



SECURITIES AND EXCHANGE COMMISSION

**SEC FORM 20 – IS**

INFORMATION STATEMENT PURSUANT TO SECTION 20  
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:  
[ ] Preliminary Information Statement  
[X] Definitive Information Statement
2. Name of Registrant as specified in its charter: **Medco Holdings, Inc.**
3. Province, country or other jurisdiction of incorporation or organization  
**Metro Manila, Philippines**
4. SEC Identification Number: **39652**
5. BIR Tax Identification Code: **004-844-938**
6. Address of principal office Postal Code  
**31<sup>st</sup> Floor, Rufino Pacific Tower, 6784 Ayala Avenue**  
**Makati City, Metro Manila, Philippines** **1229**
7. Registrant's telephone number, including area code: **(632) 8811-0465**
8. Date, time and place of the meeting of security holders  
**May 8, 2026 at 10:00 a.m.**
9. Approximate date on which the Information Statement is first to be sent or given to security holders – **April 16, 2026**
10. In case of proxy Solicitations: **(Not applicable)**
11. Securities registered pursuant to Section 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
<b>Common</b>	<b>3,159,292,441 shares</b>

12. Are any or all of registrant's securities listed in a Stock Exchange?

Yes   **x**   No       

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

Name of Stock Exchange:	<b>Philippine Stock Exchange</b>
Class of Securities Listed:	<b>Common Shares</b>



# MEDCO HOLDINGS, INC.

## Notice of Annual Meeting of Stockholders

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of the Stockholders of Medco Holdings, Inc. (the "Corporation") which will be held on 8 May 2026, Friday, at 10:00 a.m. The meeting will be held and conducted virtually online at [www.medco.com.ph/asm](http://www.medco.com.ph/asm) by remote communication and voting will be in absentia. The agenda for the meeting is as follows:

- I. Call to Order;
- II. Certification of Notices and Quorum;
- III. Approval of the minutes of the annual meeting of stockholders held on 9 May 2025;
- IV. Approval of the Annual Report and the Audited Financial Statements as of December 31, 2025;
- V. Approval and Ratification of the acts, contracts, investments and resolutions of the Board and management of the Corporation since the last annual meeting on 9 May 2025;
- VI. Election of the members of the Board of Directors for the year 2026. The procedure for the nomination and election of directors is set forth in Item 5 of the Information Statement;
- VII. Appointment of external auditors of the Corporation for the year 2026; and
- VIII. Other matters.

For the purpose of the meeting, only stockholders of record as of 15 April 2026 are entitled to attend and vote in the said meeting. In accordance with the guidance of the SEC dated March 14, 2022 on virtual corporate meetings as a means to foster stakeholder participation, the Corporation's Board of Directors has approved on 25 March 2026 in accordance with SEC rules a virtual stockholders' meeting for 2026. The meeting will be held online by remote communication and voting will be in absentia. The specific procedures for participating in the meeting through remote communication and voting in absentia are set forth below.

Stockholders who intend to attend and participate in the virtual meeting in person or through proxy shall first submit **on or before 24 April 2026** via email to [MEDSHMeeting@medco.com.ph](mailto:MEDSHMeeting@medco.com.ph) the scanned copy of their Letter of Intent to attend and participate via proxy or by remote communication and a copy of the stockholder's valid government-issued ID showing photo and personal details. Once validated, a registered stockholder will receive via email the proxy form and voting ballot. Stockholders must submit **on or before 5:00 p.m. on 28 April 2026** via email to [MEDSHMeeting@medco.com.ph](mailto:MEDSHMeeting@medco.com.ph) their duly accomplished proxy form and/or voting ballot. Validation of proxies shall be on 30 April 2026 at 5:00 p.m. at the office of the Corporation. Only stockholders who have notified the Corporation of their intention to participate in the virtual meeting and have registered themselves or their proxies, will be included in the determination of a quorum. We are not soliciting your proxy. All agenda items indicated in the Notice of the Meeting will be set out in the voting ballot and the stockholder may vote as follows:

- a. For all items, except for Election of Directors, the stockholder has the option to vote: For, Against, or Abstain. The vote is considered cast for all the stockholder's shares.
- b. For the Election of Directors, a stockholder entitled to vote: (i) may vote such number of shares owned by it for as many persons as there are Directors to be elected; or (ii) may cumulate said shares and give one candidate as many votes as the number of Directors to be elected multiplied by the number of their shares; or (iii) may distribute them on the same principle among as many candidates as may be seen fit.
- c. The Corporation's stock transfer agent and Office of the Corporate Secretary will tabulate all votes received and will validate the results.
- d. Except for the Election of Directors, all the items in the Agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock present at the meeting. For the Election of Directors, the top seven (7) nominees with the most number of votes are elected.

Registered stockholders will receive the meeting link and password to log on to the meeting two (2) days before the stockholders' meeting. We encourage all registered stockholders to log onto the meeting link 45 minutes before the meeting starts, to avoid any technical difficulty. The meeting will start promptly at 10:00 a.m. on 8 May 2026. The meeting shall be recorded in audio and video format and copies shall be posted by the Company in its website. The procedures for voting and participation in the meeting through remote communication are also discussed further in the Information Statement which shall be made available to the public not later than 16 April 2026 through PSE Edge and the Corporation's website at [www.medco.com.ph/asm](http://www.medco.com.ph/asm). For any questions or inquiries, including request for assistance in the registration process, please contact our Office of the Corporate Secretary through [MEDSHMeeting@medco.com.ph](mailto:MEDSHMeeting@medco.com.ph).

**Medco Holdings, Inc.**

By:

  
PAULINE C. TAN  
Assistant Corporate Secretary

Makati City, Philippines, March 25, 2026.

WE ARE NOT ASKING YOU FOR A PROXY AND  
YOU ARE REQUESTED NOT TO SEND US A PROXY.

**PART I.**

**INFORMATION REQUIRED IN INFORMATION STATEMENT**

**A. GENERAL INFORMATION**

**Item 1. Date, time and place of meeting of security holders.**

- (a) The Annual Meeting of the stockholders of Medco Holdings, Inc. (the “Corporation” or “Company”) shall be held on:

Date : May 8, 2026

Time: 10:00 a.m.

Place: To be held and conducted virtually online at **www.medco.com.ph/asm** by remote communication and voting will be *in absentia*. The presiding officer will preside the virtually held meeting at the principal office of the Corporation indicated below.

The complete mailing address of the principal office of the Corporation is as follows:

31<sup>st</sup> Floor, Rufino Pacific Tower,  
6784 Ayala Avenue, Makati City,  
Metro Manila, Philippines

- (b) Copies of this Information Statement will be sent or given to the stockholders on or about April 16, 2026.

**Item 2. Dissenters’ Right of Appraisal**

Under Section 80 of the Revised Corporation Code of the Philippines, the following are the instances when a stockholder may exercise his appraisal right:

1. In case the Company decides to invest its funds in another corporation or business outside of its primary purpose;
2. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
3. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets of the Corporation; and
4. In case of merger or consolidation.

In order that a dissenting stockholder may exercise his appraisal right, such dissenting stockholder must have voted against the proposed corporate action at the annual meeting. Within thirty (30) days after the date of the annual meeting at which meeting such stockholder voted against the corporate action, the dissenting stockholder shall make a written demand on the Corporation for the fair value of his shares which shall be agreed upon by the dissenting stockholder and the Corporation. If the proposed corporate action is implemented, the Corporation shall pay the dissenting stockholder upon surrendering the certificates of stock representing his shares, the fair value of said shares on the day prior to the date on which the vote was taken. If the dissenting stockholder and the Corporation cannot agree on the fair value of the shares within sixty (60) days from the date of stockholders’ approval of the corporate action, then the determination of the fair value of the shares shall be determined by three

(3) disinterested persons, one (1) of whom shall be named by the dissenting stockholder, one (1) by the Corporation and a third to be named by the two (2) already chosen. The findings of the majority of the appraisers shall be final and their award shall be paid by the Corporation within thirty (30) days after such award is made. The procedure to be followed in exercising the appraisal right shall be in accordance with Sections 80 to 85 of the Revised Corporation Code.

Nothing in the agenda of the meeting will give rise to the possible exercise by the shareholders of the right of appraisal.

### **Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon**

- (a) None of the following persons have any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon:
  - (1) A person who has been a director or officer of the Corporation at any time since the beginning of the last fiscal year;
  - (2) A nominee for election as a director of the Corporation; and
  - (3) An associate of any of the foregoing persons.
- (b) No director of the Corporation has informed the Corporation in writing that he intends to oppose any action to be taken by the Corporation at the Annual Meeting.

## **B. CONTROL AND COMPENSATION INFORMATION**

### **Item 4. Voting Securities and Principal Holders Thereof**

(a) Outstanding Shares

There are 3,159,292,441 issued and outstanding common shares as of 31 March 2026. Each share is entitled to one (1) vote. The Corporation has only one (1) class of security.

About 2,833,072,076 of the Corporation's shares are owned by foreigners and this constitutes about 89.67% of the Corporation's total outstanding shares.

(b) Record Date and Share Ownership

Only stockholders of record in the books of the Corporation at the close of business on, 15 April 2026 (the "Record Date") is entitled to vote at the Annual Meeting. Presence in person or by proxy of stockholders owning a majority of the issued and outstanding common shares as of the Record Date will be required for a quorum.

(c) Cumulative Voting

Pursuant to the Revised Corporation Code, every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock issued and outstanding as of the Record Date, in his own name in the stock and transfer book of the Corporation; and said stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit; Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Corporation multiplied by the number of directors to be elected. The formula may be stated as follows: Number of shares held on Record Date x number of directors to be elected = Total votes that may be cast. This right to cumulative voting is expressly recognized in Article V of Section 8 of the Amended By-Laws of the Corporation.

(d) (1) Security Ownership of Certain Record and Beneficial Owners as of 31 March 2026

<b>Title of class</b>	<b>Name, Address of Record Owner and Relationship with Issuer</b>	<b>Name of Beneficial Owner and Relationship with Record Owner</b>	<b>Name of Person Voting on Behalf of Beneficial Owner</b>	<b>Citizenship</b>	<b>No. of Shares Held</b>	<b>Percent of class</b>
Common	Bonham Strand Investments Ltd. c/o 19 Keppel Road #03-05, JA Poh Building, Singapore (Parent Company of the Issuer)	Millenium Empire Holdings, Ltd. Quijano & Associates (BVI) Limited, P.O. Box 3159, Road Town, Tortola, British Virgin Islands (Parent Company of the Record Owner)	Dionisio E. Carpio, Jr.	Foreign	2,201,421,241	69.68%
Common	PCD Nominee Corp. Makati Stock Exchange Bldg., Ayala Avenue Makati City (No Relationship with Issuer)	Various beneficial owners	N/A	Filipino	323,962,966	10.25%
Common	Citinvest Asia Limited c/o Room 2301, Tower One, Lippo Centre, 89 Queensway Hong Kong (Significant Shareholder of the Issuer)	Citinvest Asia Limited c/o Room 2301, Tower One, Lippo Centre, 89 Queensway Hong Kong	Dionisio E. Carpio, Jr.	Foreign	322,314,874	10.20%
Common	Xu Hanjiang The Office Tower Convention Plaza Suite 1607, I Harbour Road, Wanchai, Hongkong (No Relationship with Issuer)	Xu Hanjiang The Office Tower Convention Plaza Suite 1607, I Harbour Road, Wanchai, Hongkong	Dionisio E. Carpio, Jr.	Foreign	258,113,200	8.17%

The Company has no knowledge of the specific persons who will be designated as the representatives of the PCD Nominee Corporation during the annual stockholders' meeting.

(2) Security Ownership of Management

To the extent known to the Board of Directors, as of 31 March 2026, there is no security beneficial ownership of Management, other than the shares held for their own account by the following directors:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	Percent of Ownership
Common Stock	Bobby Cheng Sai Chong	1	direct	British	Nil
Common Stock	Dionisio E. Carpio, Jr.	1,000	direct	Filipino	Nil
Common Stock	Edna D. Reyes	19,999	Indirect Held through PCD Nominee	Filipino	Nil
		1	direct		
Common Stock	Pauline C. Tan	1	direct	Filipino	Nil
Common Stock	Magher S. Baul	1	direct	Filipino	Nil
Common Stock	Juan Victor S. Tanjuatco	4	direct	Filipino	Nil
Common Stock	Rodolfo B. Fernandez	4	direct	Filipino	Nil
	TOTAL	21,011			

(3) Voting Trust Holders of Five Percent (5%) Or More

None.

(4) Changes in Control

At present, there are no other arrangements which may result in a change in control of the Corporation.

**Item 5. Directors and Executive Officers**

(a) (1) Directors and Positions Held/Business Experience for the Last Five (5) Years

The current members of the Corporation's Board of Directors together with a description of their other positions held and business experience for the last five years are enumerated as follows:

BOBBY CHENG SAI CHONG, British, aged seventy-seven (77), has been a director of the Corporation since September 18, 2006 and has been appointed as the Chairman of the Board of Directors on July 23, 2009. He has more than thirty (30) years experience in banking and finance. He attended the Barnard College in Hong Kong and took up a course in Commerce and Finance.

DIONISIO E. CARPIO, JR., Filipino, aged seventy-nine (79), has been a director of the Corporation since 1998 and its President from September 2006 up to present. He was the treasurer of the Corporation from 1998 to 2006. He is currently also a director of Manila Exposition Complex, Inc. Mr. Carpio holds a Bachelor of Science degree in Mechanical Engineering from the De La Salle University and a Masters degree in Business Management from the Asian Institute of Management. He has more than forty (40) years experience in commercial, investment and trust banking, as well as line management.

EDNA D. REYES, Filipino, aged seventy-eight (78), has been a director of the Corporation since 2000 and was its Treasurer between 2006 and 2007. She was also the Chairperson of the Board of MAIC until April 27, 2017. She has more than forty (40) years of experience in

banking, particularly in international and correspondent banking as well as foreign operations. She has a Bachelor of Science degree in Commerce from the University of Santo Tomas.

PAULINE C. TAN, Filipino, aged fifty-six (56), has been a director of the Corporation since 2009. She has been the treasurer and compliance officer of the Corporation since September 20, 2007. She worked in The Hong Kong Chinese Bank Limited in 1994. She was a director of Lippo Securities, Inc. and of MAIC from 1995 to 1999 and of Manila Exposition Complex, Inc. from 1995 to 2000 and from 2012 to the present. She was also the Managing Director of Sun Hung Kai Securities Philippines, Inc. from 1999 to June 2000. She has a Bachelor of Arts degree in Mass Communication from St. Scholastica's College.

MAGHER S. BAUL, Filipino, aged thirty-seven (37) was elected as a director of the Corporation on January 11, 2019. She is a Managing Partner at Mendiola Baul Valenzuela Law Office (formerly Jovellanos-Kho Yu Mendiola Pabalate Law Office). Ms. Baul is a member of the Philippine bar. She holds a Bachelor of Science in Legal Management and a Bachelor of Laws degree from San Beda College.

RODOLFO B. FERNANDEZ, Filipino, aged sixty-nine (69), has more than thirty-five years of experience in banking, particularly in Trust and Estate Planning, Corporate and Retail Banking, Compliance, Audit and Good Governance and as Chief Legal Officer and General Counsel. Atty. Fernandez is a Lead Independent Director of Crown Equities, Inc. and a Director and Legal Consultant of RG Financial Services Inc and a Director of The Organization of Property Stakeholders, Inc. He is a member of the Integrated Bar of the Philippines and holds a Bachelor of Laws degree from the University of the Philippines.

JUAN VICTOR S. TANJUATCO, Filipino, aged seventy-eight (78), is an Independent Director of IP Ventures, Inc., and a Director of Ketmar Fast Food Corporation. Previously, he served in the same capacity on the board of Insular Savings Bank and Asiatrust Development Bank. A career banker, he was the former President of Export and Industry Bank and previously held various executive positions at Credit Agricole Indosuez in Manila, New Zealand and Hongkong, where, after 21 years, he retired as Deputy General Manager in Manila. Mr. Tanjuatco holds a Bachelor of Arts Degree in Economics from the Ateneo de Manila University (cum laude) and a Masters in Business Administration, major in Finance, from the Wharton School, University of Pennsylvania.

All of the incumbent directors stand for re-election to the Board of Directors.

## (2) Procedure for the Nomination and Election of Directors, including Independent Directors

All nominations for directors to be elected by the stockholders of the Corporation shall be submitted in writing to the Corporate Secretary of the Corporation at its principal office not earlier than forty (40) days nor later than twenty (20) days prior to the date of the regular or special meeting of stockholders for the election of directors. Nominations which are not submitted within such nomination period shall not be valid. Only a stockholder of record entitled to notice of and vote at the regular or special meeting of stockholders for the election of directors shall be qualified to be nominated and elected as director of the Corporation.

In line with established procedures, a formal nomination of a Director must be signed by a stockholder and submitted to the Corporate Secretary.

The Corporate Secretary, guided by the Bylaws, Revised Manual on Corporate Governance and the Revised Corporation Code, forwards the said nominations to the Nominations Committee. In accordance with the Revised Manual on Corporate Governance, the Nominations Committee passes upon the qualifications of the nominees. The process includes an examination of each nominee's business background and company affiliations, and ascertains that the nominees for independent director do not possess any of the disqualifications to serve as an independent director of the Corporation as provided in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations. The members of the Nomination Committee are Mr. Rodolfo B. Fernandez (Chairman), Mr. Juan Victor S. Tanjuatco and Mr. Dionisio E. Carpio, Jr.

In compliance with SRC Rule 38, the Manual of Corporate Governance of the Corporation provides the following guidelines on the nomination and election of directors, including independent directors:

- a. The Nomination Committee shall pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in accordance with the following qualifications and disqualifications:

Qualifications:

- Holder of at least one (1) share of stock of the Corporation;
- He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;
- He shall be at least twenty one (21) years old;
- He shall have proven to possess integrity and probity; and
- He shall be assiduous.

Disqualifications:

- Any person finally convicted judicially of an offense involving moral turpitude or fraudulent act or transgressions;
- Any person finally found by the SEC or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the SRC, the Corporation Code, or any other law administered by the SEC or Bangko Sentral ng Pilipinas ("BSP"), or any rule, regulation or order of the SEC or BSP;
- Any person judicially declared to be insolvent;
- Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs; and
- Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment.

- b. Any of the following shall be a ground for the temporary disqualification of a director:

- Refusal to fully disclose the extent of his business interest as required under the SRC and the implementing Rules and Regulations thereof. This qualification shall be in effect as long as his refusal persists;
- Absence or non-participation for whatever reason/s for more than 50% of all meetings, both regular and special, of the Board of Directors during the incumbency, or any twelve (12)-month period during said incumbency. In view of the modern technology, however, attendance at Board meetings through teleconference or videoconference will be allowed. This disqualification applies for purposes of the succeeding election;
- Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;
- Being under preventive suspension by the Corporation;
- If the independent director becomes an officer or employee of the same corporation he shall be automatically disqualified from being an independent director; or
- Conviction that has not yet become final referred to in the grounds for disqualification of directors.

- c. The Nomination Committee shall consider the following guidelines in the determination of the number of directorships for the Board:

- The nature of the business of the corporations which he is a director;
- Age of the director;

- Number of directorships/active memberships and officerships in other corporations or organizations; and
- Possible conflict of interest.

The optimum number shall be related to the capacity of a director to perform his duties diligently in general.

The amendment of the Company's By-Laws to incorporate the provisions of SRC Rule 38, as amended, was approved by the SEC on September 12, 2007.

#### Directors and Executive Officers

The following have been nominated as Members of the Board of Directors for the ensuing year:

Name	Citizenship	Age
Bobby Cheng Sai Chong	British	78
Dionisio E. Carpio, Jr.	Filipino	79
Edna D. Reyes	Filipino	78
Pauline C. Tan	Filipino	56
Magher S. Baul	Filipino	37
Rodolfo B. Fernandez*	Filipino	69
Juan Victor S. Tanjuatco*	Filipino	78

\*As Independent Director

For the election of Directors, Stockholders entitled to vote may vote such number of shares for as many persons as there are Directors to be elected, or may cumulate said shares and give one candidate as many votes as the number of Directors to be elected multiplied by the number of their shares shall equal or may distribute them on the same principle among as many candidates as they shall see fit.

Mr. Rodolfo B. Fernandez and Mr. Juan Victor S. Tanjuatco possess all the qualifications and none of the disqualifications of an independent director.

The members of the Board of Directors to be elected at the Annual Meeting shall serve for a term of one (1) year or until their successors shall have been elected and qualified.

#### (3) Executive Officers

The following are the principal officers of the Corporation:

Chairman of the Board	Bobby Cheng Sai Chong
President and Corporate Information Officer	Dionisio E. Carpio, Jr.
Corporate Secretary	Jonas S. Khaw
Treasurer, Compliance Officer and Assistant Corporate Secretary	Pauline C. Tan

In addition to those already shown above, the following is description of the other positions held by the remaining principal officers and their business experience for the last five years:

Atty. Jonas S. Khaw, Filipino, aged forty-six (46), has been the Corporate Secretary of the Corporation since December 15, 2017. He is a partner in the law firm Picazo Buyco Tan Fider Santos & Dee. Atty. Khaw holds a Juris Doctor and Bachelor of Science in Management Engineering degrees both from the Ateneo de Manila University. He is also the Assistant Corporate Secretary of Bloomberry Resorts Corporation and Apex Mining Co., Inc., both publicly listed companies.

(4) Significant Employees

There are no other employees who are expected by the Corporation to make a significant contribution to its business. Moreover, the business of the Corporation is not highly dependent on the services of certain key personnel.

(5) Family Relationship

There are no family relationships among the current and nominated directors and officers of the Corporation.

(6) Involvement in Certain Legal Proceedings

Based on their individual responses after due inquiry as of date hereof, none of the following events occurred with respect to any of the foregoing nominees and executive officers during the past five (5) years up to the latest date that would be material to an evaluation of their ability or integrity to act as directors or executive officers of the Corporation, except as otherwise provided below:

- (a) Any bankruptcy petition filed by or against any business of which the nominee was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time.
- (b) Any conviction by final judgment, 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;
- (c) Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the nominee's involvement in any type of business, securities, commodities or banking activities; and
- (d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

As of date, there are no material pending legal proceedings to which the registrant or any of its subsidiaries or affiliates is a party.

(7) Certain Relationships and Related Transactions During the Last Two (2) Years

As stated in Note 12 of the Notes to the Financial Statements (Annex "B" of the Information Statement), the Company's related parties include its stockholders, other entities through common ownership and/or with interlocking directors, its retirement fund and key management personnel as described below.

A summary of the Company's related party transactions as of December 31, 2025, 2024 and 2023 may be found in Note 12 of the Notes to the Financial Statements (Annex "B" of the Information Statement)

The Company maintains a partially funded, tax-qualified, non-contributory post-employment benefit plan that is being administered by a trustee bank that is legally separated from the Company. The trustee bank managed the fund in coordination with the Company's Management Committee who acts in the best interest of the plan assets and is responsible for setting the investment policies. The post-employment plan covers all regular full-time employees.

The normal retirement age is 65. The plan also provides for an early retirement at age 50 with a minimum of 10 years of credited service and voluntary separation with a minimum of five years of credited service, both subject to the approval of the Company's BOD. Normal retirement benefit is an amount equivalent to 100% of the final monthly salary for every year of credited service.

Actuarial valuations are made every two years to update the retirement benefit costs and the amount of contributions. The 2024 amounts presented below and in the succeeding pages are based on the actuarial valuation report obtained from an independent actuary. No actuarial valuation was done in 2025 and 2023.

Other than those identified above, the Corporation has no other agreements with any material Related Party.

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

(b) Others

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

The Board of Directors has no reason to believe that any of the said nominees will be unwilling or unable to serve if elected as a director. Each director shall serve until the next annual meeting of the stockholders or, in case of vacancy due to resignation, until his successor is elected or appointed. The candidates for election as directors at the Annual Meeting who receive the highest number of affirmative votes will be elected.

## Item 6. Compensation of Directors and Executive Officers

### (a) Annual Compensation of the Top Executive Officers of the Corporation

Name and Principal Position	Year	Salary	Bonus	Other Annual Compensation
Dionisio E. Carpio, Jr. (President)	2024	None	None	P45,000
	2025	None	None	P45,000
	2026 (Estimated)	None	None	P45,000
Pauline C. Tan (Treasurer and Compliance Officer)	2024	P2,340,000	None	P45,000
	2025	P2,340,000	None	P45,000
	2026 (Estimated)	P2,340,000	None	P45,000
All Top Executive Officers and Directors as a group	2024	P2,340,000	None	P321,000
	2025	P2,340,000	None	P321,000
	2026 (Estimated)	P2,340,000	None	P321,000

#### Notes:

1. The aforementioned Other Annual Compensation consists only *per diems* given to directors.
2. Each Director receives *per diems* of P2,000 for each board committee meeting
3. The Corporate Secretary does not receive a salary but his law firm is paid a professional retainer fee of Php120,000.00 per year.

### (b) Compensation of Directors

Since the dates of their election, except for *per diems*, the Directors have served without compensation. Except for *per diems*, the Directors did not receive any other amount or form of compensation for committee participation or special assignments.

The Amended By-laws of the Corporation does not provide for compensation for the directors. As of the date of this Information Statement, no standard arrangements have been made in respect of director compensation. For the ensuing year, the Corporation does not foresee payment of compensation for directors, except reasonable *per diems* annually for each director. The Corporation, however, does not discount the possibility that director compensation other than reasonable *per diems* may be given in the future.

Pursuant to Article VI, Section 8 of the Amended By-Laws of the Corporation, such compensation may be fixed by the directors with the approval of a majority of the stockholders and will in no case exceed 10% of the net income before income tax of the Corporation for the preceding year.

### (c) Employment Contracts

There are no formal employment contracts between the Corporation and its executive officers and other officers. The terms and conditions of their employment are governed by applicable laws.

### (d) Warrants and Options Outstanding

There are no outstanding warrants and options held by the Corporation's directors, executive officers and other officers.

## **Item 7. Appointment of Independent Public Accountants**

Nineteen years ago, Punongbayan & Araullo, the Philippine representative of Grant Thornton International, was appointed as the external auditor of the Corporation.

The re-appointment of Punongbayan & Araullo, the current independent auditor for the Corporation for the current year, represented by Mr. Arman B. Neptuno, the partner-in-charge, will require the affirmative vote of a majority of the common shares of the Corporation present or represented and entitled to vote at the Annual Meeting. SEC Memorandum Circular No. 8, Series of 2003 and SEC Rule 68 (3) (b) (iv) require the rotation of the external auditor every five (5) years and the two-year cooling off period in the re-engagement of the same signing partner or individual auditor. At this time, there is no need to replace or rotate the current independent auditor, Mr. Arman B. Neptuno of Punongbayan & Araullo. The Corporation has complied with the two-year cooling off period.

The appointment of the partner-in-charge will be in compliance with SEC Rule 68, Paragraph 3(b)(iv) on the requirement on the rotation of external auditors.

A representative of the external auditor is expected to be present at the Annual Meeting and will have an opportunity to make a statement if he or she so desires. The representative will also be available to respond to appropriate questions from the stockholders.

During the past three (3) fiscal years, there have been no disagreements with the independent auditors on accounting and financial disclosures.

### **External Audit Fees**

In compliance with Memorandum Circular No. 14, Series of 2004, the following matters on the external audit fees are reported:

#### **(a) Audit and Audit-Related Fees**

The aggregate fees billed for the professional services rendered by Punongbayan & Araullo amounted to P470,000 (exclusive of 10% OPE and 12% VAT) in 2025 for the regular audit of the Corporation's annual financial statements in connection with the statutory and regulatory filings of the Corporation.

The aggregate fees billed for the professional services rendered by Punongbayan & Araullo amounted to P425,000 in 2024 for the regular audit of the Corporation's annual financial statements in connection with the statutory and regulatory filings of the Corporation.

