



2020 ANNUAL REPORT

BUILDING RESILIENT BUSINESS COMMUNITIES FOR TOMORROW

Hand-in-hand, we work with you in opening opportunities for growth and development.





About the Cover

AyalaLand Logistics Holdings employees conduct a site visit at a warehouse locator's facility in ALogis Biñan in Laguna Technopark.



LOGISTICS HOLDINGS CORP.

2020 ANNUAL REPORT

**BUILDING RESILIENT BUSINESS
COMMUNITIES FOR TOMORROW**

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OUR COMPANY

AyalaLand Logistics Holdings Corp. (ALLHC) pursues real estate logistics and industrial estate development, with Ayala Land owning 70.90% of the company.

ALLHC is the leading developer of industrial parks and a major player in real estate logistics in the Philippines. At present, ALLHC owns Laguna Technopark, Cavite Technopark, Pampanga Technopark, and Laguindingan Technopark. ALLHC also operates logistics facilities and standard factory buildings in Laguna and Cavite Technoparks, Alviera Industrial Park in Pampanga, and Lepanto Industrial Complex in Laguna. Other developments of ALLHC include commercial properties, Tutuban Center and South Park Center.

OUR VISION-MISSION

Our vision is to create environments that energize and support businesses.

By developing dynamic industrial and commercial hubs, we spur economic activity and generate jobs. We build long-term value for our stakeholders and enhance lives in the communities where we are present.

We empower our people to provide exceptional service and nurture partnerships with our stakeholders.

OUR CORE VALUES

Leadership

We empower our people to make decisions and be accountable for their actions.

Integrity

We do the right thing.

Vision

We innovate and lead with a vision.

Excellence

We give our best in all that we do.

Malasakit (Compassion)

We care for our employees, our customers, and the community. We go the extra mile.

“In spite of the constraints during the pandemic, the company was able to grow its warehouse leasing GLA by 18%.”

Jose Emmanuel H. Jalandoni
Chairman



CHAIRMAN AND PRESIDENT'S MESSAGE

The past year was a significant, albeit a challenging year for the company. Amidst the global pandemic, AyalaLand Logistics Holdings Corp. (ALLHC) remained committed to supporting the country's economic growth and recovery.

2020 was a year of global economic contraction, with the Philippines facing the same uncertainties in our local economy. During this period, manufacturing and logistics played a crucial role in the country's trade and commercial activities. Thus, throughout the year, operations continued across ALLHC's industrial estates, logistics and office facilities.

In 2020, AyalaLand Logistics Holdings' revenues stood at P3.72 billion, lower by 30% versus the year prior. However, ALLHC achieved a net income growth of 10% at P703 million from P641 million in 2019. The performance is driven by sales of industrial lots and non-core assets, and stable warehouse and office leasing operations.

In spite of the constraints during the pandemic, the company was able to grow its warehouse leasing GLA by 18% from 175,000 sqm to 207,000 sqm, and its commercial leasing GLA by 7%, from 84,000 sqm to 90,000 sqm. Likewise, the company sold a number of industrial lots, although limited to the domestic market. ALLHC embraced digitalization, and launched its online platforms: virtual tours for prospective locators; TutuBuy and ANA South Park Personal Shopper for retail customers.

As the pandemic caught the world by surprise, its enormity fostered a stronger sense of community, renewing the Filipino spirit of *bayanihan*. Foremost in our minds was to put our people first. We continuously monitored the safety and well-being of our employees and service providers. To protect our workforce at the height of the pandemic, we transitioned to a work-from-home arrangement, and provided online development training programs for their continuous growth while on lockdown. We ensured that strict health and safety protocols were in place across all our properties.

Aligned with our mission of supporting communities, we actively participated in Ayala Land's Pay It Forward

campaign and Project Ugnayan. We reached out to marginalized communities in Laguna, Cavite, Pampanga, Laguindingan in Misamis Oriental, and Metro Manila. For our nation's frontliners, we assisted in the procurement of medical supplies and equipment at the time when these were scarce and urgently needed. These were donated by the Ayala Land Group to beneficiary hospitals. In partnership with the City of Manila and other Ayala Group subsidiaries, we also constructed and donated public convenience facilities for the benefit of the local community.

We take pride in the quality of our work. In 2020, we celebrated our company's milestones. During the lockdown, we conducted our first ever virtual ALLHC Annual Stockholders' Meeting in April. We celebrated the 30th anniversary of one of the country's first industrial estates, Laguna Technopark, in November. Laguna Technopark has been instrumental in the economic progress of the CALABARZON region, allowing the world's leading manufacturing investors to thrive.

Moving forward, we will continue to expand our footprint across the country. We remain committed to being a co-catalyst for progress in areas where we are present. In the pipeline are projects that will grow our warehouse gross leasable area and new products that will address the current gap in real estate logistics.

Our trailblazing spirit moves us to constantly evolve – to adapt to the changing landscape and reset our roadmap. Our diversified portfolio, our proven track record, and our values of excellence, integrity and *malasakit* define the strength of our brand and will carry us through our recovery and long-term growth plans.

To our Board of Directors, thank you for your guidance and commitment to the organization. To our employees, thank you for your hard work and dedication. To our shareholders and stakeholders, thank you for believing in AyalaLand Logistics Holdings and for trusting our strategies and plans.

With your unwavering support, we face a brighter future as we focus on building more resilient business communities across the country and opening more opportunities for growth and development.



Jose Emmanuel H. Jalandoni
Chairman



Maria Rowena M. Tomeldan
President and Chief Executive Officer

**"Moving forward,
we will continue
to expand our
footprint across the
country."**

Maria Rowena M. Tomeldan
President and Chief Executive Officer



CFO'S REPORT

In 2020, AyalaLand Logistics Holdings Corp. (ALLHC) continued to deliver a notable financial performance amidst the global pandemic, as revenues reached P3.72 billion driven by sales of industrial lots and non-core assets, and stable warehouse and office leasing operations. Despite the 30% lower revenue base versus last year, ALLHC grew its net income by 10% at P703 million. The growth is attributed to healthy operating margins coupled with strict cost management.

Warehouse leasing revenues registered at P353 million reflecting an increase of 23% from P287 million the previous year. Industrial lot sales stood at P1.28 billion, 29% lower compared to P1.81 billion in 2019. Likewise, commercial leasing revenues posted a decline of 39% at P520 million versus P854 million in 2019.

ALLHC spent P1 billion in capital expenditures for its investments and project commitments in 2020. ALogis Alviera and ALogis Biñan were completed despite restricted construction activities. These developments increased our warehouse gross leasable area by 18% from 175,000 sqm to 207,000 sqm. Moreover, the repurposing of non-prime retail spaces into storage areas increased our commercial gross leasable area by 7% from 84,000 sqm to 90,000 sqm.

Our strong balance sheet underscores our capability to pursue future investment and business plans. It provides us with the stability to withstand the challenges brought by the COVID-19 pandemic and ensure sustainable growth.

Our products are diverse, well-defined and distinctly positioned. They are adaptable to the relevant business needs of our customers. As we navigate through this current business climate, we are confident that we are in a better position to achieve recovery and growth, and fulfill our role as a co-catalyst for progress and development.

As we move forward into 2021, we remain committed to strengthening our financial standing through responsible stewardship of our resources to enable us to sustain our growth in the long-term.

We thank all our shareholders and stakeholders for their continued trust and confidence in our strategies and plans.



Francis M. Montojo

Chief Finance Officer, Chief Risk Officer,
and Compliance Officer

REVENUE



2020 3.7B

2019 5.3B

2018 3.4B

NET INCOME



2020 703M

2019 641M

2018 555M

TOTAL ASSETS



2020 19.4B

2019 19.4B

2018 12.9B



BOARD OF DIRECTORS



Jose Emmanuel H. Jalandoni



Felipe U. Yap



Maria Rowena M. Tomeldan



Rex Ma. A. Mendoza



Renato O. Marzan



Cassandra Lianne S. Yap



Bernard Vincent O. Dy



Jaime Alfonso E. Zobel de Ayala



Nathanael C. Go

SENIOR LEADERS



(Clockwise from top left)

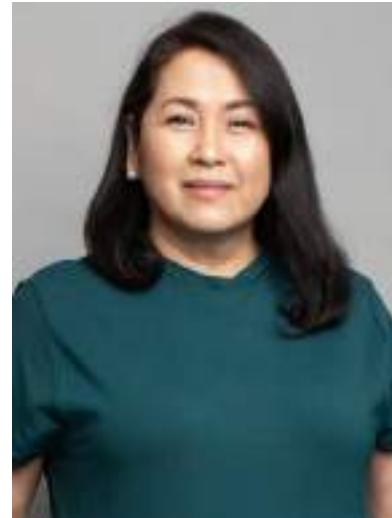
Maria Rowena M. Tomeldan
President and Chief Executive Officer

Patrick John C. Avila
Head, Industrial Parks and Real Estate Logistics

Francis M. Montojo
Chief Finance Officer, Chief Risk Officer, and Compliance Officer

Maria Norina U. Raniel
General Manager, Tutuban Center and South Park Center

Marita C. Cabral
Head, Human Resources and Special Projects



(Clockwise from top left)

Augusto D. Bengzon
Treasurer

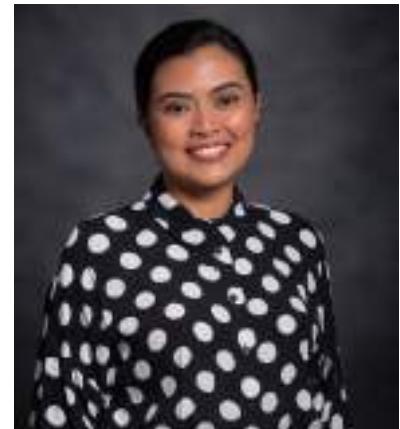
June Vee D. Monteclaro-Navarro
Corporate Secretary

Amelia Ann T. Alipao
Data Protection Officer

Francis Paolo P. Tiopianco
Assistant Corporate Secretary

Nimfa Ambrosia L. Perez-Paras
Assistant Corporate Secretary

MANAGEMENT TEAM



(From left, per row)

Rona S. Sañez

Deputy General Manager, Industrial Parks and Real Estate Logistics

Sherri Rose C. Pasquil

Finance Manager

Anna Gail T. Santos

Head, Technoparks

Hezron C. Arandela

Head, Technical Services

Rodette Bianca S. Tan

Head, ALogis

Rey Andrew C. Camarote

Technical Head, Waterworks



(From left, first two rows)

Justin Dave T. David

Head, Property Management and
Retail Electricity Supply

Ma. Rhodora P. Dela Cuesta

Investor Relations and
Compliance Manager

Bettina Marie A. Esguerra

Corporate Communications Officer

Maida B. Castro

Finance Manager

Joel Patrick M. Villanueva

Engineering Director

Rosalyn C. Segura

Finance Manager

(From left, third row)

Jan Carlo W. Estrella

Deputy General Manager,
South Park Center

Jayson U. Ngo

Deputy General Manager,
Tutuban Center

Ines Monica D. Guevara

Operations Manager,
Tutuban Center

PERFORMANCE HIGHLIGHTS

FINANCIAL HIGHLIGHTS

Statement of Income (in million pesos)	2020	2019	2018
Revenues	3,717	5,346	3,370
Lot Sales	1,276	1,809	786
Warehouse	353	287	160
Commercial	520	854	684
Power	1,568	2,396	1,735
Net Income	703	641	555
Statement of Financial Position (in million pesos)	2020	2019	2018
Total Assets	19,354	19,369	12,974
Stockholders' Equity	11,841	11,176	9,874
Stock Information	2020	2019	2018
Earnings Per Share (EPS)	0.11	0.10	0.07
Price/Earnings Per Share (P/E)	31.17	31.24	32.97
Stock Price*	3.40	2.99	2.37
Market Capitalization* (in billion Php)	21	18	11

*as of last applicable trading date of the year



Financial Ratios	2020	2019	2018
Current Ratio	1.35	1.09	2.38
Net Debt-to-Equity Ratio	0.63	0.73	0.31
Return on Equity (ROE)	0.06	0.06	0.06
OPERATIONAL HIGHLIGHTS	2020	2019	2018
Gross Land Area (in hectares)	934	934	605
Warehouse Leasing GLA (in thousand sqm)	207	175	148
Commercial Leasing GLA (in thousand sqm)	90	84	84
SUSTAINABILITY HIGHLIGHTS (in million pesos)	2020	2019	2018
Economic Value Generated (Total Revenues)	3,717	5,346	3,370
Economic Value Distributed	2,907	3,894	2,688
Payments to suppliers / contractors	2,368	3,467	2,472
Payments to employees	52	41	30
Payments to providers of capital	218	148	1
Payments to governments	264	237	185
Payments to communities	4.5	0.7	0.01
Economic Value Retained	810	1,452	682



RISING ABOVE THE CHALLENGES THROUGH THE 4Rs

RESPONSIVE

Employee and Customer Welfare

Tenant/Merchant Care

Community-centered Efforts



Temperature screenings are conducted prior entry in our developments to minimize the risk of COVID-19.

RESILIENT

Solid Teamwork

Continuous Work



Employees continuously lease out warehouse facilities to potential lessees despite the pandemic.

The call to be **RESPONSIVE** and **RESILIENT** is stronger than ever - to look for opportunities to **REPURPOSE** our products and **RESET** our plans.

REPURPOSE

Diversified Business Lines

Future Product Lines



Former non-prime retail spaces have been converted into other uses such as offices and training centers.

RESET

Digitalization



A Personal Shopper fulfills a customers' online order in South Park Center.

