

SEC No. 133653
File Number: _____

ASIAN TERMINALS, INC..
(Company's Full Name)

ATI Head Office, A. Bonifacio Drive, Port Area, Manila
(Company's Address)

632-85286000
(Telephone Number)

December 31
Calendar Year Ending
(Month & Day)

SEC Form 20-IS
(Definitive Information Statement)
Form Type

Not applicable
Amendment Designation (if applicable)

January 6, 2026
Period Ended Date

(Secondary License Type and File Number)

ASIAN TERMINALS, INC.
ATI Head Office, A. Bonifacio Drive, Port Area, Manila
Tel. No. 8528-6000

NOTICE OF SPECIAL STOCKHOLDERS' MEETING

To the Stockholders of Asian Terminals, Inc.:

The Board of Directors on **December 15, 2025**, resolved to hold the special stockholders' meeting virtually, pursuant to applicable SEC regulations. The special stockholders' meeting will be virtually conducted and may be accessed on the link https://bit.ly/ATI_Special_Stockholders_Meeting on **January 30, 2026, 2:00 p.m.**, to consider and take action upon the following matters:

- 1. Call to Order.**
- 2. Certification of Notice and Quorum.**
- 3. Report on the Tender Offer.**
- 4. Approval of Voluntary Delisting from the Main Board of The Philippine Stock Exchange, Inc. (PSE).**
- 5. Approval of the Amendment of the Sixth Article of the Articles of Incorporation to Increase the Number of Directors from Eight (8) to Nine (9) subject to the following conditions: (i) MIC acquiring more than nine percent (9%) of ATI's issued and outstanding shares and (ii) the effective date of delisting of ATI from the Philippine Stock Exchange has occurred.**
- 6. Election of the Ninth Director, subject to the following conditions: (i) MIC acquiring more than nine percent (9%) of ATI's issued and outstanding shares, (ii) the effective date of delisting of ATI from the Philippine Stock Exchange has occurred, and (iii) approval by the Securities and Exchange Commission of the amended Articles of Incorporation.**
- 7. Ratification of the Renewal of the ATI-POMS Management Contract for Five Years.**
- 8. Other Matters.**
- 9. Adjournment.**

All stockholders of record at the close of business on **January 7, 2026**, are entitled to notice and to vote at the special stockholders' meeting and at any adjournment thereof. The stock and transfer books of the Company will be closed from **January 7, 2026 up to January 30, 2026**.

If unable to attend the meeting, stockholders may appoint the Chairman of the Meeting as proxy with voting instructions and submitted via the Registration Portal. Proxies should be submitted **on or before 7:00 p.m. of January 20, 2026. (Please refer to Appendix "A" for the procedure)**. Proxies will be validated at **2:00 p.m. on Friday, January 23, 2026** at the Office of the Corporate Secretary., ATI Head Office, A. Bonifacio Drive, Port Area, Manila, 1018.

The Information Statement and its attachments may be accessed at a) PSE EDGE website b) ATI Website at <https://www.asianterminals.com.ph> c) QR Code (please refer to Annex "A"). A hard copy of the Information Statement may be provided to a stockholder for free, upon written request sent by:

- a) mail to **Office of the Corporate Secretary**
ATI Head Office Building
A. Bonifacio Drive
Port Area, Manila, 1018
- b) email to ATISHMeeting@asianterminals.com.ph
(subject heading: Special Stockholders' Meeting Information Statement)

The detailed procedure of the registration and voting process are stated in **Appendix "A"** hereof.

Manila, Philippines, January 6, 2026.




RODOLFO G. CORVITE, JR.
Corporate Secretary

APPENDIX "A"

Procedure for the Registration, Participation and Voting in the 2026 Special Stockholders' Meeting

The Board of Directors on December 15, 2025, resolved to hold the special stockholders' meeting by remote communication and voting will be in absentia, pursuant to applicable SEC regulations.

All stockholders of record at the close of business on January 7, 2026, are entitled to notice and to vote at the special meeting and at any adjournment thereof.

A) REGISTRATION: Stockholders may register to participate in the virtual meeting at the Registration Portal ("Registration Portal") at: <https://bit.ly/34INqR7>

Registration will be from **9:00 a.m. of January 8, 2026, until 7:00 p.m. of January 23, 2026**. Stockholders are advised to register as early as possible. To proceed with the registration, personal information will be required. For identification, the Company shall only accept a scanned back-to-back copy of one valid government-issued ID bearing photo and signature which will be uploaded in the Registration Portal. Consent to process personal information is included in the Registration Portal.

1. *Individual stockholder with shares recorded in their name:* name, valid email address¹, active contact number and upload a valid government-issued ID.

For stockholders with joint accounts, only the authorized stockholder will register and in addition to the above, shall upload scanned copy of a notarized authorization letter signed by the other stockholders, indicating who among them would be authorized to participate and/or vote and upload their valid government-issued IDs.

Individual Stockholder under a broker/ PCD: in addition to the name, valid email address, active contact number and valid government-issued ID, the stockholder needs to coordinate with his broker and secure a duly signed Broker's Certification stating the full account name, number of shares, and account or reference number which shall be uploaded in the Registration Portal.

2. *Corporate stockholder:* the duly authorized representative of the corporate stockholder shall register and provide his name, valid email address, active contact number, valid government-issued ID and the scanned copy of the notarized Secretary's Certificate and signed proxy appointing the Chairman of the Meeting.

A proxy given by a broker in respect of shares of stock held by such broker for the account of the beneficial owner must be accompanied by a certification under oath stating the number of shareholdings and a that the broker has obtained the written consent or authorization of the account holder.

The Company reserves the right to require additional documents as may be necessary or relevant.

B) VALIDATION: A notification by email from ATISHMeeting@asianterminals.com.ph shall be received by the stockholder together with a unique passcode which shall be used to access the ATI Voting Portal or other instructions. For queries, assistance or any technical difficulties, the

¹ Only the email used for registration may be admitted to the actual online meeting.

stockholders may communicate with the Company through the above-mentioned email address or call 8528-6000.

If unable to attend the meeting, stockholders may appoint the Chairman of the Meeting as proxy with voting instructions and submitted via the Registration Portal. Proxies should be submitted **on or before 7:00 p.m. of January 20, 2026**. The duly accomplished scanned copy of the proxy (and other attachments, as applicable) may be uploaded by the stockholder upon registration or hard copies may be sent to the address below. Proxies will be validated at the Office of the Corporate Secretary ATI Head Office, A. Bonifacio Drive Port Area, Manila, 1018 **on January 23, 2026 at 2:00 p.m.**

C) VOTING: All the agenda items indicated in the Notice will be set out in the ATI Voting Portal ("Voting Portal"). Voting shall be online and may be accessed using the unique passcode sent to the registered email. The Voting Portal shall be open from **9:00 a.m. of January 14, 2026 up to 7:00 p.m. of January 28, 2026**, in the link below:

<https://bit.ly/3q69lcl>

1. *Individual stockholder with shares recorded in their name*: they may access the Voting Portal by providing the valid email address they used in the registration and the sent unique passcode.

For stockholders with joint accounts, only the stockholder who registered and was authorized by the joint stockholders shall vote by providing the valid email address they used in the registration and the unique passcode.

Individual Stockholder under a broker/ PCD: they may access the Voting Portal by providing the valid email address they used in the registration and the unique passcode.

2. *Corporate stockholder or broker*. The Chairman of the Meeting may vote, as may be provided in the proxy.

The Office of the Corporate Secretary assisted by its stock and transfer agent or Professional Stock Transfer Inc. (PSTI), shall tabulate all votes received and the results shall be validated by R.G. Manabat and Co.

Access to the Registration and Voting Portals shall be limited to the Office of Corporate Secretary, ATI IT Support Team, authorized representative of the stock and transfer agent and R.G. Manabat and Co.

D. QUORUM: The following stockholders shall be deemed present for purposes of quorum:

- a) whose registrations are validated.
- b) who sent their accomplished proxies and validated
- c) who voted from **9:00 a.m. of January 14, 2026 up to 7:00 p.m. of January 28, 2026**.

E. PROCEEDINGS: The meeting will be held virtually on **January 30, 2026 at 2:00 p.m.**, on the link https://bit.ly/ATI_Special_Stockholders_Meeting. Only stockholders whose registration were validated may access the meeting. Every item in the agenda for approval of the stockholders will be shown on the screen during the meeting as the same is taken up. During the meeting, the Secretary shall report the votes received and inform the stockholders if the particular item is carried out or disapproved. The total number of votes cast for each item for approval under the agenda will be shown on the screen. The meeting shall be recorded and the recording will be made available to the stockholders upon request sent to ATISHMeeting@asianterminals.com.ph. For queries, assistance or any technical

difficulties, the stockholders may communicate with the Company through the above-mentioned email address or call at 8528-6000.

F. QUESTIONS: Relevant questions on the items in the Agenda may be sent by stockholders during the meeting (in the Q&A chatbox) or in advance by email to ATISHMeeting@asiaterminals.com.ph on or before **7:00 p.m. of January 28, 2026** with the subject heading “**SSM Question**” and the identity of the sender must be stated after the question. Replies may be given during the meeting and any unanswered will be replied to by email.



**QR CODE FOR THE
INFORMATION STATEMENT**

(Scan the QR Code using any capable device with internet connection. Open to view the file linked to the QR.)



**QR CODE FOR LINK TO THE
MEETING**

(Scan the QR Code using any capable device with internet connection. Open link and join the meeting. You will be admitted to the meeting after verification of your email).

PROXY

Sample Proxy Form

The undersigned stockholder of ASIAN TERMINALS, INC. (ATI) appoints _____ or in his absence, the Chairman of the meeting, as attorney and proxy, with power of substitution, to present and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Special Meeting of Stockholders of ATI on January 30, 2026 and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Amendment of the Sixth Article of the Articles of Incorporation to Increase the Number of Directors from Eight (8) to Nine (9) subject to the following conditions: (i) MIC acquiring more than nine percent (9%) of ATI's issued and outstanding shares and (ii) the effective date of delisting of ATI from the Philippine Stock Exchange has occurred.
4. Renewal of the ATI-POMS Management Contract for 5 years.

____ Yes ____ No ____ Abstain

5. At their discretion, the proxies named above are authorized to vote upon such other matters as may properly come before the meeting.

____ Yes ____ No ____ Abstain

2. Voluntary Delisting of ATI from the Main Board of The Philippine Stock Exchange, Inc.

____ Yes ____ No ____ Abstain

Printed Name of Stockholder

3. Election of Mr. Rafael D. Consing, Jr., subject to the following conditions: (i) MIC acquiring more than nine percent (9%) of ATI's issued and outstanding shares, (ii) the effective date of delisting of ATI from the Philippine Stock Exchange has occurred, and (iii) approval by the Securities and Exchange Commission of the amended Articles of Incorporation.

____ Yes ____ No ____ Abstain

____ No. of Share/s

____ Signature of Stockholder /
Authorized Signatory

____ Date

THE PROXY SHOULD BE SUBMITTED TO THE OFFICE OF THE CORPORATE SECRETARY AT LEAST FIVE (5) BUSINESS DAYS BEFORE THE DATE OF THE MEETING OR UNTIL **JANUARY 20, 2026**, IN ACCORDANCE WITH THE BY-LAWS OF ATI.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER(S). IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF ALL NOMINEES AND FOR THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT AND/OR AS RECOMMENDED BY MANAGEMENT OR THE BOARD OF DIRECTORS.

A STOCKHOLDER GIVING A PROXY HAS THE POWER TO REVOKE IT AT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED. A PROXY IS ALSO CONSIDERED REVOKED IF THE STOCKHOLDER ATTENDS THE MEETING IN PERSON AND EXPRESSED HIS INTENTION TO VOTE IN PERSON.

