquired in December 2023. These subsidiaries contributed materially to both revenue and net income growth and now serve as the primary drivers of the Company's consolidated results.

Consolidated revenues rose by 225%, from P11,094.21 million in previous year to P36,096.98 million in 2024. Approximately 95% of the increase is attributable to the financial services sector, particularly from the life insurance company, while the remaining represents organic growth from existing operations. Revenue from the leasing business improved by 11%, which pertains to higher occupancy rate compared to previous year. Likewise, vehicle sales improved by 8%, which resulted to higher revenues from sale of goods. Due to higher enrollment and discontinuation of discounts offered during the pandemic period, the education sector showed an 18% growth compared to last year.

Significant increase in consolidated cost of sales and services, and general and administrative expenses are largely attributable to the new subsidiaries, with minimal increase from existing operations.

Other income pertains mainly to interests from regular and short-term time deposits.

Equity in net earnings of associates is lower, at P81.48 million this year compared to P116.72 million last year, primarily due to remeasurement loss recognized by the energy sector, pertaining to the direct acquisition of 20% interest of EEI Power Corporation in PetroWind Energy Inc.

Interest and finance charges increased from P525.78 million to P630.53 million, due to higher level of debts coupled with higher average interest rates compared to last year.

Provision for income tax is significantly higher, primarily driven by the new subsidiaries coupled by the change in income tax rate of the education sector from 1% to 10% effective July 2023, as mandated by the Bayanihan Act.

The Group's net income rose to P2,678.70 million in 2024, compared to previous year's P615.60 million, net of losses from deconsolidated operations. The improvement was driven primarily by the financial services sector, which contributed P1,770.67 million in net income. The remaining growth was largely attributable to the education sector.

FINANCIAL POSITION

	Dec-2024	Dec-2023	Change (₱)	% Change	% to Assets
ASSETS					
Current Assets					
Cash and cash equivalents	**8,293,005,389**	6,633,047,805	1,659,957,584	25.0%	4.9%
Receivables	**11,262,666,490**	11,685,674,611	(423,008,121)	-3.6%	6.7%
Segregated fund assets	**42,142,462,815**	37,569,985,225	4,572,477,590	12.2%	25.1%
Reinsurance Assets	**18,355,961,194**	24,230,398,085	(5,874,436,891)	-24.2%	10.9%
Inventories	**398,314,089**	496,661,387	(98,347,298)	-19.8%	0.2%
Loans receivable	**2,059,584,359**	1,865,811,107	193,773,252	10.4%	1.2%
Receivable from related parties	**4,534,187**	17,279,419	(12,745,232)	-73.8%	0.0%
Assets Held for Sale	-	337,378,019	(337,378,019)	-100.0%	0.0%
Prepaid expenses and other current assets	**2,164,480,345**	2,060,908,494	103,571,851	5.0%	1.3%
Total Current Assets	**84,681,008,868**	84,897,144,152	(216,135,284)	-0.3%	50.5%
Non-Current Assets					
Financial assets at fair value through other comprehensive income (FVOCI)	**25,550,142,935**	22,847,990,404	2,702,152,531	11.8%	15.2%
Financial assets at fair value through profit or loss (FVTPL)	**7,903,390,740**	6,422,981,790	1,480,408,950	23.0%	4.7%
Investment securities at amortized cost	**4,379,302,139**	3,312,776,303	1,066,525,836	32.2%	2.6%
Investments in associates and joint ventures	**4,874,309,874**	6,019,840,170	(1,145,530,296)	-19.0%	2.9%
Property and Equipment					
At revalued amount	**15,015,152,509**	15,469,825,819	(454,673,310)	-2.9%	9.0%
At cost	**9,037,246,462**	7,073,528,753	1,963,717,709	27.8%	5.4%
Investment properties	**12,395,384,044**	10,895,830,103	1,499,553,941	13.8%	7.4%
Deferred tax assets - net	**1,027,522,831**	831,675,971	195,846,860	23.5%	0.6%
Right of use assets	**610,840,289**	486,018,030	124,822,259	25.7%	0.4%
Goodwill	**176,176,264**	183,970,413	(7,794,149)	-4.2%	0.1%
Retirement Asset	**147,337,007**	21,302,255	126,034,752	591.6%	0.1%
Deferred acquisition costs	**527,720,153**	499,447,146	28,273,007	5.7%	0.3%
Other noncurrent assets - net	**1,318,409,007**	1,002,101,112	316,307,895	31.6%	0.8%
Total Noncurrent Assets	**82,962,934,254**	75,067,288,269	7,895,645,985	11%	49.5%
	167,643,943,122	159,964,432,421	7,679,510,701	4.8%	100.0%

As of December 31, 2024, the Group's financial position remained strong and was broadly consistent with the prior year, when the newly acquired subsidiaries were first consolidated. Total assets stood at P167.64 billion from P159.96 billion in prior year.