SUSTAINABILITY

Our Sustainability Four Focus Areas

In transforming landscapes to sustainable business environments, we affirm our commitment to create value to our stakeholders in the communities where we are present. Four major concerns we have identified that are recurring locally are: 1) Climate change; 2) continuing loss of natural resources; 3) urban mobility; and 4) unbalanced socio-economic development.

We share with our parent company, Ayala Land, the same commitment to reshape the mindset towards sustainability. To help address the country's sustainability concerns, we focus on four areas: Site Resilience, Pedestrian Mobility and Transit Connectivity, Eco-efficiency, and Local Economic Development. These four focus areas are integrated in the way we do business, serving as guides to our project developments and operations in implementing practices of sustainability.

Site Resilience

We take into consideration the long-term risks of climate change and environmental stress. We continue to make our sites and developments resilient and emergency-ready by conducting technical due diligence to screen geohazards, periodically practicing disaster-readiness exercises, providing permeable spaces for rainwater absorption, and allocating green spaces.

Pedestrian Mobility and Transit Connectivity

Urban mobility is an important concern as we move from our home to our place of work and business. We prioritize the safety, comfort, and convenience of the community. We provide opportunities for commuters to easily connect to public transport routes and terminals.

Eco-efficiency

We practice strict monitoring of the efficient use of our resources and implement a solid waste management program. We have standard Material Recovery Facilities (MRF) in our developments.

Local Economic Development

We spur economic activity to generate employment opportunities in our industrial and commercial properties. We contribute to nation-building, creating value for the communities where we are in through projects and initiatives that help uplift lives.



SITE RESILIENCE

7 detention ponds

191 hectares of green and open space

151 sqm vegetable garden and tree nursery

84 Emergency response team drills and night drills

6,021 sqm space used as evacuation area



MOBILITY & CONNECTIVITY

5 transport terminals

16 priority signs

1,756 sqm space for PUVs

358 sqm covered walkways

28 marked crosswalks

69 PWD ramps



ECO-EFFICIENCY

24,504,983 kWh
energy consumption

386,595 sqm cubic meters
water consumption

987,618 kg waste collected

Energy Consumption

In 2020, our energy consumption decreased to 16 million kWh from 24 million kWh in the previous year due to the slowdown of operations as a consequence of the global pandemic. The decrease in power consumption was attributed mainly to the temporary closure and shorter operating hours of our commercial properties during the general community quarantine period.

Energy intensity, as a measure of energy efficiency expressed in kWh per sqm of gross floor area, likewise decreased by 35% to 88.91 kWh/sqm in our commercial properties.

Water Consumption

Our water consumption decreased by 33% due to the effects of the global pandemic. Water intensity in our commercial properties decreased to 1.16 cubic meters/sqm.

Waste

The company takes into consideration proper waste disposal to avoid environmental and health hazards. Waste generation decreased by 35%. We continuously identify our properties' waste profile and adhere to waste segregation programs that are in place. We ensure that service partners and contractors practice the same. In 2021, pilot initiatives will begin for an intensified waste segregation where a portion of waste in our commercial properties will be diverted from landfill.

Circular Waste Systems

We practice the circular waste model of continually using materials in other useful forms. Aside from the regular recycling of materials, ALLHC sends its plastic discards to Ayala Land's sustainability partner, Green Antz Builders, a manufacturer that converts these plastic wastes into eco-pavers and eco-bricks. These eco-materials are used as construction materials in Ayala Land projects. In 2020, ALLHC employees contributed a total of 305 kg of clean and dry plastics which were then sent to Arca South Eco Hub.





LOCAL ECONOMIC DEVELOPMENT

People Engagement & Development

Our employees are at the heart of the company. Behind our workforce is a team of competent and highly committed professionals; each individual is a valued contributor to the group's corporate goals. We continuously maintain open lines of communication between management and employees through regular town halls, periodic meetings and updates, and performance feedback.

As of end-2020, ALLHC Group's total headcount was 51, comprising 33 women and 18 men. Women account for 65% of the company's workforce. By age, 51% were below 30 years old; 49% were 30 and above. Attrition rate decreased to 20% from 21% in 2020.

EMPLOYEES	Avg. Training Hours	Total Training Hours
 Direct Employees: 51 Male: 18 Female: 33	 Men: 36.76 hours Women: 47.84 hours	 Men: 661 hours Women: 1,579 hours

Headcount By Gender

	Total	Men	Women
Corporate	7	1	6
Industrial Parks and Real Estate Logistics	21	8	13
Commercial Leasing	20	7	13
Insurance	3	2	1
Total	51	18	33
Percentage	100%	35%	65%

We recognize the importance of giving our employees professional development to hone their skills and realize their potentials. In 2020, ALLHC conducted a total of 2,240 training hours despite under the flexible work arrangement due to the global pandemic. The average training hours for men was at 37, while average training hours for women was at 48.

Online training channels were rolled out to employees during the quarantine period in coordination with Ayala Land's Corporate Learning Center. Among the learning and development programs were self-paced online courses through Degreed and Coursera, live online courses, and various webinars on leadership, management, corporate governance, and health & wellness.

ALLHC provides compensation and benefits mandated by national labor laws. All regular employees receive health coverage, medical allowances, and retirement benefits. Variable pay is also provided such as the performance-based bonus which is linked directly to the employee's key deliverables and performance for the year. The company also implements government-mandated maternity and paternity leaves following the Expanded Maternity Law.

COMMUNITY PROJECTS



Relief efforts for victims of the Taal Volcano eruption



Donation of medical supplies and equipment to beneficiary hospitals



Donation of basic necessities to various communities for Laguna Technopark's 30th anniversary



Donation of public convenience facilities at the Kartilya ng Katipunan Park



Missionaries of Charity outreach



Assistance to our frontliners in our properties

FORWARD PLANS



PAMPANGA TECHNOPARK

192 hectares
Mabalacat City, Pampanga



LAGUINDINGAN TECHNOPARK

105 hectares
Habini Bay, Laguindingan, Misamis Oriental



ALOGIS NAIC

15,000 sqm GLA

Cavite Technopark, Naic, Cavite



ALOGIS ARTICO BIÑAN

4,000 pallet positions (cold storage), 1,600 pallet positions (dry storage)

Laguna Technopark, Biñan, Laguna



ALOGIS CALAMBA

Over 100,000 sqm GLA

Calamba, Laguna

CORPORATE GOVERNANCE

DIRECTORS' PROFILES

Jose Emmanuel H. Jalandoni, Filipino, 53, has served as the Chairman of the Company since April 12, 2018. He was the President of the Company from February 24, 2016 to February 19, 2018. He is a Senior Vice President and a member of the Management Committee of ALI. He is the Group Head of ALI's commercial businesses including malls, offices, hotels, resorts and Chairman of ALI Capital Corporation. He is Chairman of AREIT, Inc. and Director of Cebu Holdings, Inc., other publicly-listed subsidiaries of ALI. His other significant positions are: Chairman of the Board of ALI Commercial Center, Inc., ALI Makati Hotel and Residences, Inc., ALI Makati Hotel Property, Inc., ALI Triangle Hotel Ventures, Inc., Arca South Hotel Ventures, Inc., AsiaTown Hotel Ventures, Inc., Ayala Hotels, Inc., AyalaLand Hotels and Resorts Corporation, AyalaLand Medical Facilities Leasing, Inc., AyalaLand Offices, Inc., Bacuit Bay Development Corporation, Bay Area Hotel Ventures, Inc., Bonifacio Hotel Ventures, Inc., Capitol Central Hotel Ventures, Inc., Cebu Insular Hotel Company, Inc., Central Bloc Hotel Ventures, Inc. Chirica Resorts Corporation, Circuit Makati Hotel Ventures, Inc., Direct Power Services, Inc., Ecoholdings Company Inc., Econorth Resort Ventures, Inc., EcoSouth Hotel Ventures, Inc., Enjay Hotels, Inc., Greenhaven Property Ventures, Inc., Integrated Eco-Resort, Inc., Lio Resort Ventures, Inc., Lio Tourism Estate Management Corporation, Makati North Hotel Ventures, North Eastern Commercial Corporation, North Liberty Resort Ventures, Inc., North Triangle Hotel Ventures, Inc., Northgate Hotel Ventures, Inc., One Makati Hotel Ventures, Inc., Pangulasian Island Resort Corporation, Paragua Eco-Resort Ventures, Inc., Regent Horizons Conservation Company, Inc., Sentera Hotel Ventures, Inc., Sicogon Island Tourism Sicogon Town Hotel, Inc., Estate Corporation, Soltea Commercial Corporation, Southcrest Hotel Ventures, Inc., Ten Knots Development Corporation, Ten Knots Philippines, Inc., Whiteknight Holdings, Inc. and One Makati Residential Ventures, Inc. He is also Director of the following companies: Accendo Commercial Corporation, Alabang Commercial Corporation, Arca South Integrated Terminal, Inc., Ayagold Retailers, Inc., Ayala Property Management Corporation, Cagayan de Oro Gateway Corporation, Columbus Holdings, Inc., Fort Bonifacio Development Corporation, Makati Cornerstone Leasing Corporation, Makati Development Corporation, Philippine FamilyMart CVS, Inc., Philippine Integrated Energy Solutions, Inc., Station Square East Commercial Corporation. He joined ALI in 1996 and held various positions in the Company. He graduated with a degree of Bachelor of Science in Legal Management from Ateneo de

Manila University. He earned his Master's Degree in Business Administration from Asian Institute of Management. He is a Chartered Financial Analyst.

Felipe U. Yap, Filipino, 83, has been Vice Chairman from February 24, 2016. He was Chairman of the Board of Directors of the Company from 2000 to February 2016 and its Vice Chairman from 1993 to 2000. His other significant positions include: Chairman of the Board and Chief Executive Officer of publicly-listed companies Lepanto Consolidated Mining Company, and Manila Mining Corporation, of Far Southeast Gold Resources, Inc., Lepanto Investment and Development Corporation, Diamant Manufacturing and Trading Corporation, Diamond Drilling Corporation of the Philippines, and Shipside, Inc.; Chairman of the Board of publicly-listed company Zeus Holdings, Inc., Kalayaan Copper-Gold Resources, Inc., and Yapster e-Conglomerate, Inc.; Director of Manila Peninsula Hotel, Inc., Philippine Associated Smelting & Refining Corp. (PASAR), FLT Prime Insurance Corporation, Orion Land Inc. and Tutuban Properties, Inc. He graduated with a degree in B.A. Philosophy from the University of San Carlos in Cebu. He has extensive experience in the mining industry. He served as Chairman of the PSE Board of Governors from 2000 to 2002.

Bernard Vincent O. Dy, Filipino, 57, has been a director of the Company since February 24, 2016. He served as its Chairman from February 24, 2016 to April 12, 2018. He is the President and Chief Executive Officer of ALI and concurrently serves as a Senior Managing Director and member of the Ayala Group Management Committee of Ayala Corporation. He is also the Chairman of Cebu Holdings, Inc. and Director AREIT, Inc. and MCT Bhd of Malaysia. All are publicly listed companies. Prior to being the President of ALI, he was the Head of its Residential Business, Commercial Business and Corporate Marketing and Sales. His other significant positions include: Chairman of Ayala Property Management Corporation, Makati Development Corporation, Alveo Land Corporation, Amaia Land Corporation, Bellavita Land Corporation, Altaraza Development Corporation Ayagold Retailers, Inc., Station Square East Commercial Corporation, Aviana Development Corp., Cagayan De Oro Gateway Corp., BGSouth Properties, Inc., BGNorth Properties, Inc., BGWest Properties, Inc., Portico Land Corporation, Philippine Integrated Energy Solutions, Inc., Avencosouth Corp., and Nuevocentro, Inc. He also serves as Vice Chairman of Ayala Greenfield Development Corporation and Alviera Country Club, Inc. He is also

President of Bonifacio Land Corporation; Emerging City Holdings, Inc.; Columbus Holdings, Inc.; Berkshires Holdings, Inc.; Fort Bonifacio Development Corporation; Aurora Properties Incorporated; Vesta Property Holdings, Inc.; Ceci Realty Inc.; Alabang Commercial Corporation; and Accendo Commercial Corporation. Mr. Dy also serves as Director of Avida Land Corporation, Amicassa Process Solutions, Inc., Whiteknight Holdings, Inc., AyalaLand Medical Facilities Leasing, Inc., Serendra, Inc., Alveo-Federal Land Communities, Inc., ALI Eton Property Development Corporation, and AKL Properties, Inc. He is the President of Hero Foundation Inc. and Bonifacio Art Foundation, Inc. He is also a member of Ayala Foundation, Inc. and Ayala Group Club, Inc. In 2015, he was inducted as a member of the Advisory Council of the National Advisory Group for the Police Transformation Development of the Philippine National Police. He has also been a Director of the Junior Golf Foundation of the Philippines since 2010 and has served as Vice Chairman since 2017. He earned a Bachelor's Degree in Business Administration from the University of Notre Dame in 1985, He received his MBA in 1989 and MA International Relations in 1997, both at the University of Chicago.