There was no other assurance or related services rendered for tax accounting, compliance, advice, planning and any other form of tax services.

#### **(b) Tax Fees**

For the last 2 fiscal years, the Corporation did not engage the services of an external auditor for tax-related services.

#### **(c) All Other Fees**

For the last 2 fiscal years, the Corporation did not engage the services of an external auditor other than the services reported in item (a) on Audit and Audit-Related Fees.

#### **(d) Audit Committee's Approval Policies and Procedures**

The Audit Committee meets with the external auditor to plan and discuss the matters to be audited including any accounting issues. The draft of the audited financial statements must be approved by the Audit Committee before the same is finalized by the external auditor.

In selecting the external auditor, the Audit Committee evaluates the integrity and competence of the proposed external auditor and limits its selection to SEC-accredited external auditors only.

Under the Corporation's Manual of Corporate Governance, the audit committee shall be composed of at least three (3) members of the Board, the majority of whom shall be independent directors. The chairman of this Committee should be an independent director. Each member shall have adequate understanding at least or competence at most of the Corporation's financial management systems and environment.

The Audit Committee has the following duties and responsibilities:

1. Check all financial reports against its compliance with pertinent accounting standards, including regulatory requirements.
2. Perform oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management.
3. Pre-approve all audit plans, scope and frequency one (1) month before the conduct of the external audit.
4. Perform direct interface functions with the external auditors.
5. Elevate to international standards the accounting and auditing processes, practices and methodologies, and develop the following in relation to this reform:
  - a. Definitive timetable within which the accounting system of the Corporation will be 100% International Accounting Standards (IAS) compliant.
  - b. An accountability statement that will specifically identify officers and/or personnel directly responsible for the accomplishment of such task.
6. Develop a transparent financial management system that will ensure the integrity of internal control activities throughout the Corporation through a step-by-step procedures and policies handbook that will be used by the entire organization.

The members of the Audit Committee of the Corporation are Mr. Juan Victor S. Tanjuatco (Chairman), Ms. Edna D. Reyes (Member) and Mr. Rodolfo B. Fernandez (Member).

**Item 8. Compensation Plans**

Not Applicable

**Item 9. Authorization or Issuance of Securities Other than for Exchange**

Not Applicable

**Item 10. Modification or Exchange of Securities**

Not Applicable

**Item 11. Financial and Other Information**

Please find attached a copy of the financial statements of the Corporation as of 31 December 2024 and management's discussion and analysis and plan of operation.

Representatives of Punongbayan & Araullo, the principal accountants for the current year and for the most recently completed fiscal year, are expected to be present at the annual meeting. They will have an opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

**Item 12. Mergers, Consolidations, Acquisitions and Similar Matters**

Not Applicable

**Item 13. Acquisition or Disposition of Property**

Not Applicable

**Item 14. Restatement of Accounts**

Not Applicable

## **D. OTHER MATTERS**

### **Item 15. Action with Respect to Reports**

The following reports/minutes shall be submitted for approval/ratification:

#### **Approval of Minutes of the Annual Meeting of the Stockholders held last 9 May 2025**

The Minutes of the Annual Meeting of the stockholders of the Corporation held on 9 May 2025 will be presented for approval of the stockholders. Such action on the part of the stockholders will not constitute approval or disapproval of the matters referred to in the Minutes since the stockholders' approval and action on those items have already been obtained in those meetings and subsequently carried out.

The Minutes and related records are available for inspection by any stockholder at the office of the Corporation at any reasonable hour during business hours. Copies of the Minutes and other records may be furnished upon written request at the stockholder's expense. In addition, copies of the Minutes shall be distributed among the stockholders present in the Annual Meeting for their review and consideration.

The Minutes of the Annual Meeting of the stockholders held on 9 May 2025 pertain to the following matters:

- a. Approval of the minutes of the annual meeting of stockholders held on 10 May 2024;
- b. Approval of the Annual Report and the Audited Financial Statements as of 31 December 2024;
- c. Approval and ratification of the acts, contracts, investments and resolutions of the Board and management of the Corporation since the last annual meeting on 10 May 2024;
- d. Election of the following members of the Board of Directors for the year 2025;
  - i. Mr. Bobby Cheng Sai Chong
  - ii. Mr. Dionisio E. Carpio, Jr.
  - iii. Ms. Edna D. Reyes
  - iv. Ms. Pauline C. Tan
  - v. Juan Victor S. Tanjuatco (independent director)
  - vi. Rodolfo B. Fernandez (independent director); and
  - vii. Magher S. Baul
- e. Re-appointment of Punongbayan and Araullo, the Philippine representative of Grant Thornton International, as external auditors of the Corporation for the year 2025.

#### **Approval of the Annual Report and Audited Financial Statements for 2025**

The 2025 Management Report and the Audited Financial Statements of the Corporation for the period ended December 31, 2025 together with the accompanying notes to financial statements prepared by Punongbayan & Araullo (collectively, the "Financial Statements") will be submitted for approval of the stockholders at the Annual Meeting.

The information and representations in the Financial Statements are the responsibility of the Management of the Corporation. The Financial Statements have been prepared in conformity with generally accepted accounting principles. The Board of Directors reviewed the Financial Statements before their submission for approval to the stockholders. Punongbayan & Araullo had examined the Financial Statements in accordance with generally accepted auditing standards and had expressed their opinion on the fairness of the presentation in their report to the Board of Directors and stockholders of the Corporation.

Approval of the Management Report and the Financial Statements for 2025 requires the affirmative vote of a majority of the votes cast at the Annual Meeting by the stockholders entitled to vote thereon.

Ratification of All Acts, Contracts, Investments and Resolutions of the Board of Directors and Management since the last Annual Meeting

The stockholders shall consider the approval and ratification of all the significant acts, contracts, investments and resolutions of the Board of Directors and Management since the date of the last annual meeting, 9 May 2025.

<p><u>May 9, 2025</u></p>	<p>The following were appointed by the Board as officers of the Corporation:</p> <p>Mr. Bobby Cheng Sai Chong – Chairman          Mr. Dionisio E. Carpio, Jr. – President and Corporate Information Officer          Atty. Jonas S. Khaw – Corporate Secretary          Ms. Pauline C. Tan – Treasurer, Compliance Officer and Assistant Corporate Secretary</p> <p>The Board approved the election of the following members to the following Committees:</p> <p>Audit Committee          Juan Victor S. Tanjuatco – Chairman          Edna D. Reyes – Member          Rodolfo B. Fernandez – Member</p> <p>Corporate Governance, Nominations and Remuneration Committee          Rodolfo B. Fernandez – Chairman          Dionisio E. Carpio, Jr. – Member          Juan Victor S. Tanjuatco – Member</p>
<p><u>June 6, 2025</u></p>	<p>Approval of USD120,000 loan with Winright Holdings Limited as Lender.</p>
<p><u>November 17, 2025</u></p>	<p>Appointment of Authorized Signatories for Home Development Mutual Fund</p>
<p><u>March 25, 2026</u></p>	<p>Setting of the Annual Stockholders' Meeting on 8 May 2026 and approving its agenda, venue, and record date</p> <p>Updating of Authorized Filer in the SEC Electronic Filing and Submission Tool</p> <ol style="list-style-type: none"> <li>1. Designation of Jonas S. Khaw as an authorized filer</li> <li>2. Designation of Pauline C. Tan as an authorized filer</li> </ol>

There were no other significant acts, contracts or investments of the Board of Directors other than those done in the regular course of the business of the Corporation.

**Requirements under Section 49 of the Revised Corporation Code of the Philippines**

- (a) MED has an effective shareholder voting mechanism which is included in the Company's Bylaws, Manual on Corporate Governance and SEC Form 20-IS.

During the virtual annual stockholders' meeting held on 9 May 2025 at [www.medco.com.ph/asm](http://www.medco.com.ph/asm), only Stockholders of record were entitled to notice and to vote at the Annual Stockholders' Meeting. The common stock voted on matters scheduled to be taken up at the Annual Meeting with each share being entitled to cast one (1) vote.

Professional Stock Transfer, Inc. validated the votes during the Proxy Validation Date. Validation of proxies was done by the Corporate Secretary and persons designated by the Corporate Secretary who were under his supervision and control, in accordance with the procedure and guidelines set out in the MED's Bylaws and Rule 20(11)(b) of the Amended Implementing Rules and Regulations of the Securities Regulation Code.

- (b) The stockholders were given the opportunity to ask questions during the meeting and the company answered the same. The questions and answers can be found in the minutes of the annual stockholders' meeting is disclosed in the company website at [www.medco.com.ph/sec\\_pse\\_reports.html](http://www.medco.com.ph/sec_pse_reports.html).
- (c) The following are the matters discussed and resolutions reached for the 2025 Annual Stockholders Meeting:

<b>MATTERS DISCUSSED/ RESOLUTIONS REACHED</b>
Approval of the Minutes of the Annual Meeting of Stockholders Held on 10 May 2024
Approval of the Annual Report and the Audited Financial Statements as of 31 December 2024
Approval and Ratification of the acts, contracts, investments and resolutions of the Board and management of the Corporation since the last annual meeting on 10 May 2024
Election of the members of the Board of Directors
Appointment of External Auditor

- (d) The voting results\* during the 2025 Annual Stockholders' Meeting are as follows:

<b>AGENDA ITEMS</b>	<b>VOTING RESULTS*</b>		
	<b>APPROVING</b>	<b>DISSENTING</b>	<b>ABSTAINING</b>
Approval of the Minutes of the Annual Meeting of Stockholders Held on 10 May 2024	2,816,371,325	None	None
Approval of the Annual Report and the Audited Financial Statements as of December 31, 2024	2,816,371,325	None	None
Approval and Ratification of the acts, contracts, investments and resolutions of the Board and management of the Corporation since the last annual meeting on 10 May 2024	2,816,371,325	None	None
Election of the members of the Board of Directors			
1. Dionisio E. Carpio, Jr.	2,816,371,325	None	None
2. Edna D. Reyes	2,816,371,325	None	None
3. Bobby Cheng Sai Chong	2,816,371,325	None	None
4. Pauline C. Tan	2,816,371,325	None	None
5. Magher S. Baul	2,816,371,325	None	None
6. Rodolfo B. Fernandez (Independent Director)	2,816,371,325	None	None
7. Juan Victor S. Tanjuatco (Independent Director)	2,816,371,325	None	None
Appointment of External Auditor	2,816,371,325	None	None

\*Every resolution for approval of the stockholders in this meeting was introduced by a motion duly seconded during the virtual meeting. The Chairman asked if there was any objection to every motion. Since there were no objections, all the motions were carried without a vote. The number of votes indicated here are the votes on the resolution from: (a) votes of proxies with instructions; (b) votes submitted during the virtual meeting; and (c) votes of the Chairman as holder of proxies, which would have been counted if there was a voting on the resolution.

- (e) Stockholders holding 2,816,350,326 shares were present in person or by proxy for the annual stockholders' meeting on 9 May 2025 conducted virtually via [www.medco.com.ph/asm](http://www.medco.com.ph/asm)

The Directors and Officers who attended the meeting were as follows:

Chairman of the Board	Bobby Cheng Sai Chong
President and Corporate Information Officer	Dionisio E. Carpio, Jr.
Director, Treasurer and Assistant Corporate Secretary	Pauline C. Tan
Director	Edna D. Reyes
Director	Magher S. Baul
Independent Director	Juan Victor S. Tanjuatco
Corporate Secretary	Jonas S. Khaw

The stockholders and PCD Beneficial Owners who were present in person or by proxy during the Annual Stockholders' Meeting on May 9, 2025 were as follows:

- |                                  |                              |
|----------------------------------|------------------------------|
| 1. Bonham Strand Investment Ltd. | 9. Bobby Cheng Sai Chong     |
| 2. Suncentury Asia Limited       | 10. Magher S. Baul           |
| 3. Xu Hanjiang                   | 11. Juan Victor S. Tanjuatco |
| 4. Citivest Asia Limited         | 12. Rodolfo B. Fernandez     |
| 5. Dionisio E. Carpio, Jr.       | 13. Mary Ann Miel            |
| 6. Edna D. Reyes                 | 14. Jefferson Pahudpod       |
| 7. Rodolfo B. Fernandez          | 15. Jethro Vera Cruz         |
| 8. Pauline C. Tan                |                              |

- (f) Material information on the current stockholders and voting rights were provided during the meeting and in Items 2 and 19 of the SEC Form 20-IS. The Assistant Corporate Secretary informed the stockholders that stockholders as of record date of April 14, 2025 were entitled to vote in the meeting. Stockholders representing 2,816,371,326 shares, out of 3,159,292,441 outstanding shares, or 89.15% of total outstanding shares, were present in person, registered to vote in absentia, or by proxy in the meeting.
- (g) To determine and measure the effectiveness of the Board of Directors, the Company is guided by its Manual on Corporate Governance which is available on the Company website: [www.medco.com.ph/corporate\\_governance.html](http://www.medco.com.ph/corporate_governance.html). The Board conducted an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees. It also established an internal self-rating and evaluation system.
- (h) On director disclosure on self-dealings, MED follows the SEC rule requiring Directors and Officers to report their dealings in Company shares within five (5) trading days from the date of the MED share-related transactions. MED discloses to the PSE and SEC the ownership (direct and indirect) and any acquisition or disposal of MED securities by MED Directors, Officers and controlling shareholders pursuant to the PSE Revised Disclosures and the Securities Regulations Code. Directors and Officers are likewise prohibited from buying or selling MED securities during the period within which material non-public information is obtained and up to two (2) full trading days after the price sensitive information is disclosed. MED also discloses purchases of its shares from the market within the same day or before the start of the next trading day. On related party transactions, see discussion on Related Party Transactions in Note 12, *Related Party Transactions*, of the Annual Audited Consolidated Financial Statements.
- (i) Attendance Report of Directors

Name of Director	Meetings Attended since last Annual Meeting	Percentage of Attendance
------------------	---	--------------------------

Bobby Cheng Sai Chong	<ul style="list-style-type: none"> <li>• May 9, 2025</li> <li>• June 6, 2025</li> <li>• November 17, 2025</li> <li>• March 25, 2026</li> </ul>	100% (4/4)
Dionisio E. Carpio, Jr.	<ul style="list-style-type: none"> <li>• May 9, 2025</li> <li>• June 6, 2025</li> <li>• November 17, 2025</li> <li>• March 25, 2026</li> </ul>	100% (4/4)
Edna D. Reyes	<ul style="list-style-type: none"> <li>• May 9, 2025</li> <li>• June 6, 2025</li> <li>• November 17, 2025</li> <li>• March 25, 2026</li> </ul>	100% (4/4)
Pauline C. Tan	<ul style="list-style-type: none"> <li>• May 9, 2025</li> <li>• June 6, 2025</li> <li>• November 17, 2025</li> <li>• March 25, 2026</li> </ul>	100% (4/4)
Magher S. Baul	<ul style="list-style-type: none"> <li>• May 9, 2025</li> <li>• June 6, 2025</li> <li>• November 17, 2025</li> <li>• March 25, 2026</li> </ul>	100% (4/4)
Rodolfo B. Fernandez*	<ul style="list-style-type: none"> <li>• May 9, 2025</li> <li>• June 6, 2025</li> <li>• November 17, 2025</li> <li>• March 25, 2026</li> </ul>	100% (4/4)
Juan Victor S. Tanjuatco*	<ul style="list-style-type: none"> <li>• May 9, 2025</li> <li>• June 6, 2025</li> <li>• November 17, 2025</li> <li>• March 25, 2026</li> </ul>	100% (4/4)

\*As Independent Director

**Item 16. Matters Not Required to be Submitted**

Not Applicable

**Item 17. Amendment of Charter, Bylaws or Other Documents**

Not Applicable

**Item 18. Other Proposed Action**

Not Applicable

**Item 19. Voting Procedures**

Stockholders of record as of 15 April 2026 may vote at the scheduled stockholders' meeting.

Stockholders who intend to attend and participate in the virtual meeting in person or through proxy shall first submit **on or before 24 April 2026** via email to MEDSHMeeting@medco.com.ph the scanned copy of their Letter of Intent to attend and participate via proxy or by remote communication and a copy of the stockholder's valid government-issued ID showing photo and personal details. Once validated, a registered stockholder will receive via email the proxy form and voting ballot. Stockholders must submit **on or before 28 April 2026** via email to MEDSHMeeting@medco.com.ph their duly accomplished proxy form and/or voting ballot. Validation of proxies shall be on 30 April 2026 at 5:00 p.m. at the office of the Corporation. Only stockholders who have notified the Corporation of their intention to participate in the virtual meeting and have registered themselves or their proxies, will be included in the determination of a quorum. We are not soliciting your proxy. All agenda items indicated in the Notice of the Meeting will be set out in the voting ballot and the stockholder may vote as follows:

a. For all items, except for Election of Directors, the stockholder has the option to vote: For, Against, or Abstain. The vote is considered cast for all the stockholder's shares.

b. For the Election of Directors, a stockholder entitled to vote: (i) may vote such number of shares owned by it for as many persons as there are Directors to be elected; or (ii) may cumulate said shares and give one candidate as many votes as the number of Directors to be elected multiplied by the number of their shares; or (iii) may distribute them on the same principle among as many candidates as may be seen fit.

c. The Corporation's stock transfer agent and Office of the Corporate Secretary will tabulate all votes received and will validate the results.

d. Except for the Election of Directors, all the items in the Agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock present at the meeting. For the Election of Directors, the top seven (7) nominees with the most number of votes are elected.

Registered stockholders will receive the meeting link and password to log on to the meeting two (2) days before the stockholders' meeting. We encourage all registered stockholders to log onto the meeting link 45 minutes before the meeting starts, to avoid any technical difficulty. The meeting will start promptly at 10:00 a.m. on 8 May 2026. The meeting shall be recorded in audio and video format and copies shall be posted by the Company in its website. The procedures for voting and participation in the meeting through remote communication are also discussed further in the Information Statement which shall be made available to the public not later than 16 April 2026 through PSE Edge and the Corporation's website at [www.medco.com.ph/asm](http://www.medco.com.ph/asm). For any questions or inquiries, including request for assistance in the registration process, please contact our Office of the Corporate Secretary through [MEDSHMeeting@medco.com.ph](mailto:MEDSHMeeting@medco.com.ph).

The following matters require the following votes:

<b>Subject Matter</b>	<b>Votes Required</b>
Approval of Minutes of the Annual Stockholders' Meeting	Majority of the votes cast
Approval of the Annual Report and Audited Financial Statements	Majority of the votes cast
Approval and Ratification of all acts, contracts, investments and resolutions of the Board of Directors and Management	Majority of the votes cast
Election of Directors	The top seven (7) nominees with the most number of votes are elected
Reappointment of Punongbayan & Araullo	Majority of the votes cast

**Item 20. Proxies:**

Not Applicable

Attached herewith are copies of the Management Report of the Corporation (Annex "A"); the SEC Form 17-A Annual Report and Audited Financial Statements of the Corporation for the year ended 31 December 2025 (Annex "B"); the Certificates of Independent Directors (Annex "C"); and the Certification on no connection with government agencies (Annex "D").

A FREE COPY OF THE CORPORATION'S ANNUAL REPORT ON SEC FORM 17-A WILL BE MADE AVAILABLE UPON WRITTEN REQUEST ADDRESSED TO MS. PAULINE C. TAN WITH OFFICE ADDRESS AT THE 31<sup>ST</sup> FLOOR, RUFINO PACIFIC TOWER, 6784 AYALA AVENUE, MAKATI CITY, METRO MANILA, PHILIPPINES. HOWEVER, A REASONABLE FEE SHALL BE CHARGED FOR THE REPRODUCTION OF EXHIBITS THEREOF.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on

APR 13 2026

**MEDCO HOLDINGS, INC.**

By:



DIONISIO E. CARPIO, JR.  
President

SUBSCRIBED AND SWORN to before me this APR 13 2026, affiant exhibiting to me his SSS ID with No. 03-1710841-7 as competent evidence of identity.

Doc. No.: 191 ;  
Page No.: 40 ;  
Book No.: VI ;  
Series of 2026.



**STEFFI MARTINA S. VALLE**

Appointment No. M-317

Notary Public for Makati City

Until December 31, 2026

Liberty Center-Picazo Law

104 H.V. Dela Costa Street, Makati City

Roll of Attorney's No. 91591

PTR No. 10766613/Makati City/01-02-2026

IBP No. 536191/Iloilo City/12-23-2025

MCLF No. VII-0032752/May 8, 2025

## Schedule 1 – Proxy Form and Voting Ballot

### Instructions for submission of attached Proxy Form and Voting Ballot

#### 1. Submission of the Proxy Form and Voting Ballot

- (a) The proxy form and voting ballot must be completed, signed and dated by the shareholder or his duly authorized representative.
- (b) If the shares of stock are owned by two or more joint owners, the proxy form and voting ballot must be signed by all of the joint owners.
- (c) If the shares of stock are owned in an "and/or" capacity, the proxy form and voting ballot must be signed by either one of the owners.
- (d) If the shares of stock are owned by a corporation, association, or partnership, the proxy form and voting ballot must be accompanied by a certification, signed by a duly authorized officer, partner or representative of such corporation, association, or partnership, that the person signing the proxy form and voting ballot has been authorized by the governing body or has the power pursuant to its bylaws, constitutive documents of such corporation, association, or partnership, for such purpose.
- (e) A proxy form and voting ballot given by a broker or dealer in respect of shares of stock carried by such broker or dealer for the account of a customer must be supported by a sworn certification that the same is given with the express prior authorization of such customer.
- (f) If any customer of a broker or dealer who is the beneficial owner of shares of stock executes a sub-proxy, the broker or dealer shall certify that the signature on the sub-proxy is the true and genuine signature of its customer.

#### 2. Revocation of Proxy

An owner of shares of stock who has given a proxy has the power to revoke it by a written instrument duly signed and dated, which must be received at the Corporation's principal office not later than 5:00 p.m. on 28 April 2026. The automatic revocation of a proxy upon attendance in person of the stockholder will not apply in this virtual stockholders meeting.

#### 3. Validation of Proxies

Proxy validation will be held at the Principal Office of the Corporation on 30 April 2026 at 5:00 p.m. Validation of proxies will be done by the Office of the Corporate Secretary and the Stock Transfer Services Inc., in accordance with the procedure and guidelines set out in the Corporation's Bylaws and Rule 20.11.2 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code.

**MEDCO HOLDINGS, INC.  
PROXY AND VOTING BALLOT**

The undersigned (the “Principal”) hereby:

(Please choose and check only one option below)

in case of appointment of a proxy, constitutes and appoints [Name of Proxy] \_\_\_\_\_ or in his absence, the Chairman of the meeting, as his/her attorney-in-fact and proxy (the “Proxy”), so that the Proxy or any other person empowered by the Proxy, shall have, without need of further authorization from the Principal, full power and authority to represent and vote all of the shares of stock of the Principal in Medco Holdings, Inc. (the “Corporation”) at the annual stockholders’ meetings of the Corporation on 8 May 2026, or any adjournment thereof, on the agenda matters set forth below, as fully and to all intents and purposes as such Principal might do if present and acting in person.

in case of voting in absentia, casts its votes on the agenda matters set forth below:

(Please indicate below your votes or the votes to be cast by the Proxy. If the proxy form and voting ballot is returned without indicating the intended vote on any of the matters below, the Proxy shall vote on said matters in a way that the Proxy shall deem fit.)

Agenda Item	Choose one option below		
1. Approval of the Minutes of the Annual Stockholders’ Meeting held on 9 May 2025	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> ABSTAIN
2. Approval of the Annual Report and the Audited Financial Statements as of 31 December 2025	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> ABSTAIN
3. Approval and Ratification of the acts, contracts, investments and resolutions of the Board and management of the Corporation since the last annual meeting on 9 May 2025	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> ABSTAIN
	<b>Choose one option below for each candidate</b>		
4. Election of the members of the Board of Directors	YES (The candidate will be given the votes corresponding to the total number of shares voting)	For cumulative voting, please indicate the number of votes to be given to each candidate (provided that the total votes given to all candidates shall not exceed 7 times the number of shares voting)	ABSTAIN (no vote will be given)
i. Dionisio E. Carpio, Jr.	<input type="checkbox"/> YES		<input type="checkbox"/> ABSTAIN
ii. Edna D. Reyes	<input type="checkbox"/> YES		<input type="checkbox"/> ABSTAIN
iii. Bobby Cheng Sai Chong	<input type="checkbox"/> YES		<input type="checkbox"/> ABSTAIN
iv. Pauline C. Tan	<input type="checkbox"/> YES		<input type="checkbox"/> ABSTAIN
v. Magher S. Baul	<input type="checkbox"/> YES		<input type="checkbox"/> ABSTAIN
vi. Rodolfo B. Fernandez	<input type="checkbox"/> YES		<input type="checkbox"/> ABSTAIN
vii. Juan Victor S. Tanjuatco	<input type="checkbox"/> YES		<input type="checkbox"/> ABSTAIN

	<b>Choose one option below</b>		
5. Re-appointment of Punongbayan and Araullo, the Philippine representative of Grant Thornton International, as external auditors of the Corporation for the year 2026	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> ABSTAIN

IN WITNESS WHEREOF, this proxy form and voting ballot has been executed by the Principal on the date and place indicated below.

\_\_\_\_\_  
Signature over Printed Name of Principal

Date signed: \_\_\_\_\_

Place signed: \_\_\_\_\_

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2025 AND 2024**  
*(Amounts in Philippine Pesos)*

	Notes	2025	2024
<b><u>A S S E T S</u></b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	<b>P 2,672,655</b>	P 9,155,618
Receivables - net	8	-	1,532,306
Due from related parties	12	<u>10,150,000</u>	<u>8,200,000</u>
Total Current Assets		<u>12,822,655</u>	<u>18,887,924</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets at fair value through other comprehensive income	7	59,899,227	56,693,912
Other assets - net	9	<u>60,714</u>	<u>75,893</u>
Total Non-current Assets		<u>59,959,941</u>	<u>56,769,805</u>
<b>TOTAL ASSETS</b>		<b><u>P 72,782,596</u></b>	<b><u>P 75,657,729</u></b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>CURRENT LIABILITIES</b>			
Accrued expenses and other liabilities	10	<b>P 928,975</b>	P 7,416,391
Loans payable	13	11,357,440	-
Due to related parties	12	<u>18,253,532</u>	<u>19,266,470</u>
Total Current Liabilities		<u>30,539,947</u>	26,682,861
<b>NON-CURRENT LIABILITIES</b>			
Loans payable	13	-	4,683,760
Post-employment defined benefit obligation	14	<u>2,598,692</u>	<u>2,227,291</u>
Total Non-current Liabilities		<u>2,598,692</u>	<u>6,911,051</u>
Total Liabilities		<u>33,138,639</u>	<u>33,593,912</u>
<b>EQUITY</b>			
Capital stock	5	157,964,622	157,964,622
Additional paid-in capital	5	25,498,912	25,498,912
Revaluation reserves - net	7, 14	( 495,204,158 )	( 498,358,986 )
Retained earnings	5	<u>351,384,581</u>	<u>356,959,269</u>
Net Equity	5	<u>39,643,957</u>	<u>42,063,817</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b><u>P 72,782,596</u></b>	<b><u>P 75,657,729</u></b>

*See Notes to Financial Statements.*

**MEDCO HOLDINGS, INC.**  
**(A Subsidiary of Bonham Strand Investments Ltd.)**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**  
**(Amounts in Philippine Pesos)**

	Notes	2025	2024	2023
<b>INCOME</b>				
Dividends	7	P 1,500,000	P 1,500,000	P -
Foreign exchange gains - net	4	316,456	-	134,975
Interest income	6	9,340	4,363	6,371
		<u>1,825,796</u>	<u>1,504,363</u>	<u>141,346</u>
<b>EXPENSES</b>				
Salaries and employee benefits	14	3,275,887	3,170,467	3,146,316
Impairment losses	8, 9	976,315	193,976	178,011
Professional and management fees		779,100	723,985	618,000
Interest expense - net	13, 14	637,106	136,194	87,928
Occupancy	12	312,000	312,000	312,000
Membership fees and dues		263,017	376,465	333,896
Transportation		252,740	264,571	243,640
Representation		191,214	191,200	191,795
Communication		72,472	55,971	47,253
Taxes and licenses		16,895	16,898	17,294
Foreign exchange losses - net	4	-	2,874	-
Others	11	620,439	542,565	547,130
		<u>7,397,185</u>	<u>5,987,166</u>	<u>5,723,263</u>
<b>LOSS BEFORE TAX</b>		( 5,571,389 )	( 4,482,803 )	( 5,581,917 )
<b>TAX EXPENSE</b>	15	( 3,299 )	( 5,062 )	( 2,014 )
<b>NET LOSS</b>		( 5,574,688 )	( 4,487,865 )	( 5,583,931 )
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Fair value gain on financial assets at fair value through other comprehensive income	7	3,205,315	12,033,864	6,517,788
Remeasurements of post-employment defined benefit obligation	14	( 50,487 )	( 547,257 )	96,571
<b>Other Comprehensive Income</b>		<u>3,154,828</u>	<u>11,486,607</u>	<u>6,614,359</u>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		( P 2,419,860 )	P 6,998,742	P 1,030,428
<b>Basic and Diluted Loss Per Share</b>	16	( P 0.0018 )	( P 0.0014 )	( P 0.0018 )

*See Notes to Financial Statements.*

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

This discussion and analysis should be read in conjunction with the section on "Brief Description of the General Nature and Scope of Business of Medco Holdings, Inc." of this Report, the Audited Financial Statements as of 31 December 2025 and the related Notes to Financial Statements.