Increase in cash and cash equivalents and receivables are mainly attributable to the insurance companies, particularly the non-life sector. Segregated fund assets, which are related to unit-linked insurance contracts of life insurance company, pertain to consideration received from policyholders which are transferred to the fund. Reinsurance assets represent balances due from reinsurance companies of the non-life insurance company. Inventories are primarily from the automotive segment. Increase in loans receivable, which includes policy loans granted to policyholders and investments in commercial papers, are primarily from the life insurance company. Receivable from related parties decreased due to settlements as of the period. Asset held for sale pertains to the 4.5% equity investment in EEI, which was classified as held for sale in December 2023 and subsequently sold on January 5, 2024. Increase in prepaid expenses and other current assets represents additional creditable withholding tax certificates of non-life insurance and automotive sectors.

Total non-current assets grew by 11%, primarily due to various investments made by the insurance companies, increase in the market value of the Group's properties and additional costs related to the ongoing property development under the Property sector. Investments in associates and joint ventures decreased due to the reclassification of the remaining 15% equity interest in EEI as an investment in Fair Value through Other Comprehensive Income (FVOCI) following the loss of significant influence. Increase in investment property reflects the reclassification of the Parent company's property previously recorded under property, plant and equipment. The increase in deferred tax assets was primarily driven by the insurance companies. Right of use assets increased mainly due to renewal of leases from automotive segment. Increases in both the retirement asset and deferred acquisition cost were largely attributable to the financial services group, while increase in other non-current assets was mainly due to input taxes related to the ongoing construction activities of the property group.

	Dec-2024	Dec-2023	Change (₱)	% Change	% to Assets
LIABILITIES and EQUITY					
Current Liabilities					
Accounts payable and other current liabilities	**9,883,117,824**	7,649,852,076	2,233,265,748	29.2%	5.9%
Loans payable	**5,635,000,000**	3,971,142,021	1,663,857,979	41.9%	3.4%
Segregated fund liabilities	**42,142,462,815**	37,569,985,225	4,572,477,590	12.2%	25.1%
Current portion of long term debt	**32,573,600**	32,573,600	-	0.0%	0.0%
Current portion of contract liabilities	**1,464,893,638**	1,147,189,447	317,704,191	27.7%	0.9%
Current portion of insurance contract liabilties	**31,956,515,864**	37,422,659,896	(5,466,144,032)	-14.6%	19.1%
Current portion of lease liability	**167,708,899**	97,874,024	69,834,875	71.4%	0.1%
Income tax payable	**139,014,263**	39,956,012	99,058,251	247.9%	0.1%
Due to related parties	**148,011,591**	89,378,588	58,633,003	65.6%	0.1%
Total Current Liabilities	**91,569,298,494**	88,020,610,889	3,548,687,605	4.0%	54.6%
Noncurrent Liabilities					
Long-term debt - noncurrent portion	**2,682,729,050**	2,709,237,650	(26,508,600)	-1.0%	1.6%
Contract liabilities - noncurrent portion	**112,250,951**	124,339,470	(12,088,519)	-9.7%	0.1%
Insurance contract liabilities - noncurrent portion	**15,747,336,991**	14,026,067,186	1,721,269,805	12.3%	9.4%
Lease Liability - noncurrent	**562,687,392**	510,109,278	52,578,114	10.3%	0.3%
Deferred tax liabilities	**2,101,968,409**	1,990,204,297	111,764,112	5.6%	1.3%
Retirement liabilities	**847,990,521**	684,971,030	163,019,491	23.8%	0.5%
Deferred reinsurance commissions	**245,799,378**	198,267,206	47,532,172	24.0%	0.1%
Other noncurrent liabilities	**899,972,615**	1,486,005,501	(586,032,886)	-39.4%	0.5%
Total Noncurrent Liabilities	**23,200,735,307**	21,729,201,618	1,471,533,689	6.8%	13.8%
Total Liabilities	**114,770,033,801**	109,749,812,507	5,020,221,294	4.6%	68.5%
Equity					
Attributable to equity holders of the Parent Company					
Common stock	**2,201,795,746**	2,201,795,746	-	0.0%	1.3%
Additional paid in capital	**14,808,241,606**	14,808,241,606	-	0.0%	8.8%
Equity reserve on acquisition of noncontrolling interest	**(806,224,306)**	(868,077,101)	61,852,795	-7.1%	-0.5%
Revaluation increment on land	**3,779,148,385**	3,289,823,486	489,324,899	14.9%	2.3%
Cumulative translation adjustment	**47,177,851**	46,376,718	801,133	1.7%	0.0%
Changes in fair value of equity investments carried at FVOCI	**(352,644,065)**	(47,667,218)	(304,976,847)	639.8%	-0.2%
Remeasurement losses on net retirement liability	**(59,802,377)**	(18,380,971)	(41,421,406)	225.3%	0.0%
Remeasurement on legal policy reserves	**(13,652,322)**	-	(13,652,322)	N/A	0.0%
Retained Earnings					
Unappropriated	**11,813,200,762**	7,390,657,134	4,422,543,628	59.8%	7.0%
Appropriated	**1,700,000,000**	5,200,000,000	(3,500,000,000)	-67.3%	1.0%
	33,117,241,280	32,002,769,400	1,114,471,880	3.5%	19.8%
Noncontrolling interest	**19,756,668,041**	18,211,850,514	1,544,817,527	8.5%	11.8%
Total Equity	**52,873,909,321**	50,214,619,914	2,659,289,407	5.3%	31.5%
	167,643,943,122	159,964,432,421	7,679,510,701	4.8%	100.0%