Maria Rowena Victoria M. Tomeldan, Filipino, 59, is the President and Chief Executive Officer of AyalaLand Logistics Holdings Corp, a publicly-listed subsidiary of ALI, which developed and manages Laguna Technopark, Cavite Technopark, Laguindingan Technopark, Pampanga Technopark, Tutuban Center and South Park Center. She has been a director of the Company since February 26, 2016. With over 30 years of service in Ayala Malls, she was formerly the President of the AyalaLand Malls, Inc. Her other significant positions include: Chairman of the Board of Laguna Technopark, Inc., Ecozone Power Management, Inc., LCI Commercial Ventures, Inc, Unity Realty & Development Corp.; Chairman and President of AMSI, Inc., Orion Property Development, Inc.; FLT Prime Insurance Corporation, and ESTA Galleria Inc., which is the distributor of premium quality tiles, general lighting and other building materials. She was a board member of the International Council of Shopping Centers (ICSC), Asia Pacific Advisory Board from 2008 until 2020. She is a 2015 ICSC Trustees Distinguished Service Awardee. She graduated with an AB Economics degree, cum laude from the University of the Philippines, Diliman in 1983 and earned her Masters in Business Administration degree from the same university in 1988. She finished the Executive Development Program at the Aresty Institute of Executive Education in Wharton University, Pennsylvania, USA in 2005.

Jaime Alfonso E. Zobel de Ayala, Filipino, 30, has been a Director of the Company since May 14, 2020. He currently heads the Business Development Unit of Ayala Corporation where he leads Ayala's Business Development team in analyzing new sectors/markets outside of Ayala Corporation's core businesses in the Philippines and in the Asia region. He is also a

Board of Director of BPI Capital Corporation and BPI Direct BanKo, Inc, MCT Berhard (Malaysia) and ACE Enexor, Inc. Prior to this, he was the Head of Fixed-Mobile Convergence (Product Management) and Head of Business Development (Prepaid Division) of Globe Telecom. During his stint in Globe, he led the development and marketing strategy of Globe Switch, the most successful digital app in company history. Prior to joining the Ayala Group, he worked as a Macro-Sales analyst at Goldman Sachs in Singapore. He graduated from Harvard University in 2013, taking up Government as his primary concentration and Visual and Environmental Studies as his secondary concentration. In 2019, He obtained a master's degree in Business Administration at Columbia Business School, New York (Dean's List).

Nathanael C. Go, Filipino, 45, has been a Director of the Company since January 13, 2017. He is also the President of United Sustainment Solutions Corporation, United Harvest Corporation, Mighty and Strong (MAS) Food Corporation and Grenelle Central Corporation. Mr. Go graduated magna cum laude from Georgetown University with a BS degree in Foreign Service and completed his graduate studies in International Political Economy from the University of Warwick as a British Chevening scholar. Mr. Go worked in the Public Affairs practice of Burson Marsteller Beijing, and before that was a senior member of the Policy and Strategy Division of the National Security Council, Philippines.

Rex Ma. A. Mendoza, Filipino, 58, has been an Independent Director of the Company since February 26, 2016 and its Lead Independent Director since July 18, 2017. He is the President & CEO of Rampver Financials, a dynamic player in financial services specializing in investments, and one of the biggest distributors of mutual funds in the Philippines. He currently serves as the lead independent director of Globe Telecom, Inc. (publicly-listed company) and an independent director of two (2) listed firms, the National Reinsurance Corporation of the Philippines and ALI. He is also a director of Esquire Financing, Inc., the Cullinan Group, TechnoMarine Philippines, Seven Tall Trees Events Company, Inc., and Mobile Group, Inc. Mr. Mendoza is a member of Bro. Bo Sanchez' Mastermind Group, and is cited by many as one of the best leadership, business strategy, investments, marketing and sales speakers in the country. He is the author of two books, Trailblazing Success and Firing On All Cylinders, both certified national bestsellers. He served as the President & CEO of Philam Life, one of the country's most trusted financial services conglomerates and was Chairman of its affiliates and subsidiaries. He was also Senior Adviser to the Chief Executive Officer of the AIA Group. Prior to this, he was previously Senior Vice President and Chief Marketing and Sales Officer of ALI. He was also Chairman of Ayala Land International Sales, Inc., President of Ayala Land Sales, Inc., and Avida Sales Corporation. He has a Master's Degree in Business Management with distinction from the Asian Institute of Management. He was one of the 10

Outstanding Graduates of his batch at the University of the Philippines where he obtained a BSBA degree with a double major in marketing and finance. He was awarded Most Distinguished Alumnus of the UP Cesar Virata School of Business. He is also a Fellow with Distinction at the Life Management Institute of Atlanta, Georgia, USA, a Registered Financial Planner (RFP) and a four-time member of the Million Dollar Round Table (MDRT). He was a professor of Marketing and Computational Finance at the De La Salle University Graduate School of Business. He taught strategic marketing, services marketing and services strategy. He has served as Chairman of the Marketing Department and was awarded as one of the University's most outstanding professors.

Renato O. Marzan, Filipino, 72, has been an Independent Director of the Company since January 13, 2017. He is currently the Chairman of the Board of Directors of UBS Securities Philippines, Inc. (USPI), a wholly-owned subsidiary of UBS AG. He has been an independent director of the USPI since May 2010. He is also a consultant and director in a number of private corporations. He was formerly connected with Ayala Corporation where he retired in December 31, 2008. At the time of his retirement, he was the General Counsel, Managing Director and the Group

Head of the Corporate Governance and Legal Affairs Group of the corporation. In such capacity, he exercised direct supervision and oversight over the Legal Division, Office of the Corporate Secretary, the Compliance Unit and the Internal Audit of the corporation. He played an important role in the adoption and implementation of the principles and best practices of good corporate governance in the Ayala Group of Companies. During his career in Ayala, he also served as a director and corporate secretary of a number of companies within the Ayala Group. He graduated magna cum laude with a degree of Bachelor of Arts major in Philosophy in 1969, and cum laude with a degree of Bachelor of Laws in 1973, both from San Beda College. Prior to joining Ayala in 1978, he was in the active practice of law.

Cassandra Lianne S. Yap, Filipino, 31, has been an Independent Director of the Company since April 13, 2020. She is the Vice President and Corporate Secretary of Zamcore Realty & Development Corp. She is also the Executive Vice-President of Ferenzo Holdings & Development Corp. and FelCris Hotels & Resorts Corp. She graduated in 2011 with a degree in Psychology from Kwantlen Polytechnic University in British Columbia.

GOVERNANCE STRUCTURE

Board of Directors and Board Committees

The Board of Directors has the responsibility to promote the Corporation's long-term success and sustained competitiveness while adhering to sound corporate governance principles and practices. The Board sets the Corporation's vision, mission, strategic objectives and key management policies and procedures, and the mechanisms to evaluate management's performance.

As provided in the Corporation's By-laws, the Board has created seven (7) committees to assist it in the performance of its functions. These committees are the Executive, Audit, Corporate Governance and Nomination, Personnel and Compensation, Sustainability, Board Risk Oversight, and Related Party Transactions Review committees. Each committee's function is discussed on pages 31-32 of this report.

The Chairman and Vice Chairman

The Chairman chairs and heads all board and stockholders' meetings, unless he is unavailable, in which case, the Vice Chairman shall preside at such meetings. He renders advice and counsel to the President. He ensures compliance with the corporate governance guidelines of the Corporation.

The Chairman of the Board is Mr. Jose Emmanuel H. Jalandoni who first assumed the post in April 2018. He was elected President of the Corporation in February 2016.

The Vice-Chairman is Mr. Felipe U. Yap, who assumed the post in February 2016. He served as Chairman of the Corporation from 2000 to February 2016.

The President & Chief Executive Officer (CEO)

The President has general management and supervision over the operations of the Corporation. She executes the resolutions of the Board and of the stockholders, and determines the strategic direction of the Corporation and implements the strategic plans. She oversees the operations of the Corporation and manages human and financial resources in accordance with the strategic plan. The Corporation's President and CEO is Ms. Maria Rowena M. Tomeldan who assumed the post since February 2018.

Corporate Secretary

The Corporate Secretary acts as adviser to the directors on their responsibilities and obligations and assists the Board and the board committees in the conduct of their meetings. She safekeeps the minutes of the meetings of the Board and its committees and other official records of the Corporation. The Corporate Secretary ensures that adequate and timely information to the Board and Board committees before their respective meetings. ALLHC's Corporate Secretary is Atty. June Vee D. Monteclaro-Navarro who held the post since February 2016.

Compliance Officer

The Compliance Officer (CO) monitors and ensures

compliance by the company, its directors and officers with relevant laws and regulations and implementation of best corporate governance practices across the group. Ms. Francis M. Montojo is the Corporation's CO since December 2018, and concurrently its Chief Finance Officer and Chief Risk Officer.

Chief Audit Executive

The Chief Audit Executive (CAE) heads the Internal Audit Group and is responsible for the internal audit activities of the Corporation and reports functionally to the Audit Committee. The Internal Audit Group assists the Audit Committee by providing timely objective reports on internal control and compliance issues. Ms. Ma. Divina Lopez is the CAE of the Corporation.

Chief Risk Officer

The Chief Risk Officer (CRO) supervises the enterprise-wide risk management process, its implementation and development. The CRO conducts the annual risk assessments to identify the risks, their impact or potential impact, and measures to address such risks. The CRO reports to the Board Risk Oversight Committee. Ms. Divina Lopez was

concurrent CAE and CRO until the appointment of Ms. Francis M. Montojo as CRO on 11 November 2020.

Strategic Business Units

ALLHC's strategic business units (SBUs) execute the company's strategies and oversee day-to-day operations of its product lines. Each SBU is led by a group head who reports to the President and CEO. ALLHC has three (3) main business lines: industrial parks, warehouse leasing and commercial leasing group. The industrial park group is responsible for the acquisition of land and the development of industrial parks. The warehouse leasing group handles leasing of standard factory buildings and warehouses. The commercial leasing group is into the operation of commercial malls and leasing of office spaces, namely, Tutuban Center and South Park Center.

ALLHC has established policies and practices posted on its website. These are also available in the annual report and corporate governance manual.

ALLHC complies with all the listing and disclosure rules of the Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC).

BOARD MATTERS

Composition

The Board of Directors is composed of nine (9) members, more than half of whom are non-executive directors. They hold office for a period of one year and serve until the election and acceptance of their duly qualified successors.

Competency and Diversity

The Board is a diverse mix of competent individuals with knowledge, skills and experience in business, management, legal, finance, marketing, business development and real estate, each contributing independent judgment and value in making sound corporate strategies and policies. The board members' diverse professional backgrounds are essential to the execution and corporate governance management of the Corporation.

Diversity in the Board covers not only gender, but also age, ethnicity, culture, skills, competence, and knowledge. The Board regularly reviews its composition, considering the company's requirements and best practices in corporate governance. With respect to gender, the Corporation shall strive that its Board shall have at least two female directors by 2025. With the election of a female independent director in April 2020, the Company is compliant with its gender policy of having two female directors in the Board.

Independent Directors

Independent Directors in the Board ensure exercise of independent judgment on corporate affairs and proper supervision of management's performance.

The independent directors serve for a cumulative period of not more than nine years and hold no interest or relationships with the Corporation that may hinder their independence.

The Corporation has three independent directors constituting one-third of the total number of directors of the Corporation as provided in the Code of Corporate Governance for Publicly-Listed Companies and the Corporation's Manual on Corporate Governance. This is more than the number of independent directors prescribed in the Revised Corporation Code.

The Corporation has appointed Mr. Rex Ma. A. Mendoza as lead independent director on April 13, 2020, and he acts as an intermediary between the Chairman and the other members of the board when needed. He convenes and chairs the meetings of the non-executive directors.

Directorships outside ALLHC

A director may accept and hold directorships outside ALLHC. To ensure that adequate time and attention is given to the fulfilment of duties as director of the Corporation, independent and non-executive directors shall hold no more than five board seats in any group of publicly-listed companies while executive directors shall hold no more than two board seats in listed companies outside the Ayala Group.

Meetings and Attendance

The six regular meetings of the Board are set at

the start of the year. The meetings of the board committees as provided in their respective charters are also set at the start of the year. Notice of board meetings are to be sent at least five working days before the meeting.

The Board had six meetings in 2020 as provided in its Manual on Corporate Governance. In 2020, all Board and committee meetings starting in April were held via remote communication through MS Teams or Zoom as a result of the government-imposed community quarantine starting in March 2020 brought about by the COVID-19 pandemic. Attendance in Board and committee meetings was 100% (except for a director whose term ended in April 2020), and all members were compliant with

the minimum attendance requirement of 75% of all meetings during the year, and were thus eligible for re-election as provided in the Corporation's Manual on Corporate Governance and guidelines of the SEC.

Non-executive directors are required to meet at least once a year under the Manual on Corporate Governance (as of May 2020). The non-executive directors met twice this year, in November and December 2020, without the presence of any executive. Under the Corporation's Manual on Corporate Governance (revised as of November 2020), non-executive directors are required to meet periodically each year. Please refer to the list of Board and Committee meetings and attendance on pages 27-28 of this report.