### ***Plan of Operation***

The Corporation implemented the following recapitalization plan after it was approved by the Securities and Exchange Commission (SEC) on April 24, 2018:

- (a) decrease in the authorized capital stock from P700,000,000 to P35,000,000 through a reduction in the par value per share from P1.00 to P0.05;
- (b) the use of the additional paid-in capital thereby created to reduce the outstanding deficit;
- (c) increase in authorized capital stock from P35,000,000 to P470,000,000; and,
- (d) the subscription by Bonham Strand Investments Ltd. and Mr. Xu Han Jiang to a total of 2,459,292,441 common shares issued out of the increase in authorized capital stock which was paid through the assignment of debts owed to said creditors amounting to P122,964,622.

With the implementation of its recapitalization plan, the Corporation achieved a turnaround in 2018 when it became profitable and earned a net income of P2,738,406 thereby posting retained earnings of P383,373,182 as of December 31, 2018.

In 2019, the Corporation was again profitable with a net income of P758,572 resulting in a further improvement in its stockholders' equity to P75,229,067.

Upon the onset of the COVID-19 pandemic in the Philippines in March 2020, the Philippine government imposed strict community quarantine restrictions starting in that month and covering the remaining months of 2020 and the entire 2021. Such restrictions caused the immediate stoppage of operations of MEC in March 2020 and the cancellation of all exhibition activities scheduled then and in the remaining months of 2020. Thus, MEC had to immediately stop paying dividends to its stockholders.

Quarantine restrictions of varying strictness persisted in 2021 which enabled MEC to operate for short durations during the year conducting the few activities allowed by such restrictions. Thus, MEC continued to incur substantial operating losses in 2021.

In 2022, the gradual loosening up of community quarantine restrictions as the number of daily infections steadily declined allowed MEC to resume its operations and generate substantially-improved revenues thereby enabling the company to trim down its net loss to near break-even level.

In 2023, as the number of daily infections had declined to minimal levels enabling the full removal of quarantine restrictions, MEC's operations and earned revenues picked up substantially to levels approaching those achieved in pre-pandemic 2019 and became very profitable again. Nonetheless, to conserve and build up its cash resources to a more comfortable level, MEC deemed it prudent to defer paying cash dividends to its stockholders.

MEC's non-payment of dividends in the years 2020 through 2023 resulted in the Corporation's incurring net losses during these four years.

In 2024 and 2025, the continuing improvement in MEC's net income enabled this affiliate to declare a yearly 5% cash dividend payment to the Corporation equivalent to P1,500,000, which contributed to its improved bottom line for these two years.

The Corporation is nonetheless confident that it can satisfy its cash requirements not only in the next twelve (12) months but also on a longer term basis. Its liquid assets as at December 31, 2025 consisted of P2.7 million of cash and cash equivalents. In case the Corporation has any unforeseen cash requirement that cannot be met by its internal sources, its external sources of liquidity would consist of, among others, advances from its affiliate companies and/or major shareholders.

As of December 31, 2025, the Corporation has three (3) employees: a company driver, a messenger, and an administrative personnel. The Company does not anticipate any increase in the number of its employees within the ensuing twelve (12) months.

### ***Results of Operations for the years ended December 31, 2025, 2024 and 2023***

#### **2025**

Total revenues for the year ended December 31, 2025 increased by 21% compared to 2024. Revenues for the year composed of dividend income (82%), foreign exchange gains - net (17%), and interest income from short-term placements and bank deposits (1%).

The increase in revenues was primarily due to the recognition of foreign exchange gain arising from the reclassification of an amount previously recorded as "Due to a Third Party" to "Loan Payable." On June 9, 2025, the Corporation entered into a loan agreement with Winright Holdings Limited (Winright) amounting to US\$120,000. In 2024, this amount had been recorded as "Due to a Third Party," representing excess funds transferred by Winright to the Corporation. The exchange rates used were ₱58.547 to US\$1.00 at initial recognition and ₱55.614 to US\$1.00 upon reclassification, resulting in a realized foreign exchange gain. Interest income also increased during the year because the loan proceeds were placed in short-term deposit placements with a local bank.

Total expenses increased by 24% compared to 2024. Expenses for the year consisted of salaries and employee benefits (44%), impairment losses (13%), professional fees (11%), net interest expense (9%), occupancy (4%), membership fees and dues (4%), transportation (3%), representation (3%), and other expenses (9%).

The increase in the 2025 expenses was mainly due to the recognition of a full impairment provision on receivables from related parties which management has deemed uncollectible. Additionally, interest expense was recognized on two (2) loans obtained from Winright Holdings Limited. Higher audit fees in 2025 also contributed to the overall increase in total expenses. Other expense categories, including communication, employee benefits, and miscellaneous expenses, likewise recorded increases during the year.

#### **2024**

Total revenues for the year ended 2024 increased significantly by approximately 964% compared to 2023. Revenues for 2024 primarily comprised dividend income (99.71%) and interest income from short-term placements (0.29%).

The increase in revenues was mainly due to a P1.5 million cash dividend received in May 2024, following a period of no dividend receipts from 2020 to 2023. Interest income declined due to a substantial reduction in deposit placements as funds were withdrawn to meet the Corporation's working capital requirements. Furthermore, a net foreign exchange loss was recorded this year, in contrast to the foreign exchange gain recognized in 2023.

Total expenses slightly increased by 5% compared to 2023. This year's expenses consisted of salaries and employee benefits (53%), professional fees (12%), membership fees and dues (6%), occupancy (5%), transportation (4%), representation (3%), and other expenses (17%).

The increase in expenses for 2024 compared to 2023 was primarily due to higher professional fees paid during the year. In addition to the regular professional fees paid annually, additional professional services were availed in 2024. Interest expense also increased due to a loan obtained in November 2024. Expense components such as membership fees and dues, communication, transportation, impairment losses, and other expenses also posted an increase during the year under review.

## **2023**

Total revenues for the year ended 2023 increased by 65% compared to the year 2022 figure. The Corporation's revenues for this year consisted mainly of foreign exchange gain (95%) and interest income from short-term placement and bank deposits (5%).

The bulk of the increase in total revenues was mainly contributed by the foreign exchange gain from the revaluation of the Corporation's US Dollar deposits with a local bank. In addition, a substantial portion of the US Dollar deposits were converted to Philippine Peso on various dates when the exchange rate of the Philippine Peso to a US Dollar was higher than the exchange rate on February 13, 2023, the date when the additional fund (in US Dollars) from the Corporation's parent company was received. This resulted to the recognition of a higher realized foreign exchange gain in 2023. The increase in the peso exchange rate resulted to an approximately 73% increase in the said foreign exchange gain account. However, interest income contracted by 17% because the bank interest rates for the short-term placement were lower this year, which ranged from 0.10 % to 0.20% as compared to last year's interest rates range of 0.30% to 0.40% per annum.

Total expenses increased slightly by 3% compared to the previous year's figure. During the year under review, expenses comprised mainly of salaries and employee benefits (55%), professional and management fees (11%), membership fees and dues (6%), occupancy (5%), transportation (4%), representation (3%) and other expenses (16%).

The increase in the 2023 expenses was mainly due to the increase in membership fees and dues. Higher fees and dues were paid to the Philippine Stock Exchange, Inc. (PSE) in 2023 due to the subscription renewal of RSA security tokens and other PSE dues. Furthermore, impairment loss in Input VAT recognized in 2023 was higher than in 2022.

Other components of expenses such as professional and management fees, transportation, and other expenses also posted an increase in the year under review. However, representation expenses, taxes and licenses posted a decrease in 2023. This was the result of the Corporation's continuing cost-cutting measures.

## ***Financial Condition and Changes in Financial Condition as of December 31, 2025, 2024, and 2023***

## **2025**

With reference to the statement of financial position, total assets decreased slightly by 4% compared to 2024. The asset composition for the year consisted primarily of financial assets at fair value through other comprehensive income (82%), due from related parties (14%), cash and cash equivalents, and other assets - net (4%).

The decline in total assets was mainly driven by a 71% reduction in cash & cash equivalents, attributable to withdrawals from short-term placements to support the Corporation's working capital requirements. Additionally, a portion of the Corporation's funds was advanced to a related party, resulting in an increase in the "Due from related parties" account. The 100% decrease in receivables was due to the recognition of a full allowance for impairment on receivables from related parties, as well as the collection of other receivables related to Winter Dragon's tender offer expenses. On the other hand, Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) increased by 6%, primarily due to the higher fair value of the Corporation's investment in Manila Exposition Complex, Inc. (MEC). The fair value of this investment, as determined by external auditors using the price-to-earnings approach, amounted to ₱59,899,227 in 2025, compared to ₱56,693,912 in 2024.

On the liabilities side, there was a slight decrease in 2025 compared to 2024, mainly due to the settlement of advances from related parties. However, the post-employment benefit obligation increased by 17% year-on-year.

As at December 31, 2025, the total shareholders' fund of the Corporation amounted to P40 million.

## **2024**

With reference to the statement of financial position, total assets increased by 33% compared to 2023. The asset composition for the year consisted of financial assets at fair value through other comprehensive income (75%), cash and cash equivalents (12%), due from related parties (11%), and receivables and other assets - net (2%).

The increase in total assets was mainly due to the 27% rise in the Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) account, attributed to the higher fair value of the Corporation's investment in Manila Exposition Complex, Inc. (MEC). Our external auditors used the price-to-earnings approach to determine the fair value of this investment, which amounted to ₱56,693,912 in 2024, compared to ₱44,660,048 in the previous year.

Additionally, cash and cash equivalents increased by 58% mainly due to proceeds from a loan agreement with a third party, Winright Holdings Limited, alongside the receipt of a cash dividend. Similarly, receivables and amounts due from related parties increased in 2024 as a result of advances granted to related parties. A desktop computer was also purchased in 2024 thereby increasing the Other Assets account.

On the liabilities side, there was a 54% increase in 2024 compared to 2023. This significant rise was primarily due to the aforementioned loan agreement entered into on November 12, 2024, resulting in the recognition of a loan payable. Additionally, a higher amount of accrued expenses and other liabilities was recorded in 2024 as a consequence of the loan agreement. Also, the post-employment benefit obligation recognized this year was 56% higher than in 2023.

As at December 31, 2024, the total shareholders' fund of the Corporation amounted to P42 million.

## **2023**

With reference to the statement of financial position, total assets increased by 26% compared to last year's figure. Total assets were composed of financial assets at fair value through other comprehensive income (78%), cash and cash equivalents (10%), due from related parties (10%), and receivables (2%).

Significant movements were noted in most components thereof, specifically in the financial assets at fair value through other comprehensive income (FVOCI), cash and cash equivalents, and due from related parties accounts. The increase in total assets was mainly due to the 17% increase in the fair value of the Corporation's investment in Manila Exposition Complex, Inc. (MEC). In 2023, the fair value of said investment amounted to P44,660,048 which was determined by using the price-to-earnings approach as compared to last year's fair value of P38,142,260 wherein the price-to-book value approach was used. Furthermore, cash and cash equivalents increased by 80% due to the additional fund sent by the Corporation's parent company via dollar remittance for the Corporation's working capital requirements. Due from related parties account also posted an increase due to the advances granted to Capital Place International Limited, a related party.

As a consequence of the aforementioned additional fund from the Corporation's parent company, the total liabilities account significantly increased by 99%. This also caused a corresponding increase in the due to related parties account 128%. Likewise, post-employment benefit obligation also posted an increase during the year under review. However, accrued expenses and other liabilities account decreased by 12% due to the payment of other tender offer expenses for the parent company.

As at December 31, 2023, the total shareholders' fund of the Corporation amounted to P35 million.

## **Prospects for 2026**

The Philippine economy grew by 5.1% in 2025, exceeding the expectations of many despite slightly missing the government's 5.3% target for the year and registering below the GNP growth rates achieved in the previous two years, namely, 5.7% in 2024 and 5.3% in 2023. For 2026, as the result of the sudden outbreak of the US-Israel-Iran war last March, the economic outlook appears quite dim considering the dramatic negative impact of this war on oil supply and prices and the runaway inflation now besetting our country and the whole world. This situation is unfortunately bound to become much worse if this war expands further and/or lasts longer.

Nonetheless, in view of its leading position in the exhibition business, the Corporation's affiliate, MEC, is expected to weather the current crisis and to maintain if not surpass its strong revenue and profit showing last year. In fact, MEC remains optimistic and is currently reviving its capacity expansion plan which was put on hold in March 2020. MEC's forthcoming expansion will auger well for the Corporation's long-term profit outlook, even though MEC's dividend paying capability will expectedly be curtailed in the near term due to the need to conserve cash to finance the significant expansion costs.

### **Key Variable and Other Qualitative and Quantitative Factors**

The Corporation is not aware of any trends, events or uncertainties that would materially affect its liquidity and its operations as a whole. There are also no material commitments for capital expenditure or any significant elements of income or loss from continuing operations. The Corporation does not also anticipate any liquidity problem within the next twelve (12) months. The Corporation has no default or breach of any note, loan, lease or other indebtedness or financing arrangement. There are also no past due trade payables.

The Corporation's internal sources of short-term and long-term liquidity are its liquid assets which as at December 31, 2025 consisted of P2.7 million of cash and cash equivalents. Its external sources of liquidity would consist of advances from its affiliate companies and/or major shareholders.

There are no events that will trigger direct or contingent obligation that is material to the Corporation, including any default or acceleration of an obligation.

There are also no material off-balance sheets transactions, arrangements, obligations (including contingent obligation), and other relationships of the Corporation with unconsolidated entities or other persons created during the period.

Furthermore, there were no other 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. Aside from those already mentioned above, the Corporation is also not aware of any events that will cause a material change in the relationship between the costs and revenues. There are no seasonal aspects that have a material effect on the financial statements.

### **The top five (5) performance indicators of the Corporation for the past three (3) fiscal years are presented below:**

- a. Revenue Growth- This measures how fast the Corporation's business is expanding. The ratio shows the annualized rate of increase (or decrease) of the Corporation's revenues.
- b. Net Income Growth- Similar to revenue growth, this ratio is an indicator of the rate of growth of the Corporation's bottom line figure.
- c. Return on Equity- For an investor who wants to have an indication of his investment returns, this ratio provides such a measure.
- d. Current Ratio- This ratio measures the Corporation's ability to pay its currently maturing obligations.
- e. Debt-to-Equity Ratio- This ratio offers a method of assessing the Corporation's financial health and gauging the balance sheet durability

**Medco Holdings, Inc.**  
**Top Five (5) Performance Indicators**  
**December 31, 2025, 2024, and 2023**

		2025	2024	2023
1. Revenue Growth	$\frac{\text{Revenue Y1-Y0}}{\text{Revenue Y0}}$	21.37%	964.31%	65.13%
2. Net Income Growth*	$\frac{\text{Net Income Y1-Y0}}{\text{Net Income Y0}}$	24.22%	-19.63%	1.96%
3. Return on Equity	$\frac{\text{Net Income}}{\text{Stockholders' Equity}}$	-14.06%	-10.67%	-15.92%
4. Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	0.42x	0.71x	0.60x
5. Debt-to-Equity-Ratio	$\frac{\text{Total Liabilities}}{\text{Stockholders' Equity}}$	0.84x	0.80x	0.62x

\*Net Loss in 2025, 2024, and 2023

Note:

Y1= Current year

Y0= Previous year

**BRIEF DESCRIPTION OF THE GENERAL NATURE AND  
SCOPE OF BUSINESS OF MEDCO HOLDINGS, INC.**

**Medco Holdings, Inc. (“MHI” or “MED” or the “Corporation”)**

Medco Holdings, Inc. (“MHI” or “MED” or the “Corporation”) is an investment holding company listed on the Philippine Stock Exchange (“PSE”). It was incorporated in the Philippines on October 23, 1969 as the Mindanao Exploration & Development Corporation and adopted its current name in 1995.

In 1995, Citivest Asia Limited (“Citivest”), a corporation organized under the laws of the British Virgin Islands, acquired approximately 67% of the outstanding capital stock of the Corporation. In 1997, Citivest purchased additional MED shares which increased its equity stake to 70.67%.

Prior to Citivest’s acquisition of a majority interest in the Corporation, MHI was engaged in mineral exploration and development. With the entry of Citivest, the Corporation embarked on a major corporate shift that resulted in its transformation into an investment holding company. In line with the change in its primary business purpose, the Corporation had previously sold all its rights, titles, interests including all liabilities and obligations in its mining lease contracts and operating agreements to South Seas Oil & Mineral Exploration Development Co., Inc.

Thereafter, the Corporation has been engaged in investment holding activities. It does not produce or sell any product, or render any service. At present, its investment portfolio is comprised of holdings in

companies involved in financial services and the operation of exhibition halls and conference facilities for trade development.

In 2005, Citivest divested a portion of its shareholdings in the Corporation thereby reducing its equity stake to approximately 46%.

In 2018, following the equity restructuring and recapitalization plan implemented during the year and the issuance of new shares, Bonham Strand Investments Ltd. (BSIL) acquired 69.67% ownership over the Corporation. BSIL is an entity engaged in investment holding and registered in the British Virgin Islands. As a result of dilution, the equity stake of Citivest declined to 10.20%.

In May 2022, in view of the change of control resulting from BSIL's acquisition of 69.67% ownership of the Corporation in 2018, the Securities and Exchange Commission (SEC) directed BSIL to conduct a Mandatory Tender Offer to minority shareholders in accordance with the provisions of Rule 19 of the Securities Regulation Code.

BSIL dutifully complied with the said SEC directive and, on December 21, 2022, the Company filed its Final Tender Offer Report with the SEC and the Philippine Stock Exchange. As a result of BSIL's acquisition thereunder of 242,000 MED shares tendered by a minority shareholder, BSIL's ownership in the Corporation increased to 69.68%.

Details of the affiliated companies and their activities as at December 31, 2025 are as follows:

<u>Name</u>	<u>Place of incorporation</u>	<u>Fully paid-up common share capital</u>	<u>Percentage of direct equity ownership of MHI</u>	<u>Principal Activities</u>
Export & Industry Bank, Inc (In receivership)	Philippines	₱4,734,452,540	2.45%	Commercial banking
Manila Exposition Complex, Inc.	Philippines	₱165,000,000	18.18%	Exhibition hall operation

***Export & Industry Bank, Inc. (“Exportbank”) (In receivership)***

Exportbank was engaged in the business of commercial banking and of trust and funds management, and exercised all the powers of a commercial bank, trust company, and a corporation in general, as provided for under the General Banking Act, as amended, the rules and regulations of the Bangko Sentral ng Pilipinas, the Corporation Code of the Philippines and other applicable laws.

On April 26, 2012, the Monetary Board in its Resolution No. 686 decided to prohibit Export and Industry Bank, Inc. from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of the Republic Act (R.A) No. 7653 (the New Central Bank Act). The Philippine Deposit Insurance Corporation was designated as Receiver of the said commercial bank.

***Other Affiliate***

Manila Exposition Complex, Inc. (MEC) is not a significant affiliate of the Corporation.

**CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

1. External Audit Fees and Services

Please refer to the discussion in Item 7 of the 20-IS.

2. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

Please refer to the discussion in Item 7 of the 20-IS.

**COMPLIANCE ON THE CORPORATE GOVERNANCE**

- a. Evaluation System established by the Corporation to measure or determine the level of compliance of the Board of Directors and top level management with its Manual of Corporate Governance.

The Corporation has accomplished and submitted its Integrated Annual Corporate Governance Report ("I-ACGR") to the SEC. The Corporation reviews the specific policies and regulations on the I-ACGR and determines whether it fully complies with it. Any deviation is immediately discussed among the members of the management. As of this date, the Corporation has sufficiently complied with its Manual on Corporate Governance. There has been no deviation from the Manual on Corporate Governance. At the end of each fiscal year, the Corporation submits a certification of the attendance of its directors in meetings of the Board of Directors with such attendance having consistently complied with regulatory requirements.

- b. Measures being undertaken by the Corporation to fully comply with the adopted leading practices on good corporate governance.

To strictly observe and implement the provisions of its Manual of Corporate Governance, the following penalties are imposed, after notice and hearing, on the Corporation's directors, officers, staff, subsidiaries and affiliates and their respective directors, officers and staff in case of violation of any of the provision of the Manual of Corporate Governance:

- In case of first violation, the subject person shall be reprimanded.
- Suspension from office shall be imposed in case of second violation.
- The duration of the suspension shall depend on the gravity of the violation.
- For third violation, the maximum penalty of removal from office shall be imposed.

The commission of a third violation of the Manual of Corporate Governance by any member of the board of the Corporation or its subsidiaries and affiliates shall be a sufficient cause for removal from directorship.

The Compliance Officer shall be responsible for determining violation/s through notice and hearing and shall recommend to the Chairman of the Board the imposable penalty for such violation, for further review and approval of the Board.

- c. Any deviation from the Corporation's Manual of Corporate Governance. Including a disclosure of the name and position of the persons involved and sanctions imposed on said individual.

As of this date, the Corporation has sufficiently complied with its Manual on Corporate Governance. There has been no deviation from the Manual on Corporate Governance.

- d. Any plan to improve corporate governance of the Corporation.

The Corporation accomplishes and submits its I-ACGR to the SEC annually. The Corporation reviews the specific policies and regulations on the I-ACGR and determines whether it fully complies with it. Any deviation is immediately discussed among the members of the management.

**MARKET PRICE AND DIVIDENDS ON THE  
CORPORATION'S COMMON EQUITY AND RELATED STOCKHOLDERS MATTERS**

(1) Market Information

The Corporation's common shares are listed and traded on the PSE.

The high and low price of such common shares for the first quarter of 2026 were as follows:

1st Quarter  
High Low  
P0.12 P0.09

The high and low prices for each quarter of 2025 were as follows:

<u>1st Quarter</u>		<u>2<sup>nd</sup> Quarter</u>		<u>3rd Quarter</u>		<u>4<sup>th</sup> Quarter</u>	
<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
P0.14	P0.11	P0.13	P0.09	P0.12	P0.09	P0.12	P0.09

The high and low prices for each quarter of 2024 were as follows:

<u>1st Quarter</u>		<u>2<sup>nd</sup> Quarter</u>		<u>3rd Quarter</u>		<u>4<sup>th</sup> Quarter</u>	
<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
P0.16	P0.09	P0.15	P0.11	P0.24	P0.09	P0.14	P0.11

The closing price of the Corporation's shares as of 31 March 2026, the latest practicable trading date, is P0.97.

(2) Holders

Based on the records of the Corporation's stock transfer office, Philippine Stock Transfer, Inc., as at 31 March 2026 there were 671 holders of the common stock of the Corporation. Below are the names of the top 20 shareholders and the number of shares and the percentage of total shares outstanding held by each stockholder.

	Name	No. of Shares Held	% of Total
1.	Bonham Strand Investment Ltd.	2,201,421,241	69.68%
2.	PCD Nominee Corp. - Filipino	323,962,966	10.25%
3.	Citivist Asia Limited	322,314,874	10.20%
4.	Xu Hanjiang	258,113,200	8.17%
5.	Suncentury Asia Limited	34,500,000	1.09%
6.	PCD Nominee Corp. - Foreign	16,515,190	0.52%
7.	Gatchalian, Rexlon	1,000,000	0.03%
8.	Lo, Eduardo	394,000	0.01%
9.	Solar Securities, Inc.	285,000	negligible
10.	Ibardolaza, Marita	100,000	negligible
11.	Chong, Lilian	50,000	negligible
12.	Bautista, Emmanuel T. &/or Bernardita P. Bautista	40,000	negligible
13.	Uy, Arturo &/or Arnel Uy	40,000	negligible
14.	Cua, Henry	20,000	negligible
15.	Libertad Development Corp.	20,000	negligible
16.	Ong, Lyn	20,000	negligible
17.	Ramos, Angela	20,000	negligible
18.	Avis, Jose T.	19,000	negligible
19.	Cua, Bernice Yang	10,011	negligible
20.	Banda, Jovita L.	10,000	negligible

	Dy, Aurora	10,000	negligible
	Gili, Guillermo Jr.	10,000	negligible
	Jacinto, Robert	10,000	negligible
	Marquez, Mary Joan G.	10,000	negligible
	Ng Siok Go	10,000	negligible
	Osi, Avelino	10,000	negligible
	Reambillo, Ma. Leonora	10,000	negligible
	Tan Cheng Leng	10,000	negligible

As at 31 March 2026, the number of shares held by the public was 635,527,315 shares and the public ownership level of the Corporation is at 20.12%.

(3) Dividends

No cash dividends have been declared by the Corporation on its common stock for the last 10 years. The Corporation Code of the Philippines provides that dividends may only be declared out of unrestricted retained earnings. As of December 31, 2024, the Corporation has a Retained Earnings Deficit of (P308,040,731) which restricts the Corporation from declaring dividends.

The directors will consider dividend payments after taking into account such factors as the Corporation's cash flow, future expansion plans and prevailing bank interest rates.

(4) Recent Sales of Unregistered or Exempt Securities including Recent Issuance of Securities Constituting an Exempt Transaction

There were no sales of any unregistered securities of the Corporation within the past three years.





## **PART I - BUSINESS AND GENERAL INFORMATION**

### Item 1. Business

#### (2). Business of Issuer

Medco Holdings, Inc. ("MHI" or "MED" or the "Corporation") is an investment holding company listed on the Philippine Stock Exchange ("PSE"). It was incorporated in the Philippines on October 23, 1969 as the Mindanao Exploration & Development Corporation and adopted its current name in 1995.

In 1995, Citivest Asia Limited ("Citivest"), a corporation organized under the laws of the British Virgin Islands, acquired approximately 67% of the outstanding capital stock of the Corporation. In 1997, Citivest purchased additional MED shares which increased its equity stake to 70.67%.

Prior to Citivest's acquisition of a majority interest in the Corporation, MHI was engaged in mineral exploration and development. With the entry of Citivest, the Corporation embarked on a major corporate shift that resulted in its transformation into an investment holding company. In line with the change in its primary business purpose, the Corporation had previously sold all its rights, titles, interests including all liabilities and obligations in its mining lease contracts and operating agreements to South Seas Oil & Mineral Exploration Development Co., Inc.

Thereafter, the Corporation has been engaged in investment holding activities. It does not produce or sell any product, or render any service. At present, its investment portfolio is comprised of holdings in companies involved in financial services and the operation of exhibition halls and conference facilities for trade development.