Total liabilities increased from P109.75 billion to P114.77 billion. Current liabilities are at P91.57 billion, driven by increase in accounts payable to suppliers and contractors, higher loan balances and increase in segregated fund liabilities. Noncurrent liabilities increased from P21.73 billion to P23.20 billion. Increase is driven by higher contract liabilities of the insurance sector, retirement obligations of the Group and higher deferred tax liabilities recognized relative to increase in fair value of properties.

Consolidated equity amounted to P52.87 billion. The growth was primarily driven by the net income generated during the year as well as the increase in fair value of properties, tempered by changes in fair value of equity investments carried at FVOCI and remeasurement losses on net retirement liability. The Group continues to maintain a strong capital base to support its ongoing operations and future expansion initiatives.

Year 2023 vs. 2022

RESULTS OF OPERATIONS

HOUSE OF INVESTMENTS INC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE PERIOD ENDED DECEMBER 31, 2023, 2022 AND 2021

	2023	2022 (Re-Stated)	2021 (Re-Stated)	% Change	% to Revenues
Continuing Operations					
TOTAL REVENUES	**11,094,211,630**	9,478,680,114	7,494,179,168	17.0%	100.0%
TOTAL COSTS OF SALES AND SERVICES	**7,973,528,936**	6,873,239,184	5,399,928,581	16.0%	71.9%
GROSS PROFIT	**3,120,682,694**	2,605,440,931	2,094,250,587	19.8%	28.1%
GENERAL AND ADMINISTRATIVE EXPENSE	**(1,774,867,486)**	(1,570,794,443)	(1,296,907,738)	13.0%	(16.0)%
OTHER INCOME - net	**243,482,184**	311,999,655	98,861,745	(22.0)%	2.2%
EQUITY IN NET EARNINGS OF ASSOCIATES	**116,716,080**	530,888,513	505,172,538	(78.0)%	1.1%
INTEREST AND FINANCE CHARGES	**(525,779,116)**	(271,576,420)	(238,886,706)	93.6%	(4.7)%
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	**1,180,234,356**	1,605,958,236	1,162,490,425	(26.5)%	10.6%
PROVISION FOR INCOME TAX	**(138,322,300)**	(48,404,042)	13,236,072	185.8%	(1.2)%
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	**1,041,912,056**	1,557,554,195	1,175,726,497	(33.1)%	9.4%
Deconsolidated Operations					
NET INCOME (LOSS) FROM DECONSOLIDATED OPERATIONS	**(426,307,138)**	166,789,425	452,039,807	(355.6)%	(3.8)%
NET INCOME (LOSS)	**615,604,918**	1,724,343,620	1,627,766,304	(64.3)%	5.5%

Consolidated revenues were higher at P11,094.21 million compared to previous year's P9,478.68 million.
Revenue from services, which is mainly attributable to the leasing business of the group, grew by 55%. Likewise, vehicle sales have improved by 8%, which resulted to higher revenues from goods. Due to higher enrollment and discontinuation of discounts offered during the pandemic period, the education sector showed a 14% growth compared to last year.