2020 Board of Directors

Director	Designation	Year Appointed (No. of years in the board)	Expertise
Jose Emmanuel H. Jalandoni	Non-Executive, Chairman	March 2016 (4)	General management, real estate, finance
Felipe U. Yap	Non-Executive, Vice Chairman	November 1993 (27)	General management, mining, real estate, securities
Bernard Vincent O. Dy	Non-Executive	March 2016 (4)	General management, real estate, accounting, finance
Maria Rowena M. Tomeldan	Executive, President & CEO	March 2016 (4)	General management; industrial parks, mall and retail management; real estate
Jaime Alfonso E. Zobel de Ayala	Non-Executive	May 2020 (7 months)	Business development, product development, marketing and general management
Nathanael C. Go	Non-Executive	January 2017 (4)	General management, retail business, manufacturing, marketing
Rex Ma. A. Mendoza	Non-Executive, Lead Independent	March 2016 (4)	Finance and investments, marketing, real estate, insurance, risk management
Renato O. Marzan	Non-Executive, Independent	January 2017 (4)	Legal, corporate governance, general management
Cassandra Lianne S. Yap	Non-Executive, Independent	April 2020 (8 months)	Real estate management, hotel & resort management, marketing
Augusto D. Bengzon*	Non-Executive	July 2017 (3)	Accounting, finance, risk management
Victor C. Say**	Non-Executive	August 1989 (30)	General management, retail business, securities

* resigned as director and replaced by Mr. Jaime Alfonso E. Zobel de Ayala on 14 May 2020; elected Treasurer on 14 May 2020

** term ended on 13 April 2020

Remuneration

Under the by-laws (as amended)¹, the Board is authorized to fix the per diems of directors for his/her attendance in board and committee meetings. Directors shall be entitled to receive from the

Corporation, pursuant to a resolution of the Board of Directors, fees and other compensation for their services. The total yearly compensation of directors shall in no case exceed ten percent (10%) of the net income before income tax of the Corporation during the preceding year as provided under the Revised Corporation Code. No director shall be involved in

¹The Board approved the amendment of the By-laws on 11 November 2020 pursuant to a delegation of authority to amend By-laws from the stockholders. The Amended By-laws were approved by the Securities and Exchange Commission on 4 March 2021.

deciding his own remuneration.

Each director receives a per diem of P40,000.00 per meeting of the Board and P30,000.00 for every committee meeting attended, as per stockholders' resolution of 13 January 2017. Independent directors are not entitled to receive options or bonuses except pursuant to a resolution approved by the stockholders owning majority of outstanding capital stock as provided in the Board Charter.

No director was contracted and compensated by the Corporation for services other than those of

a director. There is no arrangement regarding the remuneration of directors and officers aside from those stated herein.

The total compensation of the President/CEO and four most highly compensated executive officers is disclosed in the definitive information statement sent to shareholders and posted on the Corporation's website.

The total annual compensation (per diems) of directors is shown in the table below:

Board of Directors Gross Remuneration in 2020

Director	Total Remuneration (Php)
Jose Emmanuel H. Jalandoni*	330,000.00
Felipe U. Yap	330,000.00
Bernard Vincent O. Dy*	240,000.00
Maria Rowena M. Tomeldan*	570,000.00
Jaime Alfonso E. Zobel de Ayala*	120,000.00
Nathanael C. Go	240,000.00
Rex Ma. A. Mendoza	690,000.00
Renato O. Marzan	630,000.00
Cassandra Lianne S. Yap	410,000.00
Augusto D. Bengzon*	180,000.00
Victor C. Say	0.00
Total	3,740,000.00

*per diems were paid to their nominating company

Directors' Attendance in Meetings of the Board and Committees in 2020

Board of Directors 2020	No. of Meetings Attended / Held*	% Present in Board Meetings
Jose Emmanuel H. Jalandoni	6/6	100%
Felipe U. Yap	6/6	100%
Bernard Vincent O. Dy	6/6	100%
Maria Rowena M. Tomeldan	6/6	100%
Jaime Alfonso E. Zobel de Ayala ²	3/3	100%
Nathanael C. Go	6/6	100%
Rex Ma. A. Mendoza	6/6	100%
Renato O. Marzan	6/6	100%
Cassandra Lianne S. Yap ³	5/5	100%
Augusto D. Bengzon ⁴	3/3	100%
Victor C. Say ⁵	0/1	0

*In 2020 and during the incumbency of the director

²Elected on 14 May 2020 vice Mr. Augusto D. Bengzon

³Elected during the annual stockholders' meeting held on 13 April 2020

⁴Resigned as director on 14 May 2020; elected as Treasurer on 14 May 2020

⁵Term ended on 13 April 2020

Executive Committee	No. of Meetings Attended / Held	% Present
Jose Emmanuel H. Jalandoni	3/3	100%
Felipe U. Yap	3/3	100%
Maria Rowena M. Tomeldan	3/3	100%

Audit Committee	No. of Meetings Attended / Held*	% Present
Rex Ma. A. Mendoza	4/4	100%
Renato O. Marzan	4/4	100%
Augusto D. Bengzon	2/2	100%
Cassandra Lianne S. Yap^	2/2	100%

*In 2020 and during the incumbency of the director

^Appointed on 14 May 2020 vice Mr. Bengzon

Corporate Governance and Nomination Committee	No. of Meetings Attended / Held*	% Present
Renato O. Marzan	5/5	100%
Rex Ma. A. Mendoza	5/5	100%
Maria Rowena M. Tomeldan	2/2	100%
Cassandra Lianne S. Yap^	3/3	100%

*In 2020 and during the incumbency of the director

^Appointed on 13 April 2020

Board Risk Oversight Committee	No. of Meetings Attended / Held	% Present
Cassandra Lianne S. Yap*	2/2	100%
Maria Rowena M. Tomeldan	2/2	100%
Rex Ma. A. Mendoza	2/2	100%

*Appointed on 13 April 2020

Personnel and Compensation Committee	No. of Meetings Attended / Held	% Present
Renato O. Marzan	2/2	100%
Maria Rowena M. Tomeldan	2/2	100%
Rex Ma. A. Mendoza	2/2	100%

Sustainability Committee	No. of Meetings Attended / Held	% Present
Maria Rowena M. Tomeldan	2/2	100%
Renato O. Marzan	2/2	100%
Rex Ma. A. Mendoza	2/2	100%

Related Party Transactions Review Committee~	No. of Meetings Attended / Held	% Present
Renato O. Marzan	0	0
Rex Ma. A. Mendoza	0	0
Cassandra Lianne S. Yap^	0	0

The Related Party Transactions Review Committee did not have any meeting in 2020

^Appointed on 13 April 2020

Non-Executive Directors Meeting	No. of Meetings Attended / Held	% Present
Jose Emmanuel H. Jalandoni	2/2	100%
Felipe U. Yap	2/2	100%
Bernard Vincent O. Dy	2/2	100%
Jaime Alfonso E. Zobel de Ayala	1/2	50%
Nathanael C. Go	2/2	100%
Rex Ma. A. Mendoza	2/2	100%
Renato O. Marzan	2/2	100%
Cassandra Lianne S. Yap	2/2	100%

Disclosure of Conflict of Interest

Annually, each director is required to disclose any conflict of interest. Each independent director submits to the Corporate Secretary a confirmation letter stating that at the time of his election, appointment, or re-appointment as director, he holds no interests affiliated with the company, or in the management of its controlling shareholder. The disclosure notwithstanding, a director is required to abstain from participating in the discussion and voting on any matter where he has a conflict of interest at any point during the course of his service. A director with any material conflict of interest determined to be permanent in nature shall be disqualified from the board.

No person shall qualify or be eligible for nomination or election to the board if he is engaged in any business that competes with or is antagonistic to the interest of the company.

Every year, employees in the ALLHC group are required to accomplish and file a business interest and related party disclosure form with their respective Human Resources Department.

Annual Self-Assessment

The Board and the Board Committees conduct an annual self-assessment in order to monitor and improve their performance. The responses of the individual members of the Board are compiled by the Compliance Officer and are presented to the Board and respective committees.

The 2020 Board self-assessment covers the following areas:

1. Board Composition;
2. Board Role Functioning,
3. Information Management,
4. Representation of Shareholders & Environment, Social and Governance (ESG);
5. Managing Company's Performance;
6. Board Strategy and Priorities;
7. Senior Executives' Performance Management and Succession Planning;
8. Director Development and Management;
9. Risk Management and Internal Control, and
10. Overall Perception.

The Committee self-assessment covers four broad areas:

1. fulfillment of Board's key responsibilities;
2. quality of relationship with management;
3. effectiveness of board processes and meetings,
4. performance of individual board members.

The Code of Corporate Governance for Publicly-Listed Companies prescribed that the self-assessment of the Board be supported by an external facilitator every three years. Pursuant thereto, in 2019, the Corporation engaged the services of AON Hewitt of Singapore to conduct the Board self-assessment through an online survey. The results and recommendations of AON were presented to

Board in February 2020.

The 2020 performance self-assessment for the Board and Committees was conducted through an online survey.

Training and Development

ALLHC requires all board members and key officers to attend relevant professional trainings and education programs. Directors attend an annual four-hour corporate governance seminar or training. Directors attend integrated corporate governance seminar conducted for the Ayala Group or such other corporate seminars accredited by the Securities and Exchange Commission as part of their continuing training program. For 2020, the directors and key officers attended a virtual corporate governance seminar via Zoom as large group meetings were disallowed under the COVID-19 protocol.

New directors attend an orientation program which provides information about the Corporation so that they can effectively perform their functions. Typically, the orientation covers ALLHC's operations, financial results, disclosure obligations of directors, conflict-of-interest situations, and relevant company policies. The orientation for directors was conducted by the corporate secretary via remote communication.

A detailed table on the 2020 Training and Continuing Education of Board of Directors is provided on the next page.

BOARD COMMITTEES

Each Board committee has its own charter which sets out the purpose, policies, membership, responsibilities, authority of each committee, including procedures and reporting processes.

The next page features the composition of ALLHC's board committees in 2020.

2020 Training and Continuing Education of Board of Directors

Director	Date of Training	Program	Training Institution
Jose Emmanuel H. Jalandoni	10 November 2020	The Board Agenda 2020: The Business of Building Back Better;	Institute for Corporate Directors (ICD)
	16 December 2020	Future Trends	ICD
Felipe U. Yap	28 October 2020	SEC Updates and Economic Briefing;	Center for Global Best Practices (CGBP);
	16 December 2020	Future Trends	ICD
Bernard Vincent O. Dy	10 November 2020	The Board Agenda 2020: The Business of Building Back Better	ICD
Maria Rowena M. Tomeldan	10 November 2020	The Board Agenda 2020: The Business of Building Back Better	ICD
Jaime Alfonso E. Zobel de Ayala	10 November 2020	The Board Agenda 2020: The Business of Building Back Better	ICD
Nathanael C. Go	10 November 2020	The Board Agenda 2020: The Business of Building Back Better	ICD
Rex Ma. A. Mendoza	10 November 2020	The Board Agenda 2020: The Business of Building Back Better	ICD
Renato O. Marzan	10 November 2020	The Board Agenda 2020: The Business of Building Back Better	ICD
Cassandra Lianne S. Yap	28 October 2020	SEC Updates and Economic Briefing;	CGBP
	16 December 2020	Future Trends	ICD

Composition of ALLHC Board Committees 2020

Directors	Executive	Audit	Board Risk Oversight	Related Party Transactions Review	Corporate Governance and Nomination	Personnel and Compensation	Sustainability
Jose Emmanuel H. Jalandoni	C						
Felipe U. Yap	M						
Maria Rowena M. Tomeldan	M		M		M	C	
Rex Ma. A. Mendoza	C	M		M	M	M	M
Renato O. Marzan	M			C	C	C	M
Cassandra Lianne S. Yap	M	C		M	M		

C- Chairman
M- Member

Executive Committee

The Executive Committee consists of three members. It shall exercise any of the powers and attributes, to the extent allowed by law, of the Board of Directors during the intervening period between Board meetings and acts by majority vote of all its members on such members within the competence of the Board except for specific matters as stated in its charter, the Corporation's By-laws or the Revised Corporation Code. All actions of the Executive Committee shall be reported to the Board of Directors at the meeting thereof immediately following such action.

In 2020, the Executive Committee performed the following duties:

1. Approved the internal guidelines on remote communication and voting in absentia under extraordinary circumstances for the annual stockholders' meeting;
2. Approved the grant of financial assistance to workers who are unable to work during the lockdown; and
3. Deliberated on, and approved, the establishment of letters of credit for the Corporation's projects.

Audit Committee

The Audit Committee consists of three non-executive directors, majority of whom are independent directors, including its Chairman as provided in its charter. Starting on 14 May 2020, the members of the Audit Committee were all independent directors. The Chairman of the Audit Committee, as far as practicable, cannot be the chairman of the board or any other committee of the Corporation. The Audit Committee duties include financial reporting, internal and external audit. It is responsible for the appointment and removal of the internal auditor, assessment of the independence and qualifications of the independent auditor, and recommends to the Board the appointment and remuneration (i.e., both audit and non-audit fees), as well as the removal of the independent auditor. The committee ensures the rotation of the independent auditor every five (5) years as required under the Manual on Corporate Governance.

The Audit Committee's 2020 accomplishments include:

1. Performed oversight function relating to the accuracy of the Company's financial statements, and effectiveness of its internal audit activities, quarterly financial reporting process and unaudited financial statements, the annual independent audit of the financial statements and compliance with legal and regulatory requirements;
2. Approved the revised Internal Audit Charter in 2020 and the Internal Audit Plan for 2021 presented by internal auditor assigned to the ALLHC Group, Mr. Alvin Angelo J. Anoos;
3. Approved and endorsed for ratification of the Board the Internal Control and Compliance System Attestation for the year ended 31

December 2020 signed by the President/CEO, Chief Finance Officer, Compliance Officer and Chief Audit Executive;

4. Reviewed and approved the Management Representation Letter;
5. Reviewed and endorsed for approval the 2020 Audited Financial Statements prepared by the external auditors SyCip Gorres Velayo & Co. (SGV);
6. Recommended appointment of SGV as external auditor for 2021 and corresponding audit fee; and
7. Approved the various plans and projects of the Company which include acquisition of properties, construction of warehouses and disposal of idle assets.

For the actions of the Audit Committee, please refer to the Report of the Audit Committee to the Board of Directors which was approved by the Board on 23 February 2021, on pages 40-41 of this report.