In 2005, Citivest divested a portion of its shareholdings in the Corporation thereby reducing its equity stake to approximately 46%.

In 2018, following the equity restructuring and recapitalization plan implemented during the year and the issuance of new shares, Bonham Strand Investments Ltd. (BSIL) acquired 69.67% ownership over the Corporation. BSIL is an entity engaged in investment holding and registered in the British Virgin Islands. As a result of dilution, the equity stake of Citivest declined to 10.20%.

In May 2022, in view of the change of control resulting from BSIL's acquisition of 69.67% ownership of the Corporation in 2018, the Securities and Exchange Commission (SEC) directed BSIL to conduct a Mandatory Tender Offer to minority shareholders in accordance with the provisions of Rule 19 of the Securities Regulation Code (SRC).

BSIL dutifully complied with the said SEC directive and, on December 21, 2022, the Company filed its Final Tender Offer Report with the SEC and the Philippine Stock Exchange (PSE). As a result of BSIL's acquisition thereunder of 242,000 MED shares tendered by a minority shareholder, BSIL's ownership in the Corporation increased to 69.68%.

BSIL is a wholly owned subsidiary of Millenium Empire Holdings Limited (MEHL). On July 29, 2024, Winter Dragon Limited (WDL), an investment holding company registered in the British Virgin Islands, approved the acquisition of all outstanding shares of MEHL. Because of the acquisition, WDL indirectly holds 69.68% of MED's total issued and outstanding shares. In compliance with Section 19 of the SRC, WDL made a tender offer to minority shareholders with the Final Tender Offer Report submitted to the SEC and the PSE on October 24, 2024. A total of 8,000 MED shares were tendered by minority shareholders and purchased by WDL, resulting in WDL's direct and indirect ownership of 69.68% of issued and outstanding common shares of MED.

Details of the affiliated companies and their activities as at December 31, 2025 are as follows:

<u>Name</u>	<u>Place of incorporation</u>	<u>Fully paid-up common share capital</u>	<u>Percentage of direct equity ownership of MHI</u>	<u>Principal Activities</u>
Export & Industry Bank, Inc (In receivership)	Philippines	₱4,734,452,540	2.45%	Commercial banking
Manila Exposition Complex, Inc.	Philippines	₱165,000,000	18.18%	Exhibition hall operation

***Export & Industry Bank, Inc. (“Exportbank”) (In receivership)***

Exportbank was engaged in the business of commercial banking and of trust and funds management, and exercised all the powers of a commercial bank, trust company, and a corporation in general, as provided for under the General Banking Act, as amended, the rules and regulations of the Bangko Sentral ng Pilipinas, the Corporation Code of the Philippines and other applicable laws.

On April 26, 2012, the Monetary Board in its Resolution No. 686 decided to prohibit Export and Industry Bank, Inc. from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of the Republic Act (R.A) No. 7653 (the New Central Bank Act). The Philippine Deposit Insurance Corporation was designated as Receiver of the said commercial bank.

***Other Affiliate***

Manila Exposition Complex, Inc. (MEC) is not a significant affiliate of the Corporation.

***Percentage of Sales or Revenues and Net Income Contributed by Foreign Sales***

During the year under review, there were no sales or revenues and net income contributed by foreign sale.

***Distribution Methods of the Products or Services***

Being just an investment holding company, the Corporation, does not produce or sell any product, or offer any service.

***Status of any publicly-announced new products or service***

None.

***Competition***

None.

***Sources and Availability of Raw Materials and Names of Principal Suppliers.***

The Corporation is not into manufacturing and has no need of raw materials for its businesses.

***Dependence on Single Customer***

None.

***Transactions with Related Parties***

The Corporation borrows funds occasionally for its working capital requirements. Apart from these borrowings, there are no other transactions with related parties.

***Expiration of Patents, Trademarks, Copyrights, Licenses, Franchise, Concessions and Royalty Agreements.***

The Corporation has not entered into agreements related to patents, trademarks, copyrights, licenses, franchise, concessions and royalty.

***Need for Government Approvals of Principal Products or Services.***

None.

***Effects of Existing or Probable Governmental Regulations***

The Corporation is subject to the rules and regulations of the SEC and the PSE. It is complying with existing government regulations which have been beneficial to its business. The Corporation is not aware of any probable government regulation that could have any adverse effect on its business.

***Cost on Development Activities***

None.

***Cost and Effects of Compliance with Environmental Laws***

None.

***Total Number of Employees and Number of Full –Time Employees***

As of December 31, 2025, the Corporation has three (3) employees: a company driver, a messenger, and an administrative personnel. The Corporation does not anticipate any increase in the number of its employees within the ensuing twelve (12) months. There were no employees covered by a Collective Bargaining Agreement. There are no supplemental benefits or incentive arrangements. The Corporation's employees are not on strike and have never gone on strike in the past.

**Item 2. Properties**

As at the end of 2025, the Corporation did not own any real property. It is leasing office space in a condominium unit at the 31st Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City, Metro Manila, owned by Capital Place International Limited.

**Item 3. Legal Proceedings**

As at December 31, 2025 and as far as the management of the Corporation is aware, there are no pending material legal proceedings to which the Corporation is a party or of which any of its property is the subject.

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

Not applicable.

**OPERATIONAL AND FINANCIAL INFORMATION**

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

**Market Information**

The Corporation's common shares are listed and traded on the PSE.

The high and low price of such common shares for the first quarter of 2026 were as follows:

1st Quarter  
High Low  
P0.12 P0.09

The high and low prices for each quarter of 2025 were as follows:

<u>1st Quarter</u>		<u>2nd Quarter</u>		<u>3rd Quarter</u>		<u>4th Quarter</u>	
<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
P0.14	P0.11	P0.13	P0.09	P0.12	P0.09	P0.12	P0.09

The high and low prices for each quarter of 2024 were as follows:

<u>1st Quarter</u>		<u>2nd Quarter</u>		<u>3rd Quarter</u>		<u>4th Quarter</u>	
<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
P0.16	P0.09	P0.15	P0.11	P0.24	P0.09	P0.14	P0.11

#### *Recent Sales of Unregistered Securities*

On 24 April 2018, MED issued: (1) 2,201,179,241 common shares to Bonham Strand Investments Ltd. for a total subscription price of P110,058,962.05 and (2) 258,113,200 common shares to Mr. Xu Hanjiang for a total subscription price of P12,905,660.00. The issuance of the common shares was an exempt transaction under Section 10(k) of the Securities Regulation Code (The sale of securities by an issuer to fewer than twenty (20) persons in the Philippines during any twelve-month period is an exempt transaction).

#### *Holders, Dividends and Sale of Unregistered Securities*

Based on the records of the Corporation's stock transfer office, Philippine Stock Transfer, Inc., as at December 31, 2025, there were 673 holders of the common stock of the Corporation.

The following are the Company's top 20 registered common stockholders holding listed and unlisted shares as of December 31, 2025:

	<b>Name</b>	<b>No. of Shares Held</b>	<b>% of Total</b>
1.	PCD Nominee Corporation	2,799,833,597	88.6222%
2.	Citivist Asia Limited	322,314,874	10.2021%
3.	Suncentry Asia Limited	34,500,000	1.0920%
4.	Gatchalian, Rexlon	1,000,000	0.0317%
5.	Lo, Eduardo	394,000	0.0125%
6.	Solar Securities, Inc.	285,000	0.0090%
7.	Ibardolaza, Marita	100,000	0.0032%
8.	Chong, Lilian	50,000	0.0016%
9.	Bautista, Emmanuel T. &/or Bernardita P. Bautista	40,000	0.0013%
10.	Uy, Arturo &/or Arnel Uy	40,000	0.0013%
11.	Cua, Henry	20,000	0.0006%
12.	Libertad Development Corp.	20,000	0.0006%
13.	Ong, Lyn	20,000	0.0006%
14.	Ramos, Angela	20,000	0.0006%
15.	Reyes, Edna Daguinsin or James Earl Dominic D. Reyes	20,000	0.0006%
16.	Avis, Jose T.	19,000	0.0006%
17.	Cua, Bernice Yang	10,011	0.0003%
18.	Banda, Jovita L	10,000	0.0003%
19.	Dy, Aurora	10,000	0.0003%
20.	Gili, Guillermo Jr.	10,000	0.0003%

As at December 31, 2025, the number of shares held by the public was 635,527,315 shares and the public ownership level of the Company was at 20.12%.

No cash dividends have been declared by the Corporation on its common stock for the last 10 years. The Corporation Code of the Philippines provides that dividends may only be declared out of unrestricted retained earnings. The directors will consider dividend payments after taking into account such factors as the Corporation's cash flow, future expansion plans and prevailing bank interest rates.

There were no sales of any unregistered securities of the Corporation within the past three years.

#### Item 6. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion and analysis should be read in conjunction with Item 1 of this report and the Audited Financial Statements and the related Notes to Financial Statements in Exhibit 1 of this Report.

#### ***Plan of Operation***

The Corporation implemented the following recapitalization plan after it was approved by the Securities and Exchange Commission (SEC) on April 24, 2018:

- (a) decrease in the authorized capital stock from P700,000,000 to P35,000,000 through a reduction in the par value per share from P1.00 to P0.05;
- (b) the use of the additional paid-in capital thereby created to reduce the outstanding deficit;
- (c) increase in authorized capital stock from P35,000,000 to P470,000,000; and,
- (d) the subscription by Bonham Strand Investments Ltd. and Mr. Xu Han Jiang to a total of 2,459,292,441 common shares issued out of the increase in authorized capital stock which was paid through the assignment of debts owed to said creditors amounting to P122,964,622.

With the implementation of its recapitalization plan, the Corporation achieved a turnaround in 2018 when it became profitable and earned a net income of P2,738,406 thereby posting retained earnings of P383,373,182 as of December 31, 2018.

In 2019, the Corporation was again profitable with a net income of P758,572 resulting in a further improvement in its stockholders' equity to P75,229,067.

Upon the onset of the COVID-19 pandemic in the Philippines in March 2020, the Philippine government imposed strict community quarantine restrictions starting in that month and covering the remaining months of 2020 and the entire 2021. Such restrictions caused the immediate stoppage of operations of MEC in March 2020 and the cancellation of all exhibition activities scheduled then and in the remaining months of 2020. Thus, MEC had to immediately stop paying dividends to its stockholders.

Quarantine restrictions of varying strictness persisted in 2021 which enabled MEC to operate for short durations during the year conducting the few activities allowed by such restrictions. Thus, MEC continued to incur substantial operating losses in 2021.

In 2022, the gradual loosening up of community quarantine restrictions as the number of daily infections steadily declined allowed MEC to resume its operations and generate substantially-improved revenues thereby enabling the company to trim down its net loss to near break-even level.

In 2023, as the number of daily infections had declined to minimal levels enabling the full removal of quarantine restrictions, MEC's operations and earned revenues picked up substantially to levels approaching those achieved in pre-pandemic 2019 and became very profitable again. Nonetheless, to conserve and build up its cash resources to a more comfortable level, MEC deemed it prudent to defer paying cash dividends to its stockholders.

MEC's non-payment of dividends in the years 2020 through 2023 resulted in the Corporation's incurring net losses during these four years.

In 2024 and 2025, the continuing improvement in MEC's net income enabled this affiliate to declare a yearly 5% cash dividend payment to the Corporation equivalent to P1,500,000, which contributed to its improved bottom line for these two years.

The Corporation is nonetheless confident that it can satisfy its cash requirements not only in the next twelve (12) months but also on a longer term basis. Its liquid assets as at December 31, 2025 consisted of P2.7 million of cash and cash equivalents. In case the Corporation has any unforeseen cash requirement that cannot be met by its internal sources, its external sources of liquidity would consist of, among others, advances from its affiliate companies and/or major shareholders.

As of December 31, 2025, the Corporation has three (3) employees: a company driver, a messenger, and an administrative personnel. The Company does not anticipate any increase in the number of its employees within the ensuing twelve (12) months.

### ***Results of Operations for the years ended December 31, 2025, 2024 and 2023***

#### **2025**

Total revenues for the year ended December 31, 2025 increased by 21% compared to 2024. Revenues for the year composed of dividend income (82%), foreign exchange gains - net (17%), and interest income from short-term placements and bank deposits (1%).

The increase in revenues was primarily due to the recognition of foreign exchange gain arising from the reclassification of an amount previously recorded as "Due to a Third Party" to "Loan Payable." On June 9, 2025, the Corporation entered into a loan agreement with Winright Holdings Limited (Winright) amounting to US\$120,000. In 2024, this amount had been recorded as "Due to a Third Party," representing excess funds transferred by Winright to the Corporation. The exchange rates used were ₱58.547 to US\$1.00 at initial recognition and ₱55.614 to US\$1.00 upon reclassification, resulting in a realized foreign exchange gain. Interest income also increased during the year because the loan proceeds were placed in short-term deposit placements with a local bank.

Total expenses increased by 24% compared to 2024. Expenses for the year consisted of salaries and employee benefits (44%), impairment losses (13%), professional fees (11%), net interest expense (9%), occupancy (4%), membership fees and dues (4%), transportation (3%), representation (3%), and other expenses (9%).

The increase in the 2025 expenses was mainly due to the recognition of a full impairment provision on receivables from related parties which management has deemed uncollectible. Additionally, interest expense was recognized on two (2) loans obtained from Winright Holdings Limited. Higher audit fees in 2025 also contributed to the overall increase in total expenses. Other expense categories, including communication, employee benefits, and miscellaneous expenses, likewise recorded increases during the year.

## **2024**

Total revenues for the year ended 2024 increased significantly by approximately 964% compared to 2023. Revenues for 2024 primarily comprised dividend income (99.71%) and interest income from short-term placements (0.29%).

The increase in revenues was mainly due to a P1.5 million cash dividend received in May 2024, following a period of no dividend receipts from 2020 to 2023. Interest income declined due to a substantial reduction in deposit placements as funds were withdrawn to meet the Corporation's working capital requirements. Furthermore, a net foreign exchange loss was recorded this year, in contrast to the foreign exchange gain recognized in 2023.

Total expenses slightly increased by 5% compared to 2023. This year's expenses consisted of salaries and employee benefits (53%), professional fees (12%), membership fees and dues (6%), occupancy (5%), transportation (4%), representation (3%), and other expenses (17%).

The increase in expenses for 2024 compared to 2023 was primarily due to higher professional fees paid during the year. In addition to the regular professional fees paid annually, additional professional services were availed in 2024. Interest expense also increased due to a loan obtained in November 2024. Expense components such as membership fees and dues, communication, transportation, impairment losses, and other expenses also posted an increase during the year under review.

## **2023**

Total revenues for the year ended 2023 increased by 65% compared to the year 2022 figure. The Corporation's revenues for this year consisted mainly of foreign exchange gain (95%) and interest income from short-term placement and bank deposits (5%).

The bulk of the increase in total revenues was mainly contributed by the foreign exchange gain from the revaluation of the Corporation's US Dollar deposits with a local bank. In addition, a substantial portion of the US Dollar deposits were converted to Philippine Peso on various dates when the exchange rate of the Philippine Peso to a US Dollar was higher than the exchange rate on February 13, 2023, the date when the additional fund (in US Dollars) from the Corporation's parent company was received. This resulted to the recognition of a higher realized foreign exchange gain in 2023. The increase in the peso exchange rate resulted to an approximately 73% increase in the said foreign exchange gain account. However, interest income contracted by 17% because the bank interest rates for the short-term placement were lower this year, which ranged from 0.10 % to 0.20% as compared to last year's interest rates range of 0.30% to 0.40% per annum.

Total expenses increased slightly by 3% compared to the previous year's figure. During the year under review, expenses comprised mainly of salaries and employee benefits (55%), professional and management fees (11%), membership fees and dues (6%), occupancy (5%), transportation (4%), representation (3%) and other expenses (16%).

The increase in the 2023 expenses was mainly due to the increase in membership fees and dues. Higher fees and dues were paid to the Philippine Stock Exchange, Inc. (PSE) in 2023 due to the subscription renewal of RSA security tokens and other PSE dues. Furthermore, impairment loss in Input VAT recognized in 2023 was higher than in 2022.

Other components of expenses such as professional and management fees, transportation, and other expenses also posted an increase in the year under review. However, representation expenses, taxes and licenses posted a decrease in 2023. This was the result of the Corporation's continuing cost-cutting measures.

## ***Financial Condition and Changes in Financial Condition as of December 31, 2025, 2024 and 2023***

### **2025**

With reference to the statement of financial position, total assets decreased slightly by 4% compared to 2024. The asset composition for the year consisted primarily of financial assets at fair value through other comprehensive income (82%), due from related parties (14%), cash and cash equivalents, and other assets - net (4%).

The decline in total assets was mainly driven by a 71% reduction in cash & cash equivalents, attributable to withdrawals from short-term placements to support the Corporation's working capital requirements. Additionally, a portion of the Corporation's funds was advanced to a related party, resulting in an increase in the "Due from related parties" account. The 100% decrease in receivables was due to the recognition of a full allowance for impairment on receivables from related parties, as well as the collection of other receivables related to Winter Dragon's tender offer expenses. On the other hand, Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) increased by 6%, primarily due to the higher fair value of the Corporation's investment in Manila Exposition Complex, Inc. (MEC). The fair value of this investment, as determined by external auditors using the price-to-earnings approach, amounted to ₱59,899,227 in 2025, compared to ₱56,693,912 in 2024.

On the liabilities side, there was a slight decrease in 2025 compared to 2024, mainly due to the settlement of advances from related parties. However, the post-employment benefit obligation increased by 17% year-on-year.;

As at December 31, 2025, the total shareholders' fund of the Corporation amounted to P40 million.

### **2024**

With reference to the statement of financial position, total assets increased by 33% compared to 2023. The asset composition for the year consisted of financial assets at fair value through other comprehensive income (75%), cash and cash equivalents (12%), due from related parties (11%), and receivables and other assets - net (2%).

The increase in total assets was mainly due to the 27% rise in the Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) account, attributed to the higher fair value of the Corporation's investment in Manila Exposition Complex, Inc. (MEC). Our external auditors used the price-to-earnings approach to determine the fair value of this investment, which amounted to ₱56,693,912 in 2024, compared to ₱44,660,048 in the previous year.

Additionally, cash and cash equivalents increased by 58% mainly due to proceeds from a loan agreement with a third party, Winright Holdings Limited, alongside the receipt of a cash dividend. Similarly, receivables and amounts due from related parties increased in 2024 as a result of advances granted to related parties. A desktop computer was also purchased in 2024 thereby increasing the Other Assets account.

On the liabilities side, there was a 54% increase in 2024 compared to 2023. This significant rise was primarily due to the aforementioned loan agreement entered into on November 12, 2024, resulting in the recognition of a loan payable. Additionally, a higher amount of accrued expenses and other liabilities was recorded in 2024 as a consequence of the loan agreement. Also, the post-employment benefit obligation recognized this year was 56% higher than in 2023.

As at December 31, 2024, the total shareholders' fund of the Corporation amounted to P42 million.

## **2023**

With reference to the statement of financial position, total assets increased by 26% compared to last year's figure. Total assets were composed of financial assets at fair value through other comprehensive income (78%), cash and cash equivalents (10%), due from related parties (10%), and receivables (2%).

Significant movements were noted in most components thereof, specifically in the financial assets at fair value through other comprehensive income (FVOCI), cash and cash equivalents, and due from related parties accounts. The increase in total assets was mainly due to the 17% increase in the fair value of the Corporation's investment in Manila Exposition Complex, Inc. (MEC). In 2023, the fair value of said investment amounted to P44,660,048 which was determined by using the price-to-earnings approach as compared to last year's fair value of P38,142,260 wherein the price-to-book value approach was used. Furthermore, cash and cash equivalents increased by 80% due to the additional fund sent by the Corporation's parent company via dollar remittance for the Corporation's working capital requirements. Due from related parties account also posted an increase due to the advances granted to Capital Place International Limited, a related party.

As a consequence of the aforementioned additional fund from the Corporation's parent company, the total liabilities account significantly increased by 99%. This also caused a corresponding increase in the due to related parties account by 128%. Likewise, post-employment benefit obligation also posted an increase during the year under review. However, accrued expenses and other liabilities account decreased by 12% due to the payment of other tender offer expenses for the parent company.

As at December 31, 2023, the total shareholders' fund of the Corporation amounted to P35 million.

## ***Prospects for 2026***

The Philippine economy grew by 5.1% in 2025, exceeding the expectations of many despite slightly missing the government's 5.3% target for the year and registering below the GNP growth rates achieved in the previous two years, namely, 5.7% in 2024 and 5.3% in 2023. For 2026, as the result of the sudden outbreak of the US-Israel-Iran war last March, the economic outlook appears quite dim considering the dramatic negative impact of this war on oil supply and prices and the runaway inflation now besetting our country and the whole world. This situation is unfortunately bound to become much worse if this war expands further and/or lasts longer.

Nonetheless, in view of its leading position in the exhibition business, the Corporation's affiliate, MEC, is expected to weather the current crisis and to maintain if not surpass its strong revenue and profit showing last year. In fact, MEC remains optimistic and is currently reviving its capacity expansion plan which was put on hold in March 2020. MEC's forthcoming expansion will auger well for the Corporation's long-term profit outlook, even though MEC's dividend paying capability will expectedly be curtailed in the near term due to the need to conserve cash to finance the significant expansion costs.

## ***Key Variable and Other Qualitative and Quantitative Factors***

The Corporation is not aware of any trends, events or uncertainties that would materially affect its liquidity and its operations as a whole. There are also no material commitments for capital expenditure or any significant elements of income or loss from continuing operations. The Corporation does not also anticipate any liquidity problem within the next twelve (12) months. The Corporation has no default or breach of any note, loan, lease or other indebtedness or financing arrangement. There are also no past due trade payables.

The Corporation's internal sources of short-term and long-term liquidity are its liquid assets which as at December 31, 2025 consisted of P2.7 million of cash and cash equivalents. Its external sources of liquidity would consist of advances from its affiliate companies and/or major shareholders.

There are no events that will trigger direct or contingent obligation that is material to the Corporation, including any default or acceleration of an obligation.

There are also no material off-balance sheets transactions, arrangements, obligations (including contingent obligation), and other relationships of the Corporation with unconsolidated entities or other persons created during the period.

Furthermore, there were no other 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. Aside from those already mentioned above, the Corporation is also not aware of any events that will cause a material change in the relationship between the costs and revenues.

**The top five (5) performance indicators of the Corporation for the past three (3) fiscal years are presented below:**

- a. Revenue Growth- This measures how fast the Corporation's business is expanding. The ratio shows the annualized rate of increase (or decrease) of the Corporation's revenues.
- b. Net Income Growth- Similar to revenue growth, this ratio is an indicator of the rate of growth of the Corporation's bottom line figure.
- c. Return on Equity- For an investor who wants to have an indication of his investment returns, this ratio provides such a measure.
- d. Current Ratio- This ratio measures the Corporation's ability to pay its currently maturing obligations.
- e. Debt-to-Equity Ratio- This ratio offers a method of assessing the Corporation's financial health and gauging the balance sheet durability.

**Medco Holdings, Inc.**

**Top Five (5) Performance Indicators  
December 31, 2025, 2024 and 2023**

		2025	2024	2023
1. Revenue Growth	$\frac{\text{Revenue Y1-Y0}}{\text{Revenue Y0}}$	21.37%	964.31%	65.13%
2. Net Income Growth*	$\frac{\text{Net Income Y1-Y0}}{\text{Net Income Y0}}$	24.22%	-19.63%	1.96%
3. Return on Equity	$\frac{\text{Net Income}}{\text{Stockholders' Equity}}$	-14.06%	-10.67%	-15.92%
4. Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	0.42x	0.71x	0.60x
5. Debt-to-Equity-Ratio	$\frac{\text{Total Liabilities}}{\text{Stockholders' Equity}}$	0.84x	0.80x	0.62x

\*Net Loss in 2025, 2024, and 2023

Note:

Y1= Current year

Y0= Previous year

## Item 7. Financial Statements

The Financial Statements and related Notes to Financial Statements of MHI for the past 3 years ended 31 December 2025 appear on the Index to Financial Statements and Supplementary Schedules page of this Report.

## Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

NONE

## **PART III - CONTROL AND COMPENSATION INFORMATION**

### Item 9. Directors and Executive Officers of the Registrant

#### (1) Directors and Positions Held/Business Experience for the Last Five (5) Years

The members of the Corporation's Board of Directors as at December 31, 2025 together with a brief description of their other positions held and business experience for the last five years are enumerated as follows:

BOBBY CHENG SAI CHONG, British, aged seventy-seven (77), has been a director of the Corporation since September 18, 2006 and has been appointed as the Chairman of the Board of Directors on July 23, 2009. He has more than thirty (30) years experience in banking and finance. He attended the Barnard College in Hong Kong and took up a course in Commerce and Finance.

DIONISIO E. CARPIO, JR., Filipino, aged seventy-nine (79), has been a director of the Corporation since 1998 and its President from September 2006 up to present. He was the treasurer of the Corporation from 1998 to 2006. He is currently also a director of Manila Exposition Complex, Inc. Mr. Carpio holds a Bachelor of Science degree in Mechanical Engineering from the De La Salle University and a Masters degree in Business Management from the Asian Institute of Management. He has more than forty (40) years experience in commercial, investment and trust banking, as well as line management.

EDNA D. REYES, Filipino, aged seventy-eight (78), has been a director of the Corporation since 2000 and was its Treasurer between 2006 and 2007. She was also the Chairperson of the Board of MAIC until April 27, 2017. She has more than forty (40) years of experience in banking, particularly in international and correspondent banking as well as foreign operations. She has a Bachelor of Science degree in Commerce from the University of Santo Tomas.

PAULINE C. TAN, Filipino, aged fifty-six (56), has been a director of the Corporation since 2009. She has been the treasurer and compliance officer of the Corporation since September 20, 2007. She worked in The Hong Kong Chinese Bank Limited in 1994. She was a director of Lippo Securities, Inc. and of MAIC from 1995 to 1999 and of Manila Exposition Complex, Inc. from 1995 to 2000 and from 2012 to the present. She was also the Managing Director of Sun Hung Kai Securities Philippines, Inc. from 1999 to June 2000. She has a Bachelor of Arts degree in Mass Communication from St. Scholastica's College.

MAGHER S. BAUL, Filipino, aged thirty-seven (37) was elected as a director of the Corporation on January 11, 2019. She is a Managing Partner at Mendiola Baul Valenzuela Law Office (formerly Jovellanos-Kho Yu Mendiola Pabalate Law Office). Ms. Baul is a member of the Philippine bar. She holds a Bachelor of Science in Legal Management and a Bachelor of Laws degree from San Beda College.

RODOLFO B. FERNANDEZ, Filipino, aged sixty-nine (69) has more than thirty-five years of experience in banking particularly in Trust and Estate Planning, Corporate and Retail Banking, Compliance, Audit and Good Governance and as Chief Legal Officer and General Counsel. He is a Lead Independent Director of Crown Equities, Inc. and a Director and Legal Consultant of RG Financial Services Inc. and a Director of The

Organization of Property Stakeholders Inc. He is a member of the Integrated Bar of the Philippines. He holds a Bachelor of Laws degree from the University of the Philippines.

JUAN VICTOR S. TANJUATCO, Filipino, aged seventy-eight (78), is an Independent Director of IP Ventures, Inc., and a Director of Ketmar Fast Food Corporation. Previously, he served in the same capacity on the board of Insular Savings Bank and Asiatrust Development Bank. A career banker, he was the former President of Export and Industry Bank and previously held various executive positions at Credit Agricole Indosuez in Manila, New Zealand and Hongkong, where, after 21 years, he retired as Deputy General Manager in Manila. Mr. Tanjuatco holds a Bachelor of Arts Degree in Economics from the Ateneo de Manila University (cum laude) and a Masters in Business Administration, major in Finance, from the Wharton School, University of Pennsylvania.