Consolidated cost of sales and services, and general and administrative expenses ("GAE") increased by 16% and 13%, respectively. The increase is attributable to higher a) personnel costs, due to increase in headcount; (b) professional fees, which are primarily from growth initiatives of the group; (c) security, janitorial and other services, due to increase in average daily wage rate and return to normal operations; (d) advertising and promotions, as the subsidiaries continuously intensify its marketing activities; and (e) depreciation expense, relative to full year impact of CAPEX incurred mid 2022.

Other income pertains mainly to interests from short-term time deposits.

Equity in net earnings of associates is lower, at P116.72 million this year compared to P530.89 million last year, primarily due to losses incurred by the automotive sector and from the construction sector.

Interest and finance charges increased from P271.58 million to P525.78 million, due to higher level of debts coupled with higher average interest rates compared to last year.

Provision for income tax is significantly higher because, as mandated by the Bayanihan Act, the income tax rate applicable to the education sector has reverted to 10% from 1% effective July 2023.

This year, the Parent Company decided to sell its investment in the construction sector, which resulted to a reduced stake of 21% from 55.34%. The loss of control over the construction subsidiary has resulted to an accounting loss of P426.31 million. Details of which are presented to the notes to financial statement.

As a result, the Group's net income from continuing operations was significantly reduced from P1,041.91 million to P615.60 million.

FINANCIAL POSITION

	2023	2022	Change (Php)	% Change	% to Total Assets
ASSETS					
Current Assets					
Cash and cash equivalents	6,633,047,805	6,630,467,357	2,580,448	0.0%	4.1%
Receivables	11,685,674,611	4,250,815,749	7,434,858,862	174.9%	7.3%
Contract Assets	-	5,182,274,282	(5,182,274,282)	-100.0%	0.0%
Segregated fund assets	37,569,985,225	-	37,569,985,225	N/A	23.5%
Reinsurance Assets	24,230,398,085	-	24,230,398,085	N/A	15.1%
Inventories	496,661,387	1,502,027,586	(1,005,366,199)	-66.9%	0.3%
Loans receivable	1,865,811,107	-	1,865,811,107	N/A	1.2%
Assets Held for Sale	408,819,217	-	408,819,217	N/A	0.3%
Financial assets at fair value through profit or loss (FVTPL)	6,422,981,790	14,892,802	6,408,088,988	N/A	4.0%
Receivable from related parties	17,279,419	178,008,353	(160,728,934)	-90.3%	0.0%
Prepaid expenses and other current assets	2,060,908,494	2,117,354,151	(56,445,657)	-2.7%	1.3%
Total Current Assets	91,391,567,140	19,875,840,280	71,515,726,860	359.8%	57.1%
Non-Current Assets					
Contract Assets - net of current portion	-	5,190,526,530	(5,190,526,530)	-100.0%	0.0%
Financial assets at fair value through other comprehensive income (FVOCI)	22,847,990,404	650,642,033	22,197,348,371	N/A	14.3%
Investment securities at amortized cost	3,312,776,303	-	3,312,776,303	N/A	2.1%
Investments in associates and joint ventures	6,019,840,170	8,303,323,179	(2,283,483,009)	-27.5%	3.8%
Property and Equipment					
At revalued amount	15,469,825,819	9,875,430,378	5,594,395,441	56.6%	9.7%
At cost	7,073,528,753	7,225,811,452	(152,282,699)	-2.1%	4.4%
Investment properties	10,824,388,905	8,109,162,827	2,715,226,078	33.5%	6.8%
Deferred tax assets - net	831,675,971	1,412,438,716	(580,762,745)	-41.1%	0.5%
Right of use assets	486,018,030	1,194,764,548	(708,746,518)	-59.3%	0.3%
Goodwill	183,970,413	484,829,719	(300,859,306)	-62.1%	0.1%
Retirement Asset	21,302,255	93,338,840	(72,036,585)	-77.2%	0.0%
Deferred acquisition costs	499,447,146	-	499,447,146	N/A	0.3%
Other noncurrent assets - net	1,002,101,112	2,810,716,784	(1,808,615,672)	-64.3%	0.6%
Total Noncurrent Assets	68,572,865,281	45,350,985,006	23,221,880,275	51.2%	42.9%
	159,964,432,421	**65,226,825,286**	94,737,607,135	**145.2%**	**100.0%**

On 29 December 2023, the Parent Company was able to get approval from SEC to acquire 51% ownership over SLGFI, and 77.33% ownership over MEI, through a share swap agreement. The consolidation of net assets of these entities has tempered the impact of the deconsolidation of the construction subsidiary.