Corporate Governance and Nomination Committee

The Corporate Governance and Nomination Committee consists of three members, all of whom are independent directors. The committee oversees all corporate governance related matters, and the nomination and election of the Corporation's directors.

In 2020, the Corporate Governance and Nomination Committee's accomplishments include:

1. Endorsement of the amendments to the Corporation's By-laws;
2. Amendment of the Manual on Corporate Governance, Board Charter, Corporate Governance and Nomination Committee Charter, various company policies such as Related Party Transactions Policy, Insider Trading Policy, Code of Conduct for Ethical Behavior;
3. Approval of nominees to the Board and committees and Chief Risk Officer; and
4. Reviewed and evaluated the profiles and qualifications of the nominees for directors; approved and endorsed the final list of nominees for directors for election, and appointment of key officers.

Personnel and Compensation Committee

The Personnel and Compensation Committee is composed of three members, majority of whom are independent directors. The committee is responsible for all matters pertaining to board, management and overall company remuneration.

In 2020, the Committee was responsible for:

1. Review of employees' benefits and policies;
2. Review and roll-out of policies and practices during the quarantine for the employees and contracted services;
3. Development and endorsement of policies for employees' reintegration into the workplace after the quarantine.

Board Risk Oversight Committee

The Board Risk Oversight Committee, consists of three non-executive directors, majority of whom are independent directors, including its Chairman. The Chairman of the Board Risk Oversight Committee cannot be the chairman of the board or any other committee of the Corporation. This committee is responsible for the development and implementation of a formal enterprise risk management plan.

In 2020, the Board Risk Oversight Committee, performed the following responsibilities:

1. Conducted a review of the Company's key risks and control assessment measures and risk management systems;
2. Discussed and approved the enterprise-wide risk management program of the Company.

Related Party Transactions Review Committee

This Committee is composed of three non-executive directors, all of whom are independent directors. The committee is tasked with the review of all related party transactions (RPTs) of the company, except pre-approved RPTs, and to ensure that all material RPTs are not undertaken on more favorable economic terms.

There were no material RPTs this year and the RPT Committee did not hold any meeting.

Sustainability Committee

The Sustainability Committee is composed of three directors, with at least one independent director. The committee oversees the Company's sustainability initiatives and practices.

In 2020, the Sustainability Committee discussed and reviewed the results of the 2019 sustainability initiatives, and set the development goals for 2020 and 2021. It has adopted the GRI approach to evaluate and report its sustainability efforts. It reviewed the sustainability report for the Company's 2020 annual report.

Process and Criteria for Nominations to the Board

The process and criteria followed by the Corporate Governance and Nomination Committee in receiving and evaluating nominations to the Board are as follows:

1. Receive all written nominations to the Board submitted by stockholders together with the consent of the nominees, at least thirty (30) business days before the date of the next annual meeting of the stockholders.
2. Review and evaluate the qualifications of all those nominated in accordance with the following criteria:
 - (a) ownership of at least one (1) share of stock of the Corporation standing in his name in the books of the Corporation;
 - (b) a college degree of the equivalent or adequate competence and understanding of the

fundamentals of the business of the Corporation or sufficient experience and competence in managing a business to substitute for such formal education;

- (c) relevant qualification such as previous business experience, membership in good standing in relevant industry, and membership in business or professional organizations; and
- (d) possesses integrity, probity and shall be diligent and assiduous in the performance of his functions;
- (e) directorships in other companies, taking into account the following factors:

- (i) Nature of the business of the Corporation;
- (ii) The number of directorships in other companies;
- (iii) Any possible conflict of interest; and
- (iv) Age of the director;

(f) possesses none of the grounds for disqualification provided in applicable laws, the rules and regulations of the Securities and Exchange Commission, the Corporate Governance Manual and By-laws of the Corporation;

(g) for independent directors, beneficial equity ownership in the Corporation, or in the related companies, which must not exceed two percent (2%); and

(h) the term limit set for independent directors under applicable laws, rules and regulations.

The Committee may consider and recommend to the Board other qualifications for directors, including independence criteria or standards for independent directors, which are aligned with the Corporation's vision, mission and corporate strategy that are now or may hereafter be provided in relevant laws or any amendment thereto.

The Committee may likewise recommend qualified individuals for nomination and election to the Board. For this purpose, the Committee shall make use of professional search firms or other external sources of candidates to search for qualified candidates to the Board.

Aside from the Board Committees, the Corporation has an **Inspectors of Proxies and Ballots Committee** composed of individuals who are empowered to validate proxies and tabulate votes during the stockholders' meetings. These individuals are not members of the Board.

The members of this committee are the Corporation's Corporate Secretary, Atty. June Vee D. Monteclaro-Navarro, CFO and Compliance Officer, Ms. Francis M. Montojo, and Ms. Michelle Marie T. Valbuena of the Corporate Services Unit.

Internal Auditor

The Internal Audit ensures compliance with internal control procedures and assists the Audit Committee in supporting the corporate governance process through the provision of checks and balances.

External Auditor

Upon the recommendation of the then Audit Committee and approval of the Board, the accounting firm of SyCip Gorres Velayo & Co. (SGV) with Mr. Carlo Paolo V. Manalang as partner-in-charge, was appointed as external auditor of the Company for the 2020 audit year.

Year	Audit and Audit Related Fees (in million pesos)	Other Fees (Php)* (in million pesos)
2020	1.95	0.06
2019	1.92	0.06

*SGV fees for validation of stockholders' votes during the annual stockholders' meetings

POLICIES AND PRACTICES

Annual Stockholders' Meeting (ASM)

Notice of the ASM

The notice of the ASM and Information Statement must be sent at least 28 days before the meeting to the registered address of each stockholder. The notice is in English and contains the date, time and place of the meeting, the agenda and explanation for each agenda item to be presented for approval of the stockholders. Each resolution deals with one agenda item. The rules of conduct and voting procedure are included in the notice of the ASM. A proxy form is attached to the notice.

The information statement contains the profile and personal data of all the directors, including those up for election or re-election, and of the auditors recommended for election.

With the government-imposed enhanced community quarantine, the Corporation could not hold a physical meeting in 2020. Instead of a physical meeting, the Corporation set a virtual stockholders' meeting on April 13, 2020. Consequently, the notice of meeting was amended announcing the holding of a virtual meeting. In compliance with the SEC directive, the notice of the ASM and information statement were posted on the Corporation's website and of the PSE. Some notices were sent electronically to the email addresses of the stockholders.

Election of Directors and Voting Procedure

All shareholders, including minority shareholders, have the right to nominate candidates to the board. The names of the nominees, together with their written consent, must be filed with the Corporate Governance and Nomination Committee, through the Office of the Corporate Secretary, at least thirty (30) business days prior to the date of

the annual meeting of stockholders. The period for nomination of directors is disclosed through the PSE Edge and posted on the website of the Corporation.

Directors are elected by poll through paper ballot or electronic voting, following the plurality system. Stockholders as of record date may vote such number of shares he owns for as many persons as many as the number of directors to be elected; or he may cumulate said shares as the number of directors to be elected multiplied by the number of shares owned, provided that the total number of votes cast shall not exceed the number of his shares multiplied by the total number of directors to be elected.

In 2020, as a physical stockholders' meeting was not allowed, voting by the stockholders was done by proxy, or electronically using a secure online registration and validation system. For this purpose, the Corporation set up a website which may be accessed by stockholders to register and vote on matters through remote communication or *in absentia*. The requirements and procedure for electronic voting *in absentia* were included in the amended notice and the amended Information Statement for the stockholders, and were posted on the Corporation's website several business days before the date of the meeting. The electronic voting platform indicate the proposed resolutions for consideration by the stockholders. Also, each proposed resolution was shown on the screen and read by the Corporate Secretary during the meeting. Stockholders were allowed to cast their votes until the cut-off time announced during the meeting. Stockholders casting votes through remote communication or *in absentia*, electronically or otherwise, are deemed present for purposes of determining the existence of a quorum. The votes received are tabulated by the Inspectors of Proxies

and Ballots Committee and validated by the independent auditor. The Corporate Secretary reported on the votes received and tabulated for each item. The final votes were tabulated and disclosed immediately after the ASM.

Minutes of the ASM

The minutes of the ASM is posted in the company website, www.ayalalandlogistics.com, within five days from the date of ASM. The minutes include the results of the votes for all resolutions, which were disclosed to the public right after the ASM. The minutes also include attendance of directors and questions raised by stockholders and answers thereto.

Dividends

There were no dividend declarations for the years 2018 to 2020. As provided in the By-laws, dividends shall be declared by the Corporation only from surplus profit and shall be payable at such times and amounts as the Board of Directors may determine. The dividends are payable in cash or shares of stock from the unissued stock of the Corporation, or both as the Board may determine. No dividend shall be declared that will impair the capital of the Corporation.

Cash dividends require the approval of the Board of Directors only. For stock dividends, approval of the Board and the stockholders holding two-thirds of the capital stock of the Corporation are required. The approval of the SEC and PSE are required for the listing of shares from stock dividend declarations.

Ownership Structure

In accordance with SEC requirements, the list of beneficial owners of more than 5% of the company's total outstanding stock is disclosed on a quarterly basis. Direct and indirect shareholdings of directors and senior management and the respective changes in shareholdings are also disclosed accordingly. The details of ALLHC and its subsidiaries are available in its website, SEC 17-A and SEC 17-Q reports, SEC 20-IS, and Annual Corporate Governance Report. No member of the board or management owns 2% or more of the outstanding capital stock of the company.

Corporate Governance Compliance

In 2017, the Corporation adopted a Manual on Corporate Governance (the "Manual") in compliance with the SEC directive. The Manual was updated in 2019 and 2020.

In 2020, the Company approved the amendment of certain provisions of the Manual which include, among others,

- i. Requirement for three independent directors or 1/3 of the Board, whichever is higher;
- ii. Quorum requirement for Board meetings is two-thirds (2/3) of the entire Board;
- iii. Setting a Board diversity policy with respect to gender, such that the Corporation shall strive to

have two (2) female directors by 2025;

- iv. Non-executive directors and independent directors shall hold no more than five (5) directorships in any group of listed companies;
- v. The Board allowed to meet by remote communication and other alternative modes of communications allowed by the Securities and Exchange Commission;
- vi. Required minimum number of hours of continuing annual training of directors and key officers;
- vii. Requiring a director to inform the Chairman and Corporate Governance and Nomination Committee before accepting a new directorship;
- viii. The total compensation of directors shall not exceed ten percent (10%) of the income before tax of the Corporation during the preceding year;
- ix. The Corporation has the option to hold stockholders' meeting virtually or by remote communication except upon request for a physical meeting by stockholder owning at least ten percent (10%) of its outstanding capital stock;
- x. Notice of stockholders' meetings may be sent by electronic transmission or personal delivery or such other manner allowed by the SEC;
- xi. Updated provision on the voting right of stockholders to include voting by remote communication or in absentia, electronically or otherwise and procedure for nomination of directors;
- xii. Updated provision on right of minority shareholders to propose agenda items subject to reasonable advance notice and other guidelines provided by the Board consistent with applicable laws, rules and regulations of the SEC;
- xiii. A Corporate Governance and Nomination Committee shall be composed of three (3) independent directors;
- xiv. A Related Party Transactions Review Committee shall be composed of three (3) independent directors;
- xv. The Chief Risk Officer (CRO) to report to the Board Risk Oversight Committee instead of Audit Committee;
- xvi. Deletion of provision that the Chief Audit Executive shall be concurrent CRO;
- xvii. The Chairman and Vice Chairman are not considered officers of the Corporation and updated functions of the Chairman;
- xviii. The Compliance Officer was included in list of officers of the Corporation;
- xix. Commitment of the Board to full disclosure of material information dealings, including non-financial information, with emphasis on the management of material economic, environment, social and governance issues of the business, which underpin sustainability, in line with the guiding principles and content elements of the Integrated Reporting framework and the Global Reporting Initiative Standards 2016;
- xx. Inclusion and holding of analyst's briefings as channels of dissemination of public, material and relevant information; and
- xi. Setting arbitration as the alternative mode of intra-corporate dispute settlement.

The Board, together with top Management, approved the Corporation's updated vision and mission and core values. The Board sets the strategic objectives of the Company and ensures that the implementation of the strategies are in accordance with good governance practices and that internal control mechanism and procedures are in place. To evaluate performance, the Board and its Committees conduct an annual self-assessment. The self-assessment forms are collated by the Compliance Officer and the results are reported to the Board and the committees. Every three (3) years, the Company will engage an external facilitator for the assessment of the Board's performance as provided in the Manual starting in 2019.

The Company's website, www.ayalalandlogistics.com, is updated regularly and contains the corporate information on the business and management of the Group, company policies, corporate governance reports and disclosures of the Company for the investors, stakeholders and public in general.

There was no material deviation from the Company's Manual. Mr. Felipe U. Yap, 83 years of age, was nominated and elected during the 2020 stockholders' meeting despite a provision in the Manual setting 80 years old as the retirement age for directors. The Corporate Governance and Nomination Committee and the Board approved his nomination in consideration of his relevant qualifications, competence and invaluable contribution to the Company. The Company has complied with the provisions of the Code of Corporate Governance for Publicly-Listed Companies (the "Code") (SEC Memorandum Circular No. 19, Series of 2016). For the ensuing year, the Company will continue to improve its systems and procedures, and consider holding media briefings depending on the requirements of the Corporation.