ASIAN TERMINALS, INC.**Securities and Exchange Commission Form 20-IS****Information Statement Pursuant to Section 20 of the Securities Regulation Code**

1. Check the appropriate box:

[] Preliminary Information Statement
[X] Definitive Information Statement

2. Name of Registrant as Specified in its Charter : ASIAN TERMINALS, INC.

3. Province, Country or other jurisdiction of Incorporation or organization : Manila, Philippines

4. SEC Identification Number : 133653

5. BIR Tax Identification Code : 000-132-413

6. Address of Principal Office : A. Bonifacio Drive
Port Area, Manila 1018

7. Registrant's telephone number : (632) 8528-6000

8. Date, time and place of the meeting of security holders : January 30, 2026,
at 2:00 p.m.
via Remote Communication

9. Approximate date on which the Information Statement is first to be sent or given to security holders : January 8, 2026

10. Securities registered pursuant to Section 8 and 12 of the Code or Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding as of December 31, 2025
Common	1,938,150,694
Treasury	61,849,306

11. Are any or all of registrant's securities listed on a stock exchange?

Yes [X] No []

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

Philippine Stock Exchange, Inc.; common shares

ATI IS NOT SOLICITING PROXIES FOR THIS MEETING.

A. GENERAL INFORMATION

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

a) Date of Meeting January 30, 2026
Time of Meeting 2:00 p.m.

Place of Meeting Online (MS Teams)

b) Approximate date on which the Information Statement is first to be sent or given to the stockholders. January 8, 2026

Item 2. Dissenter's Right of Appraisal

Asian Terminals, Inc. (**ATI** or the **Company**) respects the inherent rights of shareholders in accordance with the law. ATI recognizes that all shareholders should be treated fairly and equally whether they be controlling, majority or minority, local or foreign.

Pursuant to Section 80 of the Revised Corporation Code of the Philippines, a stockholder may exercise his/her appraisal right by dissenting on any of the following corporate actions and demanding payment of the fair value of his/her shares:

- (a) In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any shares of any class, or of extending or shortening the term of corporate existence;
- (b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;
- (c) In case of merger or consolidation; and
- (d) In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

Any stockholder who wishes to exercise his appraisal right must have voted against the proposed corporate action, must make a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares as well as comply with all other requirements provided under Title X of the Revised Corporation Code. Failure to make the demand within such period or comply with the requirements provided under Title X of the Revised Corporation Code shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of the certificate or certificates of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom

shall be named by the stockholder, another by the corporation, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made. No payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment. Upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation.

There are no corporate matters or actions to be taken up during the meeting that will entitle dissenting stockholders to exercise their right of appraisal as provided in Title X of the Revised Corporation Code.

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

- a) The incumbent Directors and Executive Officers and their associates have no substantial interest in any matter to be acted upon other than election to the office.
- b) No Director has informed the Company in writing that he intends to oppose any action to be taken by the registrant at the special stockholders' meeting.

B. CONTROL AND COMPENSATION INFORMATION**Item 4. Voting Securities and Principal Holders Thereof**

- a) As of December 31, 2025, the Company has the following shares:

Issued	2,000,000,000
Outstanding	1,938,150,694
Treasury	61,849,306

Out of the outstanding shares, 1,219,502,826 shares or 62.92% are locally owned and 718,647,868 shares or 37.08% are foreign-owned.

- b) Only stockholders of record at the close of business on January 7, 2026 are entitled to notice and to vote at the Special Stockholders' Meeting.
- c) Cumulative voting is allowed for election of members of the board in a stock corporation. Every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock standing in his own name on the stock transfer books of the Company. Each stockholder may vote such number of shares for as many persons as there are directors to be elected; or he may cumulate his shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal; or he may distribute these shares on the same principle among as many candidates as he shall see fit; provided that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the total number of directors to be elected.
- d) Security Ownership of Certain Record and Beneficial Owners and Management

1. Security Ownership of Certain Record and Beneficial Owners

As of December 31, 2025, the Company knows of no one who owns in excess of 5% of its common stock except as set forth in the table below:

ASIAN TERMINALS, INC.

Securities and Exchange Commission Form 20-IS

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Amount of Record Ownership	% of Class
Common	DP World Australia (POAL) PTY. LTD Level 21 400 George St., Sydney NSW 2000, GPO Box 4084, Sydney NSW 2001 Australia (stockholder)	DP World Australia (POAL) PTY. LTD	Australian	346,466,600	17.88%
Common	ATI Holdings, Inc. 3 rd Floor SSHG Law Centre, 105 Paseo de Roxas Makati City (stockholder)	ATI Holdings, Inc.	Australian	291,371,229	15.03%
Common	PCD Filipino G/F MKSE Bldg. 6767 Ayala Ave., Makati City (stockholder)	<i>Beneficial Owners Unknown to Issuer*</i>	Filipino	261,981,979	13.52%
Common	Pecard Group Holdings, Inc. 3 rd Floor SSHG Law Centre, 105 Paseo de Roxas Makati City (stockholder)	Pecard Group Holdings, Inc.	Filipino	198,203,968	10.23%
Common	Philippine Seaport Inc. 3 rd Floor SSHG Law Centre, 105 Paseo de Roxas Makati City (stockholder)	Philippine Seaport Inc.	Filipino	196,911,524	10.16%
Common	Daven Holdings, Inc. 7 th Floor, Philfirst Building, 6764 Ayala Avenue, Makati City (stockholder)	Daven Holdings, Inc.	Filipino	155,906,071	8.04%

ASIAN TERMINALS, INC.

Securities and Exchange Commission Form 20-IS

Common	SG Holdings Inc. 7 th Floor, Philfirst Building, 6764 Ayala Avenue, Makati City (stockholder)	SG Holdings Inc.	Filipino	130,000,000	6.71%
Common	Murray Holdings Inc. 7 th Floor, Philfirst Building, 6764 Ayala Avenue, Makati City (stockholder)	Murray Holdings Inc.	Filipino	100,000,000	5.16%

**As of the filing of the Definitive Information Statement, the Company has no knowledge of the name of the beneficial owners and their respective representatives.*

The Board of Directors generally has the power to vote on behalf of their respective corporations. A proxy is usually designated to cast the vote for each corporation.¹ The corporate proxies are executed in accordance with the Corporation Code and accompanied by secretary's certificate.

2. Security Ownership of Management

Owners of record of ATI shares among Management as of December 31, 2025, are as follows:

Title of Class	Name of Beneficial/Record Owner	Amount and Nature of Beneficial Ownership	Citizenship	% of Class
common	Felino A. Palafox, Jr.	15,300/direct 395,115,492/indirect	Filipino	20.39%
common	Monico V. Jacob	1/direct	Filipino	.00%
common	William Wassaf Khoury Abreu	1/direct	Dominican	.00%
common	Glen C. Hilton	1/direct	Australian	.00%
common	Zisis Jason Varsamidis	1/direct	Australian	.00%
common	Eusebio H. Tanco	16,507,463/ direct 576,057,540/ indirect	Filipino	30.57%
common	Artemio V. Panganiban (independent director)	1/direct	Filipino	.00%
common	Teodoro L. Locsin, Jr. (independent director)	1/direct	Filipino	.00%
common	Rodolfo G. Corvite, Jr.	222,398/direct	Filipino	.01%
TOTAL		987,918,196		50.97%

To the best knowledge of the Company, the above list of share ownership includes the shares beneficially owned by the foregoing officers and directors.

3. There are no voting trusts or similar agreements with respect to any portion of the outstanding shares, nor any agreement which may result in a change in control of the Company.
4. There was no change in control of the registrant since the beginning of the last fiscal year.

¹ As of the filing of the Definitive Information Statement, the Company has no knowledge on who will represent the corporations.

Item 5. Directors and Executive Officers

1. The following persons are the incumbent Directors², Executive Officers and key personnel of the Company (brief description of their respective business experience for the past five (5) years included):

Glen Christopher Hilton, 56, was a former director of ATI from 2008 to 2013 and was elected again in August 2019. He is the Chairman of the Board since November 2020 and the current CEO and Managing Director of DP World, Asia Pacific. He was the former CEO of Port of Tanjung Pelepas, Malaysia (2013 to 2016) and VP and Managing Director of DP World South East Asia (2008- 2013), Executive Director of DP World Caucedo (2006-2008) and the General Manager of DP World Adelaide (2001 to 2006).

Eusebio H. Tanco, 77, Filipino, is the President of the Company from 1995 to 2001 and 2007 to present. He is the Chairman of STI Education Systems Holdings, Inc. (formerly JTH Davies Holdings, Inc., since 2010), DigiPlus Interactive Corp. (formerly Leisure Resorts World Corporation, since 2019 and as director since 2011), Fibertex (since 2012) Mactan Electric Company (since 1988), - Eximious Holdings, Inc. (formerly Capital Managers and Advisors, Inc., since 1995), GROW Vite (since 2014), Venture Securities, Inc.(since 1980), Philippines First Insurance Co. (since 1973), and the chairman emeritus of STI Education Services Group, Inc. (since 2002) and director (since 2003). He is Chairman and President of Prime Power Holdings (since 1999), Prudent Resources, Inc. (since 1999), First Optima Realty Corporation (since 1980); and CEO of Classic Finance, Inc. (since 2004) and director (since 1978). He is also the President of Bloom with Looms Logistics, Inc. (formerly STMI Logistics, Inc., since 1988), Total Consolidated Asset Management Inc. (TCAMI) (since 2006), Eujo Philippines, Inc. (since 1986), Tantivy Holdings, Inc (formerly Insurance Builders Inc.,since 1979) Mar-Bay Homes Inc. (since 1980) , Cement Center, Inc. (since 1983), Biolim Holdings and Management Corp. (formerly Rescom Developers, Inc ,since 1979). In addition, he is a Director of iACADEMY (since 2002), PSBA (since 2024), Philhealthcare Inc. (since 2009), Philplans First, Inc. (since 2017), Philippine Life Financial Assurance (formerly Asian Life Financial Assurance, since 2000), STI West Negros University (since 2013), United Coconut Chemicals, Inc. (since 1995), M.B. Paseo (since 1980, Maestro Holdings, Inc. (formerly STI Investments, since 2007), Philippine Racing Club (since 2011). His professional associations include the Philippines-Thailand Business Council, Philippines-UAE Business Council, and the Philippine Chamber of Commerce and Industry. He obtained his Master of Science in Economics from the London School of Economics and Political Science. He has been a member of the ATI Board since 1993.

William Wassaf Khoury Abreu, 47, a national of Dominican Republic. Mr. Khoury was elected by the Board in the regular Board Meeting in November 2021. He is currently the Vice President for Ports & Terminals, South East Asia, APAC for DP World. He was the Executive Vice President of ATI from March 2018 up to November 2021, the former Director of PT Terminal Petikemas Surabaya (TPS) Indonesia (from 2014 to 2018), the CEO of DP World-Saigon Premier Container Terminal from 2010 to 2014, the Operations Director of DP World Korea from 2009 to 2010 and held various management positions at DP World Caucedo, Dominican Republic from 2003 to 2009 and CSX World Terminals (Caucedo) from 2001 to 2003. William holds an Industrial Engineering degree from Pedro Henriquez Ureña University Santo Domingo, Dominican Republic, a Post Graduate Diploma in Port and Transport Management from IMTA-STC in Rotterdam, The Netherlands and has undertaken executive management programs at Michigan Ross School of Business, London Business School, and Case Western Reserve University.

² The Directors are elected annually, and each Director holds office until the next annual meeting held after his election and until his successor has been elected and has qualified, or until his death or until he resigns or has been removed. (Sec. 2, Article IV, By-laws)

Monico Jacob, 80, Filipino, is currently the President of STI Education Systems Holdings, Inc. (2011), Chairman of STI West Negros University (since 2019) and the CEO and Vice-Chairman of the STI Education Services Group (since 2016). He is the Chairman of Rosehills Memorial Management, Inc. (since 2014), Philippine Life Financial Assurance, Inc. (PhilLife, since 2016), Global Resource for Outsourced Workers, Inc. (GROW, Inc., since 2000), Total Consolidated Asset Management Inc. (since 2006), GROW-Vite (since 2014), and TechZone Philippines, Inc. (since 2021). He is currently a director of iACADEMY, (since 2010) and PhilCare, (since 2012). Prior to his current engagements, he was the General Manager of the National Housing Authority (NHA) (from 1989 to 1991); Chairman and CEO of Petron Corporation from 1991 to 1998 and Philippine National Oil Company (PNOC) and all of its subsidiaries from 1991 to 1994; and CEO of the Home Development Mutual Fund (PAG-IBIG Fund) from 1988 to 1989. Mr. Jacob also served as an Associate Commissioner for the Securities and Exchange Commission in 1986. He is a member of the Integrated Bar of the Philippines and the Management Association of the Philippines (MAP) and served as its President in 1998. Mr. Jacob finished his Bachelor of Arts degree with a Major in Liberal Arts from the Ateneo de Naga University in 1966 and his Bachelor of Laws degree from the Ateneo de Manila University in 1971. He joined the Board in 2009.