Total consolidated assets of the Group grew to P159.96 billion from P65.23 billion in 2022, primarily due to the assets of SLGFI and MEI, which can be distinctively identified to these entities.

Increase in receivables are mainly attributable to MEI. Inventories are primarily from automotive segment. Asset Held for Sale pertains mainly to the 4.5% shares owned by the Parent Company which were sold in January 2024. Prepaid expenses and other current assets increased due to additional tax credit certificates received by the Group.

Total noncurrent assets grew to P68.57 billion from P45.35 billion.

Increase in Financial assets at FVOCI pertains primarily to SLGFI and MEI. Investments in associates and joint ventures includes the remaining investment in the construction sector. The reduction pertains to the deconsolidation of the construction subsidiary. Increase in property, plant and equipment pertains primarily to: (a) additional costs related to the ongoing property development under the Property sector; (b) fair value of real estate; and (c) properties from the new subsidiaries. Investment properties, which are recorded at cost, includes properties from new subsidiaries. Whereas, reduction in other assets such as ROU, Goodwill, retirement and others pertain to deconsolidation of the construction subsidiary.

	2023	2022	Change (Php)	% Change	% to Total Assets
LIABILITIES and EQUITY					
Current Liabilities					
Accounts payable and other current liabilities	7,649,852,076	7,023,609,751	626,242,325	8.9%	4.8%
Loans payable	3,971,142,021	8,217,000,000	(4,245,857,979)	-51.7%	2.5%
Segregated fund liabilities	37,569,985,225	-	37,569,985,225	N/A	23.5%
Current portion of long term debt	32,573,600	4,714,765,059	(4,682,191,459)	-99.3%	0.0%
Current portion of contract liabilities	1,147,189,447	1,387,334,090	(240,144,643)	-17.3%	0.7%
Insurance contract liabilities - noncurrent portion	37,422,659,896	-	37,422,659,896	N/A	23.4%
Current portion of lease liability	97,874,024	168,473,399	(70,599,375)	-41.9%	0.1%
Income tax payable	39,956,012	17,927,194	22,028,818	122.9%	0.0%
Due to related parties	89,378,588	2,532,535	86,846,053	N/A	0.1%
Total Current Liabilities	88,020,610,889	21,531,642,028	66,488,968,861	308.8%	55.0%
Noncurrent Liabilities					
Long-term debt - net of current portion	2,709,237,650	4,316,758,220	(1,607,520,570)	-37.2%	1.7%
Contract liabilities - net of current portion	124,339,470	826,701,427	(702,361,957)	-85.0%	0.1%
Insurance contract liabilities - noncurrent portion	14,026,067,186	-	14,026,067,186	N/A	8.8%
Lease Liability	510,109,278	1,210,356,879	(700,247,601)	-57.9%	0.3%
Deferred tax liabilities	1,990,204,297	1,044,811,603	945,392,694	90.5%	1.2%
Accrued retirement liability	684,971,030	200,096,343	484,874,687	242.3%	0.4%
Deferred reinsurance commissions	198,267,206	-	198,267,206	N/A	0.1%
Other noncurrent liabilities	1,486,005,501	232,075,531	1,253,929,970	540.3%	0.9%
Total Noncurrent Liabilities	21,729,201,618	7,830,800,003	13,898,401,615	177.5%	13.6%
Total Liabilities	109,749,812,507	29,362,442,031	80,387,370,476	273.8%	68.6%
Equity					
Capital stock	2,201,795,746	1,162,540,326	1,039,255,420	89.4%	1.4%
Additional paid in capital	14,808,241,606	154,578,328	14,653,663,278	N/A	9.3%
Equity reserve on acquisition of noncontrolling interest	(868,077,102)	1,932,007,449	(2,800,084,551)	-144.9%	-0.5%
Revaluation increment on land	3,289,823,486	2,218,473,182	1,071,350,304	48.3%	2.1%
Cumulative translation adjustment	46,376,718	352,101,517	(305,724,799)	-86.8%	0.0%
Changes in fair value of equity investments carried at FVOCI	(47,667,218)	111,000,523	(158,667,741)	-142.9%	0.0%
Remeasurement losses on net retirement liability	(18,380,970)	(14,062,367)	(4,318,603)	30.7%	0.0%
Retained Earnings					
Unappropriated	7,390,657,134	4,944,402,862	2,446,254,272	49.5%	4.6%
Appropriated	5,200,000,000	7,505,355,000	(2,305,355,000)	-30.7%	3.3%
	32,002,769,400	18,366,396,820	13,636,372,580	74.2%	20.0%
Noncontrolling interest	18,211,850,514	17,497,986,435	713,864,079	4.1%	11.4%
Total Equity	50,214,619,914	35,864,383,255	14,350,236,659	40.0%	31.4%
	159,964,432,421	**65,226,825,286**	94,737,607,135	**145.2%**	**100.0%**