Anti-Corruption Programs and Procedures

Trading Blackout Policy

The Corporation's trading blackout policy prohibits covered persons from buying or selling ALLHC shares during a prescribed period as they may have become aware of material information about the Corporation which have not been disclosed to the public. Covered Persons refer to the directors, key officers, consultants, advisers, ALLHC employees, and immediate family members living in the same household with the aforementioned parties. The prescribed period is five (5) trading days before and two trading days after the date of disclosure of quarterly and annual financial results, and two trading days after the disclosure of any material information other than annual or quarterly financial results. Within ten days from their appointment, directors and identified key officers shall submit their initial statement of ownership of shares in ALLHC through SEC Form 23-A. Thereafter, any change in their beneficial ownership of ALLHC shares must be reported within three business days from the

transaction date for preparation of SEC Form 23-B. These forms are submitted to the SEC and PSE.

Related Party Transactions Policy

A related party transactions (RPT) policy ensures that all related party transactions of ALLHC, its subsidiaries, affiliates, and other related entities or persons, are at arm's length, fair, and inure to the best interest of the company and its subsidiaries or affiliates and their stockholders. The RPT policy defines related party relationships and transactions and the guidelines and categories that govern the review, approval and ratification of said transactions by the board or shareholders to ensure that such relationships are disclosed according to the International Accounting Standards (IAS) 24 and other applicable disclosure requirements. No RPT may be classified as financial assistance to any entity. Material RPTs have to be approved by two thirds of the Board, including majority of the independent directors. If the required vote of the independent directors is not obtained, the board may require that a Material RPT it has approved be submitted for ratification of the stockholders owning two-thirds of the outstanding capital stock.

Whistleblowing Policy

The Whistleblowing policy covers employees of ALLHC Group, agents, suppliers, vendors, customers, and other stakeholders. The policy provides the conditions and concerns which may be reported by any individual or entity that becomes aware or suspects any irregularity or misconduct by employees of the ALLHC Group. All employees, business partners, suppliers, and other stakeholders are encouraged and empowered to report any activity deemed illegal or unethical through secure business integrity channels. These channels may be used to freely and without fear of retaliation, directly report suspected fraud, misconduct, and violations of laws, rules, and regulations within ALLHC Group to people of authority. The ALLHC Ethics Committee oversees the business integrity channels, evaluate and promptly resolve concerns reported. The committee is chaired by the Head of the Human Resources (HR) and composed of select members of Internal Audit and Ayala Group Legal. It reports directly to the Audit Committee. Reportable matters include, among others, conflicts of interest, misconduct or policy violations, theft, fraud or misappropriation, falsification of documents, financial reporting concerns, and any act of retaliation taken against persons covered by the policy.

The business integrity channels shall accept reports made anonymously. Whistleblowers may choose the manner by which they may be contacted without compromising their anonymity, such as providing an e-mail address or mobile number. If a whistleblower chooses to identify himself, the one who receives the report should ask the whistleblower if he is willing to be identified in the course of the investigation. When the report is substantiated and the investigation completed, the Ethics Committee informs the

respondent's HR Department about the report. The HR department concerned coordinates with the committee to address the report appropriately and conduct a full investigation in accordance with applicable ALLHC policies and procedures.

The Ethics Committee ensures the confidentiality of the information received, including the identity of the whistleblower, and treats all reports as confidential unless compelled by law to reveal such information. The public may report any information relating to illegal or unethical activity or violation of stockholder rights to the whistleblower officer by e-mailing him at corporate@ayalalandlogistics.com. Other reporting channels include:

- Face-to-face meetings;
- Email to auditor's website: <https://services.punongbayan-araullo.com/extdata/proactive.nsf/goto/aligroup>;
- Telephone;
- Written complaint mailed to the Makati City PO Box Number 1375 addressed to the AyalaLand Logistics Ethics Committee – Integrity Channel.

For contact details, visit:

<https://www.ayalalandlogistics.com/wpcontent/uploads/2021/02/ALLHC-Contact-Persons.pdf>

Business Gifts Policy

The Company recognizes the practice of expressing gratitude by means of giving and receiving gifts. However, the Company regulates this practice and prescribes that the actual value of gifts should be within the boundaries of propriety and ethical behavior. A copy of ALLHC's Business Gifts and Gratuities Policy may be accessed at <https://www.ayalalandlogistics.com/wpcontent/uploads/2020/08/ALLHC-Business-Gifts-and-Gratuities-Policy-2020.pdf>.

RISK MANAGEMENT

The Board Risk Oversight Committee is responsible for the development and implementation of ALLHC's formal enterprise risk management plan. The committee ensures that ALLHC employs sound risk management practices and activities while also evaluating adequacy and effectiveness of such activities and processes.

The Board Risk Oversight Committee had two (2) meetings in 2020. The risk assessments conducted by the Chief Risk Officer (CRO) were presented and reviewed during the meeting of the committee.

Enterprise-Wide Risk Management (EWRM) Program

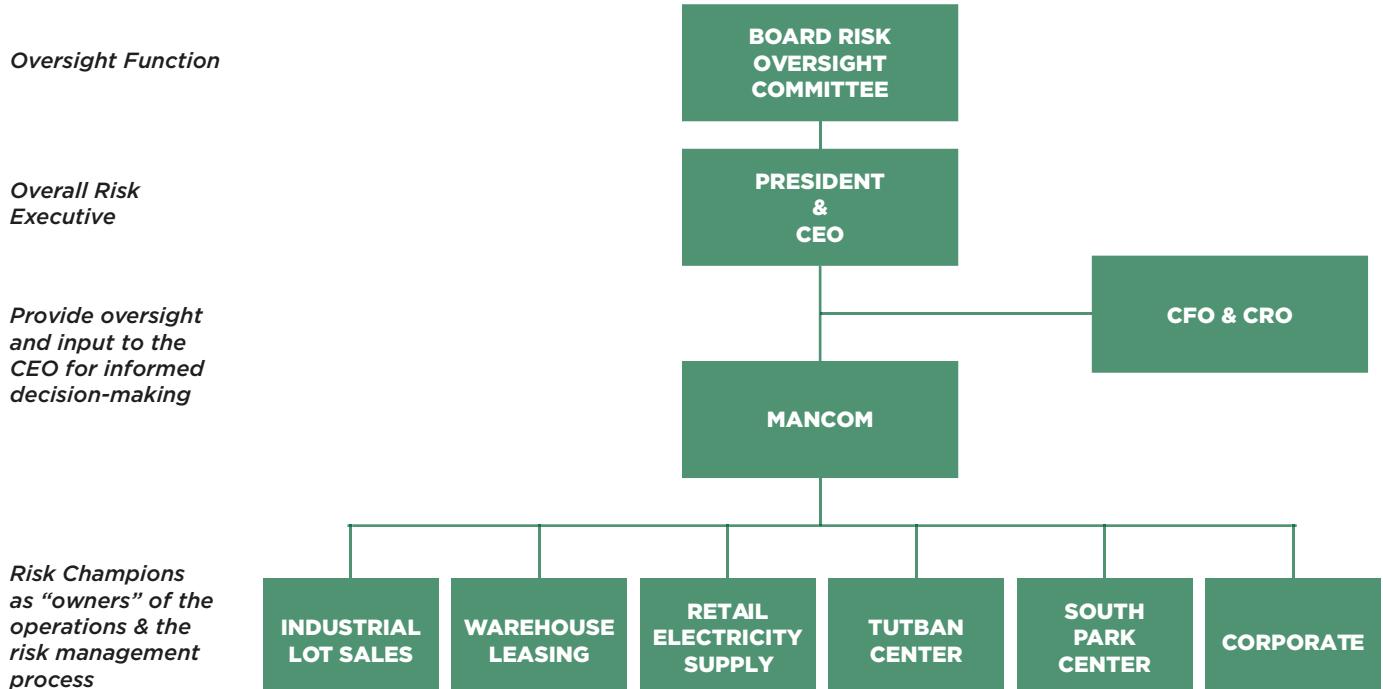
Through our EWRM program, we ensure close coordination and collaboration between the business units and top management to identify key risks and its drivers, and to develop mitigation strategies for each identified risk. This "top down, bottom up" approach enables us to have a more holistic and rounded analysis of the organization's risk profile.

Risk Management Process

Risk reviews and control assessment sessions were conducted with our business units, the outcomes of which were then presented and communicated to the Board Risk Oversight Committee for further review and evaluation of control measures.

In 2020, the organization identified 3 key risks, with the current COVID-19 pandemic as the top risk, namely: (1) government & political, (2) marginalization due to competition, (3) financial.

RISK MANAGEMENT STRUCTURE



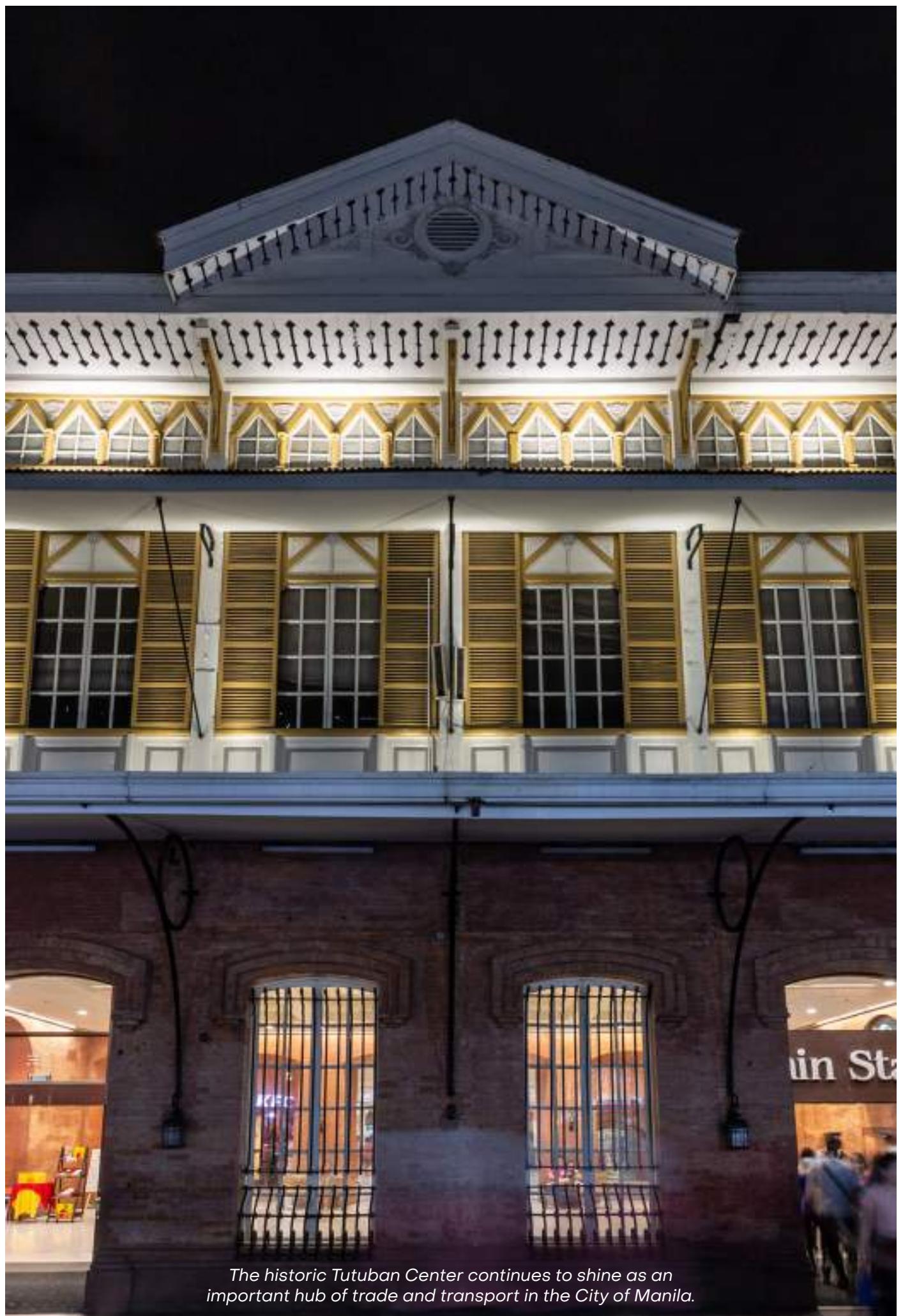
Key Risks and Mitigating Measures

ALLHC's identified top 3 risks, with the COVID-19 pandemic amplifying said risks, are as follows:

Key Risk	Risk Descriptions
Government & Political Risk	The organization acknowledges that the country's economic and political situation drives the growth of the real estate industry. Political developments may cause volatilities in the market which may affect our operations or forward plans.
Mitigating Measures	
Ensured compliance with relevant laws, policies and regulations, and actively monitored changes in pertinent policies and amendments.	

Key Risk	Risk Descriptions
Risk of Being Marginalized by Competitors	As the organization grew its portfolio of developments, competition has likewise grown and undertaken similar expansions.
Mitigating Measures	
Continuously monitored price competitiveness of our products. Reviewed merchant mix of our malls and studied conversion to new leasing formats and non-traditional concepts.	

Key Risk	Risk Descriptions
Financial Risk	To support business operations and project launches, it is crucial that the organization has the financial capacity to fund its growth in the short and long terms.
Mitigating Measures	
Ensured efficient management of the organization's spend and cash flows.	



The historic Tutuban Center continues to shine as an important hub of trade and transport in the City of Manila.

APPENDICES



LOGISTICS HOLDINGS CORP.