Felino A. Palafox, Jr., 75, is a distinguished Filipino architect and urban planner with over 53 years of experience in architecture and 51 years in planning. He is the Founder and Principal Architect-Urban Planner of Palafox Associates and Palafox Architecture Group, Inc., established in 1989. Under his leadership, the firms have successfully planned over 60 billion square meters of land area and designed more than 30 million square meters of building floor area across 40 countries over the past 36 years. In 2015, he served as President of FIABCI (International Real Estate Federation) Philippines. He is an International Associate of the American Institute of Architects, the Country Leader and Regional Representative for the Council on Tall Buildings and Urban Habitat, and a member of several esteemed organizations, including the U.S. Green Building Council, Urban Land Institute, Congress for the New Urbanism, American Planning Association, and the International Council of Shopping Centers. Previously, he held key leadership positions as Chairman of the National Real Estate Association (NREA) and President of both the Philippine Institute of Environmental Planners and the Management Association of the Philippines. He is also a Fellow of the United Architects of the Philippines (UAP). Architect Palafox earned his Bachelor of Science in Architecture from the University of Santo Tomas, Manila, in 1972, and his Master's Degree in Environmental Planning from the University of the Philippines in 1974 as a United Nations Development Program (UNDP) scholar. Further enhancing his expertise, he completed the Advanced Management Development Program for Real Estate at Harvard University in 2003, along with seven other executive education courses. A registered APEC Architect, he has been recognized with numerous local and international awards for his contributions to the industry. He has been a member of the Board since 2009.

Artemio V. Panganiban, 89, Filipino. He served as Chief Justice of the Philippines from 2005 to 2006 and as Associate Justice from 1995 to 2005. Prior to his appointment to the Supreme Court, he was a senior partner at Panganiban Parlade Benitez Africa and Barinaga Law Office from 1963 to 1995. He is a recipient of over 250 prestigious awards and recognitions from various associations and groups for his role as a jurist, lawyer, civic leader, Catholic lay worker, entrepreneur and youth leader. Among such awards is the "Renaissance Jurist of the 21st Century" given by the Supreme Court of the Philippines upon his retirement in 2006. Last September 18, 2024, he was conferred the "Pro Ecclesia et Pontifice" award granted by Pope Francis and handed by Jose F. Cardinal Advincula in the Manila Cathedral. Chief Justice Panganiban holds a Bachelor's Degree in Law from the Far Eastern University where he graduated cum laude. He was a 6th placer in the 1960 Bar Examinations. He was also conferred Doctor of Laws (Honoris Causa) by several universities. At present, he writes a column for the Philippine Daily Inquirer. He sits as an independent director in the following companies aside from Asian Terminals, Inc.; GMA Network, Inc. (2007-present), Manila Electric Company (2008-present), GMA Holdings, Inc. (2009-present), Petron Corporation (2010-present), Philippine Long Distance

Telephone Company (2013-present), JG Summit Holdings Inc. (2021-present), RL Commercial REIT, Inc. (2021-present). He is also a non-executive Director at Jollibee Foods Corporation (2012-present), Senior Adviser, Metrobank (2007 to present), and Adviser, DoubleDragon Properties Corp. (2014-present), MerryMart Consumer Corp. (2020-present). He is the Chairman of Corporate Governance Committee and a member of the Company's Compensation Committee and Nomination Committee. He has been an independent director of Asian Terminals, Inc. since April 22, 2010.

Teodoro L. Locsin Jr., 77, Filipino, was the former independent director of ATI from 2010 to 2018 when he stepped down to assume a position in the government as the Secretary of Foreign Affairs. He is currently the Philippine Ambassador to the United Kingdom of Great Britain and Northern Ireland. Prior to this, in 2017, he was appointed and took his oath as Philippine Representative to the United Nations based in New York, USA. He also served as member of the House of Representatives from 2001 to 2010. Atty. Locsin Jr. obtained his Bachelor of Law from the Ateneo de Manila University and Master of Laws from Harvard University. He is the Chairman of Audit Committee and a member of the Corporate Governance Committee and Executive Committee.

Zissis Jason Varsamidis, 49, Australian, is the Chief Financial Officer (CFO) of DP World Asia Pacific & Australasia. Prior to this, Mr. Varsamidis was the CFO of DP World Australia from 2013 to March 2021 and held various positions in the company prior to that appointment. He has a degree in Commerce from the University of Wollongong, holds a Diploma in Terminals Operations Management from US Merchant Marine Academy and Masters in Applied Finance & Investment from the Securities Institute of Australia. He is also a Certified Public Accountant (CPA). Mr. Varsamidis joined the Board in 2021.

Sean James L. Perez, 60, Filipino, is the Senior Vice-President for Commercial and Outports since November 2017. He was the Vice-President for Marketing and Commercial from October 2008 to October 2017, Vice President for Domestic and Outports from January 2007 to September 2008, Vice-President for Domestic/Marketing and Commercial Services (2004-2006). He has held various positions in the Company from the position of being the Terminal Manager of Batangas, Container Division and General Stevedoring Division for South Harbor to Vice-President for Operations, Marketing and Outports. He obtained his degree in Bachelor of Arts, Major in Economics from the University of Santo Tomas. He has been with the Company since 1996.

Jose Tristan P. Carpio, 56, Filipino, is the Vice-President for Finance and Chief Financial Officer (CFO) of the Company since July 2012. He joined ATI in 2000 as Assistant Vice President for Treasury and Special Projects. Prior to joining ATI, he was the Assistant Vice President for Capital Markets of All Asia Capital & Trust Corporation from 1997 to 2000. Mr. Carpio obtained his degree in B.S. Management Engineering from Ateneo de Manila University.

Rodolfo G. Corvite, Jr., 65, Filipino, is the Corporate Secretary and Compliance Officer since 1997, the Vice President for Business Support Services and Data Protection Officer (since 2017). He has held various positions in the Company handling Administration, Legal, Human Resources, Procurement, Industrial Relations, HSES, Insurance and Claims, Risk Management and Corporate Communications. He was a Law Partner of Diaz, Corvite and Associates. He is a member of the Integrated Bar of the Philippines. He obtained his Bachelor of Laws from the Ateneo de Manila University. He has been with the Company since 1989.

In line with the proposed amendment to the Sixth Article of the Articles of Incorporation to increase the number of directors from eight (8) to nine (9), the election of a new director of ATI will be presented for approval in this meeting, which approval shall be subject to the following: (i) MIC acquiring more than nine percent (9%) of ATI's issued and outstanding shares, (ii) the effective date of delisting of ATI from the Philippine Stock Exchange has occurred, and (iii) approval by the Securities and Exchange Commission of the amended Articles of Incorporation.

In accordance with Section 28 of the Revised Corporation Code, any directorship to be filled by reason of an increase in the number of directors shall be filled only by an election at a regular or at a special meeting of stockholders called for the purpose, or in the same meeting authorizing the increase of directors if so stated in the notice of the meeting. Hence, the election of the new director will be presented in this meeting.

Management received the nomination of Mr. Rafael D. Consing, Jr. as a new director in light of the proposed increase in the number of directors of ATI. The Company's Nomination Committee³ passed upon the qualifications of the nominee and ascertained that he does not possess any of the disqualifications.

Mr. Rafael D. Consing, Jr., 57, Filipino, was appointed President and Chief Executive Officer of Maharlika Investment Corporation (**MIC**) in November 2023, following 11 months serving as Executive Director at the Office of the Presidential Adviser on Investment and Economic Affairs (OPAIEA) a government sector pivot following a multi-awarded three decade career in global capital markets, and as corporate CFO.

Prior to working for the Philippine government, Mr. Consing was the SVP and CFO, and Head of Compliance at International Container Terminal Services, Inc. (**ICTSI**). He also worked for HSBC Hong Kong, Singapore, and the Philippines as well as Bankers Trust Company in Singapore and various companies in Manila. He was also a board member and executive committee member of Manila Water, Prime Infrastructure Capital, and various other public and private companies within the Razon Group in Asia, EMEA and the Americas. He has a strong background in investment banking and capital markets, having worked with HSBC, Bankers Trust, ING Barings, and Multinational Bancorporation in the Philippines, Singapore, and Hong Kong.

Mr. Consing will only assume as director once the following conditions are met: (i) MIC acquiring more than nine percent (9%) of ATI's issued and outstanding shares, (ii) the effective date of delisting of ATI from the Philippine Stock Exchange has occurred, and (iii) approval by the Securities and Exchange Commission of the amended Articles of Incorporation.

Attached is the Certification executed by the Compliance Officer on directors, nominees or officers connected with the government.

2. Significant Employees

All employees are expected to make reasonable contribution to the success of the business of the Company. There is no "significant employee" as defined in Part IV (A) (2) of Annex C to SRC Rule 12 (i.e., a person who is not an executive officer of the registrant but who is expected to make a significant contribution to the business).

3. Family Relationships

There are no family relationships within the fourth degree of consanguinity or affinity known to the Company, among the Directors, Executive Directors or nominees.

4. Pending Legal Proceedings

The Company has no other knowledge that the current members of its Board of Directors, nominees or its executive officers have been involved during the last five years up to the present in any legal case affecting/involving themselves and/or their properties before any court of law or administrative body in the Philippines or elsewhere, which are material to an evaluation of

³ The composition of the current Nomination Committee is as follows: Eusebio H. Tanco (Chairman), Glen C. Hilton, Felino A. Palafox, Jr., William Wassaf Khoury Abreu and Artemio V. Panganiban (Members).

the ability or integrity of any of the said directors or executive officers. Also, during the last five years, the said persons have not been: a) involved in any bankruptcy petition, b) convicted by final judgment of any offense punishable by the laws of the Philippines or of the laws of any other country, c) subjected to any order, judgment or decree, and d) violated any securities or commodities law.

5. Material Pending Legal Proceedings

The Company is a party to legal proceedings which arose from normal business activities. However, Management believes that the ultimate liability, if any, resulting therefrom, has no material effect on the Company's financial position.

6. Certain Relationships and Related Transactions

a) Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

Note 20 of the attached Audited Consolidated Financial Statements for the period ended 2022 and 2023 indicate related party transactions in the normal course of business.