#### Executive Officers

The following are the principal officers of the Corporation:

Chairman of the Board	-	Bobby Cheng Sai Chong
President/Corporate Information Officer	-	Dionisio E. Carpio, Jr.
Corporate Secretary	-	Jonas S. Khaw
Treasurer/Assistant Corporate Secretary	-	Pauline C. Tan

In addition to those already shown above, the following is description of the other positions held by the remaining principal officers and their business experience for the last five years:

JONAS S. KHAW, Filipino, aged forty-five (45), is the Corporate Secretary of the Corporation. He has been the corporate secretary since December 15, 2017 up to the present. He is a member of the Philippine Bar and a partner in the law firm Picazo Buyco Tan Fider & Santos. Atty. Khaw holds a Juris Doctor and Bachelor of Science in Management Engineering degrees both from the Ateneo de Manila University. He is also the Assistant Corporate Secretary of Bloomberry Resorts Corporation and Apex Mining Co., Inc., both publicly listed companies.

#### (2) Significant Employees

There are no other employees who are expected by the Corporation to make a significant contribution to its business. Moreover, the business of the Corporation is not highly dependent on the services of certain key personnel.

#### (3) Family Relationship

None.

#### (4) Involvement in Certain Legal Proceedings

Based on their individual responses after due inquiry as of December 31, 2025, none of the following events occurred with respect to any of the foregoing nominees and executive officers during the past five (5) years that would be material to an evaluation of their ability or integrity to act as directors or executive officers of the Corporation, except as otherwise provided below:

- (a) Any bankruptcy petition filed by or against any business of which the nominee was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time.
- (b) Any conviction by final judgment, 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;
- (c) Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the nominee's involvement in any type of business, securities, commodities or banking activities; and

- (d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Item 10. Executive Compensation

(1) Annual Compensation of the Top Executive Officers of the Corporation

<b>Name and Principal Position</b>	<b>Year</b>	<b>Salary</b>	<b>Bonus</b>	<b>Other Annual Compensation</b>
Dionisio E. Carpio, Jr. (President)	2024	None	None	P45,000
	2025	None	None	P45,000
	2026 (Estimated)	None	None	P45,000
Pauline C. Tan (Treasurer and Compliance Officer)	2024	P2,340,000	None	P45,000
	2025	P2,340,000	None	P45,000
	2026 (Estimated)	P2,340,000	None	P45,000
All Top Executive Officers and Directors as a group	2024	P2,340,000	None	P321,000
	2025	P2,340,000	None	P321,000
	2026 (Estimated)	P2,340,000	None	P321,000

Notes:

1. The aforementioned Other Annual Compensation consists only *per diems* given to directors.
2. Each Director receives *per diems* of P2,000 for each board meeting.
3. The Corporate Secretary does not receive a salary but his law firm is paid a professional retainer fee.

(2) Compensation of Directors

Since the dates of their election, except for *per diems*, the Directors have served without compensation. Except for *per diems*, the Directors did not receive any other amount or form of compensation for committee participation or special assignments.

The Amended By-laws of the Corporation does not provide for compensation for the directors. As of the date of this Information Statement, no standard arrangements have been made in respect of director compensation. For the ensuing year, the Corporation does not foresee payment of compensation for directors, except reasonable *per diems* annually for each director. The Corporation, however, does not discount the possibility that director compensation other than reasonable *per diems* may be given in the future.

- (3) Pursuant to Article VI, Section 8 of the Amended By-Laws of the Corporation, such compensation may be fixed by the directors with the approval of a majority of the stockholders and will in no case exceed 10% of the net income before income tax of the Corporation for the preceding year.

(a) Employment Contracts

There are no formal employment contracts between the Corporation and its executive officers and other officers. The terms and conditions of their employment are governed by applicable laws.

(b) Compensatory Plan or Arrangement

There are formal compensatory plans or arrangements between the Corporation and its executive officers and other officers.

(c) Warrants and Options Outstanding

There are no outstanding warrants and options held by the Corporation's directors, executive officers and other officers.

Item 11. Security Ownership of Certain Beneficial Owners and Management-

*Security Ownership of Certain Record and Beneficial Owners of more than 5% of the Corporation's Outstanding Stock as of December 31, 2025:*

<b>Title of class</b>	<b>Name, Address of Record Owner and Relationship with Issuer</b>	<b>Name of Beneficial Owner and Relationship with Record Owner</b>	<b>Citizenship</b>	<b>No. of Shares Held</b>	<b>Percent of class</b>
Common	Bonham Strand Investments Ltd. c/o 19 Keppel Road #03-05, JA Poh Building, Singapore (Parent Company of the Issuer)	Millenium Empire Holdings, Ltd. Quijano & Associates (BVI) Limited, P.O. Box 3159, Road Town, Tortola, British Virgin Islands (Parent Company of the Record Owner)	Foreign	2,201,421,241	69.6808%
Common	PCD Nominee Corp. Makati Stock Exchange Bldg., Ayala Avenue Makati City (No Relationship with Issuer)	Various beneficial owners	Filipino	323,962,966	10.2543%
Common	Citivist Asia Limited c/o Room 2301, Tower One, Lippo Centre, 89 Queensway Hong Kong (Significant Shareholder of the Issuer)	Citivist Asia Limited c/o Room 2301, Tower One, Lippo Centre, 89 Queensway Hong Kong	Foreign	322,314,874	10.2021%
Common	Xu Hanjiang The Office Tower Convention Plaza Suite 1607, I Harbour Road, Wanchai, Hongkong (No Relationship with Issuer)	Xu Hanjiang The Office Tower Convention Plaza Suite 1607, I Harbour Road, Wanchai, Hongkong	Foreign	258,113,200	8.1700%

## Security Ownership of Management

To the extent known to the Board of Directors, as of December 31, 2025, there is no security beneficial ownership of Management, other than the shares held for their own account by the following directors:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	Percent of Ownership
		Amount	Nature		
Common Stock	Bobby Cheng Sai Chong	1	Direct	British	Nil
Common Stock	Dionisio E. Carpio, Jr.	1,000	Direct	Filipino	Nil
Common Stock	Edna D. Reyes	19,999	Indirect Held through PCD Nominee	Filipino	Nil
		1	Direct		
Common Stock	Pauline C. Tan	1	Direct	Filipino	Nil
Common Stock	Magher S. Baul	1	Direct	Filipino	Nil
Common Stock	Juan Victor S. Tanjuatco	4	Direct	Filipino	Nil
Common Stock	Rodolfo B. Fernandez	4	Direct	Filipino	Nil
	TOTAL	21,011			

Voting Trust Holders of 5% or More - None

Changes in Control - None

### Item 12. Certain Relationships and Related Transactions (See Note 12 of the Notes to the Financial Statements)

The Corporation in the ordinary course of business, grants and obtains advances to and from related parties as well as non-related third parties.

### Item 13. Corporate Governance

- a. Evaluation System established by the Corporation to measure or determine the level of compliance of the Board of Directors and top level management with its Manual of Corporate Governance.

The Corporation has accomplished and submitted its Integrated Annual Corporate Governance Report ("I-ACGR") to the SEC. The Corporation reviews the specific policies and regulations on the I-ACGR and determines whether it fully complies with it. Any deviation is immediately discussed among the members of the management. As of this date, the Corporation has sufficiently complied with its Manual on Corporate Governance. There has been no deviation from the Manual on Corporate Governance.

- b. Measures being undertaken by the Corporation to fully comply with the adopted leading practices on good corporate governance.

To strictly observe and implement the provisions of its Manual of Corporate Governance, the following penalties are imposed, after notice and hearing, on the Corporation's directors, officers, staff, subsidiaries and affiliates and their respective directors, officers and staff in case of violation of any of the provision of the Manual of Corporate Governance:

- In case of first violation, the subject person shall be reprimanded.
- Suspension from office shall be imposed in case of second violation.
- The duration of the suspension shall depend on the gravity of the violation.

- For third violation, the maximum penalty of removal from office shall be imposed.

The commission of a third violation of the Manual of Corporate Governance by any member of the board of the Corporation or its subsidiaries and affiliates shall be a sufficient cause for removal from directorship.

The Compliance Officer shall be responsible for determining violation/s through notice and hearing and shall recommend to the Chairman of the Board the imposable penalty for such violation, for further review and approval of the Board.

- c. Any deviation from the Corporation's Manual of Corporate Governance. Including a disclosure of the name and position of the persons involved and sanctions imposed on said individual.

As of this date, the Corporation has sufficiently complied with its Manual on Corporate Governance. There has been no deviation from the Manual on Corporate Governance.

- d. Any plan to improve corporate governance of the Corporation.

The Corporation accomplishes and submits its Integrated Annual Corporate Governance Report ("I-ACGR") to the SEC annually. The Corporation reviews the specific policies and regulations on the I-ACGR and determines whether it fully complies with it. Any deviation is immediately discussed among the members of the management.

Attached as Annex A of this Annual Report is the Sustainability Report of the Corporation.

#### **PART IV - EXHIBITS AND SCHEDULES**

	<b><u>Page/Incorporation by Reference</u></b>
(1) Financial Statements Statements of Financial Position Statements of Comprehensive Income Statements of Changes in Equity Statements of Cash Flows Notes to Financial Statements	Please see accompanying Index to Financial Statements and Supplementary Schedules
(2) Sustainability Report of the Corporation	Annex A
(3) Plan of Acquisition	not applicable
(4) Instruments Defining the Rights of Securities Holders	not applicable
(5) Voting Trust Agreement	not applicable
(6) Annual Report to Security Holders	not applicable
(7) Change in Certifying Accountant	not applicable
(8) Report furnished to Security Holders	not applicable
(9) Subsidiaries of the Registrant	not applicable
(10) Published Report Regarding Matter Submitted to Vote of Security Holders	not applicable
(11) Consents of Experts and Independent Counsel	not applicable
(12) Power of Attorney	not applicable

**SIGNATURES**

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this Report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on March 31, 2026.

<u>Signature</u>	<u>Capacity</u>
 _____ Sai Chong Cheng	Chairman of the Board
 _____ Dionisio E. Carpio, Jr.	President
 _____ Pauline C. Tan	Treasurer


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

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_, affiants exhibiting to me their Senior Citizen ID/SSS Numbers as follows:

<b>NAMES</b>	<b>Senior Citizen ID/SSS</b>	<b>DATE OF ISSUE</b>	<b>PLACE OF ISSUE</b>
Sai Chong Cheng	15061	April 12, 2010	Quezon City
Dionisio E. Carpio, Jr	03-1710841-7		Manila
Pauline C. Tan	33-0293610-9		Manila

**APR 08 2026**

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Page No. 4 ;  
Book No. 4 ;  
Series of 2026

  
**ATTY. ADONAI JAN R. ASLARONA**  
Notary Public  
Until December 31, 2026  
IBP O.R No 591537/01-07-2020/Pampanga  
Appointment No. M-030 (2025-2026)  
Roll of Attorney No. 84603  
MCLE Compliance No. VII-0033436  
PTR No. 10769145/1-06-2026/Makati City  
Unit 1009 Philippine AXA Life Centre, Sen. Gil Puyat  
Avenue Corner, Tindalo Street, Makati City 1206



# Medco Holdings, Inc.

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

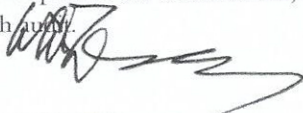
The management of Medco Holdings, Inc. is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Medco Holdings, Inc.'s financial reporting process.

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

Punongbayan & Araullo Grant Thornton, the independent auditors appointed by the stockholders, has audited the financial statements of the Medco Holdings, Inc. in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

  
**Sai Chong Cheng**  
Chairman of the Board  
TIN 911-812-692

  
**Dionisio E. Carpio, Jr.**  
President  
TIN 115-321-387

  
**Pauline C. Tan**  
Treasurer  
TIN 100-666-150

Signed this 31st day of March 2026

**APR 08 2026**

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_, affiants exhibiting to me their Senior Citizen ID/SSS Numbers as follows:

Sai Chong Cheng 15061  
Dionisio E. Carpio, Jr. 03-1710841-7  
Pauline C. Tan 33-0293610-9

April 12, 2010/Quezon City, Philippines  
Manila, Philippines  
Manila, Philippines

**ATTY. ADONIS R. ASLARONA**  
Notary Public

Until December 31, 2026  
IBP O.R No 591537/01-07-2026/Pampanga  
Appointment No. M-030 (2025-2026)  
Roll of Attorney No. 84603

MCLE Compliance No. VIII-0033436  
PTR No. 10769145/1-06-2026/Makati City  
Unit 1009 Philippine AXA Life Centre, Sen. Gil Puyat  
Avenue, Makati City 1229, Philippines 1208

Doc. No. 13  
Page No. 9  
Book No. 9  
Series of 2026

31/F Rufino Pacific Tower, 6784 Ayala Avenue, Makati City 1229, Philippines  
Tel.: (632) 8811-0465



**P&A**  
**Grant Thornton**

Financial Statements and  
Independent Auditors' Report

**Medco Holdings, Inc.**

December 31, 2025, 2024 and 2023



## Report of Independent Auditors

**The Board of Directors and the Stockholders**  
**Medco Holdings, Inc.**  
**(A Subsidiary of Bonham Strand Investments Ltd.)**  
31<sup>st</sup> Floor, Rufino Pacific Tower  
6784 Ayala Avenue, Makati City

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Medco Holdings, Inc. (the Company), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards).

#### *Basis for Opinion*

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

#### *Key Audit Matter*

Key audit matter is those matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

## ***Valuation of Financial Assets at Fair Value Through Other Comprehensive Income***

### ***Description of the Matter***

Under PFRS 13, *Fair Value Measurement*, the Company is required to measure the fair value of its assets and liabilities in accordance with the standard's framework. This involves using market-based measurements rather than entity-specific measurements. The fair valuation of the financial assets of the Company is considered a key area of focus in our audit due to the use of significant quantitative unobservable inputs in computing the market value of these financial assets. The Company has unquoted equity securities classified as Financial Assets at Fair Value through Other Comprehensive Income (FVOCI). The fair value of the financial assets is determined using the market approach – price-to-earnings approach. In addition, management's fair valuation of the financial assets process involved significant judgment and high estimation uncertainty based on the assumptions used. The significant assumptions encompass historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

As of December 31, 2025, the fair value of the Company's financial assets at FVOCI was P59,899,227, representing 82.30% of the total assets, which amounted to P72,782,596.

### ***How the Matter was Addressed in the Audit***

Our audit procedures to address the risk of material misstatement relating to the valuation of financial assets at FVOCI included, among others, the items enumerated below.

- assessing the reasonableness of unobservable inputs used and evaluating the valuation techniques used by the management;
- comparing the methodologies applied and assumptions used by the management with our expectations and emerging market activities; and,
- reviewing the formulas used in fair market valuation and recomputing the fair values based on inputs and methodologies applied.

The Company's policy, judgments and estimates on accounting for Financial Assets at FVOCI is disclosed in Notes 2 and 3 to the financial statements and an analysis about the details of the assets' components is presented in Note 7 to the financial statements.

### ***Other Information***

Management is responsible for the other information. The other information comprises the information included in the Company's Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditors' report.

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

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

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

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

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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


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

### **Report on Other Legal and Regulatory Requirements**

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2025 required by the Bureau of Internal Revenue as disclosed in Note 21 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The engagement partner on the 2025 audit resulting in this independent auditors' report is Arman B. Neptuno.

### **PUNONGBAYAN & ARAULLO**

  
**By: Arman B. Neptuno**  
Partner

CPA Reg. No. 0148776  
TIN 428-244-641  
PTR No. 10770768, January 6, 2026, Makati City  
SEC Group A Accreditation  
Partner - No. 140306-SEC (until financial period 2029)  
Firm - No. 0002 (until financial period 2030)  
BIR AN 08-002551-048-2023 (until November 14, 2026)  
BOA/PRC Cert. of Reg. No. 0002/P-020 (until August 12, 2027)

March 31, 2026

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2025 AND 2024**  
*(Amounts in Philippine Pesos)*

	Notes	2025	2024
<b><u>A S S E T S</u></b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	<b>P 2,672,655</b>	P 9,155,618
Receivables - net	8	-	1,532,306
Due from related parties	12	<b>10,150,000</b>	8,200,000
Total Current Assets		<b>12,822,655</b>	18,887,924
<b>NON-CURRENT ASSETS</b>			
Financial assets at fair value through other comprehensive income	7	<b>59,899,227</b>	56,693,912
Other assets - net	9	<b>60,714</b>	75,893
Total Non-current Assets		<b>59,959,941</b>	56,769,805
<b>TOTAL ASSETS</b>		<b>P 72,782,596</b>	P 75,657,729
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>CURRENT LIABILITIES</b>			
Accrued expenses and other liabilities	10	<b>P 928,975</b>	P 7,416,391
Loans payable	13	<b>11,357,440</b>	-
Due to related parties	12	<b>18,253,532</b>	19,266,470
Total Current Liabilities		<b>30,539,947</b>	26,682,861
<b>NON-CURRENT LIABILITIES</b>			
Loans payable	13	-	4,683,760
Post-employment defined benefit obligation	14	<b>2,598,692</b>	2,227,291
Total Non-current Liabilities		<b>2,598,692</b>	6,911,051
Total Liabilities		<b>33,138,639</b>	33,593,912
<b>EQUITY</b>			
Capital stock	5	<b>157,964,622</b>	157,964,622
Additional paid-in capital	5	<b>25,498,912</b>	25,498,912
Revaluation reserves - net	7, 14	<b>( 495,204,158 )</b>	( 498,358,986 )
Retained earnings	5	<b>351,384,581</b>	356,959,269
Net Equity	5	<b>39,643,957</b>	42,063,817
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P 72,782,596</b>	P 75,657,729

*See Notes to Financial Statements.*

**MEDCO HOLDINGS, INC.**  
**(A Subsidiary of Bonham Strand Investments Ltd.)**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**  
**(Amounts in Philippine Pesos)**

	Notes	2025	2024	2023
<b>INCOME</b>				
Dividends	7	P 1,500,000	P 1,500,000	P -
Foreign exchange gains - net	4	316,456	-	134,975
Interest income	6	<u>9,340</u>	<u>4,363</u>	<u>6,371</u>
		<u>1,825,796</u>	<u>1,504,363</u>	<u>141,346</u>
<b>EXPENSES</b>				
Salaries and employee benefits	14	3,275,887	3,170,467	3,146,316
Impairment losses	8, 9	976,315	193,976	178,011
Professional and management fees		779,100	723,985	618,000
Interest expense - net	13, 14	637,106	136,194	87,928
Occupancy	12	312,000	312,000	312,000
Membership fees and dues		263,017	376,465	333,896
Transportation		252,740	264,571	243,640
Representation		191,214	191,200	191,795
Communication		72,472	55,971	47,253
Taxes and licenses		16,895	16,898	17,294
Foreign exchange losses - net	4	-	2,874	-
Others	11	<u>620,439</u>	<u>542,565</u>	<u>547,130</u>
		<u>7,397,185</u>	<u>5,987,166</u>	<u>5,723,263</u>
<b>LOSS BEFORE TAX</b>		( 5,571,389 )	( 4,482,803 )	( 5,581,917 )
<b>TAX EXPENSE</b>	15	( 3,299 )	( 5,062 )	( 2,014 )
<b>NET LOSS</b>		( 5,574,688 )	( 4,487,865 )	( 5,583,931 )
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Fair value gain on financial assets at fair value through other comprehensive income	7	3,205,315	12,033,864	6,517,788
Remeasurements of post-employment defined benefit obligation	14	( 50,487 )	( 547,257 )	96,571
<b>Other Comprehensive Income</b>		<u>3,154,828</u>	<u>11,486,607</u>	<u>6,614,359</u>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		( P 2,419,860 )	P 6,998,742	P 1,030,428
<b>Basic and Diluted Loss Per Share</b>	16	( P 0.0018 )	( P 0.0014 )	( P 0.0018 )

*See Notes to Financial Statements.*

**MEDCO HOLDINGS, INC.**  
**(A Subsidiary of Bonham Strand Investments Ltd.)**  
**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**  
**(Amounts in Philippine Pesos)**

	<u>Capital Stock</u> (see Note 5)	<u>Additional Paid-in Capital</u> (see Note 5)	<u>Revaluation Reserves - net</u> (see Notes 7 and 14)	<u>Retained Earnings</u> (see Note 5)	<u>Net Equity</u>
Balance at January 1, 2025	P 157,964,622	P 25,498,912	( P 498,358,986 )	P 356,959,269	P 42,063,817
Total comprehensive income (loss)	<u>-</u>	<u>-</u>	<u>3,154,828</u>	<u>( 5,574,688 )</u>	<u>( 2,419,860 )</u>
Balance at December 31, 2025	<b><u>P 157,964,622</u></b>	<b><u>P 25,498,912</u></b>	<b><u>( P 495,204,158 )</u></b>	<b><u>P 351,384,581</u></b>	<b><u>P 39,643,957</u></b>
Balance at January 1, 2024	P 157,964,622	P 25,498,912	( P 509,845,593 )	P 361,447,134	P 35,065,075
Total comprehensive income (loss)	<u>-</u>	<u>-</u>	<u>11,486,607</u>	<u>( 4,487,865 )</u>	<u>6,998,742</u>
Balance at December 31, 2024	<b><u>P 157,964,622</u></b>	<b><u>P 25,498,912</u></b>	<b><u>( P 498,358,986 )</u></b>	<b><u>P 356,959,269</u></b>	<b><u>P 42,063,817</u></b>
Balance at January 1, 2023	P 157,964,622	P 25,498,912	( P 516,459,952 )	P 367,031,065	P 34,034,647
Total comprehensive income (loss)	<u>-</u>	<u>-</u>	<u>6,614,359</u>	<u>( 5,583,931 )</u>	<u>1,030,428</u>
Balance at December 31, 2023	<b><u>P 157,964,622</u></b>	<b><u>P 25,498,912</u></b>	<b><u>( P 509,845,593 )</u></b>	<b><u>P 361,447,134</u></b>	<b><u>P 35,065,075</u></b>

*See Notes to Financial Statements.*

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**  
*(Amounts in Philippine Pesos)*

	Notes	2025	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Loss before tax		( P 5,571,389 )	( P 4,482,803 )	( P 5,581,917 )
Adjustments for:				
Dividend income	7	( 1,500,000 )	( 1,500,000 )	-
Impairment losses	8, 9	976,315	193,976	178,011
Interest expense - net	13, 14	131,187	98,570	87,928
Unrealized foreign exchange losses (gains) - net	4	( 97,870 )	139,886	( 80,338 )
Depreciation	9	15,179	-	-
Interest income	6	( 9,340 )	( 4,363 )	( 6,371 )
Operating loss before working capital changes		( 6,055,918 )	( 5,554,734 )	( 5,402,687 )
Decrease (increase) in receivables		737,465	( 737,454 )	( 69,206 )
Increase in other assets		( 181,474 )	( 193,976 )	( 178,011 )
Increase in due from related parties		( 1,950,000 )	( 2,513,000 )	( 2,737,000 )
Increase (decrease) in accrued expenses and other liabilities		( 6,487,416 )	6,269,147	( 149,652 )
Increase in post-employment defined benefit obligation		189,727	157,040	162,430
Cash used in operations		( 13,747,616 )	( 2,572,977 )	( 8,374,126 )
Interest received		9,340	4,363	6,371
Cash paid for income taxes		( 3,299 )	( 715 )	( 969 )
Net Cash Used in Operating Activities		( 13,741,575 )	( 2,569,329 )	( 8,368,724 )
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Dividends received	7	1,500,000	1,500,000	-
Acquisitions of computer equipment	9	-	( 75,893 )	-
Net Cash From Investing Activities		1,500,000	1,424,107	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from loan borrowing	13	6,673,680	4,683,760	-
Payments of cash advances from related parties	12	( 1,012,938 )	( 41,446 )	-
Proceeds from cash advances obtained from related parties	12	-	-	10,857,916
Net Cash From Financing Activities		5,660,742	4,642,314	10,857,916
Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		97,870	( 139,886 )	80,338
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		( 6,482,963 )	3,357,206	2,569,530
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	6	9,155,618	5,798,412	3,228,882
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	6	<b>P 2,672,655</b>	<b>P 9,155,618</b>	<b>P 5,798,412</b>

**Supplemental Information on a Non-cash Investing Activity –**

The Company has recognized fair value gain in 2025, 2024 and 2023 amounting to P3,205,315, P12,033,864 and P6,517,788, respectively, from its investment in Manila Exposition Complex (see Note 7).

*See Notes to Financial Statements.*

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025, 2024 AND 2023**  
*(Amounts in Philippine Pesos)*

**1. GENERAL INFORMATION**

***1.1 Corporate Information***

Medco Holdings, Inc. (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on October 23, 1969. The Company currently conducts business as an investment holding company. Its shares of stock are publicly traded at the Philippine Stock Exchange (PSE).

The Company is a subsidiary of Bonham Strand Investments Ltd. (BSIL) with an ownership of 69.68% as of December 31, 2025 and 2024, respectively. BSIL is an entity engaged in investment holding and registered in British Virgin Islands.

The Company's ultimate parent company is the Winter Dragon Limited, a corporation incorporated on January 4, 2024 and duly existing under the laws of the British Virgin Islands. It was organized for the purpose of an investment holding company. Its business address is at 137 Telok Ayer Street #03-07 Singapore 068602.

The registered office address of the Company, which is also its principal place of business, is located at 31<sup>st</sup> Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City. The registered office address of BSIL, which is also its principal place of business, is located at Akara Building, 24 De Castro Street, Wickhams Cay I, Road Town, Tortola, British Virgin Islands.

***1.2 Approval of Financial Statements***

The financial statements of the Company as at and for the year ended December 31, 2025 (including the comparative financial statements as of December 31, 2024 and for the years ended December 31, 2024 and 2023) were authorized for issue by the Company's Board of Directors (BOD) on March 31, 2026.

**2. MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policy information that have been used in the preparation of these financial statements are summarized in the succeeding page. The policies have been consistently applied to all the years presented, unless otherwise stated.

## **2.1 Basis of Preparation of Financial Statements**

### *(a) Statement of Compliance with Philippine Financial Reporting Standards*

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

### *(b) Presentation of Financial Statements*

The financial statements are prepared in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Company presents all items of income and expenses and other comprehensive income in a single statement of comprehensive income.

The Company presents a third statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

### *(c) Functional and Presentation Currency*

These financial statements are presented in Philippine pesos (PHP), the Company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the Company are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

## **2.2 Adoption of New and Amended PFRS Accounting Standards**

### *(a) Effective in 2025 that is Relevant to the Company*

The Company adopted for the first time amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which are mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments require entities to assess whether a currency is exchangeable and to determine a spot exchange rate when exchangeability is lacking. These amendments also mandate the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments had no significant impact on the financial statements of the Company.

(b) *Effective Subsequent to 2025 but not Adopted Early*

There are new amendments to existing standards effective for annual periods subsequent to 2025, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Company's financial statements:

- (i) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026). The amendments add new required disclosures for any investments in equity instruments designated at fair value through other comprehensive income (FVOCI). These include disclosures of the fair value gain or loss presented in other comprehensive income for the period, showing separately the fair value gain or loss related to investments derecognized or held, as well as the transfer of cumulative gain or loss within equity related to derecognized investments.
- (ii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The amendments, however, do not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.

### **2.3 Financial Instruments**

(a) *Financial Assets*

(i) *Classification, Measurement and Reclassification of Financial Assets*

The Company's financial assets include financial assets at amortized cost and financial assets at FVOCI.

*Financial Assets at Amortized Cost*

The Company's financial assets at amortized cost are presented in the statement of financial position as Cash and Cash Equivalents, Receivables – net, and Due from Related Parties.

For purposes of cash flows reporting and presentation, cash and cash equivalents comprise accounts with original maturities of three months or less, including cash. These generally include cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets except for those that are subsequently identified as credit impaired. For credit-impaired financial assets at amortized cost, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance). The interest earned is recognized in the statement of comprehensive income as Interest Income.