Total liabilities increased to P109.75 billion from P29.36 billion.

Total current liabilities are at P88.02 billion. The huge increase from last year pertains to the segregated fund and contract liabilities of the insurance sector. Loans were significantly reduced to manage the Group's interest cost. Increase in due to related parties pertains to construction-related obligations of Property sector which are due within the next period. Net movement in lease liabilities pertains to amortization.

Total noncurrent liabilities increased to P21.73 billion from P7.83 billion. The big jump pertains to noncurrent portion of contract liabilities of the insurance sector. Deferred tax liability also increased primarily due to revaluation increment in real properties. Increase in accrued retirement liability pertains to additional provision recognized by the Group.

Consolidated equity rose from P35.86 billion to P50.21 billion following an increase in both capital stock and additional paid-in capital, as a result of the executed share swap agreement.

Year 2022 vs. 2021

RESULTS OF OPERATIONS

For the period ending 31 December 2022, the Group registered a net income of P1,724.34 million, which is 6% higher than last year's net income of P1,627.77 million.

Consolidated revenues were slightly higher at P23,905.29 million compared to previous year's P23,599.07 million. Sales of services, which pertain mainly to revenues generated by the Construction sector, dropped from P16,667.31 million to P15,462.41 million. This is primarily due to completion of its major projects. On the other hand, sales from Automotive sector registered 26% growth, while revenues from Education sector grew by 18%, due to higher enrollment.

Cost of sales and services dropped by 2% due to significant reduction in the costs of the Construction sector. Whereas, GAE increased by 14%. The increase is attributable to higher (a) utilities, resulting from resumption of face-to-face classes and more employees reporting back to the offices; (b) security, janitorial and other services, which are attributable to increase in manpower and increase in daily wage rates; (c) advertising and promotions expense, as the group intensified its marketing activities; and (d) commissions and direct selling expenses related to the increase of sales in the automotive sector.
Increase in other income pertains mainly to gain on sale of property and reversal of prior period provisions.

Equity in net earnings of associates dropped from P1,430.34 million to P425.03 million this year, primarily due to losses incurred by the foreign affiliate of the Construction sector.
Interest and finance charges were down from P708.37 million to P669.70 million, due to lower level of debts compared to last year.

FINANCIAL POSITION

Total consolidated assets of the Group stood at P65.23 billion from P57.19 billion in December 2021.

Total current assets went down to P19.87 billion from P24.90 billion. Cash and cash equivalents decreased mainly due to payment of loans and dividends to preferred shareholders of the Construction sector. Contract assets decreased due to conversion of production into billed receivables. Receivable from related parties increased due to charges to a foreign affiliate relative to recruitment costs. Prepaid expenses and other current assets increased due to additional advances to suppliers and subcontractors of the Construction sector.

Total noncurrent assets increased from P32.29 billion to P45.35 billion, mainly due to the acquisition of property investment located in Taguig City. Equity investments in fair value through other comprehensive income increased due to higher market value of quoted securities. Increase in investments in associates and joint ventures pertains mainly to equity earnings intake as of the period. Increase in the right-of-use assets pertains to new leased property. Retirement asset increased as a result of the cost-cutting measures implemented by the Construction sector. Increase in other non-current assets pertains to the non-current portion of the unapplied certificates of creditable withholding taxes, and contract assets from retentions on projects of Construction group.

Total consolidated liabilities increased from P27.08 billion to P29.36 billion.