The Group, in the normal course of business, has the following transactions with its related parties:

Category/ Transaction	Note	Year	Amount of the Transaction	Outstanding Balance				Terms	Conditions
				Due from Related Parties	Due to Related Parties	Lease Liability			
Associate									
▪ Management income	20A	2024	P8,455	P745			P R -	Payable on demand	Unsecured; no impairment
		2023	P7,950	P641			-	Payable on demand	Unsecured; no impairment
▪ Dividend income	9	2024	P46,569					Payable on demand	Unsecured; no impairment
		2023	28,658	-	-	-		Payable on demand	Unsecured; no impairment
Post-Employment Benefit Plan									
▪ Retirement fund	20B	2024	P48,547	15,689				Payable on demand	Unsecured; no impairment
		2023	55,682	24,939			-	Payable on demand	Unsecured; no impairment
Others									
▪ Advances	20D	2024	340,819	249,626	9,210			Payable on demand	Unsecured; no impairment
		2023	208,635	81,444	29,677	-		Payable on demand	Unsecured; no impairment
▪ Management fees	20C	2024	265,790		32,886			Payable within ten (10 days) of the following month	Unsecured
		2023	259,221	-	17,266	-		Payable within ten (10 days) of the following month	Unsecured
▪ Lease	20E	2024	179,653			342,993		Payable within five (5 days) of the following month	Unsecured
		2023	45,413	-	-	375,639		Payable within five (5 days) of the following month	Unsecured
TOTAL		2024	P889,833	P266,060	P42,096	P342,993			
TOTAL		2023	P605,559	P107,024	P46,943	P375,639			

- A. Amount owed by SCIPSI pertains to management fees equivalent to 6% of gross revenue of SCIPSI.
- B. The Parent Company and ATIB have separate, noncontributory, defined benefit retirement plans covering all its regular employees, in the form of a trust being maintained by a trustee bank. Certain payments to retired employees were paid directly by the Group to be subsequently paid by the retirement fund.
- C. P & O Management Services Phils., Inc. (POMS) is a related party which is 40% owned by POAL. POMS engages in advisory services which it provides to the Parent Company by virtue of a 5-year contract. The Parent Company's contract with POMS expired in 2020 and was renewed on August 27, 2020 for another five years until August 31, 2025. The terms of the contract provide for the payment of a monthly fee equivalent to 5% of ATI's consolidated income before income tax of the immediately preceding month (see Note 18).
- D. Advances include amounts owed to or by DP World Asia Holdings Limited-Regional Operating Headquarters, DP World Philippines Logistics, Inc., and DP World Holdings Philippines, Inc., which are related parties under common control, pertaining to reimbursements for expenses paid by or for the Group. The balance also includes amounts owed to companies controlled by the Group's director for expenses incurred by the Group for manpower, healthcare and insurance services. As of December 31, 2023 and 2022, related amounts are recorded as Other Payables under Trade and other payables (see Note 14).
- E. The Parent Company has entered a 5-year lease contract with a company controlled by the Group's director commencing on May 1, 2019 for parcels of land located at Calamba, Laguna, with a monthly lease rental of P40 per square meter, subject to an escalation of 8% beginning May 1, 2021 and every 2 years thereafter. The contract terms are based on market rates for this type of arrangement and amounts are payable on a monthly basis for the duration of the contract. The leased premises shall be used for its off-dock container yard and cargo support requirements, including but not limited to warehousing and logistics (see Note 23).

Item 6. Compensation of Directors and Executive Officers

The total annual compensation of the Company's President and the most 4 highly compensated officers amounted to P65 million in 2024 and P62 million in 2023. The projected annual compensation in 2025 is P67 million.

The total annual compensation of all other officers and directors in 2024 amounted to P144 million and in 2023 amounted to P138 million. The projected annual compensation in 2025 is P153 million.

Name and Principal Position	Year	(in millions of pesos)		
		Salary	Bonus	Total
Eusebio H. Tanco President and CEO				
Sean Perez Senior Vice President for Marketing and Commercial				
Rodolfo G. Corvite, Jr. Vice President for Business Support Services				

ASIAN TERMINALS, INC.
Securities and Exchange Commission Form 20-IS

Jose Tristan Carpio Vice President For Finance/CFO				
Adrian Edward A. Baking Vice President Business Development and Legal				
CEO and most 4 highly compensated officers	2025 (Projected)	55	12	67
All other officers and directors as a group unnamed	2025 (Projected)	120	33	153

Name and Principal Position	Year	(in millions of pesos)		
		Salary	Bonus	Total
Eusebio H. Tanco President and CEO				
Sean Perez Senior Vice President for Marketing and Commercial				
Rodolfo G. Corvite, Jr. Vice President for Business Support Services				
Jose Tristan Carpio Vice President For Finance/CFO				
Adrian Edward A. Baking Vice President Business Development and Legal				
CEO and 4 most highly compensated officers	2024 (Actual)	52	13	65
All other officers and directors as a group unnamed	2024 (Actual)	108	36	144

Name and Principal Position	Year	(in millions of pesos)		
		Salary	Bonus	Total
Eusebio H. Tanco President and CEO				
Sean Perez Senior Vice President for Marketing and Commercial				
Rodolfo G. Corvite, Jr. Vice President for Business Support Services				
Jose Tristan Carpio Vice President For Finance/CFO				
Adrian Edward A. Baking Vice President Business Development and Legal				
CEO and 4 most highly compensated officers	2023 (Actual)	49	13	62
All other officers and directors as a group unnamed	2023 (Actual)	105	33	138

2) The Directors do not receive compensation for services provided as a director other than reasonable per diems⁴ for attendance at meetings of the Board and the Board Committees. This is in accordance with Article IV, Section 14 of the Company's By-Laws which states that "Except for reasonable per diems, directors, as such shall be entitled to receive only such compensation as may be granted to them by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock at a regular or a special meeting of the stockholders. In no case shall the total yearly compensation of the directors, as such, exceed ten percent (10%) of the net income before income tax of the Company during the preceding year.

⁴ Directors' per diem amounted to Php2,140,000 (for 2024) and Php2,705,000 (for 2023). The Chairman receives Php75,000.00 per diem, for every board meeting attended, while members of the Board receive Php65,000.00.

The Board of Directors specified the duties and responsibilities of the elected Company officers. Other officers, whose duties and responsibilities are set by the Management, are considered regular employees of the Company.

- 3) There is no bonus, profit sharing, stock options, warrants, rights or other compensation plans or arrangements with directors and officers that will result from their resignation, retirement, termination of employment, or change in the control of the Company.
- 4) The compensation and benefits of key management personnel are as follows:

	2024	2023
Short-term employee benefits	P 143,361	P134,508
Post-employment benefits	11,599	11,187
	P154,960	P145,695

The outstanding related party balances are expected to be settled in cash.

No action will be taken with respect to:

- (a) any bonus, profit sharing or other compensation plan, contract or arrangement in which any director, nominee for election as a director, or executive officer of the registrant will participate;
- (b) any pension or retirement plan in which any such person will participate; or
- (c) the granting or extension to any such person of any option/s, warrant/s or right/s to purchase any securities, other than warrants or rights issued to security holders as such, on a pro rata basis. However, if the solicitation is made on behalf of persons other than the registrant, the information required need be furnished only the nominees of the persons making the solicitation and associates of such nominees.

Item 7. Independent Public Accountants

No action will be taken with respect to any plan pursuant to the election, approval or ratification of Independent Public Accountants.

Item 8. Compensation Plans

No action will be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

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

No action will be presented for shareholders' approval at this special stockholder's meeting which involves authorization or issuance of any securities.

Item 10. Modification or Exchange of Securities

No action will be presented for shareholders' approval at this special stockholders' meeting which involves the modification of any class of the Company's securities, or the issuance of one class of the Company's securities in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

The Management Report and the Quarterly Report of the Company on SEC Form 17-Q for the period ended September 30, 2025, incorporating the Management's Discussion & Analysis, submitted to the SEC are incorporated herein by reference.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

No action will be presented to be voted upon which involves the following:

- (a) the merger or consolidation of the registrant into or with any other person or of any other person into or with the registrant;
- (b) the acquisition by the registrant or any of its security holders of securities of another person;
- (c) the acquisition by the registrant of any other going business or of the assets thereof;
- (d) the sale or other transfer of all or any substantial part of the assets of the registrant; or
- (e) the liquidation or dissolution of the registrant.

Item 13. Acquisition or Disposition of Property

No action will be presented to be voted upon which involves the acquisition or disposition of any property.

Item 14. Restatement of Accounts

No action will be presented to be voted upon which involves the restatement of any of the Company's assets, capital or surplus account.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

No action will be presented to be voted upon which involves any action with respect to Reports.

Item 16. Matters Not Required to be Submitted

All corporate actions to be voted upon will be submitted to the stockholders of ATI for their approval in accordance with the requirements of the Revised Corporation Code.

Item 17. Amendment of Charter, Bylaws or Other Documents

During the meeting, the proposed amendment to the Sixth Article of the Articles of Incorporation of the Company to increase the number of directors from eight (8) to nine (9) or by one (1) Board seat, as approved and endorsed by the Board of Directors, will be presented to shareholders for approval.

This amendment is being proposed in light of the intended conduct of tender offer for shares of the Company by MIC and ATI as previously disclosed. The rationale for the increase in the number of directors is to allow MIC representation in the Board of ATI. The proposed amendment shall be subject to the following conditions: (i) MIC acquiring more than nine

percent (9%) of ATI's issued and outstanding shares and (ii) the effective date of delisting of ATI from the Philippine Stock Exchange has occurred.

The Board likewise approved the amendment of the Company's By-laws to reflect this proposed increase in number of directors from eight (8) to nine (9). By virtue of approval by stockholders on October 28, 1999, the Board has been granted the delegated authority to amend the Company's By-laws. Thus, this proposed amendment to the By-laws need not be presented for approval by stockholders, and will be processed upon approval by stockholders holding at least 2/3 of the Company's outstanding capital stock of the proposed amendment to the Articles of Incorporation. The proposed amendment shall be subject to the following conditions: (i) MIC acquiring more than nine percent (9%) of ATI's issued and outstanding shares and (ii) the effective date of delisting of ATI from the Philippine Stock Exchange has occurred.

Item 18. Other Proposed Action

As previously disclosed, certain shareholders of the Company (the **Proponents**) have proposed to voluntarily delist the Company from The Philippine Stock Exchange, Inc. (**PSE**), together with MIC, following a tender offer to be conducted by MIC and ATI for up to 191,438,064 common shares of ATI. ATI's move to delist is a strategic step to optimize the company's structure for long-term growth, enabling faster decision-making, greater investment flexibility, and enhanced operational capabilities. This allows ATI to advance its plans for efficiency, infrastructure modernization, and market development, aligned with its mandate to make trade flow efficiently and sustainably.

The voluntary delisting of ATI shares from the Main Board of the PSE was unanimously approved by the Board of Directors of ATI during its meeting held on December 15, 2025. The proposed delisting will be submitted for approval and ratification by stockholders during the special stockholders' meeting. The affirmative vote of stockholders owning or representing at least 2/3 of ATI's total outstanding and listed shares, with no more than 10% voting against, is required to approve said corporate action. The approval of the stockholders of the Corporation is sought in compliance with the Voluntary Delisting Rules of the PSE.

In addition, the ratification/confirmation of the ATI-POMS Management Contract will be taken up in the meeting. On October 2, 2025, the Board approved the renewal of the Management Contract for another five (5) years or until August 31, 2030. The affirmative vote of stockholders owning or representing at least 2/3 of ATI's outstanding capital stock is required to approve said action.

Item 19. Voting Procedures

a) Voting requirement for approval or election

Article III Section 7 of the By-Laws of the Company provides that, at all elections and all questions shall be decided by the majority vote of the stockholders voting in absentia through the ATI Voting Portal, in their name or by proxy, and entitled to vote thereat, a quorum being present, except in cases where other provisions is made by statute.

Each stockholder shall have one vote for each share of stock entitled to vote and recorded in his name in the books of the Company.

In its meeting on December 15, 2025, the Board approved the holding of the stockholders meeting online and the procedure for online registration and voting through the use of a voting portal. Please refer to **Appendix "A"** of the Notice of Meeting for the Special Stockholders' Meeting on the requirements and procedure for the registration, participation and voting online.

b) The method by which the votes will be counted.

The Board unanimously approved on December 15, 2025, the holding of the special stockholders' meeting online, including the registration and voting through respective portals. Votes shall be counted in accordance with the procedure for online voting. Stockholders would need to register and have their registration and identification validated before they will be given an access code to the voting portal. Please refer to **Appendix "A"** of the Notice of Meeting for the Special Stockholders' Meeting on the requirements and procedure for registration, participation and voting.

The auditors from R.G. Manabat & Co. will assist in the counting of votes. Only authorized persons from ATI, R.G. Manabat & Co. and the stock and transfer agent (Professional Stock Transfer Inc.) shall have access to the registration and voting portals.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information statement set forth in this report is true, complete and correct. This report is signed in the City of Manila on January 6, 2026.