(ii) Financial Assets at FVOCI

At initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Company for trading or as mandatorily required to be classified as fair value through profit or loss (FVTPL). The Company has designated unquoted equity instruments as at FVOCI on initial recognition.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for any disposal costs. Gains and losses arising from changes in fair value, including the foreign exchange component, are recognized in other comprehensive income and are reported as part of Revaluation Reserves – net account in equity. When the asset is disposed of, the cumulative gain or loss previously recognized in the Revaluation Reserves - net account is not reclassified to profit or loss but is reclassified directly to Retained Earnings account.

Any dividends earned on holding equity instruments are recognized under the Income section of the statement of comprehensive income, when the Company's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and, the amount of the dividend can be measured reliably, unless the dividends clearly represent recovery of a part of the cost of the investment.

(iii) Evaluation of Impairment of Financial Assets

The Company assesses its Expected Credit Losses (ECL) on its financial assets carried at amortized cost on a forward-looking basis. Recognition of credit losses is no longer dependent on the Company's identification of a credit loss event. Instead, the Company considers a broader range of information in assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets.

For cash and cash equivalents, the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are low credit risk investments.

The key elements used in the calculation of ECL are as follows:

- Probability of default – It is an estimate of likelihood of a counterparty defaulting at its financial obligation over a given time horizon, either over the next 12 months or the remaining lifetime of the obligation.
- Loss given default – It is an estimate of loss arising in case where a default occurs at a given time. It is based on the difference between the contractual cash flows of a financial instrument due from a counterparty and those that the Company would expect to receive, including the realization of any collateral or effect of any credit enhancement; and
- Exposure at default – It represents the gross carrying amount of the financial instruments in the event of default which pertains to its amortized cost.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

*(b) Financial Liabilities*

Financial liabilities include Accrued expenses and other liabilities (except due to government agencies), Loans payable, and Due to related parties.

**2.4 Revenue and Expense Recognition**

Currently, the Company does not have any revenue source except those arising from financial assets which are under PFRS 9 (i.e., dividends and interest income).

Expenses are recognized in the statements of comprehensive income upon utilization of the goods or services or at the date they are incurred.

**2.5 Leases – Company as Lessee**

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in the statements of comprehensive income on a straight-line basis over the lease term.

**2.6 Foreign Currency Transactions and Translation**

The accounting records of the Company are maintained in PHP. Foreign currency transactions during the year are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of comprehensive income.

## 2.7 *Employee Benefits*

The Company provides post-employment benefits to employees through a defined benefit plan and defined contribution plans, and other employee benefits.

### (a) *Short-term Employee Benefits*

Short-term employee benefits include salaries, contributions to government agencies, and non-monetary benefits provided to current employees, which are expected to be settled before 12 months after the end of the reporting period during which employee services are rendered, but does not include termination benefits.

### (b) *Post-employment Defined Benefit Plan*

The Company's defined benefit post-employment plan covers all regular full-time employees. The pension plan is tax-qualified, non-contributory and administered by a trustee.

The defined benefit obligation is calculated annually or every two years by independent actuaries using the projected unit credit method.

### (c) *Post-employment Defined Contribution Plan*

A defined contribution plan is a post-employment plan under which the Company pays fixed contributions into an independent entity (such as the Social Security System). The Company has no legal or constructive obligation to pay further contributions after payment of the fixed contribution.

### (d) *Termination Benefits*

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of when it can no longer withdraw the offer of such benefits and when it recognizes costs for a restructuring that is within the scope of *PAS 37 Provisions, Contingent Liabilities, and Contingent Assets*, and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

## **2.8 Related Party Relationships and Transactions**

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These parties include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual; and (c) the Company's partially funded retirement plan.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

Based on the requirement of SEC Memorandum Circular 2019-10, *Rules of Material Related Party Transactions of Publicly-listed Companies*, transactions amounting to 10% or more of the total assets based on its latest financial statements that were entered into with related parties are considered material.

All individual material related party transactions shall be approved by at least two-thirds (2/3) vote of the Company's BOD, with at least a majority of the independent directors voting to approve the material related party transactions.

In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock. For aggregate related party transactions within a 12-month period that breaches the materiality threshold of 10% of the Company's total assets based on the latest financial statements, the same board approval would be required for the transactions that meet and exceed the materiality threshold covering the same related party.

## **2.9 Equity**

Capital stock represents the nominal value of shares that have been issued.

Additional paid-in capital (APIC) represents premium received on the initial issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from APIC, net of any related income tax benefits.

Revaluation reserves - net comprise fair value changes of financial assets at FVOCI and remeasurements of the defined benefit post-employment plan.

Retained earnings represent all current and prior period results of operations as reported in the statement of comprehensive income.

### **2.10 Loss Per Share**

Currently, the Company does not have potentially dilutive shares outstanding; hence, the diluted earnings (loss) per share is equal to the basic loss per share.

### **2.11 Events After the End of the Reporting Period**

Any post year-end event that provides additional information about the Company's financial position at the end of the reporting period (adjusting event) is reflected in the financial statements. Post year-end events that are not adjusting events, if any, are disclosed when material to the financial statements.

## **3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of the Company's financial statements in accordance with PFRS Accounting Standards requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

### **3.1 Critical Management Judgments in Applying Accounting Policies**

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

#### *(a) Evaluation of Business Model Applied in Managing Financial Instruments*

The Company developed business models which reflect how it manages its portfolio of financial instruments. The Company's business models need not be assessed at entity level or as a whole but shall be applied at the level of a portfolio of financial instruments (i.e., group of financial instruments that are managed together by the Company) and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of individual financial instrument).

In determining the classification of a financial instrument, the Company evaluates in which business model a financial instrument or a portfolio of financial instruments belong to taking into consideration the objectives of each business model established by the Company (e.g., held-for-trading, generating accrual income, direct matching to a specific liability) as those relate to the Company's investment and trading strategies.

(b) *Testing the Cash Flow Characteristics of Financial Assets and Continuing Evaluation of the Business Model*

In determining the classification of financial assets, the Company assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal outstanding, with interest representing time value of money and credit risk associated with the principal amount outstanding. Moreover, the assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents time value of money and credit risk) does not meet the amortized cost criteria. In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as modified time value of money, the Company assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion. The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of money element was not modified (the benchmark cash flows). If the resulting difference is significant, the SPPI criterion is not met. In view of this, the Company considers the effect of the modified time value of money element in each reporting period and cumulatively over the life of the financial instrument.

(c) *Recognition of Provisions and Contingencies*

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Judgment is exercised by management to distinguish between provisions and contingencies. Disclosures on relevant provisions and contingencies are presented in Note 17.

### **3.2 Key Sources of Estimation Uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) *Estimation of Allowance for ECL*

The measurement of the allowance for ECL on receivables and due from related parties is an area that requires the use of significant assumptions about the future economic conditions and credit behaviour (e.g., likelihood of counterparties defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 4.2.

(b) *Fair Value Measurement for Financial Instruments*

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using unobservable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the end of reporting period.

The carrying values of the Company's financial assets at FVOCI and the amounts of fair value changes recognized on those assets are disclosed in Note 7.

(c) *Determination of Realizable Amounts of Deferred Tax Assets*

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. No deferred tax assets were recognized as of December 31, 2025 and 2024 as the Company's management believes that the Company will not be able to generate sufficient taxable profit in the coming years against which the assets can be utilized (see Note 15).

(d) *Impairment of Non-financial Assets*

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in those assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Accumulated impairment loss recognized on the Company's other assets is disclosed in Note 9.

(e) *Valuation of Post-employment Defined Benefit Obligation*

The determination of the Company's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by an independent actuary in calculating such amounts. Those assumptions include, among others, discount rates and expected rate of salary increases. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or loss and the carrying amount of the post-employment benefit obligation in the next reporting period.

The amounts of post-employment benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment benefit, as well as the significant assumptions used in estimating such obligation are presented in Note 14.2.

#### 4. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks in relation to financial instruments. The Company's financial assets and financial liabilities by category are summarized in Note 18. The main types of risks are market risk, credit risk, and liquidity risk. The Company's risk management is coordinated with the BOD and focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes, nor does it write options. The relevant financial risks to which the Company is exposed to are described below and in the succeeding pages.

##### **4.1 Market Risk**

The Company is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, interest rate risk and certain other price risk which result from both its operating, investing and financing activities.

###### *(a) Foreign Currency Risk*

Most of the Company's transactions are carried out in PHP, its functional currency. Exposures to currency exchange rates mainly arise from the Company's cash and cash equivalents, which are primarily denominated in United States (U.S.) dollars.

To mitigate the Company's exposure to foreign currency risk, non-Philippine peso cash flows are monitored.

As at December 31, 2025 and 2024, the U.S. dollars denominated financial assets, translated into PHP at the closing rate amounted to P988,252 and P7,185,189, respectively.

The sensitivity of profit before tax with respect to changes in PHP against U.S. dollar exchange rates is identified by management to have an insignificant impact on the Company's financial statements.

###### *(b) Interest Rate Risk*

The Company monitors interest rate movements and adjusts on its applicable financial assets and financial liabilities, if any, as may be deemed necessary.

At December 31, 2025 and 2024, the Company is exposed to changes in market interest rates through its cash and cash equivalents which are subject to variable interest rates (see Note 6). Management believes that the impact of changes in market interest rates is not material to the financial statements. All other financial assets and financial liabilities are noninterest bearing.

## 4.2 Credit Risk

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments from granting receivables to customers including related parties and placing deposits with banks. The Company continuously monitors defaults of customers and other counterparties, identified either individually or by Company, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the statements of financial position or in the detailed analysis provided in the notes to financial statements, as summarized below.

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	6	<b>2,672,655</b>	9,155,618
Due from related parties	12	<b>10,150,000</b>	8,200,000
Receivables - net	8	<u>-</u>	<u>1,532,306</u>
		<b><u>12,822,655</u></b>	<b><u>18,887,924</u></b>

None of the Company's financial assets are secured by collateral or other credit enhancements, except for cash and cash equivalents as described below.

### (a) Cash and Cash Equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in banks and short-term placements which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P1,000,000 effective March 15, 2025 for every depositor per banking institution.

### (b) Due from Related Parties

The Company's due from related parties is repayable on demand and the contractual period is the very short period needed to transfer the cash once demanded. Management determines possible impairment based on the related parties' ability to repay the advances upon demand at the reporting date taking into consideration historical defaults from the related parties. Accordingly, no impairment was recognized in 2025 and 2024.

### (c) Receivables - net

The credit risk for interest and other receivables is considered negligible as this pertains to interest earned from short-term placements, which normally matures within 30 to 92 days. The Company applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance for receivables.

### 4.3 Liquidity Risk

The Company manages its liquidity needs by carefully monitoring cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as based on a rolling 30-day projection. Long-term liquidity needs for a six-month and one-year period are identified monthly.

The Company's financial liabilities (excluding due to government agencies) as at December 31, 2025 and 2024 are presented below.

<i>(Amounts in PHP)</i>	Notes	<u>2025</u>	<u>2024</u>
Due to related parties	12	<b>18,253,532</b>	19,266,470
Accrued expenses and other liabilities	10	<b>875,745</b>	7,355,463
Loans payable	13	<b>11,357,440</b>	4,683,760
		<b><u>30,486,717</u></b>	<b><u>31,305,693</u></b>

Financial liabilities have contractual maturities within one year, except for loans payable that have a maturity of more than a year.

## 5. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

### 5.1 Capital Management Objectives, Policies and Procedures

The Company's capital management objectives are to ensure that the Company continues as a going concern. With the current financial condition of the Company, the management is working closely with the parent company and the BOD to achieve these objectives.

Relevant information is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Total liabilities	<b>33,138,639</b>	33,593,912
Net equity	<b>39,643,957</b>	42,063,817
Debt-to-equity ratio	<b><u>0.84 : 1.00</u></b>	<u>0.80 : 1.00</u>

As at December 31, 2025 and 2024, the Company is not subject to any externally imposed capital requirements.

## **5.2 Track Record of Registration of Securities**

On April 24, 2018, the SEC approved the decrease in the Company's authorized capital stock from P700,000,000 divided into 700,000,000 common shares to P35,000,000 divided into 700,000,000 common shares by reducing the par value per share from P1.00 to P0.05. In addition, the SEC also approved the application of the resulting surplus amounting to P665,000,000 against the outstanding deficit as of December 31, 2017. On the same day, the SEC approved the Company's application for increase of its capital stock from P35,000,000 divided into 700,000,000 common shares to P470,000,000 divided into 9,400,000,000 shares. The payables to BSIL and Mr. Xu Hanjiang totalling P122,964,622 were used as subscription for this application.

The Company has a total authorized capital stock of P470,000,000 divided into 9,400,000,000 common shares with a P0.05 par value as at December 31, 2025 and 2024. There are 3,159,292,441 issued and outstanding shares with a total par value of P157,964,622 as of December 31, 2025 and 2024.

On March 26, 2025, the PSE approved the Company's application to list an additional 2,459,292,441 common shares subject of the Company's private placement transaction to support the increase in authorized capital stock (funded by a debt-to-equity conversion) with BSIL and Mr. Xu Hanjiang at a conversion price of P0.05 per share, for a total transaction value amounting to P122,964,622. On April 22, 2025, the PSE approved the listing of said shares.

The Company has 474 and 475 stockholders owning 100 or more shares each of the Company's capital stock as at December 31, 2025 and 2024, respectively.

On November 18, 1975, the SEC approved the listing at the PSE of the Company's shares totalling 700,000,000. As of December 31, 2025 and 2024, there are 673 holders of the listed shares equivalent to 100% of the Company's total outstanding shares. Such listed shares closed at P0.09 and P0.12 per share as of December 31, 2025 and 2024, respectively. The Company has no other securities being offered for trading in any stock exchange.

## **6. CASH AND CASH EQUIVALENTS**

As of December 31, 2025 and 2024, the Company has cash in bank amounting to P2,672,655 and P9,155,618, respectively, which generally earns interest based on daily bank deposit rates.

Interest earned from cash in bank for the year ended December 31, 2025, 2024 and 2023 amounted to P9,340, P4,363 and P6,371, respectively. Interest earned is reported as Interest Income in the statements of comprehensive income.

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Company's financial assets at FVOCI pertains to unquoted equity securities. The reconciliation of the carrying amounts of these financial assets are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	<b>56,693,912</b>	44,660,048
Fair value gain	<b>3,205,315</b>	12,033,864
Balance at end of year	<b><u>59,899,227</u></b>	<b><u>56,693,912</u></b>

The Company has designated the equity securities as financial assets at FVOCI because they are held for long-term investments and are neither held-for-trading nor designated as at FVTPL. The investment in unquoted equity security of the Company as at December 31, 2025 and 2024 mainly pertains to the Company's investment in Manila Exposition Complex, Inc. (MEC) representing 18.18% ownership interest (P31,268,750), investment in I-Mart Corporation (I-Mart) representing 10% ownership interest (P45,000,000) and investment in Export and Industry Bank, Inc. (EIB) representing 2.45% ownership (P478,380,834).

In 2025 and 2024, the fair value of the Company's investment in MEC is determined using price-to-earnings approach. The fair values of the investments in I-Mart and EIB were determined using the net asset valuation approach in both 2025 and 2024. Hence, these assets are categorized under Level 3 of the fair value hierarchy (see Note 19.2).

In 2025 and 2024, cash dividends amounting to P1,500,000 were received from investment in MEC. It is presented as Dividends in the statements of comprehensive income. No cash dividends were received in 2023.

The investments in I-Mart and EIB are carried at nil in the financial statements as of December 31, 2025 and 2024. The related fair value losses are accumulated as part of the Revaluation Reserves - net account under the equity section of the statements of financial position.

## 8. RECEIVABLES

This account consists of the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Accounts receivable	<b>40,313,000</b>	40,313,000
Other receivables	<b>794,841</b>	1,532,306
	<b>41,107,841</b>	41,845,306
Allowance for impairment	<b>(41,107,841)</b>	(40,313,000)
	<b><u>-</u></b>	<b><u>1,532,306</u></b>

The accounts receivable of the Company pertains to advances granted to a foreign corporation. These advances matured on August 31, 2000. Full allowance for impairment has been provided on this balance as management believes that it may no longer be collectible.

Other receivables pertain to the taxes and licenses paid by the Company on behalf of Classic Tycoon Investment Limited and Fair Navigator Limited, related parties under common ownership, with registered address at British Virgin Islands. The outstanding receivables are unsecured, noninterest-bearing and collectible in cash on demand. These receivables are subject to credit risk. In 2025, the Company recognized full allowance of the outstanding receivable as management believes it may no longer be collectible.

A reconciliation of the allowance for impairment at the beginning and end of the reporting periods is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	<b>40,313,000</b>	40,313,000
Impairment losses	<b>794,841</b>	-
Balance at end of year	<b><u>41,107,841</u></b>	<u>40,313,000</u>

## 9. OTHER ASSETS

This account consists of the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Input value added tax (VAT)	<b>2,964,649</b>	2,783,175	2,589,199
Allowance for impairment	<b>(2,964,649)</b>	(2,783,175)	(2,589,199)
Computer equipment	<b>60,714</b>	75,893	-
	<b><u>60,714</u></b>	<u>75,893</u>	<u>-</u>

On December 10, 2024, the Company acquired computer equipment with an estimated useful life of five years. In 2025, depreciation expense amounting to P15,179 was recognized and is presented as part of Others in the 2025 statement of comprehensive income. No depreciation expenses were recognized in 2024 and 2023.

A reconciliation of the allowance for impairment of input VAT at the beginning and end of year is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Balance at beginning of year	<b>2,783,175</b>	2,589,199	2,411,188
Impairment losses	<b>181,474</b>	193,976	178,011
	<b><u>2,964,649</u></b>	<u>2,783,175</u>	<u>2,589,199</u>

The Company recognized impairment losses on its input VAT since management believes that the Company will not be able to offset such against any future tax liabilities. The amounts of impairment losses amounting to P181,474, P193,976, and P178,011 in 2025, 2024, and 2023, respectively, are presented as part of Impairment Losses in the statements of comprehensive income.

## 10. ACCRUED EXPENSES AND OTHER LIABILITIES

This account consists of the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Accrued expenses	875,745	329,823
Due to government agencies	53,230	60,928
Due to a third party	-	7,025,640
	<u>928,975</u>	<u>7,416,391</u>

Accrued expenses primarily include unpaid professional fees, transportation and other expenses as of the end of the reporting dates.

Due to a third party refers to the excess funds transferred to the Company by Winright Holdings Limited (Winright), a company incorporated and operating in British Virgin Islands. In 2024, the Company entered into a loan agreement with Winright, for the latter to extend a loan facility to the Company up to USD80,000. The Company had drawn the full facility amount in 2024, however, instead of the facility amount of USD80,000 the Company received USD200,000 from Winright. Consequently, the excess funds received shall be remitted back to Winright and is considered due on demand (see Note 13). There was no similar transaction in 2025.

## 11. OTHER EXPENSES

This account consists of:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Directors' fee	276,000	276,000	276,000
Publication expenses	84,502	84,502	84,502
Lodgement fee	50,664	-	-
Repairs and maintenance	39,500	19,000	12,529
Training and seminar	30,000	29,500	28,000
Depreciation expense	15,179	-	-
Insurance	900	13,498	32,570
Office supplies	734	5,311	1,785
Miscellaneous	122,960	114,754	111,744
	<u>620,439</u>	<u>542,565</u>	<u>547,130</u>

Miscellaneous refers to bank charges, notarial fees and other expenses.

## 12. RELATED PARTY TRANSACTIONS

The Company's related parties include its stockholders, other entities through common ownership and/or with interlocking directors, its retirement fund and key management personnel as described below and in the succeeding page.

### 12.1 Summary of Related Party Transactions

A summary of the Company's related party transactions as of December 31, 2025, 2024 and 2023 are as follows:

(Amounts in PHP)

Related Party Category	Notes	Amounts of Transactions			Outstanding Receivable (Payable)	
		2025	2024	2023	2025	2024
<b>Parent Company –</b>						
Cash advances paid (obtained)	12.2	862,938	41,446	(10,857,916)	(15,253,532)	(16,116,470)
<b>Related parties under common ownership and with interlocking directors and officers:</b>						
Cash advances to related parties	12.3	1,950,000	2,513,000	2,737,000	10,150,000	8,200,000
Lease of office space	12.4	312,000	312,000	312,000	-	-
Cash advances obtained –						
Lippo Securities, Inc.	12.2	(150,000)	-	-	(3,000,000)	(3,150,000)
Other receivables	8	-	716,798	69,206	-	1,511,650
Other payables	12.7	-	(827,300)	162,526	-	-
<b>Key management personnel:</b>						
Salaries and other benefits	12.5	2,385,000	2,385,000	2,385,000	-	-
Retirement fund	12.6	(371,401)	(802,867)	(153,787)	(2,598,692)	(2,227,291)

### 12.2 Due to Related Parties

Due to related parties pertain to noninterest-bearing, unsecured cash advances from related parties for working capital requirements and other purposes. These advances are generally payable in cash upon demand and is presented as Due to Related Parties in the statements of financial position.

In 2025 and 2024, the Company paid cash advances to BSIL amounting to P862,938 and P41,446, respectively. In 2023, the Company received additional advances from BSIL amounting to P10,857,916. The outstanding balance as of December 31, 2025 and 2024 amounted to P15,253,532 and P16,116,470, respectively. These are presented as part of Due to Related Parties in the statements of financial position.

In 2025 and 2024, the Company paid cash advances to LSI amounting to P150,000 and nil, respectively. The outstanding balance as of December 31, 2025 and 2024 amounted to P3,000,000 and P3,150,000, respectively. These are presented as part of Due to Related Parties in the statements of financial position.

### ***12.3 Due from Related Parties***

The Company grants advances to related parties for working capital requirements and other purposes. The advances are noninterest-bearing, unsecured, collectible in cash upon demand. These entities are related parties of the Company by virtue of having interlocking directors and common executive officers. As of December 31, 2025 and 2024, the outstanding receivable is P10,150,000 and P8,200,000, respectively. These are presented as Due from Related Parties in the statements of financial position.

A reconciliation of the carrying amounts of the Due from Related Parties is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Balance at beginning of year	<b>8,200,000</b>	5,687,000	2,950,000
Additions	<b>1,950,000</b>	2,513,000	2,737,000
Balance at end of year	<b><u>10,150,000</u></b>	<u>8,200,000</u>	<u>5,687,000</u>

### ***12.4 Lease of Office Space***

The Company leases its office space from a related party for a period of one year, renewable upon mutual agreement of the parties. Total rent charged to operations are presented as Occupancy in the statements of comprehensive income. The Company does not have any outstanding liabilities arising from these transactions as of December 31, 2025 and 2024 as the payments are made every month.

### ***12.5 Key Management Personnel Compensation***

The compensation and benefits provided to key management personnel generally consist of short-term employee benefits. These are presented as part of Employee Benefits in the statements of comprehensive income (see Note 14.1).

### ***12.6 Transactions with the Retirement Fund***

The retirement fund for the defined benefit post-employment plan is administered and managed by a trustee bank. The fair value and the composition of the plan assets as of December 31, 2025 and 2024 are presented in Note 14.2.

The retirement fund neither provides any guarantee or surety for any obligation of the Company nor its investments covered by any restrictions or liens.

The details of the contributions of the Company to the plan are presented in Note 14.2.

### ***12.7 Other Payables***

In 2023, the Parent Company transferred funds to the Company in relation to the Parent Company's tender offer. No similar transactions occurred in 2025 and 2024. As of December 31, 2025 and 2024, the outstanding payable is nil.

### 13. LOANS PAYABLE

The Company's loans payable is broken down as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current	11,357,440	-
Non-current	<u>-</u>	<u>4,683,760</u>
	<u>11,357,440</u>	<u>4,683,760</u>

On June 9, 2025, and November 12, 2024, the Company entered into an interest-bearing loan agreement with Winright for USD120,000 and USD80,000, respectively, at an annual interest rate of 6%, due in 15 months from the date of agreement.

The Company shall repay the loan on the maturity date unless otherwise agreed in writing. As of December 31, 2025 and 2024 the outstanding loans payable amounting to P11,357,440 and P4,683,760, respectively, and is presented as Loans Payable in the statements of financial position. The interest expense incurred from these loans for the year ended December 31, 2025 and 2024 amounted to P505,919 and P37,624, respectively, and is presented as part of Interest expense - net in the statements of comprehensive income. There were no similar transactions in 2023.

Presented below is the reconciliation of the outstanding balance at the end of each reporting periods.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	4,683,760	-
Additions	<u>6,673,680</u>	<u>4,683,760</u>
Balance at end of year	<u>11,357,440</u>	<u>4,683,760</u>

### 14. EMPLOYEE BENEFITS

#### *14.1 Employee Benefits Expense*

Details of salaries and employee benefits are presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	3,086,160	3,013,427	2,983,886
Post-employment defined benefits	<u>189,727</u>	<u>157,040</u>	<u>162,430</u>
	<u>3,275,887</u>	<u>3,170,467</u>	<u>3,146,316</u>

## 14.2 *Post-employment Defined Benefit*

### (a) *Characteristics of the Defined Benefit Plan*

The Company maintains a partially funded, tax-qualified, non-contributory post-employment benefit plan that is being administered by a trustee bank that is legally separated from the Company. The trustee bank managed the fund in coordination with the Company's Management Committee who acts in the best interest of the plan assets and is responsible for setting the investment policies. The post-employment plan covers all regular full-time employees.

The normal retirement age is 65. The plan also provides for an early retirement at age 50 with a minimum of ten years of credited service and voluntary separation with a minimum of five years of credited service, both subject to the approval of the Company's BOD. Normal retirement benefit is an amount equivalent to 100% of the final monthly salary for every year of credited service.

### (b) *Explanation of Amounts Presented in the Financial Statements*

Actuarial valuations are made every two years to update the retirement benefit costs and the amount of contributions. The 2024 amounts presented in the succeeding pages are based on the actuarial valuation report obtained from an independent actuary. No actuarial valuation was done in 2025 and 2023.

The amounts of post-employment benefit obligation recognized in the statements of financial position are determined as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Present value of obligation	<b>4,599,605</b>	4,164,584
Fair value of the plan assets	<b>(2,000,913)</b>	<b>(1,937,293)</b>
	<b><u>2,598,692</u></b>	<b><u>2,227,291</u></b>

The movements in the present value of the post-employment benefit obligation recognized in the books follow:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	<b>4,164,584</b>	3,395,874
Current service cost	<b>189,727</b>	157,040
Interest cost	<b>245,294</b>	234,994
Actuarial loss due to:		
Changes in financial assumptions	-	344,830
Deviations of experience from assumption:	<u>-</u>	<u>31,846</u>
Balance at end of year	<b><u>4,599,605</u></b>	<b><u>4,164,584</u></b>

The movements in the fair value of plan assets are presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	1,937,293	1,971,450
Interest income	114,107	136,424
Loss on plan assets (excluding amounts included in net interest)	<u>(50,487)</u>	<u>(170,581)</u>
Balance at end of year	<u><b>2,000,913</b></u>	<u>1,937,293</u>

The composition of the fair value of plan assets at the end of the reporting period by category and risk characteristics is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	60,185	60,185
Debt securities –		
Unit investment trust funds (UITF)	1,793,583	1,844,070
Account/Interest receivable	147,710	33,603
Accrued trust fees	<u>(565)</u>	<u>(565)</u>
	<u><b>2,000,913</b></u>	<u>1,937,293</u>

The fair values of the above debt securities are determined based on quoted market prices in active markets (classified as Level 1 of the fair value hierarchy).

The Company's plan assets earned (incurred) a return (loss) of (P50,487), (P170,581), and P96,571 in 2025, 2024, and 2023, respectively. Plan assets do not comprise any of the Company's own financial instruments or any of its assets occupied and/or used in its operations.