Total current liabilities went up from P17.56 billion to P21.53 billion. The increase pertains primarily to the loans taken out by the Property sector to finance the purchase of property in Taguig.
Contract liabilities pertain to unearned tuition fees and current construction contract obligations, which are reduced as the corresponding revenue is recognized during the period. The net increase for the period pertains to advances received by the Construction sector for its new projects. Net movement in lease liabilities was due to the additional lease agreement entered into by the Construction sector.

Total noncurrent liabilities were reduced from P9.52 billion to P7.83 billion, as the Group continuously settles its debts.

Contract liabilities net of current portion refers to contract obligations of the Company for the projects classified as non-current with completion date beyond one year after balance sheet date. Accrued retirement liability dropped from P0.22 billion to P0.20 billion. Reduction in other non-current liabilities pertains primarily to reclassification of retention payables of Construction sector to current.

Total consolidated equity increased to P35.86 billion from P30.12 billion, while total consolidated retained earnings increased to P12.25 billion from P11.08 billion in December 2021.

Financial Ratios

Below are the financial ratios that are relevant to the Group's for the years ended December 31, 2024 and 2023:

Financial ratios		**2024**	2023
Current ratio *Indicates the Group's ability to pay short-term obligation*	Current Assets / Current Liabilities	**0.92:1**	0.97:1
Solvency Ratio *Shows how likely a company will be to continue meeting its debt obligations*	Net Income + Depreciation / Total liabilities	**0.03:1**	0.01:1
Debt-to-equity ratio *Measures the Group's overall leverage*	Total Debt / Total Equity	**2.17:1**	2.19:1
Asset to Equity Ratio *Measures the group's leverage and long-term solvency*	Total Assets / Total Equity	**3.17:1**	3.19:1
Interest Rate Coverage *Shows how easily a company can pay interest on outstanding debt*	EBIT* / Interest Expense	**6.21:1**	3.24:1
Return on Assets *Measure the ability to utilize the Group's assets to create profits*	Net Income / Average Total Assets	**1.64%**	0.55%
Return on Equity *Reflects how much the Group's has earned on the funds invested by the stockholders*	Net Income / Average Total Equity	**5.20%**	1.43%

**Earnings before interest and taxes*

Current ratio is lower at 0.92 in 2024 compared to 0.97 in 2023. This was mainly due to lower reinsurance assets of the insurance sector.

Solvency ratio is higher at 0.03 in 2024 against 0.01 in 2023. This is mainly due to increase in net income mainly attributable to financial services group, which were not present last year.

Debt-to-Equity ratio measures the Group's leverage. It decreased from 2.19 to 2.17 this year, driven by higher equity coming from the financial services sector.

Asset-to-Equity ratio decreased from 3.19 to 3.17, which is primarily due to equity contributions from the financial services sector.

Interest Rate Coverage ratio shows how easily a company can pay interest on outstanding debt. It is higher at
6.21 driven by higher earnings compared to the previous year.

Return on Assets measures the ability to utilize the Group's assets to create profits. The Group's return on assets for the year 2024 increased to 1.64 from 0.55 in 2023. This is attributable to higher net income generated during the year.

Return on Equity (ROE) measures the profitability of the Company in relation to the average stockholders' equity. The ROE for 2023 went up to 5.20 from 1.43 in 2023 largely due to the higher income posted in 2024, mainly contributed by the financial services sector.

The above-mentioned ratios are applicable to the Group as a whole.

Other qualitative and quantitative factors

(i) There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way;

   a. House of Investments does not anticipate any cash flow or liquidity problems within the next twelve months;
   b. House of Investments is not in default or breach of any note, loan, lease, or other indebtedness or financing arrangement which will require the Company to make payments;
   c. There is no significant amount of trade payable that have not been paid within the stated terms; and
   d. House of Investments depends on dividends from its subsidiaries as its source of liquidity.

(ii) There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;

(iii) 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;

(iv) Below are the material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.

San Lorenzo Ruiz Investment Holdings and Services, Inc. is redeveloping a property along Sen. Gil J. Puyat Avenue in Makati into a mix-use commercial complex through a joint venture with Sojitz Corporation of Japan. The estimated development cost is P9.3 billion.

(v) There is no known trend, event or uncertainty that have had or that are reasonably expected to have a material impact on the net sales or revenues or income of the Group from continuing operations;

(vi) There are no significant elements of income or loss that did not arise from the House of Investments' continuing operations;

(vii) The causes for any material change from period to period which shall include vertical and horizontal analyses of any material item are discussed above;

(viii) There are no seasonal aspects that had a material effect on the financial condition or results of operations.