RODOLFO G. CORVITE, JR. 
Corporate Secretary and Compliance Officer

MANAGEMENT REPORT
(UNDER RULE 20.4, AMENDED IRR OF THE SRC)

Management's Discussion and Analysis

ASIAN TERMINALS, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts In Thousands)

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	P4,323,704	P4,812,172
Trade and other receivables - net	1,454,931	1,307,654
Spare parts and supplies	1,123,650	1,097,633
Prepaid expenses	3,740,799	3,412,316
Total Current Assets	10,643,084	10,629,775
Noncurrent Assets		
Investment in an associate	63,224	59,567
Property and equipment - net	2,718,137	2,712,806
Intangible assets - net	23,636,602	22,516,355
Right-of-use assets - net	806,818	659,303
Deferred tax assets - net	1,083,398	1,087,536
Other noncurrent assets	82,761	82,201
Total Noncurrent Assets	28,390,940	27,117,769
TOTAL ASSETS	P39,034,024	P37,747,544
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	P3,589,452	P3,141,727
Provisions for claims	67,718	67,188
Port concession rights payable - current portion	388,692	469,627
Income and other taxes payable	362,062	221,061
Lease liabilities - current portion	65,062	14,193
Total Current Liabilities	4,472,986	3,913,796
Noncurrent Liabilities		
Port concession rights payable - net of current portion	6,574,808	6,829,421
Pension liability - net	226,068	318,043
Lease liabilities - net of current portion	794,894	664,149
Total Noncurrent Liabilities	7,595,770	7,811,613
Total Liabilities	12,068,756	11,725,409
Equity		
Equity Attributable to Equity Holders of the Parent Company		
Capital stock	2,000,000	2,000,000
Additional paid-in capital	264,300	264,300
Treasury Shares	(346,377)	(34,771)
Retained earnings	25,035,003	23,781,109
Fair value reserve	(5,820)	(5,820)
	26,947,106	26,004,818
Non-controlling Interest	18,162	17,317
Total Equity	26,965,268	26,022,135
TOTAL LIABILITIES AND EQUITY	P39,034,024	P37,747,544

Consolidated Results of Operations for the nine months ended September 30, 2025

Revenues for the first nine months of 2025 of P14,701.4 million increased by 24.4% from P11,816.3 million in the same period last year. Revenues from South Harbor (SH) international containerized cargo and Batangas Container Terminal (BCT) increased by 26.6% and 16.0%, respectively, compared to last year, due to higher container volumes that grew by 15.9% and 17.5%, respectively. Moreover, revenues from ATI Batangas were higher than the previous year by 16.4% on account of higher volumes for international Roro cargo and higher number of passengers.

The government's share of revenues for the first nine months of 2025 was P2,784.2 million, increasing by 30.6% from P2,131.9 million last year due to higher revenues subject to the port authorities' share.

Cost and expenses in the first nine months of 2025 amounted to P5,950.8 million, 15.3% higher than P5,160.5 million in the same period last year. Depreciation and amortization in 2025 increased by 5.4% to P1,605.4 million from P1,523.1 million in 2024. Labor costs of P1,751.5 million this year went up by 18.4% compared to P1,478.9 million last year due to a salary rate increase and additional headcount related to higher volume. Equipment running costs went up by 16.3% to 723.9 million this year from P622.3 million last year due to higher fuel costs related to higher fuel prices and higher electricity resulting from higher consumption and an increase in rates. General transport of P286.9 million in 2025 rose by 9.8% from P261.2 million in 2024 on account of higher trucking costs from higher trucking volume. Security, health, environment and safety increased by 15.2% to P176.1 million in 2025 from P152.8 million in 2024 due to higher security costs related to higher volume and rate increase. Facilities-related expenses in 2025 increased by 21.1% to P336.2 million from P277.6 million in 2024. Taxes and licenses of P429.6 million in 2025 went up by 29.9% from P330.7 million in 2024. Insurance in 2025 of P222.2 million went up by 11.7% compared to P199.0 million in the same period last year due to higher premiums on renewal of dollar-denominated insurance, such as material damage and business interruption premiums. Professional fees increased by 198.1% to P32.5 million in 2025 from P10.9 million in 2024. Management fees of P250.8 million in 2025 went up by 34.4% from P186.6 million in 2024, following higher earnings before tax. Entertainment, amusement and recreation in 2025 of P9.7 million went up by 125.6% from P4.3 million last year. Rentals of P13.0 million in 2025 increase by 98.8% compared to P6.6 million in the same period last year due to higher equipment rental. Other expenses in 2025 amounted to P113.1 million, 6.1% higher compared to P106.6 million last year due to higher training expenses.

Finance income in 2025 of P123.7 million was lower by 9.1% than P136.0 million last year due to lower interest rates on money market placements. Finance costs in 2025 of P336.7 million were lower by 4.8% against P353.8 million last year. Others-net was negative P75.9 million in 2025 from negative P85.9 million in 2024 mainly due to higher unrealized foreign exchange gain on the fair value of concession liability and accrued interest following the appreciation of the Philippine Peso against the US Dollar.

Income before income tax in the nine months of 2025 of P5,677.5 million increased by 34.5% from P4,220.1 million in the same period last year. Provision for income tax increased by 34.9% to P1,418.7 million in 2025 from P1,051.9 million in the same period last year due to higher results.

Net income of P4,258.8 million for the nine months of 2025 was 34.4% higher than P3,168.3 million for the same period last year. Earnings per share this year were P2.14, and last year were P1.58.

The Company's businesses are affected by the local and global trade environment. Factors that could cause actual results of the Company to differ materially include, but are not limited to:

- material adverse change in the Philippine and the global economic and industry conditions;
- natural events (earthquake, typhoons and other major calamities);
- material changes in foreign exchange rates

In the first nine months of 2025:

- There had been no known trend, demand, commitment, event or uncertainty that had or are reasonably expected to have a material favorable or unfavorable impact on the Company's liquidity or revenues from continuing operations, other than those discussed in this report.
- There had been no significant element of income that did not arise from the Company's continuing operations.
- There had been no seasonal factor that had a material effect on the financial condition and results of operations.

- There had been no event known to management that could trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.
- There had been no material off-balance sheet transaction, arrangement, obligation (including contingent obligation), and other relationship of the Company with unconsolidated entity or other person created during the period that would address the past and would have a material impact on future operations.

Consolidated Financial Condition

Total assets as of September 30, 2025 increased by 3.4% to P39,034.0 million from P37,747.5 million as of December 31, 2024. Current assets slightly went up by 0.1% to P10,643.1 million as of September 30, 2025 from P10,629.8 million as of December 31, 2024. Cash and cash equivalents of P4,323.7 million as of September 30, 2025 decreased by 10.2% compared to P4,812.2 million as of December 31, 2024. Trade and other receivables-net of P1,454.9 million as of September 30, 2025 increased by 11.3% from P1,307.7 million as of December 31, 2024. Spare parts and supplies as of September 30, 2025, rose by 2.4% to P1,123.7 million from P1,097.6 million as of December 31, 2024. Prepaid expenses as of September 30, 2025 of P3,740.8 million were higher by 9.6% than P3,412.3 million as of December 31, 2024 on account of the unamortized portion of prepaid real property, business taxes and higher input taxes on PPA fees and capital expenditures.

Total noncurrent assets of P28,390.9 million as of September 30, 2025 were higher by 4.7% compared to P27,117.8 million as of December 31, 2024. Investment in an associate increased by 6.1% to P63.2 million as of September 30, 2025 from P59.6 million as of December 31, 2024. Property and equipment - net amounted to P2,718.1 million, up by 0.2% from P2,712.8 million as of December 31, 2024. Intangible assets - net of P23,636.6 million were higher by 5.0% than P22,516.4 million as of December 31, 2024. The acquisitions of property and equipment and intangible assets, which amounted to P245.9 million and P2,320.6 million, respectively, were partially offset by the increase in depreciation and amortization. Right-of-use assets - net of P806.8 million as of September 30, 2025 were higher by 22.4% compared to P659.3 million as of December 31, 2024. Deferred tax assets – net amounted to P1,083.4 million as of September 30, 2025, was lower by 0.4% compared to P1,087.5 million as of December 31, 2024. Other noncurrent assets of P82.8 million as of September 30, 2025 were higher by 0.7% compared to P82.2 million as of December 31, 2024.

Total liabilities increased by 2.9% to P12,068.8 million as of September 30, 2025 from P11,725.4 million as of December 31, 2024. Trade and other payables increased by 14.3% to P3,589.5 million as of September 30, 2025 from P3,141.7 million as of December 31, 2024. Trade and other payables are covered by agreed payment schedules. Provisions for claims of P67.7 million as of September 30, 2025 increased by 0.8% compared to P67.2 million as of December 31, 2024. Concession rights payable (current and noncurrent) as of September 30, 2025 of P6,963.5 million decreased by 4.6% from P7,299.0 million as of December 31, 2024. Income and other taxes payable of P362.1 million as of September 30, 2025 were higher by 63.8% compared to P221.1 million as of December 31, 2024 due to income tax for the nine months of 2025. Pension liability of P226.1 million was down by 28.9% as of September 30, 2025 from P318.0 million as of December 31, 2024. Lease liabilities (current and noncurrent) of P860.0 million as of September 30, 2025 increased by 26.8% from P678.3 million as of December 31, 2024 due to additional leases for the first nine months of 2025.

Consolidated Cash Flows

Net cash provided by operating activities in the first nine months of 2025 was P6,105.1 million, 42.8% higher than P4,275.9 million in the same period last year due to higher operating income and a decrease in trade receivables.

Net cash used in investing activities in the first nine months of 2025 of P2,540.2 million was higher by 14.6% versus the P2,216.6 million in the same period last year due to higher acquisition of intangible assets.

Net cash used in financing activities in the first nine months of 2025 was P4,045.4 million, 9.3% higher than P3,700.5 million in the same period last year, due to higher payments of port concession rights payable and purchase of treasury shares.

Key Performance Indicators (KPI)

KPIs discussed below were based on consolidated amounts as portions pertaining to the Company's subsidiary ATI Batangas, Inc. (ATIB) were not material. As of end September 2025:

- ATIB's total assets were only 9.3% of the consolidated total assets
- Income before other income and expense for ATIB was only 4.2% of consolidated income before other income and expenses¹.

Consolidated KPI	Manner of Calculation	As of September 30		Discussion
		2025	2024	
Return on Capital Employed	Percentage of income before interest and tax over capital employed	22.5%	19.5%	Increased due to higher income before interest and taxes during the period.
Return on Equity attributable to equity holders of the parent	Percentage of annualized net income over equity attributable to equity holders of the parent	22.4%	18.1%	Increased due to higher net income growth.
Current ratio	Ratio of current assets over current liabilities	2.38 : 1.00	2.41 : 1.00	Decreased due to higher current liabilities.
Asset to equity ratio	Ratio of total assets over equity attributable to equity holders of the parent	1.45 : 1.00	1.47 : 1.00	Decreased due to higher increase in equity.
Debt to equity ratio	Ratio of total liabilities over equity attributable to equity holders of the parent	0.45 : 1.00	0.47 : 1.00	Improved due to increase in stockholders' equity.
Days Sales in Receivables (DSR)	Gross trade receivables over revenues multiplied by number of days	9 days	12 days	Decreased due to improved collection.

Net Income Margin	Net income over revenues less government share in revenues	35.7%	32.7%	Increased due to higher net income growth rate.
Reportable Injury Frequency Rate (RIFR) ²	Number of reportable injuries within a given accounting period relative to the total number of hours worked in the same accounting period.	0.56	0.32	Increased due to a higher number of injuries.

¹ Income before other income and expenses is defined as income before net financing costs, forex gains or losses and others.

² RIFR is the new KPI for injuries introduced in 2014 to replace LTIFR. RIFR is a more stringent KPI as it covers not only Lost Time Injuries (LTIs) but also Medical Treatment Injuries (MTIs) and Fatalities incidents.