The components of amounts recognized in profit or loss and in other comprehensive income in respect of the defined benefit post-employment plan are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Reported in profit or loss:</i>			
Current service cost	189,727	157,040	162,430
Net interest expense	<u>131,187</u>	<u>98,570</u>	<u>87,928</u>
	<u><b>320,914</b></u>	<u>255,610</u>	<u>250,358</u>
<i>Reported in other comprehensive income (loss):</i>			
Return (loss) on plan assets (Excluding amounts included in net interest expense)	<b>(50,487)</b>	(170,581)	96,571
Actuarial arising from:			
Experience adjustments	-	(344,830)	-
Changes in financial assumptions	<u>-</u>	<u>(31,846)</u>	<u>-</u>
	<u><b>(50,487)</b></u>	<u>(547,257)</u>	<u>96,571</u>

Current service cost is presented as part of Salaries and Employee Benefits in the statements of comprehensive income.

Net interest expense is included as part of Interest expense - net in the statements of comprehensive income.

Amounts recognized in other comprehensive income were included within items that will not be reclassified subsequently to profit or loss.

In determining the amounts of the defined benefit post-employment obligation, the following significant actuarial assumptions were used for the Company's obligation:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Discount rates	<b>5.89%</b>	5.89%	6.92%
Expected rate of salary increase	<b>4.00%</b>	4.00%	4.00%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the age of 65 is 10 for both males and females.

These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of a zero-coupon government bond with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

The plan exposes the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) *Investment and Interest Risks*

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bond will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and other assets and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has relatively substantial investment in government debt securities while it also invests in cash and cash equivalents, and UITF for liquidity purposes. Due to the long-term nature of the plan obligation, a level of continuing equity investments in debt securities is an appropriate element of the Company's long-term strategy to manage the plan efficiently.

(ii) *Longevity and Salary Risks*

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) *Other Information*

The information on the sensitivity analysis for certain significant actuarial assumptions, the Company's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are described below and in the succeeding page.

(i) *Sensitivity Analyses*

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation as of December 31, 2025 and 2024:

	<b>Impact on Defined Benefit Obligation</b>		
	<b>Change in assumption</b>	<b>Increase in assumption</b>	<b>Decrease in assumption</b>
<i>(Amounts in PHP)</i>			
<b>December 31, 2025</b>			
Discount rate	<b>100 basis points</b>	<b>(370,315)</b>	<b>410,423</b>
Salary increase rate	<b>100 basis points</b>	<b>414,069</b>	<b>(380,293)</b>
December 31, 2024			
Discount rate	100 basis points	(335,291)	371,606
Salary increase rate	100 basis points	374,907	(344,326)

The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

(ii) *Asset-liability Matching Strategies*

To efficiently manage the retirement plan, the Company ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in long-term fixed interest securities (i.e., government or other debt securities) with maturities that match the benefit payments as they fall due and in the appropriate currency. The Company actively monitors how the duration, and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations.

In view of this, investments are made in reasonably diversified portfolio, such that the failure of any single investment would not have a material impact on the overall level of assets.

There has been no change in the Company's strategies to manage its risks from previous periods.

(iii) *Funding Arrangements and Expected Contributions*

The plan is currently underfunded by P2.6 million. While there are no minimum funding requirement in the country, the size of the underfunding may pose a cash flow risk in about 20 years' time when a significant number of current employees is expected to retire.

## 15. TAXES

The components of tax expense as reported in the profit or loss section of the statement of comprehensive income are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
MCIT at 2%	1,574	4,347	1,045
Final tax at 20% and 15%	<u>1,725</u>	<u>715</u>	<u>969</u>
	<u><b>3,299</b></u>	<u><b>5,062</b></u>	<u><b>2,014</b></u>

The reconciliation of tax on pretax loss for 2025, 2024 and 2023 computed at the applicable statutory tax rates to tax expense reported in the profit or loss section of the statements of comprehensive income is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Tax on pre-tax loss at 20%	<b>(1,114,278)</b>	(896,561)	(1,116,383)
Adjustment for income subjected to lower tax rates	<b>(143)</b>	(158)	(305)
Tax effects of:			
Unrecognized deferred tax asset on temporary differences	<b>1,187,865</b>	1,127,754	1,045,024
Non-taxable income	<b>(300,000)</b>	(300,000)	-
Non-deductible expenses	<b>229,855</b>	74,027	73,678
Tax expense	<u><b>3,299</b></u>	<u><b>5,062</b></u>	<u><b>2,014</b></u>

The Company did not recognize net deferred tax assets on net operating loss carry over (NOLCO) and other temporary differences since management believes that the related benefits may not be fully utilized considering the current status of operations of the Company. Details of unrecognized net deferred tax assets are as follows:

<i>(Amounts in PHP)</i>	2025		2024	
	Amount	Tax Effect	Amount	Tax Effect
Remeasurements of				
fair value loss in FVOCI*	494,750,357	98,950,071	497,955,672	99,591,134
Allowance for impairment	40,315,000	8,063,000	40,315,000	8,063,000
NOLCO	21,889,610	4,377,922	25,871,015	5,174,203
Retirement benefit obligation	3,377,386	675,477	3,056,472	611,294
Unamortized past service cost	67,252	13,450	110,880	22,176
MCIT	6,966	6,966	5,392	5,392
Unrealized foreign currency losses - net	-	-	139,886	27,977
	<b>560,406,571</b>	<b>112,086,866</b>	<b>567,454,317</b>	<b>113,495,176</b>

*\*Other comprehensive income*

The breakdown of the Company's NOLCO as at December 31, 2025, which can be claimed as deductions from future taxable income within three or five years from the year the tax loss was incurred, is presented below. Specifically, NOLCO incurred in 2021 and 2020 can be claimed as a deduction from the gross income until 2026 and 2025, respectively, in accordance with Republic Act No. 11494, *Bayaniban to Recover as One Act*. The NOLCO incurred in 2022 shall be valid for a period of three years.

<i>(Amounts in PHP)</i>				
Year	Original Amount	Expired Balance	Remaining Balance	Valid Until
2025	5,891,928	-	5,891,928	2028
2024	5,184,828	-	5,184,828	2027
2023	5,104,030	-	5,104,030	2026
2022	4,913,834	4,913,834	-	
2021	5,708,824	-	5,708,824	2026
2020	4,959,499	4,959,499	-	
	<b>31,762,943</b>	<b>9,873,333</b>	<b>21,889,610</b>	

In 2025, 2024 and 2023, the Company is subject to the MCIT which is computed at 2%, 2% and 1.5%, respectively, of gross income net of allowable deductions, respectively, as defined under the tax regulations, or to RCIT, whichever is higher. There was no RCIT incurred in 2025, 2024 and 2023 as the Company is in a tax loss position in those years. However, the Company incurred MCIT in 2025, 2024 and 2023 due to realized foreign currency gains.

Presented below are the details of MCIT and the year in which it can be claimed as deduction against RCIT.

<i>(Amounts in PHP)</i>					
<u>Year Incurred</u>	<u>Original Amount</u>	<u>Applied/ Expired</u>	<u>Remaining Balance</u>	<u>Expiry Year</u>	
2025	1,574	-	1,574	2028	
2024	4,347	-	4,347	2027	
2023	1,045	-	1,045	2026	
	<b>6,966</b>	<b>-</b>	<b>6,966</b>		

In 2025, 2024 and 2023, the Company opted to claim itemized deductions in computing for its income tax due.

## 16. BASIC AND DILUTED LOSS PER SHARE

Basic and diluted loss per share for the years ended December 31, 2025, 2024, and 2023 is computed as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Net loss attributable to the shareholders of the Company	<b>(5,574,688)</b>	(4,487,865)	(5,583,931)
Divided by the weighted average number of outstanding shares	<b>3,159,292,441</b>	3,159,292,441	3,159,292,441
Basic and diluted loss per share	<b>(0.0018)</b>	(0.0014)	(0.0018)

The Company has no potentially dilutive common shares as of December 31, 2025 and 2024.

## 17. COMMITMENTS AND CONTINGENCIES

There are commitments and contingencies that arise in the normal course of the Company's operations which are not reflected in the financial statements. As at December 31, 2025 and 2024, management is of the opinion that losses, if any, that may arise from these commitments and contingencies will not have a material effect on the Company's financial statements.

## 18. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

### *18.1 Carrying Amounts and Fair Values by Category*

The Company has no financial assets at fair value whose fair value is required to be disclosed. For the Company's financial assets and financial liabilities at amortized cost as of December 31, 2025 and 2024, management considers that their carrying values approximate or equal their fair values, thus, no further comparison is presented. Fair value determination of such financial instruments is discussed in Note 19.

## ***18.2 Offsetting of Financial Assets and Financial Liabilities***

The Company has not set off financial instruments and does not have relevant offsetting arrangements. Currently, financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis in the event of default of the other party through approval by the respective BOD and stockholders of both parties or upon instruction by its major stockholders. There was no potential offsetting as at December 31, 2025 and 2024.

## **19. FAIR VALUE MEASUREMENT AND DISCLOSURES**

### ***19.1 Fair Value Hierarchy***

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Company, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Company uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

### 19.2 *Financial Instruments Measured at Fair Value*

The Company holds financial assets at FVOCI. The fair value of investments in I-Mart and EIB has been determined based on the net asset approach. Provided with allowance, the assets are carried at nil as of December 31, 2025 and 2024.

In 2025 and 2024, the Company used the market approach – price-to-earnings as its valuation method in determining the fair value of investments in MEC. The approach is based on valuation technique where the Company measures its current share price relative to its earnings per share. The price-to-earnings ratio is also known as the price multiple or the earnings multiple.

All financial assets at FVOCI are categorized under Level 3 of the fair value hierarchy.

The Company has no financial liabilities measured at fair value as of December 31, 2025 and 2024.

### 19.3 *Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed*

Management considers that due to the short duration of financial assets and financial liabilities measured at amortized cost, as disclosed in Note 18, their carrying amounts as of December 31, 2025 and 2024 approximate their fair value. Except for cash and cash equivalents which is classified under Level 1, all other financial instruments are classified under Level 3 wherein inputs are not based on observable data.

There were neither transfers between Levels 1 and 2 nor changes in Level 3 instruments in both years.

## 20. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below is the reconciliation of the Company's liabilities arising from financing activities, which includes both cash and non-cash changes.

<i>(Amounts in PHP)</i>	<b>Loans Payable</b> (see Note 13)	<b>Due to Related Parties</b> (see Note 12)	<b>Total</b>
Balance as of January 1, 2025	4,683,760	19,266,470	23,950,230
Cash flows from financing activities			
Additional borrowings	6,673,680	-	6,673,680
Payments	-	(1,012,938)	(1,012,938)
<b>Balance at December 31, 2025</b>	<b>11,357,440</b>	<b>18,253,532</b>	<b>29,610,972</b>
Balance as of January 1, 2024	-	19,307,916	19,307,916
Cash flows from financing activities			
Additional borrowings	4,683,760	-	4,683,760
Payments	-	(41,446)	(41,446)
Balance at December 31, 2024	4,683,760	19,266,470	23,950,230
Balance as of January 1, 2023	-	8,450,000	8,450,000
Cash flow from a financing activity			
Additional borrowings	-	10,857,916	10,857,916
Balance at December 31, 2023	-	19,307,916	19,307,916

## 21. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

Presented below and in the succeeding page is the supplementary information on taxes, duties and license fees paid or accrued by the Company during the taxable year which is required by the Bureau of Internal Revenue (BIR) under Revenue Regulation No. 15-2010 to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS Accounting Standards.

### (a) *Output VAT*

The Company did not declare output VAT for the year ended December 31, 2025 as it did not have any transactions in 2025 which are subject to output VAT.

### *Input VAT*

The movements of input VAT in 2025 are summarized below.

*(Amounts in PHP)*

Balance at beginning of year	2,783,175
Current year's domestic purchases of services lodged under administrative expenses	<u>181,474</u>
Balance at end of year	<u><u>2,964,649</u></u>

### (c) *Taxes on Importation*

The Company did not have any importations subject to custom duties and tariff fees.

### (d) *Excise Tax*

The Company did not have any transactions which are subject to excise tax.

### (e) *Documentary Stamp Tax*

The Company did not have any transactions which are subject to documentary stamp tax.

### (f) *Taxes and Licenses*

Details taxes and licenses of the Company in 2025 are shown below.

*(Amounts in PHP)*

Licenses and permit fees	13,942
Barangay clearance	2,450
Community tax	<u>503</u>
	<u><u>16,895</u></u>

(g) *Withholding Taxes*

The total withholding taxes of the Company for the year ended December 31, 2025 are shown below.

*(Amounts in PHP)*

Compensation and benefits	475,601
Expanded	77,196
Final	<u>11,250</u>
	<u><b>564,047</b></u>

(h) *Deficiency Tax Assessments and Tax Cases*

As at December 31, 2025, the Company does not have any final deficiency tax assessments with the BIR or tax cases outstanding or pending in courts or bodies outside of the BIR in any of the open taxable years.



**Report of Independent Auditors  
on Supplementary Schedules  
Required by the Securities and  
Exchange Commission  
Filed Separately from the  
Basic Financial Statements**

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**Punongbayan & Araullo**  
20<sup>th</sup> Floor, Tower 1  
The Enterprise Center  
6766 Ayala Avenue  
1200 Makati City  
Philippines

T +63 2 8988 2288

**The Board of Directors and the Stockholders  
Medco Holdings, Inc.  
(A Subsidiary of Bonham Strand Investments Ltd.)**  
31<sup>st</sup> Floor, Rufino Pacific Tower  
6784 Ayala Avenue, Makati City

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of Medco Holdings, Inc. (the Company) for the year ended December 31, 2025, on which we have rendered our report dated March 31, 2026. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of the Revised Securities Regulation Code 68. Such supplementary information is not a required part of the basic financial statements prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards) and is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**PUNONGBAYAN & ARAULLO**

**By: Arman B. Neptuno**  
Partner

CPA Reg. No. 0148776  
TIN 428-244-641  
PTR No. 10770768, January 6, 2026, Makati City  
SEC Group A Accreditation  
Partner - No. 140306-SEC (until financial period 2029)  
Firm - No. 0002 (until financial period 2030)  
BIR AN 08-002551-048-2023 (until November 14, 2026)  
BOA/PRC Cert. of Reg. No. 0002/P-020 (until August 12, 2027)

March 31, 2026

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**LIST OF SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2025**

<u>Schedule</u>	<u>Description</u>	<u>Page No.</u>
<b>Schedules Required under Annex 68-J of the Revised Securities Regulation Code Rule 68</b>		
A	Financial Assets	1
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	3
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	N/A
D	Long-term Debt	N/A
E	Indebtedness to Related Parties	4
F	Guarantees of Securities of Other Issuers	N/A
G	Capital Stock	5
<b>Other Required Information:</b>		
	Reconciliation of Retained Earnings	6
	Map Showing the Relationship Between and Among Related Entities	7
	Schedule of External Auditor Fee-Related Information	8

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**SCHEDULE A - FINANCIAL ASSETS (Financial Assets at Amortized Cost)**

<i>Description</i>	<i>Number of shares or principal amount of bonds or notes</i>	<i>Amount shown on the balance sheet</i>	<i>Interest received and accrued</i>
Cash and cash equivalents	-	P 2,672,655	P 9,340
Due from related parties	-	<u>10,150,000</u>	<u>-</u>
<b>Total Financial Asset at Amortized Cost</b>		<b><u>P 12,822,655</u></b>	<b><u>P 9,340</u></b>

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**SCHEDULE A - FINANCIAL ASSETS**  
**DECEMBER 31, 2025**  
*(Amounts in Philippine Pesos)*

<i>Name of issuing entity and association of each issue (i)</i>	<i>Number of shares or principal amount of bonds or notes</i>	<i>Amount shown on the balance sheet</i>	<i>Valued based on the fair value at end of reporting period</i>	<i>Dividend received and accrued</i>
Manila Exposition Complex, Inc.	300,000	P 59,899,227	P 59,899,227	P 1,500,000
I-Mart Corporation	100,000	-	-	-
Export and Industry Bank, Inc.	463,292,500	-	-	-
<b>Total Financial Asset at Fair Value Through Other Comprehensive Income</b>		<b><u>P 59,899,227</u></b>	<b><u>P 59,899,227</u></b>	<b><u>P 1,500,000</u></b>

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES**  
**DECEMBER 31, 2025**  
*(Amounts in Philippine Pesos)*

<i>Name and designation of debtor</i>	<i>Balance at beginning of period</i>	<i>Additions</i>	<i>Deductions</i>		<i>Ending Balance</i>		<i>Balance at end of period</i>
			<i>Amounts collected</i>	<i>Amounts written off</i>	<i>Current</i>	<i>Non-current</i>	

*Due from Related Parties:*

Capital Place International Ltd.	<u>P 8,200,000</u>	<u>P 1,950,000</u>	<u>P 0</u>	<u>P 0</u>	<u>P 10,150,000</u>	<u>P 0</u>	<u>P 10,150,000</u>
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**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**SCHEDULE E - DUE TO RELATED PARTIES**  
**DECEMBER 31, 2025**  
*(Amounts in Philippine Pesos)*

<i>Name of related parties</i>	<i>Balance at beginning of the year</i>	<i>Balance at end of the year</i>
Lippo Securities, Inc.	P 3,150,000	P 3,000,000
Bonham Strand Investments Ltd.	<u>16,116,470</u>	<u>15,253,532</u>
Total	<u>P 19,266,470</u>	<u>P 18,253,532</u>

MEDCO HOLDINGS, INC.  
(A Subsidiary of Bonham Strand Investments Ltd.)  
SCHEDULE G - CAPITAL STOCK  
DECEMBER 31, 2025

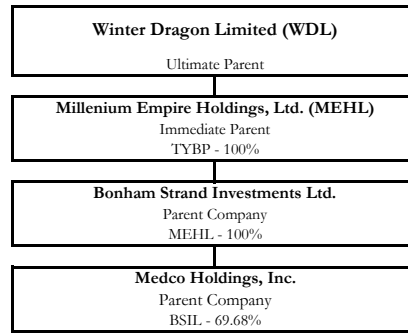
<i>Title of Issue</i>	<i>Number of Shares Authorized</i>	<i>Number of Shares Issued and Outstanding under Related Balance Sheet Caption</i>	<i>Number of Shares Reserved for Options, Warrants, Conversions and Other Rights</i>	<i>Number of Shares Held By</i>		
				<i>Related Parties (Parent, Affiliates)</i>	<i>Directors, Officers and Employees</i>	<i>Others</i>
Common Shares (par P0.05)	9,400,000,000	3,159,292,441	Not Applicable	2,523,744,115	21,011	635,527,315

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
31st Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City  
**Reconciliation of Retained Earnings Available for Dividend Declaration**  
December 31, 2025

<b>Unappropriated Retained Earnings at Beginning of Year</b>	(P	308,040,731 )
<b>Add: <u>Category A:</u> Items that are directly credited to Unappropriated Retained Earnings</b>		
Reversal of Retained Earning Appropriation/s	-	
Effect of restatements or prior-period adjustments	-	
Others	-	
	<hr/>	-
<b>Less: <u>Category B:</u> Items that are directly debited to Unappropriated Retained Earnings</b>		
Dividend declared during the reporting period	-	
Retained Earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments	-	
Others	-	
	<hr/>	-
<b>Unappropriated Retained Earnings at Beginning of Year, as adjusted</b>	(	308,040,731 )
<b>Add/Less: Net Income (Loss) for the Current Year</b>	(	5,574,688 )
<b>Less: <u>Category C.1:</u> Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of investment property	-	
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	-	
	<hr/>	-
Sub-total		<hr/>
<b>Add: <u>Category C.2:</u> Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b>		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at FVTPL	-	
Realized fair value gain of investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	
	<hr/>	-
Sub-total		<hr/>
<b>Add: <u>Category C.3:</u> Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)</b>		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at FVTPL	-	
Reversal of previously recorded fair value gain of investment property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-	
	<hr/>	-
Sub-total		<hr/>
<b>Adjusted Net Income/Loss</b>	(	<u>313,615,419</u> )
<b>Add: <u>Category D:</u> Non-actual lossess recognized in profit or loss during the reporting period (net of tax)</b>		
Depreciation on revaluation increment (after tax)	-	
	<hr/>	-
Sub-total		<hr/>
<b>Add/ Less: <u>Category E:</u> Adjustments related to relief granted by the SEC and BSP</b>		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others	-	
	<hr/>	-
Sub-total		<hr/>
<b>Add/ Less: <u>Category F:</u> Unrealized income recognized in the profit or loss in prior periods but reversed in the current reporting period (net of tax)</b>		
Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right-of-use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others	-	
	<hr/>	-
Sub-total		<hr/>
<b>Unappropriated Retained Earnings Available for Dividend Distribution at End of Year</b>	(P	<u>313,615,419</u> )

**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
Map Showing the Relationship Between and Among Related Entities  
DECEMBER 31, 2025

S



**MEDCO HOLDINGS, INC.**  
*(A Subsidiary of Bonham Strand Investments Ltd.)*  
**Supplementary Schedule of External Auditor Fee-Related Information**  
**For the Years Ended December 31, 2025 and 2024**

	2025	2024
<b>Total Audit Fees</b>	<b>P 470,000</b>	P 425,000
Non-audit service fees:	-	-
Other assurance service	-	-
Tax service	-	-
All other service	-	-
<b>Total Non-Audit Fees</b>	<b>-</b>	-
<b>Total Audit and Non-audit Fees</b>	<b>P 470,000</b>	P 425,000
<b>Audit and Non-audit fees of other related entities</b>	<b>2025</b>	2024
Audit fees	<b>P -</b>	P -
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
<b>Total Audit and Non-audit Fees of other related entities</b>	<b>P -</b>	P -



## Report of Independent Auditors on Components of Financial Soundness Indicators

**Punongbayan & Araullo**  
20<sup>th</sup> Floor, Tower 1  
The Enterprise Center  
6766 Ayala Avenue  
1200 Makati City  
Philippines

T +63 2 8988 2288

**The Board of Directors and the Stockholders**  
**Medco Holdings, Inc.**  
**(A Subsidiary of Bonham Strand Investments Ltd.)**  
31<sup>st</sup> Floor, Rufino Pacific Tower  
6784 Ayala Avenue, Makati City

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of Medco Holdings Inc. (the Company) for the years ended December 31, 2025 and 2024, on which we have rendered our report dated March 31, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplemental Schedule on Financial Soundness Indicators, including their formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS Accounting Standards) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission (SEC), and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2025 and 2024 and for the years then ended and no material exceptions were noted.

### **PUNONGBAYAN & ARAULLO**

By: **Arman B. Neptuno**  
Partner

CPA Reg. No. 0148776  
TIN 428-244-641  
PTR No. 10770768, January 6, 2026, Makati City  
SEC Group A Accreditation  
Partner - No. 140306-SEC (until financial period 2029)  
Firm - No. 0002 (until financial period 2030)  
BIR AN 08-002551-048-2023 (until November 14, 2026)  
BOA/PRC Cert. of Reg. No. 0002/P-020 (until August 12, 2027)

March 31, 2026

**MEDCO HOLDINGS, INC.**  
**(A Subsidiary of Bonham Strand Investments Ltd.)**  
**Supplemental Schedule of Financial Soundness Indicators**  
**December 31, 2025 and 2024**

Ratio	Formula	2025	Formula	2024
Liquidity ratio	Total Current Assets Divided by Total Current Liabilities	<b>0.42</b>	Total Current Assets Divided by Total Current Liabilities	0.71
	Total Current Assets P 12,822,655 Divided by: Total Current Liabilities 30,539,947		Total Current Assets P 18,887,924 Divided by: Total Current Liabilities 26,682,861	
	Current Ratio 0.42		Current Ratio 0.71	
Solvency ratio	Total Assets Divided by Total Liabilities	<b>2.20</b>	Total Assets Divided by Total Liabilities	2.25
	Total Assets P 72,782,596 Divided by: Total Liabilities 33,138,639		Total Assets P 75,657,729 Divided by: Total Liabilities 33,593,912	
	Solvency ratio 2.20		Solvency ratio 2.25	
Debt-to-equity ratio	Total Liabilities Divided by Total Equity	<b>0.84</b>	Total Liabilities Divided by Total Equity	0.80
	Total Liabilities P 33,138,639 Divided by: Total Equity 39,643,957		Total Liabilities P 33,593,912 Divided by: Total Equity 42,063,817	
	Debt-to-equity ratio 0.84		Debt-to-equity ratio 0.80	
Asset-to-equity ratio	Total Assets Divided by Total Equity	<b>1.84</b>	Total Assets Divided by Total Equity	1.80
	Total Assets P 72,782,596 Divided by: Total Equity 39,643,957		Total Assets P 75,657,729 Divided by: Total Equity 42,063,817	
	Asset-to-equity ratio 1.84		Asset-to-equity ratio 1.80	
Interest cost coverage ratio	Earnings before interest and taxes (EBIT) Divided by Interest Expense	<b>-7.74</b>	Earnings before interest and taxes (EBIT) Divided by Interest Expense	-31.91
	EBIT ( P 4,934,283 ) Divided by: Interest Expense 637,106		EBIT ( P 4,346,609 ) Divided by: Interest Expense 136,194	
	Interest cost coverage ratio -7.74		Interest cost coverage ratio -31.91	
Return on equity	Net Profit Divided by Total Equity	<b>-0.14</b>	Net Profit Divided by Total Equity	-0.11
	Net Profit ( P 5,574,688 ) Divided by: Total Equity 39,643,957		Net Profit ( P 4,487,865 ) Divided by: Total Equity 42,063,817	
	Return on equity -0.14		Return on equity -0.11	
Return on assets	Net Profit Divided by Total Assets	<b>-0.08</b>	Net Profit Divided by Total Assets	-0.06
	Net Profit ( P 5,574,688 ) Divided by: Total Assets 72,782,596		Net Profit ( P 4,487,865 ) Divided by: Total Assets 75,657,729	
	Return on assets -0.08		Return on assets -0.06	
Cost to income ratio	Cost and Expenses Divided by Total Revenues	<b>4.05</b>	Cost and Expenses Divided by Total Revenues	3.98
	Cost and Expenses P 7,397,185 Divided by: Total Revenues 1,825,796		Cost and Expenses P 5,987,166 Divided by: Total Revenues 1,504,363	
	Cost to income ratio 4.05		Cost to income ratio 3.98	
Earnings per share	Net Profit Divided by Average Outstanding Shares	<b>-0.0018</b>	Net Profit Divided by Average Outstanding Shares	-0.0014
	Net Profit ( P 5,574,688 ) Divided by: Average Outstanding Shares 3,159,292,441		Net Profit ( P 4,487,865 ) Divided by: Average Outstanding Shares 3,159,292,441	
	Earnings per share -0.0018		Earnings per share -0.0014	

# Annex A: Reporting Template

(For additional guidance on how to answer the Topics, organizations may refer to Annex B: Topic Guide)

## Contextual Information

Company Details	
Name of Organization	Medco Holdings, Inc.
Location of Headquarters	31/F, Rufino Pacific Tower, 6784 Ayala Ave., Makati City, Philippines
Location of Operations	Philippines
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	This report will solely cover the operations of Medco Holdings, Inc.
Business Model, including Primary Activities, Brands, Products, and Services	Investment Holding Company
Reporting Period	January 1, 2025 to December 31, 2025
Highest Ranking Person responsible for this report	President

*\*If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

## Materiality Process

### Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.<sup>1</sup>

Medco Holdings, Inc. (MED) is a holding company whose primary investment is in Manila Exposition Complex, Inc. (MEC), the company that operates the World Trade Center Metro Manila (WTCMM). As MED's investment in MEC is only 18.18%, it is not considered a subsidiary. Thus, our report will solely focus on the operations of MED.

<sup>1</sup> See [GRI 102-46](#) (2016) for more guidance.