REPORT OF THE AUDIT COMMITTEE TO THE BOARD OF DIRECTORS

As Audit Committee members, our roles and responsibilities are defined in the Audit Committee Charter approved by the Board of Directors. We assist the Board of Directors in fulfilling its oversight responsibility to the shareholders relating to:

- the integrity of AyalaLand Logistics Holdings Corp.'s (the "Company") financial statements and the financial reporting process;
- the appointment, re-appointment, remuneration, qualifications, independence and performance of the independent external auditors and the integrity of the audit process as a whole;
- the effectiveness of the systems of internal control and the risk management process;
- the performance and leadership of the internal audit function;
- the Company's compliance with applicable legal and regulatory requirements; and
- the preparation of a year-end report of the Audit Committee for approval of the Board and to be included in the annual report.

In compliance with the Audit Committee Charter, we confirm that:

- The chairman and all the members of the Audit Committee are independent directors;
- We had four meetings during the year with the following attendance rate:

Directors	No. of Meetings Attended/Held	Percent Present
Rex Ma. A. Mendoza	4/4	100%
Renato O. Marzan	4/4	100%
Cassandra Lianne S. Yap*	2/2	100%

*Ms. Cassandra Lianne S. Yap was elected Independent Director during the Company's Annual Stockholders' Meeting held last April 13, 2020 and was appointed by the Board to be member of the Audit Committee during its regular meeting on May 14, 2020.

- We recommended to the Board of Directors the re-appointment of SGV & Co. as independent external auditor for 2021, based on the review of their performance and qualifications, including consideration of management's recommendation;
- We reviewed and discussed the quarterly consolidated financial statements and the annual consolidated financial statements of AyalaLand Logistics Holdings Corp. and subsidiaries, including Management's Discussion and Analysis of Financial Condition and Results of Operations as of and for the year ended December 31, 2020, with the Company's management and SGV & Co. These activities were performed in the following context:
 - That management has the primary responsibility for the financial statements and the reporting process.
 - That SGV & Co. is responsible for expressing an opinion on the conformity of the Company's consolidated audited financial statements with Philippine Financial Reporting Standards.
- We reviewed and approved the management representation letter before submission to the Company's independent external auditors;
- We discussed and approved the overall scope and the respective audit plans of the Company's Internal Auditors and SGV & Co. We have also discussed the results of their audits and their assessment of the Company's internal controls and the overall quality of the financial reporting process;

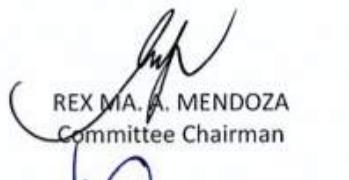


LOGISTICS HOLDINGS CORP.

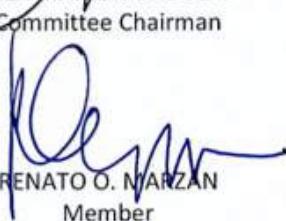
- We also reviewed the reports of the Internal Auditors, ensuring that management is taking appropriate corrective actions in a timely manner, including addressing internal controls and compliance issues. All the activities performed by Internal Audit were conducted in conformance with the International Standards for the Professional Practice of Internal Auditing;
- We reviewed and approved all audit, audit-related, and permitted non-audit services provided by SGV & Co. to AyalaLand Logistics Holdings Corp. and the related fees for such services. We also assessed the compatibility of non-audit services with the auditor's roles and responsibilities to ensure that such services will not impair their independence;
- We reviewed and discussed the adequacy of the Company's enterprise-wide risk management process, including the major risk exposures, the related risk mitigation efforts and initiatives, and the status of risk mitigation plans. The review was undertaken in the context that management is primarily responsible for the risk management process.

Based on the reviews and discussions undertaken, and subject to the limitations on our roles and responsibilities referred to above, the Audit Committee recommended to the Board of Directors the inclusion of the Company's consolidated financial statements as of and for the year ended December 31, 2020 in the Company's Annual Report to the Stockholders and for filing with the Securities and Exchange Commission.

February 11, 2021



REX M. A. MENDOZA
Committee Chairman



RENATO O. MARZAN
Member



CASSANDRA LIANNE S. YAP
Member


LOGISTICS HOLDINGS CORP.
**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

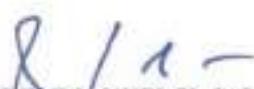
The management of AyalaLand Logistics Holdings Corp. is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein for the years ended December 31, 2019, 2018 and 2017, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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.

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

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

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



JOSE EMMANUEL H. JALANDONI
Chairman, Board of Directors



MARIA ROWENA M. TOMELEAN
President and Chief Executive Officer



FRANCIS M. MONTOJO
Chief Finance Officer

SUBSCRIBED AND SWORN to before me this FEB 19 2020 at MAKATI CITY, affiants exhibiting to me their respective Passports, to wit:

Name	Passport No.	Date & Place of Issue
Jose Emmanuel H. Jalandoni	P1697725A	January 21, 2017 – NCR South
Maria Rowena M. Tomeldan	P7954199A	July 16, 2018 – DFA NCR South
Francis M. Montojo	P3957008A	August 8, 2017 – DFA Iloilo

Doc. No. 64
Page No. 14
Book No. J
Series of 2020.

Notarial DST pursuant to
Sec.188 of the Tax Code
affixed on Notary Public's copy



MA. FELORA A. MANGAWANG
Notary Public – Makati City
Appt. No. M-159 until December 31, 2021
Roll of Attorneys No. 64804
Lifetime IBP No. 013749 – Makati City
PTR No. 8116877MG – 01/02/2020 – Makati City
MCLE Compliance No. VI-0019866 – 03/29/2019
3rd Floor Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines

AyalaLand Logistics Holdings Corp.
and Subsidiaries

Consolidated Financial Statements
December 31, 2020 and 2019
and Years Ended December 31, 2020, 2019
and 2018

and

Independent Auditor's Report



A member firm of Ernst & Young Global Limited



SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
ey.com/ph

BOA/PRC Reg. No. 0001,
October 4, 2018, valid until August 24, 2021
SEC Accreditation No. 0012-FR-5 (Group A),
November 6, 2018, valid until November 5, 2021

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
AyalaLand Logistics Holdings Corp.

Opinion

We have audited the consolidated financial statements of AyalaLand Logistics Holdings Corp. (the Parent Company) and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2020 and 2019, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2020, in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

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

Key Audit Matters

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

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





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Provisions and Contingencies

The Group is involved in certain disputes for which the Group has recognized provisions for probable expenses, which may be incurred, and disclosed relevant information about such contingencies. This matter is important to our audit because the assessment of the potential outcome or liability involves significant management judgment and estimation.

The Group's disclosures about provisions and contingencies are included in Note 28 to the consolidated financial statements.

Audit Response

We reviewed management's assessment on whether any provisions should be recognized, and the estimation of such amounts and performed inspection of relevant supporting documents. We discussed with management the status of the disputes. We also reviewed the disclosures on provisions in the Group's consolidated financial statements.

PFRS 16, Leases – Rent concessions and effects of COVID-19

In 2020, the Group granted various lease concessions such as lease payment holidays or lease reduction to the lessees of its commercial spaces as a response to the laws and regulations issued by the government mandating the granting of certain lease concession during the coronavirus pandemic. The Group evaluated that the lease concessions do not qualify as lease modification and accounted for these in the form of negative variable rent which the Group recorded when the "event or condition" that triggers it occurs (e.g., when the concession is given) regardless of the period to which the concession pertains. The Group's accounting of lease concession under PFRS 16 is significant to our audit because the Group has high volume of lease concessions granted during the period; the recorded amounts are material to the consolidated financial statements; and accounting for lease concession involves application of significant judgment and estimation in determining whether the lease concession will be accounted for as lease modification.

Audit Response

We obtained an understanding of the type, extent and periods covered of the various lease concessions granted by the Group, including the determination of the population of the lease contracts covered by the lease concession granted by the Group during the period. We tested the population of lease agreements by comparing the number of locations per operations report against lease contract database (or master list or other schedule/report used by the Group). On a test basis, we inspected the communications of the Group in connection with the lease concessions granted to the lessees and traced these contractual terms and conditions to the calculation of the financial impact of lease concession prepared by the management. We test computed the lease concession impact prepared by management on a sample basis. We obtained management assessment, and a legal opinion from the Group's external legal counsel supporting the assessment that the lease concession granted does not qualify as a lease modification. We involved our internal specialist in evaluating the legal basis supporting the management assessment and legal position.





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Other Information

Management is responsible for Other Information. The Other Information comprises the information included in SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2020 but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2020 are expected to be made available to us after the date of this auditor's report.

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

In connection with our audits of the consolidated financial statements, our responsibility is to read Other Information identified above when it becomes available and, in doing so, consider whether such information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.





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

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.





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

The engagement partner on the audit resulting in this independent auditor's report is
Carlo Paolo V. Manalang

SYCIP GORRES VELAYO & CO.

A handwritten signature in black ink that reads "Carlo Paolo V. Manalang".

Carlo Paolo V. Manalang
Partner
CPA Certificate No. 111947
Accreditation No. 111947-SEC (Group A)
Valid to cover audit of 2019 to 2023
financial statements of SEC covered institutions
Tax Identification No. 210-730-804
BIR Accreditation No. 08-001998-127-2019,
November 27, 2019, valid until November 26, 2022
PTR No. 8534324, January 4, 2021, Makati City

February 23, 2021



AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	December 31	
	2020	2019
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 4 and 30)	₱177,370	₱177,592
Receivables - current (Notes 5 and 30)	1,348,543	2,004,828
Real estate held for sale and development (Note 6)	3,237,261	2,085,051
Amounts owed by related parties (Notes 17 and 30)	921,793	788,507
Financial assets at fair value through profit or loss (Notes 8 and 30)	4,741	4,479
Other current assets (Note 9)	974,540	977,701
Total Current Assets	6,664,248	6,038,158
Noncurrent Assets		
Receivables - net of current portion (Notes 5 and 30)	728,538	480,274
Financial assets at fair value through other comprehensive income (Notes 7 and 30)	606,430	644,746
Right-of-use asset (Note 27)	1,267,372	1,326,964
Investment properties (Note 10)	9,563,424	10,254,507
Property and equipment (Note 11)	27,178	37,909
Software costs (Note 12)	428	1,417
Net pension assets (Note 23)	9,694	11,767
Deferred income tax assets - net (Note 24)	58,228	24,292
Other noncurrent assets (Notes 13 and 30)	428,690	548,475
Total Noncurrent Assets	12,689,982	13,330,351
	₱19,354,230	₱19,368,509
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses (Notes 14, 28 and 30)	₱1,653,121	₱2,672,653
Current portion of:		
Rental and other deposits (Notes 15 and 30)	492,532	517,864
Lease liabilities (Note 27)	81,872	30,973
Deferred rent income (Note 27)	15,596	2,023
Amounts owed to related parties (Notes 17 and 30)	2,674,433	2,317,179
Income tax payable	4,334	14,196
Total Current Liabilities	4,921,888	5,554,888
Noncurrent Liabilities		
Rental and other deposits - net of current portion (Notes 15 and 30)	210,423	234,821
Lease liabilities - net of current portion (Note 27)	1,669,500	1,702,477
Retention Payable - net of current portion	112,081	86,358
Deferred rent income - net of current portion (Note 27)	6,537	6,873
Deferred income tax liabilities - net (Note 24)	111,352	125,220
Subscriptions payable (Notes 18 and 30)	481,675	481,675
Total Noncurrent Liabilities	2,591,568	2,637,424
Total Liabilities	7,513,456	8,192,312

(Forward)



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	December 31	
	2020	2019
Equity (Note 16)		
Equity attributable to equity holders of the parent		
Paid-in capital	₱6,184,835	₱6,173,305
Additional paid-in capital	6,007,133	5,999,868
Retained earnings	1,737,718	1,065,378
Revaluation increment (Note 10)	196,808	203,836
Loss on remeasurement of retirement benefits (Note 23)	(51,458)	(50,507)
Unrealized loss on financial assets at fair value through other comprehensive income (Note 7)	(626,651)	(587,704)
Shares held by a subsidiary (Note 17)	(144,377)	(144,377)
Equity reserves (Note 29)	(1,601,567)	(1,598,198)
Non-controlling interests (Notes 1 and 16)	11,702,441	11,061,601
Total Equity	11,840,774	11,176,197
	₱19,354,230	₱19,368,509

See accompanying Notes to Consolidated Financial Statements.



AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands, Except Earnings Per Share)

	Years Ended December 31		
	2020	2019	2018
REVENUE			
Sale of electricity (Note 26)	₱1,568,434	₱2,395,977	₱1,734,957
Real estate sales (Note 26)	1,275,511	1,809,120	785,828
Rental (Note 10)	851,975	1,085,930	843,147
Insurance premiums and commissions - net	—	—	1,633
Others	20,767	54,954	4,386
	3,716,687	5,345,981	3,369,951
COSTS AND EXPENSES			
Cost of purchased power and services	1,510,110	2,303,069	1,689,281
Cost of real estate sold (Notes 6 and 21)	666,758	1,103,637	320,220
Cost of rental services (Notes 10 and 21)	555,087	568,137	615,841
Operating expenses (Note 19)	205,579	291,803	154,040
Commission and other underwriting expenses	—	592	4,347
	2,937,534	4,267,238	2,783,729
OTHER INCOME (CHARGES)			
Reversal of probable losses (Note 28)	21,000	32,280	59,070
Interest income (expense) and bank charges - net (Note 22)	(67,990)	3,264	34,977
Discount on sale of financial asset (Note 5)	(29,550)	—	—
Dividend income (Notes 7 and 8)	131	131	165
Unrealized gain (loss) on financial assets at FVPL (Note 8)	262	(40)	(108)
Write-off and other charges (Notes 5, 9, 13 and 17)	—	(18,771)	—
Interest expense on lease liabilities (Note 27)	(150,240)	(151,188)	—
Provision for probable losses (Note 28)	(5,000)	(240,647)	—
Gain on sale of investment property (Note 10)	94,064	—	722
Others - net (Note 22)	192,002	57,520	25,863
	54,679	(317,451)	120,689
INCOME BEFORE INCOME TAX	833,832	761,292	706,911
PROVISION FOR INCOME TAX (Note 24)	131,024	119,873	152,195
NET INCOME	₱702,808	₱641,419	₱554,716
ATTRIBUTABLE TO:			
Equity holders of the Parent	₱681,962	₱595,838	₱441,908
Non-controlling interests	20,846	45,581	112,808
	₱702,808	₱641,419	₱554,716
EARNINGS PER SHARE (Note 25)			
Basic and diluted, for income for the year attributable to ordinary equity holders of the Parent	₱0.11	₱0.10	₱0.08

See accompanying Notes to Consolidated Financial Statements.



AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands)

	Years Ended December 31		
	2020	2019	2018
NET INCOME	P702,808	P641,419	P554,716
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items that may not be reclassified to profit or loss in subsequent periods:</i>			
Loss on remeasurement of retirement benefits liability – net of tax (Note 23)	(951)	(6,194)	(50)
Unrealized loss on equity financial assets at fair value through other comprehensive income (Note 7)	(50,631)	(25,132)	(63,242)
<i>Items that may be reclassified to profit or loss in subsequent years:</i>			
Unrealized gain (loss) on debt financial assets at fair value through other comprehensive income (Note 7)	15,425	17,638	(7,454)
	(36,157)	(13,688)	(70,746)
TOTAL COMPREHENSIVE INCOME	P666,651	P627,731	P483,970
ATTRIBUTABLE TO:			
Equity holders of the Parent	P642,914	P581,319	P372,210
Non-controlling interests	23,737	46,412	111,760
	P666,651	P627,731	P483,970

See accompanying Notes to Consolidated Financial Statements.



AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
 (Formerly Prime Orion Philippines, Inc.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 (Amounts in Thousands)

EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT								
	Additional Paid-in Capital	Shares Held by a Subsidiary (Note 16)	Equity Reserves (Note 29)	Revaluation Increment Assets at FVOCI (Note 10)	Retained Earnings	Total	Non-controlling Interests	Total
Balances at January 1, 2020	₱6,173,305	₱5,999,868	(₱144,377)	(₱1,598,198)	₱203,836	(₱587,704)	₱114,596	₱11,176,197
Net income	-	-	-	-	-	681,962	20,846	702,808
Other comprehensive income	-	-	-	-	-	-	-	-
Losses on remeasurement of retirement benefit plan (Note 23)	-	-	-	-	-	(951)	-	(951)
Unrealized valuation (loss) on financial assets at FVOCI (Note 7)	-	-	-	-	(38,097)	-	(38,097)	(35,206)
Total comprehensive income	11,530	4,390	-	-	(38,097)	(951)	681,962	642,914
Collection of subscription receivable (Note 16)	-	-	-	-	-	-	15,920	-
Transfer of equity reserve due to ESOWN shares subscription (Note 29)	-	3,369	-	(3,369)	-	-	(17,500)	(17,500)
Declaration of dividends	-	(494)	-	-	-	-	(494)	-
Payment of stock transaction costs (Note 1)	-	-	-	-	(850)	-	850	-
Realized valuation gain transferred from equity to retained earnings (Note 7)	-	-	-	-	-	-	-	-
Transfer of realized valuation increment (Note 10)	-	-	-	(7,028)	-	7,028	-	-
Balances at December 31, 2020	₱6,184,835	₱6,007,133	(₱144,377)	(₱1,601,567)	₱196,808	(₱626,651)	₱1,737,718	₱11,702,441
							₱138,333	₱11,840,774



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EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT								
		Shares Held by a Subsidiary (Note 16)	Equity Reserves (Note 29)	Revaluation Increment (Note 10)	Unrealized Valuation Gains (Losses) on Financial Assets at FVOCI (Note 7)	Losses on Retirement Benefits Plan – net of tax (Note 23)	Retained Earnings (Deficit) (Note 23)	Non- controlling Interests Total
Balances at January 1, 2019, as previously reported	₱5,889,195	₱5,772,959	(₱1,279,026)	(₱1,351,940)	₱217,986	(₱579,379)	(₱619,841)	₱9,245,323
Effect of adoption of PFRS 16 (Note 2)	–	–	(1,279,026)	(1,351,940)	–	–	(164,451)	₱628,927
Balances at January 1, 2019, as restated	5,889,195	5,772,959	–	–	217,986	(579,379)	(44,313)	(7,001)
Net income	–	–	–	–	–	–	455,390	₱9,080,872
Other comprehensive income	–	–	–	–	–	–	595,838	595,838
Losses on remeasurement of retirement benefit plan (Note 23)	–	–	–	–	–	(6,194)	–	(6,194)
Unrealized valuation gain (loss) on financial assets at FVOCI (Note 7)	–	–	–	–	(8,325)	–	(8,325)	–
Total comprehensive income	–	–	–	–	(8,325)	(6,194)	595,838	581,319
Collection of subscription receivable (Note 16)	234,666	5,833	–	–	–	–	–	46,412
Issuance of capital stock (Note 16)	49,444	94,933	–	–	–	–	240,499	240,499
Acquisition of shares held by a subsidiary (Note 16)	–	–	(144,377)	–	–	–	144,377	–
Disposal of shares held by a subsidiary (Note 1)	–	138,397	1,279,026	–	–	–	(144,377)	–
Payment of stock transaction costs (Note 1)	–	(12,254)	–	–	–	–	1,417,423	1,417,423
Transfer of realized valuation increment (Note 10)	–	–	–	(14,150)	–	–	(12,254)	(12,254)
Acquisition of non-controlling interest (Note 1)	–	–	–	(246,258)	–	14,150	–	–
Balances at December 31, 2019	₱6,173,305	₱5,999,868	(₱144,377)	(₱1,598,198)	₱203,836	(₱587,704)	(₱50,507)	₱1,065,378
								₱11,061,601
								₱114,596
								₱11,176,197
								(800,000)



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EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT

	Capital Stock	Additional Paid-in Capital	Shares Held by a Subsidiary (Note 16)	Equity Reserves (Note 29)	Revaluation Increment (Note 10)	Unrealized Valuation Gains (Losses) on Financial Assets at FVOCI (Note 7)	Losses on Retirement Benefits Plan – net of tax (Note 23)	Retained Earnings (Deficit) (Note 23)	Total Non-controlling Interests	Total
Balances at January 1, 2018, as previously reported	₱4,652,268	₱3,942,404	(₱1,279,026)	₱60,810	₱225,585	₱17,748	(₱6,259)	(₱355,159)	₱7,218,381	₱38,475
Effect of adoption of PFRS 9	–	–	(1,279,026)	–	–	(527,479)	–	527,479	–	₱7,256,856
Balances at January 1, 2018, as restated	4,652,268	3,942,404	–	60,810	225,585	(509,731)	(46,259)	172,320	7,218,381	38,475
Net income	–	–	–	–	–	–	–	441,908	441,908	554,716
Other comprehensive income	–	–	–	–	–	–	–	–	–	(50)
Losses remeasurement of retirement benefit plan (Note 23)	–	–	–	–	–	–	–	1,946	(1,996)	(50)
Unrealized valuation loss on financial assets at FVOCI (Note 7)	–	–	–	–	(69,648)	–	–	–	(69,648)	(1,048)
Total comprehensive income	–	–	–	–	(69,648)	1,946	439,912	372,210	111,760	483,970
Collection of subscription receivable (Note 16)	4,643	–	–	–	–	–	–	–	4,643	–
Stock subscriptions through business combination (Note 1)	1,225,370	1,805,380	–	–	–	–	–	–	3,030,750	–
Stock subscription through ESOWN availment (Note 28)	6,914	4,473	–	–	–	–	–	–	–	3,030,750
Equity reserves through business combination (Note 1)	–	–	–	(1,392,048)	–	–	–	–	(1,392,048)	–
Transfer of equity reserve due to ESOWN shares subscription (Note 29)	–	20,702	–	(20,702)	–	–	–	–	–	–
Transfer of realized valuation increment (Note 10)	–	–	–	–	(7,609)	–	–	7,609	–	–
Increase in NCI through business combination (Notes 1)	–	–	–	–	–	–	–	–	–	–
Cash dividends (Note 16)	–	–	–	–	–	–	–	–	–	–
Balances at December 31, 2018	₱5,889,195	₱5,772,959	(₱1,279,026)	₱1,351,940	₱217,986	(₱579,379)	(₱44,313)	₱619,841	₱9,245,323	₱628,927

See accompanying Notes to Consolidated Financial Statements.



AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
(Formerly Prime Orion Philippines, Inc.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	Years Ended December 31		
	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱833,832	₱761,292	₱706,911
Adjustments for:			
Depreciation and amortization (Notes 10, 11, 12, 19 and 21)	309,768	290,893	248,887
Interest expense on lease liabilities (Note 27)	150,240	151,188	-
Interest expense and bank charges (Note 22)	104,755	50,236	739
Depreciation of right-of-use assets (Note 19, 21 and 27)	65,192	64,754	-
Discount on sale of financial asset (Note 5)	29,550	-	-
Provision for probable losses (Note 28)	5,000	240,647	-
Provision for (reversal of) impairment losses on:			
Receivables (Note 5)	31,619	91,959	(2,510)
Real estate held for sale and development	-	12,281	-
Other current assets (Note 9)	-	1,502	-
Investment properties	-	(6,281)	
Write-off and other charges (Notes 5, 9, 13 and 17)	-	18,771	-
Loss on retirement of investment properties (Notes 10 and 21)	-	25,531	-
Dividend income (Notes 7 and 8)	(131)	(131)	(165)
Unrealized loss (gain) on financial assets at FVPL (Note 8)	(262)	40	108
Reversal of provision for probable losses (Note 28)	(21,000)	(32,280)	(59,070)
Interest income (Note 22)	(36,765)	(51,539)	(32,311)
Gain on sale of investment property (Note 10)	(94,064)	-	(723)
Operating income before working capital changes	1,377,734	1,618,863	861,866
Decrease (increase) in:			
Receivables	348,889	(957,519)	11,809
Real estate held for sale and development	(2,489)	(830,992)	(507,689)
Inventories	-	-	37
Other current assets	3,161	(492,099)	(138,816)
Pension assets	1,367	(571)	4,177
Other noncurrent assets	119,785	139,146	(213,061)
Increase (decrease) in:			
Accounts payable and accrued expenses	(1,121,907)	1,160,172	(93,535)
Rental and other deposits	(51,823)	80,461	267,607
Deferred rent income (Note 27)	13,237	-	-
Net cash flows generated from operations	687,954	717,461	192,395
Interest received	25,422	51,539	32,206
Interest paid	(39,028)	(50,236)	(739)
Income tax paid	(174,085)	(27,856)	(855)
Net cash flows from operating activities	500,263	690,908	223,007
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions (deductions from) in amounts owed by related parties	(124,634)	148,040	(246,894)
Proceeds from termination of short-term investments	-	43,489	-
Dividends received (Notes 7 and 8)	131	131	165
Acquisition of:			
Investment properties (Note 10)	(694,745)	(3,689,730)	(251,368)
Property and equipment (Note 11)	(5,821)	(13,124)	(16,458)
Financial assets at FVOCI (Note 7)	(1,522)	(1,108)	(6,385)
Software cost (Note 12)	-	(35)	-
Short-term investments (Note 4)	-	-	(43,489)

(Forward)



- 2 -

	Years Ended December 31		
	2020	2019	2018
Acquisition of a subsidiary	₱-	₱-	₱70,116
Proceeds from sale of:			
Investment properties	130,123	-	1,700
Financial assets at FVOCI (Note 7)	4,632	-	2,019
Property, plant and equipment	-	-	3
Investments in associate	-	-	1,888
Net cash flows used in investing activities	(691,836)	(3,512,337)	(488,703)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from sale of shares held by a subsidiary	-	1,134,649	-
Collection of subscription receivables (Note 16)	15,920	378,897	16,030
Issuance of shares of stocks	-	144,377	-
Proceeds from amounts owed to related parties (Notes 17 and 31)	4,895	2,152	78
Additions (deductions from) in amounts owed by related parties (Notes 17 and 31)	313,884	2,080,984	214,819
Payment of amounts owed to related parties (Notes 17 and 31)	(4,936)	(225)	(55)
Payment of subscription cost (Note 1)	(494)	(12,254)	-
Payment of principal portion of lease liabilities (Note 27)	(137,918)	(149,704)	-
Acquisition of non-controlling interest	-	(800,000)	-
Net cash flows from financing activities	191,351	2,778,876	230,872
NET DECREASE IN CASH AND CASH EQUIVALENTS	(222)	(42,553)	(34,824)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	177,592	220,145	254,969
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱177,370	₱177,592	₱220,145

See accompanying Notes to Consolidated Financial Statements.







Warehouses at Laguna Technopark fulfill the growing demand for real estate logistics facilities in the Calabarzon region.





Corporate Information

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Stakeholder Inquiries

For inquiries or concerns from analysts, institutional investors, the financial community, customers, and the general public, please contact:

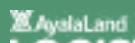
Investor Communications, Customer,
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Corporate Governance:
corporate.secretary@ayalalandlogistics.com

Shareholder Services and Assistance

For inquiries regarding dividend payments, change of address and account status, lost or damaged stock certificates, please contact:

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BDO Corporate Tower
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