ASIAN TERMINALS, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts In Thousands, Except Per Share Data)

	Year Ended December 31			
	2024	2023	Change	% Change
REVENUES FROM OPERATIONS	P16,541,728	P15,451,800	P1,089,928	7.1%
GOVERNMENT SHARE IN REVENUES	(2,969,505)	(2,669,519)	(299,986)	11.2%
	13,572,223	12,782,281	789,942	6.2%
COSTS AND EXPENSES EXCLUDING GOVERNMENT SHARE IN REVENUES	(7,075,823)	(6,628,665)	(447,158)	6.7%
OTHER INCOME AND EXPENSES				
Finance income	175,368	189,142	(13,774)	-7.3%
Finance cost	(468,322)	(503,531)	35,209	-7.0%
Others - net	(212,554)	40,328	(252,882)	-627.1%
	(505,508)	(274,061)	(231,447)	84.5%
CONSTRUCTION REVENUES	2,400,314	1,920,973	479,341	25.0%
CONSTRUCTION COSTS	(2,400,314)	(1,920,973)	(479,341)	25.0%
INCOME BEFORE INCOME TAX	5,990,892	5,879,555	111,337	1.9%
INCOME TAX EXPENSE	1,464,810	1,441,737	23,073	1.6%
NET INCOME	4,526,082	4,437,818	88,264	2.0%
Income Attributable to				
Equity Holders of the Parent Company	P4,524,533	P4,435,986	P88,547	2.0%
Non-controlling interest	1,549	1,832	(283)	-15.4%
	P4,526,082	P4,437,818	P88,264	2.0%
Basic/Diluted Earnings Per Share Attributable to Equity Holders of the Parent Company	P2.26	P2.22	P0.04	2.0%

Revenues of P16,541.7 million for the year ended December 31, 2024, increased by 7.1% from P15,451.8 million in 2023. Revenues from South Harbor (SH) international containerized cargo increased from last year by 13.7% on account of higher container volumes and the 10% tariff increase effective August 6, 2024. However, revenues from Batangas Container Terminal (BCT) and ATI Batangas were lower than last year by 19.1% and 10.0%, respectively, on

account of lower international container volumes and lower international Roro volumes, respectively, which were partly offset by a higher number of passengers and domestic Roro volume.

Port authorities' share in revenues in 2024 of P2,969.5 million increased by 11.2% from P2,669.5 million in 2023 as a result of higher revenues subject to port authorities' share.

Cost and expenses in 2024 amounted to P7,075.8 million, 6.7% higher than P6,628.7 million in 2023. Depreciation and amortization in 2024 increased by 2.6% to P2,041.8 million from P1,989.1 million in 2023. Labor costs in 2024 of P1,914.5 million were higher by 8.8% compared to P1,759.7 million in 2023 due to salary rate increases and additional headcount. Taxes and licenses in 2024 increased by 3.6% to P521.8 million from P503.5 million in 2023 due to higher business taxes related to higher revenues. Insurance of P277.6 million in 2024 increased by 0.6% compared to P276.0 million last year due to higher insurance premiums on renewal of dollar-denominated insurance such as material damage and business interruption premiums. Facilities-related expenses in 2024 increased by 17.7% to P364.1 million from P309.3 million in 2023 due to higher repairs and maintenance costs for buildings and surface pavements as well as higher IT costs. General transport of P376.6 million in 2024 were higher by 76.9% than of P212.9 million in 2023 on account of higher trucking costs with corresponding revenues. Security, health, environment and safety in 2024 of P216.7 million were higher by 18.2% compared to P183.3 million due to higher security costs related to higher passenger volume and rate increase. Provision for claims increased to P11.3 million from P0.48 million in 2023 mainly due to higher cargo claims. Management fees in 2024 increased by 2.5% to P265.8 million from P259.2 million in 2023 following higher earnings before tax.

Meanwhile, equipment running costs in 2024 went down by 2.0% to P832.8 million from P850.1 million in 2023 mainly due to lower fuel prices. Marketing, commercial, and promotion in 2024 decreased by 2.0% to P22.3 million from P22.7 million in 2023 due to lower advertising and promotional expenses related to various clients. Rentals of P8.5 million in 2024 went down by 22.0% compared to P10.9 million in 2023. Professional fees in 2024 of P21.3 million went down by 2.4% from P21.8 million last year due to lower consultancy fees. Entertainment, amusement and recreation in 2024 of P5.9 million went down by 22.0% from P8.8 million last year. Other expenses in 2024 totaled P216.6 million, went down by 2.1% from P221.2 million in 2023 last year due to lower travel and accommodation, lower office supplies and miscellaneous expenses.

Finance income in 2024 of P175.4 million was lower by 7.3% than P189.1 million last year due to lower cash balance partly offset by higher interest rates on money market placements. Finance costs in 2024 of P468.3 million were lower by 7.0% against P503.5 million last year. Others-net was at negative P212.6 million in 2024 from positive P40.3 million in 2023 mainly due to higher unrealized foreign exchange loss on the fair value of concession liability and accrued interest following the depreciation of the Philippine Peso against the US Dollar.

Income before income tax in 2024 of P5,990.9 million was higher by 1.9% compared to P5,879.6 million in 2023. Provision for income tax increased by 1.6% to P1,464.8 million in 2024 from P1,441.7 million in the same period last year due to higher results.

Net income for the year ended December 31, 2024 increased by 2.0% to P4,526.1 million from P4,437.8 million last year. Earnings per share increased to P2.26 in 2024 from P2.22 in 2023.

Key Variable and Other Qualitative and Quantitative Factors

(i) Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

- There had been no known trends, events or uncertainties that had or are reasonably expected to have a material favorable or unfavorable impact on the Company's, other than those discussed in this report.

(ii) Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation

- There had been no event known to management that could trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

(iii) All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period

- There had been no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the period that would address the past and would have a material impact on future operations.

(iv) Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures

- This includes the completion of the Batangas Passenger Terminal Phase 2, expansion of existing port facilities, acquisition of additional modern equipment, implementation of smart IT systems as well as the construction of Cavite Barge Terminal which will be completed in 2024 using the Company's internal funds.

v) Any Known Trends, Events or Uncertainties (Material Impact on Sales)

- There had been no known trends, events or uncertainties that had or are reasonably expected to have a material favorable or unfavorable impact on the Company's revenues from continuing operations, other than those discussed in this report.

vi) Any Significant Elements of Income or Loss (from continuing operations)

- There had been no significant elements of income that did not arise from the Company's continuing operations.

(vii) Causes for Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%) – refer to discussion on Results of Operations, Financial Condition and Cash Flows.

(viii) Seasonal Aspects that has Material Effect on the FS

- There had been no seasonal factor that had a material effect on the financial condition and results of operations.

Plans for 2025

For nearly 40 years, ATI has constantly demonstrated its proficiency and capability in managing and operating world-class ports and logistics facilities that support the resilient growth of the Philippine economy.

Without letup and driven by its track-record and industry expertise, ATI is actively sustaining its important role as a major economic facilitator and trade enabler by investing, developing, and transforming ports and terminals infrastructure into dynamic, responsive, and innovative assets for smarter, faster, and more sustainable flow of cargoes and people.

Embodying its mission of providing competitive and comprehensive supply-chain solutions from the shores to customer doors, ATI builds on its trade and transportation infrastructure in Manila, Laguna, and Batangas, Laguna and Mindanao, upgrading their capacity, capability, and technology to support customer growth, prepare for future market demand, and contribute to the country's inclusive and resilient growth.

For 2025 alone, ATI is investing a minimum of Php4.2 billion aligned with its expansion strategy and in step with its investment commitment with port authorities. The capital investment will

primarily support the expansion of seaside and landside facilities, acquisition of green equipment to boost its carbon reduction program, gate automation and IT systems, and expansion of integrated logistics solutions leveraged on its port infrastructure.

In line with long-term sustainability goals, ATI explores new business growth drivers, including developing smart cargo storage spaces within and outside port zones, offering ancillary services anchored on its core competencies and exploring new port operations locally or overseas, given the right opportunity.

In 2024, ATI invested a total of P3.0 billion. This fueled the full completion of the modern Batangas Passenger Terminal which is now the country's biggest, busiest, and smartest terminal facility. This also paved the way for the operationalization of the Tanza Container Barge Terminal project which optimizes domestic sea lanes as economic superhighways for the seamless flow of containers from Manila to Cavite. Apart from this, the capex supported the continuous upgrade of port facilities, additional container backup spaces, investment in more green equipment and technologies, and other IT-critical infrastructure, in response to market growth.

The increase in actual investment in 2024 of P 3.0 billion versus plans for 2024 of Php2.7 billion is mainly due to carry over projects from 2023 on Pier 3 berth extension.

ASIAN TERMINALS, INC. AND A SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	December 31			
	2024	2023	Change	% Change
ASSETS				
Current Assets				
Cash and cash equivalents	P4,812,172	P5,424,938	P (612,766)	-11.3%
Trade and other receivables - net	1,307,654	830,653	477,001	57.4%
Spare parts and supplies	1,097,633	1,066,535	31,098	2.9%
Prepaid expenses	3,412,316	2,776,433	635,883	22.9%
Total Current Assets	10,629,775	10,098,559	531,216	5.3%
Noncurrent Assets				
Investment in an associate	59,567	65,436	(5,869)	-9.0%
Property and equipment - net	2,712,806	2,511,749	201,057	8.0%
Intangible assets - net and goodwill	22,516,355	21,595,130	921,225	4.3%
Right of use asset - net	659,303	726,211	(66,908)	-9.2%
Deferred tax assets - net	1,087,537	1,002,295	85,242	8.5%
Other noncurrent assets	82,201	73,551	8,650	11.8%
Total Noncurrent Assets	27,117,769	25,974,372	1,143,397	4.4%
TOTAL ASSETS	P37,747,544	P36,072,931	P1,674,613	4.6%
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	3,141,727	P2,934,416	207,311	7.1%
Provisions for claims	67,188	58,873	8,315	14.1%
Port concession rights payable - current portion	469,627	455,254	14,373	3.2%
Income and other taxes payable	221,061	100,052	121,009	120.9%
Lease Liability - Current	14,193	46,615	(32,422)	-69.6%
Total Current Liabilities	3,913,796	3,595,210	318,586	8.9%
Noncurrent Liabilities				
Port concession rights payable - net of current port	6,829,421	7,011,351	(181,930)	-2.6%
Pension liability	318,043	236,779	81,264	34.3%
Lease liability - Non current	664,149	678,189	(14,040)	-2.1%
Total Noncurrent Liabilities	7,811,613	7,926,319	(114,706)	-1.4%
	11,725,409	11,521,529	203,880	1.8%
Equity				
Equity Attributable to Equity Holders of the Parent Company				
Capital stock	2,000,000	2,000,000	-	0.0%
Additional paid in capital	264,300	264,300	-	0.0%
Treasury Shares	(34,771)	-	(34,771)	100.0%
Retained earnings	23,781,109	22,276,607	1,504,502	6.8%
Fair value reserve	(5,820)	(5,820)	-	0.0%
	26,004,818	24,535,087	1,469,731	6.0%
Non-controlling Interest	17,317	16,315	1,002	6.1%
Total Equity	26,022,135	24,551,402	1,470,733	6.0%
TOTAL LIABILITIES AND EQUITY	P37,747,544	P36,072,931	P1,674,613	4.6%

Consolidated Financial Condition

Total assets as of December 31, 2024 increased by 4.6% to P37,747.5 million from P36,072.9 million as of December 31, 2023. Total current assets as of December 31, 2024 rose by 5.3% to P10,629.8 million from P10,098.6 million as of December 31, 2023. Cash and cash equivalents as of December 31, 2024 were lower by 11.3% to P4,812.2 million from P5,424.9 million as of December 31, 2023. Trade and other receivables - net as of December 31, 2024 increased by 57.4% to P1,307.7 million from P830.7 million as of December 31, 2023. Spare parts and supplies - net as of December 31, 2024 of P1,097.6 million went up by 2.9% compared to P1,066.5 million as of December 31, 2023 due to higher purchases net of issuances. Prepaid expenses of P3,412.3 million as of December 31, 2024 went up by 22.9% from P2,776.4 million as of December 31, 2023 on account of higher input taxes on PPA fees, down payment on various projects and various purchases of capital expenditures.

Total non-current assets of P27,117.8 million as of December 31, 2024, were higher by 4.4% compared to P25,974.4 million as of December 31, 2023. Property and equipment-net

increased by 8.0% to P2,712.8 million as of December 31, 2024 from P2,511.7 million as of December 31, 2023. Additions to property and equipment which were not subject to the service concession arrangement totaled P427.4 million in 2024. Intangible assets - net as of December 31, 2024 of P22,516.4 million were higher by 4.3% compared to P21,595.1 million as of December 31, 2023. Acquisitions of intangible assets which consisted of civil works and cargo handling equipment that were subject of the service concession arrangement amounted to P2,365.0 million in 2024. Right-of-use assets – net was at P659.3 million as of December 31, 2024, was lower by 9.2% compared to P726.2 million as of December 31, 2023. Deferred tax assets - net as of December 31, 2024 of P1,087.5 million went up by 8.5% to P1,002.3 million as of December 31, 2023, pertaining to adjustment on deferred tax on unrealized foreign exchange gain on fair value of concession liability and accrued interest. Other noncurrent assets as of December 31, 2024 increased by 11.8% to P82.2 million from P73.6 million as of December 31, 2023.