## ECONOMIC

### Economic Performance

#### Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	1,825,796	PhP
Direct economic value distributed:		
a. Operating costs	2,035,996	PhP
b. Employee wages and benefits	3,275,887	PhP
c. Payments to suppliers, other operating costs	2,085,302	PhP
d. Dividends given to stockholders and interest payments to loan providers	0	PhP
e. Taxes given to government	584,241	PhP
f. Investments to community (e.g. donations, CSR)	0	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
MED's investment in MEC, the owner and operator of the World Trade Center Metro-Manila, normally earns dividend income which in turn enables MED to pay the salaries of its employees and provide their benefits as well as adequately covering its other operating costs and expenses, including payments to utility companies and suppliers. MED's two nominee Directors sit in MEC's Board thereby closely monitoring and directing the performance of MEC's management and being actively involved in setting that company's overall policies and strategies.	Employees Stockholders Suppliers	MED is continuously looking for investments that would increase shareholder value and enable the company to provide for its employees.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Given that the company's dividend stream depends on the profit performance of MEC, an economic downturn that will negatively affect the operations of the WTCMM will inevitably diminish MEC's dividend	Employees Stockholders Suppliers	As a matter of policy, MED aims to diversify its portfolio of investments in order to mitigate the adverse impact to its revenue-generating ability of any economic downturn that may hamper

paying capacity and directly impact on MED's revenues. The recent conflict between Iran and Israel in tandem with the United States is affecting oil prices worldwide. Should this continue, a resulting rise in operating costs for MED and MEC will put pressure on both companies' bottomline.		MEC's profitability.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
The Philippine's GDP grew by 4.4% in 2025, slower than the previous year's 5.7% as the corruption scandal during the second half of the year affected consumer and investor confidence while the slowdown in infrastructure projects and strong typhoons affected the economy. Nevertheless, GDP growth rate is projected to improve to 5.1% in 2026 and 5.8% in 2027 given the country's stable inflation rate, strong exports and agriculture sector and continued government spending.	Employees Stockholders Suppliers	Given the sustained growth in the local economy, MED will continue to look for new investment prospects to diversify its portfolio and thereby enable the company to weather any future economic downturn.

Climate-related risks and opportunities<sup>2</sup>

Governance	Strategy	Risk Management	Metrics and Targets
Being an investment holding company, MED's climate-related risks and opportunities are insignificant in scope and thus considered immaterial.	The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning are considered immaterial.	The organization has no material climate-related risks.	The organization has no material climate-related risks.
<b>Recommended Disclosures</b>			
<b>a)</b> Not applicable.	a) Not applicable.	a) Not applicable.	a) Not applicable.
<b>b)</b> Not applicable.	b) Not applicable.	b) Not applicable.	b) Not applicable.
	c) Not applicable.	c) Not applicable.	

<sup>2</sup> Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

## Procurement Practices

### Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	Not material.	Not material.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
MED is a holding company. As its primary business is investing in companies, it does not directly utilize raw materials nor does it procure much supplies.	The effect on shareholders is not material.	Management applies conventional business measures in monitoring and controlling procurement of supplies.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Corruption and fraud	Stockholders Government	Close monitoring and control of procurement practices
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Reduction of procurement costs	Stockholders	Close monitoring and control of procurement practices

## Anti-corruption

### Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	3	100%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	0	0%
Percentage of directors and management that have received anti-corruption training	7	100%
Percentage of employees that have received anti-corruption training	3	100%

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
The company has a code of business conduct and ethics whereby employees are expected to conduct business on a sound, fair and prudent manner.	Employees Suppliers Regulators Government	Management ensures that the company code of business conduct and ethics are strictly adhered to by its employees.
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Employees may still be tempted to perform corrupt practices if left unchecked.	Employees Suppliers Regulators Government	Management continually establishes control measures in order to avoid corrupt practices.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
As the organization is geared toward growth, having a code of business conduct and ethics will ensure that the company's employees would abide by the law.	Employees Suppliers Regulators Government	Management will continually monitor its employees' compliance with the company's code of business ethics.

#### Incidents of Corruption

<b>Disclosure</b>	<b>Quantity</b>	<b>Units</b>
Number of incidents in which directors were removed or disciplined for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED will not tolerate corrupt actions and will commence disciplinary actions on erring employees.	Employees Stockholders Regulators Government	Management ensures that the company code of business conduct and ethics are strictly adhered to by its employees.
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are</b>	<b>Management Approach</b>

	<b>affected?</b>	
Employees may still be tempted to perform corrupt practices if left unchecked.	Employees Stockholders Regulators Government	Management continually establishes control measures in order to avoid corrupt practices.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Having employees that avoid corruption and abide by the law will prevent personnel problems and ensure that the company will flourish.	Employees Stockholders Regulators Government	Management will continually monitor its employees' compliance with the company's code of business ethics.

## ENVIRONMENT

### Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	0	GJ
Energy consumption (LPG)	0	GJ
Energy consumption (diesel)	0	GJ
Energy consumption (electricity)	6,176	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	0	GJ
Energy reduction (LPG)	0	GJ
Energy reduction (diesel)	0	GJ
Energy reduction (electricity)	Minimal	kWh
Energy reduction (gasoline)	0	GJ

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED consumes electricity for its office use where administrative work is done. The company encourages employees to practice energy saving methods such as	Employees Stockholders Utility Supplier	Management continuously finds ways to minimize energy usage and thereby reduce costs.

turning off of computers, lights and air-conditioning unit when not in use. The company's office air-conditioning has also been replaced with a more energy efficient inverter type unit.	Government	
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Employees might not cooperate with the company's energy reduction programs.	Employees Stockholders	Management will continually educate its employees on the benefits of being conscious about energy reduction efforts.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Finding ways to save on energy costs will translate to a reduction in the company's expenses.	Employees Stockholders	Management continuously finds ways to minimize energy usage.

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	0	Cubic meters
Water consumption	Not material	Cubic meters
Water recycled and reused	0	Cubic meters

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Given the nature of MED's business and its lean manpower complement, water usage is confined to the employees' personal use.	Employees Stockholders Utility Supplier Community Government	As is the case with energy consumption, employees are encouraged to conserve water.
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Water dams may be unable to support the growing water needs in the metropolis specially during	Employees Stockholders Utility Supplier	As is the case with energy consumption, employees are encouraged to conserve

summer months.	Community Government	water.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Given the demand for water, MED may look for investment opportunities in water-related enterprises.	Stockholders Community Government	Management will look at organizations and programs that would promote water conservation and provide support for such.

#### Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
• renewable	0	kg/liters
• non-renewable	0	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	0	%

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED is an investment holding company that does not engage in manufacturing activities, therefore does not have any raw materials.	Not applicable	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable

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

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	0	
Habitats protected or restored	0	ha
IUCN <sup>3</sup> Red List species and national conservation list species with habitats in areas affected by operations	0	

<sup>3</sup> International Union for Conservation of Nature

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED does not own nor lease any facility that is located in or is near a protected area. Its office is located in a financial district in Makati City.	Not applicable	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable

## Environmental impact management

### Air Emissions

#### GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	0	Tonnes CO <sub>2</sub> e
Energy indirect (Scope 2) GHG Emissions	0	Tonnes CO <sub>2</sub> e
Emissions of ozone-depleting substances (ODS)	0	Tonnes

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED is an investment holding company that does not engage in manufacturing activities.	Not applicable	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable

Air pollutants

Disclosure	Quantity	Units
NO <sub>x</sub>	0	kg
SO <sub>x</sub>	0	kg
Persistent organic pollutants (POPs)	0	kg
Volatile organic compounds (VOCs)	0	kg
Hazardous air pollutants (HAPs)	0	kg
Particulate matter (PM)	0	kg

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED is an investment holding company that does not engage in manufacturing activities.	Not applicable	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	0	kg
Reusable	0	kg
Recyclable	0	kg
Composted	0	kg
Incinerated	0	kg
Residuals/Landfilled		kg

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED is an investment holding company that does not engage in manufacturing activities.	Not applicable	Not applicable

<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	0	kg
Total weight of hazardous waste transported	0	kg

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED is an investment holding company that does not engage in manufacturing activities.	Not applicable	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	0	Cubic meters
Percent of wastewater recycled	0	%

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED is an investment holding company that does not engage in manufacturing activities.	Not applicable	Not applicable

<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Not applicable	Not applicable	Not applicable

## Environmental compliance

### Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
MED has not broken any environmental laws and regulations.	Employees Stockholders	MED is mindful of the importance of protecting the environment and therefore is conscious about following environmental laws.
<b>What are the Risk/s Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Possible violation of any environmental laws and regulations.	Employees Stockholders Community	MED is implementing responsible and proper procedures and practices to make sure that it does not violate such laws and regulations.
<b>What are the Opportunity/ies Identified?</b>	<b>Which stakeholders are affected?</b>	<b>Management Approach</b>
Given that there is a global consciousness on environmental preservation, there will be a greater opportunity to invest in companies that value the protection of the environment.	Employees Stockholders Community	MED will favor investing in companies that care for the environment.

## SOCIAL

### Employee Management

#### Employee Hiring and Benefits

##### Employee data

Disclosure	Quantity	Units
Total number of employees <sup>4</sup>		
a. Number of female employees	1	#
b. Number of male employees	2	#
Attrition rate <sup>5</sup>	0%	rate
Ratio of lowest paid employee against minimum wage	2:2	ratio

##### Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	0%	100%
PhilHealth	Y	0%	0%
Pag-ibig	Y	0%	50%
Parental leaves	Y	0%	0%
Vacation leaves	Y	100%	100%
Sick leaves	Y	0%	100%
Medical benefits (aside from PhilHealth))	Y	100%	100%
Housing assistance (aside from Pag-ibig)	N	Not applicable	Not applicable
Retirement fund (aside from SSS)	Y	0%	0%
Further education support	N	Not applicable	Not applicable
Company stock options	N	Not applicable	Not applicable
Telecommuting	Y	100%	Not applicable
Flexible-working Hours	N	Not applicable	Not applicable
(Others)	N	Not applicable	Not applicable

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>Employee morale is boosted and attrition is minimized when employees feel that they are being taken care of by their company. This covers all departments and employee ranks.</p> <p>Clients and suppliers are willing to deal with the company since it abides by the law and provides additional benefits to its employees.</p>	<p>The company abides by the directives of the SSS, PhilHealth and Pag-ibig with regard to monthly company contributions as well as collects and remits each employee's share. Policies on loan and other benefits are also adhered to.</p> <p>Employee leaves are also specified in the company's employee manual.</p>

<sup>4</sup> Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

<sup>5</sup> Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

	The company has likewise established a retirement plan for its employees.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
The prevalence of virus borne diseases as well as lifestyle related illnesses may result in lost work days for employees should they contract them.	All employees are covered by a health insurance which they will be able to use in most hospitals should the need arise. They also undergo annual medical examinations.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Savings in terms of utility costs is being enjoyed by the company. Employee morale is boosted.	Management will evaluate if telecommuting will become a permanent policy.

### Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	4	hours
b. Male employees	0	hours
Average training hours provided to employees		
a. Female employees	4	hours/employee
b. Male employees	0	hours/employee

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
The provision of annual seminars for the members of management allows them to be abreast with current trends, particularly in the field of corporate governance.  The company is also able to comply with government regulations.	The company provides opportunities for employees to participate in seminars that are relevant to their work.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Time allotted for attending seminars and trainings occasionally lessens productivity.	Management looks for seminars and trainings that will not take away too much time from the office but would still enhance the employee's work knowledge.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Allowing the employees to participate in seminars would enable them to apply what they have learned for the improvement of the organization.	Management welcomes suggestions from employees with regard to the improvement of productivity, policies and procedures.

### Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	%
Number of consultations conducted with employees concerning employee-related policies	3	#

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
Consultations with employees with regard to employee-related policies allows the employees to air their grievances with management, if there are any. Management is likewise able to relay to the employees any new policies that need to be followed.	Management is open to hearing the grievances of employees, if there are any, and will conduct more consultations, when needed.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Despite such consultations, there could still be difficulties encountered in addressing the employee's grievances.	Management constantly strives to find solutions that are fair to both the employee and the company.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
The relationship between management and employees would be strengthened if employees feel that their superiors are listening to their concerns.	Management will always find ways for employees to be heard.

### Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	33.33%	%
% of male workers in the workforce	66.67%	%
Number of employees from indigenous communities and/or vulnerable sector*	3	#

*\*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
Employees are not discriminated upon as long as they can do the work. This fosters an environment that encourages employees to excel in their capabilities.	Management values its employees and does not discriminate.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Employees with physical disabilities might have a slower output.	Management will provide ample time for the completion of work assigned.

What are the Opportunity/ies Identified?	Management Approach
Employee support given to the vulnerable sector will boost their morale and translate to higher productivity.	Management will always provide work opportunities for people belonging to the vulnerable sector.

## Workplace Conditions, Labor Standards, and Human Rights

### Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	4,000	Man-hours
No. of work-related injuries	1	#
No. of work-related fatalities	0	#
No. of work related ill-health	0	#
No. of safety drills	1	1

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Holding annual safety drills, in this case fire/earthquake drills, will allow the employees to properly respond and minimize casualties and injuries in the event of an actual fire/earthquake in our place of work.	Management encourages all employees to participate in the building's annual fire/earthquake drills.
What are the Risk/s Identified?	Management Approach
A very strong and devastating earthquake might hit the metropolis anytime.	Safety is management's priority that is why it mandates employees to join fire/earthquake drills. Employees are also encouraged to attend seminars on first aid.
What are the Opportunity/ies Identified?	Management Approach
Employees should be encouraged to stay healthy and fit in order to avoid sickness, injuries and fatalities.	Management will look into programs that would enhance employees' health.

### Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

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

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	N	
Child labor	N	

Human Rights	Y	Company employees' manual Hepatitis B Workplace Policy and Program HIV & AIDS Workplace Policy and Program Tuberculosis Workplace Policy and Program Sexual Harassment Policy
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<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
MED is a law-abiding company that gives great value to human rights. Given these, MED has had a low turnover.	Management is conscious about complying with the law, especially those related to our workforce. Apart from the company policies mentioned earlier, the company has also implemented its Occupational Safety and Health Program, Smoke-Free Workplace Policy and Program, Breastfeeding Policy and Drug-Free Workplace Policy.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
The company may be exposed to higher premium payments for the employee's health insurance coverage should employees have health-related issues.	Management gives weight to its employees' health and well-being and will continue to provide its employees with health insurance coverage despite the risk of higher premium.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Being compliant with labor laws will make the company attractive to potential employees. It will also foster loyalty within the organization.	Management will always abide by laws that are promulgated by the Department of Labor and Employment.

### Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

Given that our company is a investment holding company, we only primarily purchase office supplies, which does not require an accreditation.

Do you consider the following sustainability topics when accrediting suppliers? NOT APPLICABLE

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance		
Forced labor		
Child labor		
Human rights		
Bribery and corruption		

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
Not applicable	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable

## Relationship with Community

### Significant Impacts on Local Communities

<b>Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)</b>	<b>Location</b>	<b>Vulnerable groups (if applicable)*</b>	<b>Does the particular operation have impacts on indigenous people (Y/N)?</b>	<b>Collective or individual rights that have been identified that or particular concern for the community</b>	<b>Mitigating measures (if negative) or enhancement measures (if positive)</b>
Not applicable					

*\*Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: \_\_\_\_\_

<b>Certificates</b>	<b>Quantity</b>	<b>Units</b>
FPIC process is still undergoing	0	#
CP secured	0	#

<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
MED is a holding company and does not have any operations that have any significant impact on our	Not applicable

local community.	
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable

## Customer Management

### Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	Not applicable	Not applicable

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
MED's operations do not involve interaction with customers.	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable

### Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#

*\*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
MED is not engaged in the production of any consumer product.	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	0	#

*\*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
MED is not engaged in the production of any consumer product.	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	0	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

*\*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
MED's operations do not involve interaction with customers.	Not applicable
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Not applicable	Not applicable

## Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

<b>What is the impact and where does it occur? What is the organization's involvement in the impact?</b>	<b>Management Approach</b>
As MED is a listed company, any breach of its security protocols for safeguarding confidential data could subject the company to penalties imposed by the Philippine Stock Exchange and the Securities and Exchange Commission.	The company's employees manual embodies the company code of business conduct and ethics that specifies the company rules and the employees' duties and responsibilities to ensure data security as well as penalties for violations thereof. Management ensures such rules are strictly adhered to by its employees.
<b>What are the Risk/s Identified?</b>	<b>Management Approach</b>
Although the company has never experienced a data security breach, it acknowledges that the possibility of such breach exists in the form of employee theft of soft data stored in office computers or unauthorized employee reproduction of files kept in filing cabinets. Another identifiable risk is that unknown external hackers may gain illegal access to the company's data server.	Management constantly reminds all employees to strictly adhere to company rules on data security. Furthermore, MED employs the contractual services of an IT and Data Security Consultant to monitor the security of the office computer server and desktop computers and recommend the necessary security hardware and software for acquisition as well as security protocols for implementation of company management.
<b>What are the Opportunity/ies Identified?</b>	<b>Management Approach</b>
Opportunities to safeguard data security can be identified through full awareness about the availability of new hardware, software and protocols to enhance and ensure complete protection against data hackers.	Management intends to always follow the recommendations of its IT and Data Security Consultant for safeguarding the company's confidential data.

## UN SUSTAINABLE DEVELOPMENT GOALS

### Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
MED does not have a substantial investment in a corporation that may be considered its subsidiary. MED also does not manufacture any product nor provide any services.	MED is supportive of UN's no poverty goal despite not having any products nor services. The company and its employees donate used but sellable items to Caritas Manila in support of its Segunda Mana program for the poor.	We can still try to do more to help alleviate poverty in the country.	MED will continue to support the programs of Caritas Manila. It will likewise look for other institutions geared towards helping the poor and will support its programs.

*\* None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*

## Your BIR AFS eSubmission uploads were received



**From** <eafs@bir.gov.ph>  
**To** <MEDCO2@MEDCO.COM.PH>  
**Cc** <MEDCO2@MEDCO.COM.PH>  
**Date** 2026-04-07 10:39

Hi MEDCO HOLDINGS, INC.,

### Valid files

- EAFS004844938ITRTY122025.pdf
- EAFS004844938AFSTY122025.pdf
- EAFS004844938RPPTY122025.pdf
- EAFS004844938OTHTY122025.pdf

### Invalid file

- <None>

Transaction Code: **AFS-0-7DFLBFEH0PSVSR2MRSVM1WZ0C5A78KB5**

Submission Date/Time: **Apr 07, 2026 10:39 AM**

Company TIN: **004-844-938**

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

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

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

## CERTIFICATION OF INDEPENDENT DIRECTOR

I, **Rodolfo B. Fernandez**, Filipino, of legal age and a resident of 37 Berlin St., Capitol Park Homes, Brgy. Old Balara, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director (ID) of Medco Holdings, Inc. (the "Corporation").
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):[Picazo1]

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Crown Equities, Inc.	Independent Director	2018 to present
RG Financial Services, Inc.	Director	June 8, 2017 to present
The Organization of Property Stakeholders, Inc.	Director	2014 to present


3. I possess all the qualifications and none of the disqualifications to serve as an ID of the Corporation, as provided for in Section 38 of the Securities Regulation Code (SRC), its Implementing Rules and Regulations (IRR) and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of the Corporation.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I am not connected with any government agency or its instrumentalities.[Picazo2]
7. I shall faithfully and diligently comply with my duties and responsibilities as ID under the SRC and its IRR, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this MAR 30 2026, at MAKATI CITY.

  
Rodolfo B. Fernandez

SUBSCRIBED AND SWORN to before me this MAR 30 2026 at MAKATI CITY, affiant personally appeared before me and exhibited to me his Senior Citizen ID No. 33664 issued in Quezon City on March 5, 2018.

Doc. No. 392 ;  
Page No. 80 ;  
Book No. 11 ;  
Series of 2026 ;

  
**AINA RAE L. CORTEZ**  
Appointment No. M-568  
Notary Public for Makati City  
Until December 31, 2026  
Liberty Center-Picazo Law  
104 H.V. Dela Costa Street, Makati City  
Roll of Attorney's No. 91405  
PTR No. 10766612/Makati City/01-02-2026  
IBP No. 536190/Makati/12-23-2025  
MCLE No. VIII-0030503/April 28, 2025

**CERTIFICATION OF INDEPENDENT DIRECTOR**

I, **Juan Victor S. Tanjuatco**, Filipino, of legal age and a resident of 355 San Juanico St., Ayala Alabang, Muntinlupa City 1780, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director (ID) of Medco Holdings, Inc. (the "Corporation").
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
IP Ventures, Inc.	ID	2011 to present
Ketmar Fast Food Corporation	Director	2004 to present

3. I possess all the qualifications and none of the disqualifications to serve as an ID of the Corporation, as provided for in Section 38 of the Securities Regulation Code (SRC), its Implementing Rules and Regulations (IRR) and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of the Corporation.
5. To the best of my knowledge, I disclose that I am the one of the subjects of the following criminal/administrative investigation or proceeding initiated by the Philippine Deposit Insurance Corporation in connection with my previous employment:

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
Violation of Section 21 (f) (10) of Republic Act (R.A.) No. 3591, Section 21 (f) (4) of R.A. No. 3591 and Sections 55, 56 and 66 of R.A. No. 8791 in relation to Section 36 of R.A. No. 7653	Department of Justice (DOJ)	The complaint was dismissed in a Resolution dated 9 April 2014 and PDIC's Motion for Reconsideration was denied. Both are the subject of a Petition for Review before the Secretary of Justice. In a Resolution dated 18 Feb 2025, the DOJ dismissed PDIC's Petition for Review and affirmed the original resolution. PDIC filed a Motion for Reconsideration dated 10 March 2025, which is pending resolution.
Violation of Sections 55, 56 and 66 of R.A. No. 8791	Bangko Sentral ng Pilipinas (BSP), Court of Appeals (CA), and Supreme Court (SC)	The same complaint filed with the DOJ in the above proceeding was filed with the BSP. Three of the five respondents, myself included, were found administratively liable and were fined the amount of P20,000.00 each. BSP's decision was appealed to the

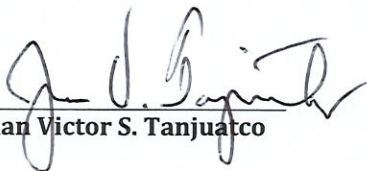
		CA. On 15 November 2023, the CA reversed the BSP decision and declared the three (3) respondents not administratively liable. The PDIC filed a Motion for Reconsideration but this was denied by the CA in its Resolution dated 4 April 2024. PDIC filed a Petition for Review dated 3 June 2024 with the SC. The petition remains pending with the SC.
Violation of Article 315 of the Revised Penal Code in relation to Presidential Decree No. 1689, and Section 21 (f) (10) of R.A. No. 3591, as amended	DOJ	In a Resolution dated 01 March 2017 (copy received by respondents only on 11 December 2018), five of the seven respondents, myself included, were charged only with the violation of Section 21 (f) (10) of R.A. No. 3591, as amended. However, in a Joint Resolution dated 01 February 2019, the Resolution dated 01 March 2017 was subsequently modified to dismiss the said complaint for violation of Section 21 (f) (10) of R.A. No. 3591, as amended, against all five respondents. PDIC filed a Petition for Review before the Secretary of Justice. The petition remains pending.
Violation of Section 37 of R.A. No. 7653	BSP and Court of Appeals	The same complaint filed with the DOJ mentioned in the immediately preceding paragraph was filed with BSP. The Monetary Board in its <i>Resolution</i> dated 11 July 2024 found myself and two (2) others administratively liable and imposed a fine of Php 20,000.00 and a 60-day suspension from being an officer/director of any BSP-supervised financial institution. A <i>Motion for Reconsideration</i> was filed on 21 August 2024 which was denied. We then filed a Petition for Review with an application for TRO and Writ of Preliminary Injunction dated 20 December 2024

		with the CA and thereafter filed an Urgent Motion for Resolution on 26 February 2025. In a resolution dated 19 December 2025, the CA denied our application for a temporary restraining order and/or writ of preliminary injunction and directed the PDIC to file its comment and the respondents to file their reply thereafter. We received the <i>Consolidated Comment</i> dated 23 March 2026 on 24 March 2026 and will be filing a reply thereto.
Violation of Section 21 (f) (10) of R.A. No. 3591	Court of Appeals and Supreme Court	In a Decision dated 25 October 2019, both accused (myself included) were acquitted by the Regional Trial Court of the charges for failure of the prosecution to prove guilt beyond reasonable doubt. Private Prosecutor's Motion for Reconsideration, which was only noted but not conformed to by the Public Prosecutor, was denied. PDIC filed a Petition for Certiorari dated 29 July 2020, and private respondents filed their Comment on 06 November 2020. On 24 November 2022, the Court of Appeals denied PDIC's Petition and affirmed the acquittal of the two (2) accused. In September 2023, the OSG, on behalf of PDIC, elevated the case to the Supreme Court, which denied the appeal in the <i>Resolution</i> dated 21 February 2024 (released on 5 August 2024). On 20 August 2024, the OSG filed a <i>Motion for Reconsideration</i> . There is no resolution to date.
Violation of Section 21 (f) (10) of R.A. No. 3591	BSP and Court of Appeals	The same complaint which gave rise to the case in the immediately preceding paragraph was filed with the BSP. In a resolution dated 04 August 2022, the BSP found

		myself and another person administratively liable and fined us P20k each with 6 month suspension from any BSP supervised financial institution. We appealed to the Court of Appeals which reversed the BSP's resolution in its Decision dated 17 March 2025.
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6. I am not connected with any government agency or its instrumentalities.
7. I shall faithfully and diligently comply with my duties and responsibilities as ID under the SRC and its IRR, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this APR 08 2026, at MAKATI CITY.

  
**Juan Victor S. Tanjuatco**

SUBSCRIBED AND SWORN to before me this APR 08 2026 at MAKATI CITY, affiant personally appeared before me and exhibited to me his Passport No. P9450017B issued on April 1, 2022 at DFA NCR South.

Doc. No. 454 ;  
Page No. 92 ;  
Book No. II ;  
Series of 2026

  
**AINA RAE L. CORTES**  
Appointment No. M-568  
Notary Public for Makati City  
Until December 31, 2026  
Liberty Center-Picazo Law  
104 H.V. Dela Costa Street, Makati City  
Roll of Attorney's No. 91405  
PTR No. 10766612/Makati City/01-02-2026  
IBP No. 536190/Makati/12-23-2025  
MCLE No. VIII-0030503/April 28, 2025

REPUBLIC OF THE PHILIPPINES )  
MAKATI CITY, METRO MANILA ) S.S.


**SECRETARY'S CERTIFICATE**

I, **PAULINE C. TAN**, of legal age, Filipino and with office address at the 31st Floor Rufino Pacific Tower, 6784 Ayala Avenue, Makati City, Metro Manila, after having been duly sworn in accordance with law, hereby certify that:

1. I am the duly appointed and incumbent Assistant Corporate Secretary of **MEDCO HOLDINGS, INC.** (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Philippines with principal office at the 31<sup>st</sup> Floor Rufino Pacific Tower, 6784 Ayala Avenue, Makati City, Metro Manila.

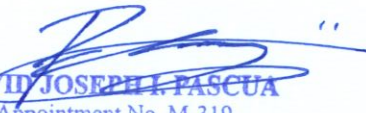
2. I hereby certify that no director or officer of the Corporation is connected with any government agency or instrumentality.

IN WITNESS WHEREOF, I have hereunto set my hand this APR 10 2026 in Makati City, Metro Manila.

  
**PAULINE C. TAN**  
Assistant Corporate Secretary

SUBSCRIBED AND SWORN TO before me this APR 10 2026 at Makati City, Metro Manila, affiant exhibited to me her Philippine Identification Card No.5892-1368-2649-5086 issued on Oct. 30, 2022.

Doc. No. 210 ;  
Page No. 1 ;  
Book No. III ;  
Series of 2026.

  
**DAVID JOSEPH L. PASCUA**  
Appointment No. M-319  
Notary Public for Makati City  
Until December 31, 2026  
Liberty Center-Picazo Law  
104 H.V. Dela Costa Street, Makati City  
Roll of Attorney's No. 86896  
PTR No. 10766607/Makati City/01-02-2026  
IBP No. 536185/Makati City/12-23-2025  
MCLE No. VIII-0039188/June 30, 2025