MARKET PRICE OF AND DIVIDENDS ON REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDERS' MATTERS

a. **Market for Issuer's common equity and related stockholder matters**

PERIOD	STOCK PRICE HIGH	LOW
2025 Second Quarter	3.53	3.26
2025 First Quarter	3.57	3.24
2024 Fourth Quarter	3.65	3.38
2024 Third Quarter	4.09	3.24
2024 Second Quarter	3.51	3.32
2024 First Quarter	3.85	3.22
2023 Fourth Quarter	4.04	3.21
2023 Third Quarter	4.27	3.55
2023 Second Quarter	5.39	3.37
2023 First Quarter	3.99	3.15
2022 Fourth Quarter	3.75	3.28
2022 Third Quarter	3.60	3.35
2022 Second Quarter	3.70	3.31
2022 First Quarter	3.90	3.42

The common stock (PSE: HI) is traded on the Philippine Stock Exchange.
The market price of House of Investments' common stock as of June 23, 2025 (latest practicable trading date) is at P3.40 for high and low.

b. **Stockholders**

The top 20 owners of common stock as of May 31, 2025 are as follows:

STOCKHOLDER	COMMON SHARES	% OF TOTAL
Pan Malayan Management & Investment Corp.*	692,463,366	47.13%
PCD Nominee Corp – Filipino	424,607,544	28.90%
GPL Holdings, Inc.*	295,133,148	20.09%
PCD Nominee Corp – Non-Filipino	14,591,317	0.99%
A.T. Yuchengco, Inc.*	7,036,070	0.48%
GDSK Development Corporation	5,064,840	0.34%
Go Soc & Sons and Sy Gui Huat, Inc.	4,019,890	0.27%
Y Realty Corporation	3,545,890	0.24%
Malayan Securities Corporation	2,790,000	0.19%
Seafront Resources Corp.	2,484,000	0.17%
Meer, Alberto M.	2,217,030	0.15%
Enrique T. Yuchengco, Inc.*	1,211,360	0.08%
Villonco, Vicente S.	726,720	0.05%
RP Land Development Corp.*	627,000	0.04%
Lim, Tek Hui	485,320	0.03%
EBC Securities Corporation	482,240	0.03%
Dee, Helen Y. ITF: Michelle	420,170	0.03%
Bardey, John C.	404,880	0.03%
Wilson, Cathleen Ramona	692,463,366	47.13%
Siguion-Reyna, Leonardo	424,607,544	28.90%
SUB TOTAL	1,459,590,815	99.34%
Others	9,711,415	0.66%
TOTAL	**1,469,302,230**	**100.00%**

House of Investments has a total of 366 common shareholders owning a total of 1,469,302,230 shares as of May 31, 2025.

* Represents certificated shares only.

c. **Dividends**

In accordance with the Corporation Code of the Philippines, House of Investments intends to declare dividends (either in cash or stock or both) in the future. Common stockholders of the Company are entitled to receive a proportionate share in cash dividends that may be declared by the Board of Directors out of surplus profits derived from House of Investments' operations. The Company does not have a defined dividend policy.

The same right exists with respect to a stock dividend of which the declaration is subject to the approval of stockholders representing at least two-thirds (2/3) of the outstanding shares entitled to vote. The amount will depend on the Company's profits and its capital expenditure and investment requirements at the relevant time.

The company has declared cash dividends as follows:

YEAR	DIVIDEND PER COMMON SHARE	TOTAL AMOUNT
2024	P0.05	P73.48 M
2023	P0.05	P38.82 M

House of Investments has not identified any restriction that limits the ability to pay dividends on common equity or that are likely to do so in the future.

The cash dividends declared by its major subsidiary, iPeople, Inc. are as follows:

YEAR	DIVIDEND PER COMMON SHARE	TOTAL AMOUNT
2025	P0.24825	P259.24 M
2024	P0.19000	P198.41 M
2023	P0.19000	P198.41 M

Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

There is no recent sale of unregistered or exempt securities, including recent issuance of securities constituting an exempt transaction in 2024.

Description of Registrant's Securities: Common Stock

The equity capital structure of the firm as of December 31, 2024 is shown below:

	Common Stock
Authorized Capital	1,470,000,000
Issued	1,469,602,230
Outstanding	1,469,302,230
Paid Up Capital	2,203,953,359
Par Value	P1.50