Total liabilities went up by 1.8% to P11,725.4 million as of December 31, 2024 from P11,521.5 million as of December 31, 2023. Trade and other payables as of December 31, 2024 of P3,141.7 million were higher by 7.1% than P2,934.4 million as of December 31, 2023. Trade and other payables are covered by agreed payment schedules. Provision for claims went up to P67.2 million as of December 31, 2024 from P58.9 million as of December 31, 2023. Income and other taxes payable increased by 120.9% to P221.1 million as of December 31, 2024 from P100.1 million as of December 31, 2023 due to higher income before tax. Port concession rights payable (current and noncurrent) as of December 31, 2024 totaled P7,299.0 million, 2.2% lower than P7,466.6 million as of December 31, 2023. Lease liabilities (current and noncurrent) were at P678.3 million as of December 31, 2024, decreased by 6.4% from P724.8 million as of December 31, 2023 due to amortization of lease contracts. Pension liability as of December 31, 2024 of P318.0 million was higher by 34.3% compared to P236.8 million as of December 31, 2023.

Consolidated Cash Flows

Net cash provided by operating activities increased by 0.9% to P6,120.8 million in 2024 from P6,067.2 million in 2023 due to higher operating income and increase in trade and other receivables as well as higher prepaid expenses.

Net cash used in investing activities in 2024 of P2,763.2 million were 34.0% higher than P2,062.8 million in 2023 due to higher acquisitions of intangible assets and property and equipment.

Cash used in financing activities in 2024 of P4,014.6 million was higher by 26.8% than the P3,165.8 million in 2023 due to higher payment of cash dividends.

Adoption of Amendments to Standards

The Group has adopted the following amendments to standards starting January 1, 2024, and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Group's consolidated financial statements.

- *Classification of Liabilities as Current or Noncurrent - 2020 amendments and Non-Current Liabilities with Covenants - 2022 amendments (Amendments to PAS 1, Presentation of Financial Statements)*. To promote consistency in application and clarify the requirements on determining whether a liability is current or noncurrent, the amendments:
 - removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
 - clarified that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current and covenants with which the entity must comply after the reporting date do not affect a

liability's classification at that date;

- provided additional disclosure requirements for non-current liabilities subject to conditions within twelve months after the reporting period to enable the assessment of the risk that the liability could become repayable within twelve months; and
- clarified that settlement of a liability includes transferring an entity's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or noncurrent.

New or Revised Standards, Amendments to Standards and Interpretations Issued but Not Yet Adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2024. However, the Group has not early adopted the following new standards, amended standards and interpretations in preparing these consolidated financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Group's consolidated financial statements.

Effective January 1, 2026

- *Amendments to the Classification and Measurement of Financial Instruments (Amendments to PFRS 9, Financial Instruments and PFRS 7, Financial Instruments: Disclosures).* The amendments relate to the date of recognition and derecognition, classification of financial assets, contractually linked instruments and non-recourse features, and disclosures on investments in equity instruments.

Date of recognition and derecognition. The amendments clarified that:

- a financial asset or financial liability is recognized on the date on which the entity becomes party to the contractual provisions of the instrument unless the regular way exemption applies;
- a financial asset is derecognized on the date on which the contractual rights to cash flows expire or the asset is transferred; and
- a financial liability is derecognized on the settlement date, which is the date on which the liability is extinguished because the obligation specified in the contract is discharged or cancelled or expires or the liability otherwise qualifies for derecognition.

However, the amendments provide an exception for the derecognition of financial liabilities where an entity may choose to derecognize a financial liability that is settled using an electronic payment system before the settlement date if, and only if, the entity has initiated the payment instruction that resulted in:

- the entity having no practical ability to withdraw, stop or cancel the payment instruction;
- the entity having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Entities may choose to apply the exception on a system-by-system basis.

Classification of financial assets. The amendments related to classification of financial assets introduces an additional test to assess whether the solely payments of principal and interest (SPPI) criterion is met for financial assets with contingent features that are not related directly to a change in basic lending risks or costs.

The amendments clarified that when a contingent feature gives rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs, the financial asset has contractual cash flows that are SPPI if, and only if, in all contractually possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

Additional disclosures are required for all financial assets and financial liabilities that have certain contingent features that are not related directly to a change in basic lending risks or costs and are not measured at fair value through profit or loss.

Contractually linked instruments and non-recourse features. The amendments clarify the key characteristics of contractually linked instruments (CLIs) and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test). For example, it clarifies that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets; that CLIs have non-recourse features, but not all financial assets with non-recourse features are CLIs; and that the underlying pool of instruments of CLIs may include financial assets outside the scope of IFRS 9.

Disclosures on investments in equity instruments. The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI). The entity discloses for each class of investment the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognized during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period. It also discloses any transfers of the cumulative gain or loss within equity during the reporting period related to investments derecognized during that reporting period.

The amendments apply for reporting periods beginning on or after January 1, 2026. Earlier application is permitted. Entities may choose to early-adopt the amendments for the recognition and derecognition of financial assets and financial liabilities separately from the other amendments.

- *Annual Improvements to PFRS Accounting Standards – Volume 11.* This cycle of improvements contains amendments to five standards, of which are applicable to the Group:
 - *Gain or Loss on Derecognition (Amendments to PFRS 7, Financial Instruments: Disclosure).* The amendments replaced the reference to 'inputs that were not based on observable market data' in the obsolete paragraph 27A of PFRS 7, with reference to 'unobservable inputs' in paragraphs 72-73 of PFRS 13, *Fair Value Measurement*.
 - *Introduction, Disclosure of Difference Between Fair Value and Transaction Price, and Credit Risk Disclosures (Amendments to Guidance on implementing PFRS 7, Financial Instruments: Disclosure).* The amendments:
 - clarified that the Guidance on implementing PFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7;
 - made the wordings on the disclosure of deferred difference between fair value and transaction price in paragraph IG14 of PFRS 7 consistent with the requirements in paragraph 28 of PFRS 7 and with the concepts in PFRS 9, *Financial Instruments* and PFRS 13, *Fair Value Measurement*; and
 - simplified the wordings on credit risk disclosures in paragraph IG20B that the

illustration does not include financial assets that are purchased or originated credit impaired.

- *Derecognition of Lease Liabilities and Transaction Price (Amendments to PFRS 9, Financial Instruments)*. The amendments:
 - added a cross-reference to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee applies the requirement that the difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognized in profit or loss; and
 - replaced the term 'their transaction price (as defined in IFRS 15)' with 'the amount determined by applying IFRS 15' because a receivable might be initially measured at an amount that differs from the transaction price recognized as revenue, for example, when you recognize full amount for consideration that's unconditionally receivable but at the same time recognize expected refund liability with respect to retrospective rebates. Consequently, the definition of the transaction price has been deleted.
- *Cost Method (Amendments to PAS 7, Statement of Cash Flows)*. The amendments replaced the term 'cost method' with 'at cost' given the definition of 'cost method' has previously been removed from PFRS Accounting Standards.

The amendments apply for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

Effective January 1, 2027

- *PFRS 18, Presentation and Disclosure in Financial Statements* will replace PAS 1, *Presentation of Financial Statements* and aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information.
 - *A more structured income statement*. PFRS 18 promotes a more structured income statement. It introduces a newly defined 'operating profit or loss' and 'profit or loss before financing and income tax' subtotals, and a requirement for all income and expenses to be classified into three new distinct categories – operating, investing, and financing – based on a company's main business activities. PFRS 18 also requires companies to analyze their operating expenses directly on the face of the income statement – either by nature, by function or on a mixed basis. Companies need to choose the presentation method that provides the 'most useful structured summary' of those expenses. New disclosures apply if any operating expenses are presented by function.
 - *Management-defined performance measures*. PFRS 18 provides a definition for management-defined performance measures (MPMs) and introduces specific disclosure requirements. MPMs are subtotals of income and expenses that are used in public communications outside the financial statements, communicate management's view of an aspect of the financial performance of the entity as a whole and are not a required subtotal or a common income and expense subtotal listed in PFRS 18. For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information and how it is calculated, and to reconcile it to an amount determined under PFRS Accounting Standards.
 - *Greater disaggregation of information*. PFRS 18 provides enhanced guidance on how companies group information in the financial statements, including newly defined roles

of the primary financial statements and the notes, principles of aggregation and disaggregation based on shared and non-shared characteristics, and specific guidance for labelling and describing items in a way that faithfully represents an item's characteristics.

PFRS 18 also now require goodwill to be presented as a line item in the statement of financial position.

Consequential amendments to PAS 7 *Statement of Cash Flows* requires the use of the operating profit or loss subtotal as the starting point when presenting operating cash flows under the indirect method and eliminate the options for classifying interest and dividend cash flows.

PFRS 18 also amends PAS 33 *Earnings per Share* to permit companies to disclose additional amounts per share using as numerator a required income and expenses total or subtotal, a common subtotal listed in PFRS 18 or an MPM disclosed by the entity.

PFRS 18 applies for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. It applies retrospectively in accordance with PAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. Specific reconciliations are required to be disclosed. Eligible entities including venture capital organizations, mutual funds and some insurers will be allowed to change their election for measuring investments in associates and joint ventures from equity method to fair value through profit or loss.

- PFRS 19, *Subsidiaries without Public Accountability: Disclosures* permits a subsidiary to apply the requirements of PFRS Accounting Standards with the reduced disclosure requirements of PFRS 19 in its consolidated, separate or individual financial statements provided that, at the reporting date:
 - it does not have public accountability, and.
 - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with PFRS Accounting Standards.

Eligible subsidiaries may apply the standard for reporting periods beginning on or after January 1, 2027. Earlier application is permitted.

Deferral of the local implementation of Amendments to PFRS 10 and PAS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to PFRS 10, Consolidated Financial Statements and PAS 28, Investments in Associates and Joint Ventures)*. The amendments address an inconsistency between the requirements in PFRS 10 and in PAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Originally, the amendments apply prospectively for annual periods beginning on or after January 1, 2016, with early adoption permitted. However, on January 13, 2016, the Financial Reporting Standards Council decided to postpone the effective date of these amendments until the International Accounting Standards Board has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

Key Performance Indicators (KPIs)

KPIs discussed below were based on consolidated amounts as portions pertaining to the Company's subsidiary, ATI Batangas, Inc. (ATIB) were not material. As of end 2024:

- ATIB's total assets were only 9.9% of the consolidated total assets.
- Income before other income and expense from ATIB was only 3.9% of consolidated income before other income and expense.¹

Consolidated KPI	Manner of Calculation	2024	2023	Discussion
Return on Capital Employed	Percentage of income before interest and tax over capital employed	19.2%	18.0%	Increased due to higher income before interest and taxes during the period.
Return on Equity attributable to equity holders of the parent	Percentage of net income over equity attributable to equity holders of the parent	17.9%	19.0%	Decreased due to lower net income growth.
Current ratio	Ratio of current assets over current liabilities	2.72 : 1.00	2.81 : 1.00	Decreased due to higher current liabilities
Asset to equity ratio	Ratio of total assets over equity attributable to equity holders of the parent	1.45 : 1.00	1.47 : 1.00	Decreased due to higher increase in equity.
Debt to equity ratio	Ratio of total liabilities over equity attributable to equity holders of the parent	0.45 : 1.00	0.47 : 1.00	Improved due to increase in stockholders' equity
Day Sales in Receivables (DSR)	Gross trade receivables over revenues multiplied by number of days	12 days	10 days	Increased due to higher revenues
Net Income Margin	Net income over revenues less government share in revenues	33.3%	34.7%	Decreased due to lower net income growth rate.
Reportable Injury Frequency Rate (RIFR) ²	Number of reportable injuries within a given accounting period relative to the total number of hours worked in the same accounting period.	0.84	0.87	Improved as a result of extensive safety campaign and strict implementation of HSES policies

¹ Income before interest and tax excludes also net unrealized foreign exchange losses and others.

² RIFR is the KPI for injuries introduced in 2014 to replace LTIFR. RIFR is a more stringent KPI as it covers not only Lost Time Injuries (LTIs) but also Medically Treated Injuries (MTIs) and Fatalities incidents.

Summary of Selected Financial Data (in millions)

Description	Year ended December 31, 2024	Year ended December 31, 2023
<i>Revenues</i>	P16,541.7	P15,451.8
<i>Net income</i>	4,526.1	4,437.8
<i>Total assets</i>	37,747.5	36,072.9
<i>Total liabilities</i>	11,725.4	11,521.5

ASIAN TERMINALS, INC. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousands, Except Per Share Data)

	Years Ended December 31			
	2023	2022	Change	% Change
REVENUES FROM OPERATIONS	P15,451,800	P13,622,704	P1,829,096	13.4%
GOVERNMENT SHARE IN REVENUES	(2,669,519)	(2,468,762)	(200,757)	8.1%
	12,782,281	11,153,942	1,628,339	14.6%
COSTS AND EXPENSES EXCLUDING GOVERNMENT SHARE IN REVENUES	(6,628,665)	(6,176,412)	(452,253)	7.3%
OTHER INCOME AND EXPENSES				
Finance income	189,142	45,496	143,646	315.7%
Finance cost	(503,531)	(505,572)	2,041	-0.4%
Others - net	40,328	(529,694)	570,022	-107.6%
	(274,061)	(989,770)	715,709	-72.3%
CONSTRUCTION REVENUES	1,920,973	1,928,019	(7,046)	-0.4%
CONSTRUCTION COSTS	(1,920,973)	(1,928,019)	7,046	-0.4%
	-	-	-	-
INCOME BEFORE INCOME TAX	5,879,555	3,987,760	1,891,795	47.4%
INCOME TAX EXPENSE	1,441,737	959,604	482,133	50.2%
NET INCOME	P4,437,818	P3,028,156	P1,409,662	46.6%
Income Attributable to Equity holders of the Parent Company	P4,435,986	P3,024,811	P1,411,175	46.7%
Non-controlling interest	1,832	3,345	(1,513)	-45.2%
	P4,437,818	P3,028,156	P1,409,662	46.6%
Basic/Diluted Earnings per Share Attributable to Equity Holders of the Parent Company	P2.22	P1.51	P0.71	46.7%

Revenues for the year ended December 31, 2023, of P15,451.8 million went up by 13.4% from P13,622.7 million in 2022. Revenues from South Harbor (SH) international containerized cargo and Batangas Container Terminal (BCT) increased from last year by 12.0% and 38.1%, respectively, on account of higher container volume while revenues from ATI Batangas were lower than last year by 3.8% on account of lower RoRo volumes partly offset by higher number of passengers.

Port authorities' share in revenues in 2023 of P2,669.5 million increased by 8.1% from P2,468.8 million in 2022 as a result of higher revenues subject to port authorities' share.

Cost and expenses in 2023 amounted to P6,628.7 million, 7.3% higher than P6,176.4 million in 2022. Depreciation and amortization in 2023 increased by 4.2% to P1,989.1 million from P1,908.8 million in 2022. Labor costs in 2023 of P1,759.7 million were higher by 7.8% compared to P1,633.1 million in 2022 due to salary rate increases and higher volumes. Equipment running in 2023 went up by 3.1% to P850.1 million from P824.5 million in 2022 due to the following: i) higher usage of equipment spare parts and consumables; and ii) higher electricity related to higher reefer volume and higher container volume. Facilities-related expenses in 2023 went up by 14.4% to P309.3 million from P270.3 million in 2022 due to higher repairs and maintenance costs for buildings and surface pavements as well as higher IT costs. Insurance of P276.0 million in 2023 increased by 29.4% compared to P213.4 million last year due to higher insurance premiums. General transport of P212.9 million in 2023 were higher by 18.7% than of P179.3 million in 2022 on account of higher trucking costs. Security, health, environment and safety in 2023 of P183.3 million were higher by 9.5% compared to P167.5 million due to higher security costs related to higher passenger volume. Marketing, commercial, and promotion in 2023 increased by 118.5% to P22.7 million from P10.4 million in 2022 due to higher advertising cost to various clients. Other expenses in 2023 totaled P221.2 million, went up by 25.4% from P176.4 million in 2022 due to higher general operations with corresponding revenues. Management fees in 2023 increased by 49.5% to P259.2 million from P173.4 million in 2022 following higher earnings before tax.

Meanwhile, taxes and licenses in 2023 decreased by 8.3% to P503.5 million from P549.2 million in 2022 due to lower permits and licenses. Rentals of P10.9 million in 2023 went down by 67.8% compared to P33.7 million in 2022 as last year included rental of generator set for the new Passenger Terminal Building. Professional fees in 2023 of P21.8 million went down by 14.1% from P25.4 million last year due to lower consultancy fees. Entertainment, amusement and recreation in 2023 of P8.8 million went down by 12.1% from P10.1 million last year.

Finance income in 2023 of P189.1 million was higher by 315.7% than P45.5 million last year due to higher interest rates on money market placements and higher cash balance. Finance costs in 2023 of P503.5 million were lower by 0.4% against P505.6 million last year. Others-net was at positive P40.3 million in 2023 from negative P529.7 million in 2022 mainly due to higher unrealized foreign exchange gain on the fair value of concession liability and accrued interest following the appreciation of the Philippine Peso against the US Dollar.

Income before income tax in 2023 of P5,879.6 million was higher by 47.4% compared to P3,987.8 in 2022. Provision for income tax increased by 50.2% to P1,441.7 million in 2023 from P959.6 million in the same period last year due to higher results.

Net income for the year ended December 31, 2023 increased by 46.6% to P4,437.8 million from P3,028.2 million last year. Earnings per share increased to P2.22 in 2023 from P1.51 in 2022.

Key Variable and Other Qualitative and Quantitative Factors

(i) Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

- There had been no known trends, events or uncertainties that had or are reasonably expected to have a material favorable or unfavorable impact on the Company's, other than those discussed in this report.

(ii) Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation

- There had been no event known to management that could trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

(iii) All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period

- There had been no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the period that would address the past and would have a material impact on future operations.

(iv) Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures

- This includes the completion of the Batangas Passenger Terminal Phase 2, expansion of existing port facilities, acquisition of additional modern equipment, implementation of smart IT systems as well as the construction of Cavite Barge Terminal which will be completed in 2024 using the Company's internal funds.

v) Any Known Trends, Events or Uncertainties (Material Impact on Sales)

- There had been no known trends, events or uncertainties that had or are reasonably expected to have a material favorable or unfavorable impact on the Company's revenues from continuing operations, other than those discussed in this report.

vi) Any Significant Elements of Income or Loss (from continuing operations)

- There had been no significant elements of income that did not arise from the Company's continuing operations.

(vii) Causes for Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%) – refer to discussion on Results of Operations, Financial Condition and Cash Flows.

(viii) Seasonal Aspects that has Material Effect on the FS

- There had been no seasonal factor that had a material effect on the financial condition and results of operations.

ASIAN TERMINALS, INC. AND A SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts In Thousands)

	December 31			
	2023	2022	Change	% Change
ASSETS				
Current Assets				
Cash and cash equivalents	P5,424,938	P4,600,267	P824,671	17.9%
Trade and other receivables - net	830,653	905,985	(75,332)	-8.3%
Spare parts and supplies	1,066,535	1,081,456	(14,921)	-1.4%
Prepaid expenses	2,776,433	2,503,263	273,170	10.9%
Total Current Assets	10,098,559	9,090,971	1,007,588	11.1%
Noncurrent Assets				
Investment in an associate	65,436	55,282	10,154	18.4%
Property and equipment - net	2,511,749	2,566,211	(54,462)	-2.1%
Intangible assets - net and goodwill	21,595,130	21,080,924	514,206	2.4%
Right of use asset - net	726,211	775,248	(49,037)	-6.3%
Deferred tax assets - net	1,002,295	975,876	26,419	2.7%
Other noncurrent assets	73,551	86,759	(13,208)	-15.2%
Total Noncurrent Assets	25,974,372	25,540,300	434,072	1.7%
TOTAL ASSETS	36,072,931	P34,631,271	P1,441,660	4.2%
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	P2,934,416	P3,292,607	(358,191)	-10.9%
Provisions for claims	58,873	61,044	(2,171)	-3.6%
Port concession rights payable - current portion	455,254	423,028	32,226	7.6%
Income and other taxes payable	100,052	210,629	(110,577)	-52.5%
Lease Liabilities - Current	46,615	118,066	(71,451)	-60.5%
Total Current Liabilities	3,595,210	4,105,374	(510,164)	-12.4%
Noncurrent Liabilities				
Port concession rights payable - net of current portion	7,011,351	7,510,283	(498,932)	-6.6%
Pension liability	236,779	207,409	29,370	14.2%
Lease liabilities - Non current	678,189	647,026	31,163	4.8%
Total Noncurrent Liabilities	7,926,319	8,364,718	(438,399)	-5.2%
11,521,529		12,470,092	(948,563)	-7.6%
Equity				
Equity Attributable to Equity Holders of the Parent Company				
Capital stock	2,000,000	2,000,000	-	0.0%
Additional paid in capital	264,300	264,300	-	0.0%
Retained earnings	22,276,607	19,887,619	2,388,988	12.0%
Fair value reserve	(5,820)	(5,820)	-	0.0%
	24,535,087	22,146,099	2,388,988	10.8%
Non-controlling Interest	16,315	15,080	1,235	8.2%
Total Equity	24,551,402	22,161,179	2,390,223	10.8%
TOTAL LIABILITIES AND EQUITY	P36,072,931	P34,631,271	P1,441,660	4.2%

Consolidated Financial Condition

Total assets as of December 31, 2023 increased by 4.2% to P36,073.0 million from P34,631.3 million as of December 31, 2022. Total current assets as of December 31, 2023 up by 11.1% to P10,098.6 million from P9,091.0 million as of December 31, 2022. Cash and cash equivalents as of December 31, 2023 were higher by 17.9% to P5,424.9 million from P4,600.3 million as of December 31, 2022. Trade and other receivables - net as of December 31, 2023 down by 8.3% to P830.7 million from P906.0 million as of December 31, 2022. Spare parts and supplies - net as of December 31, 2023 of P1,066.5 million were lower by 1.4% compared to P1,081.5 million as of December 31, 2022 due to management cost savings initiatives. Prepaid expenses of P2,776.4 million as of December 31, 2023 went up by 10.9% from

P2,503.3 million as of December 31, 2022 on account of higher input taxes on PPA fees and various purchases of capital expenditures.

Total non-current assets of P25,974.4 million as of December 31, 2023, were higher by 1.7% compared to P25,540.3 million as of December 31, 2022. Property and equipment-net decreased by 2.1% to P2,511.7 million as of December 31, 2023 from P2,566.2 million as of December 31, 2022. Additions to property and equipment which were not subject to the service concession arrangement totaled P262.7 million in 2023. Intangible assets - net as of December 31, 2023 of P21,595.1 million were higher by 2.4% compared to P21,080.9 million as of December 31, 2022. Acquisitions of intangible assets which consisted of civil works and cargo handling equipment that were subject of the service concession arrangement amounted to P1,939.9 million in 2023. Right-of-use assets – net was at P726.2 million as of December 31, 2023, was lower by 6.3% compared to P775.2 million as of December 31, 2022. Deferred tax assets - net as of December 31, 2023 of P1,002.3 million went up by 2.7% to P975.9 million as of December 31, 2022, pertaining to adjustment on deferred tax on unrealized foreign exchange gain on fair value of concession liability and accrued interest. Other noncurrent assets as of December 31, 2023 decreased by 15.2% to P73.6 million from P86.8 million as of December 31, 2022.

Total liabilities went down by 7.6% to P11,521.5 million as of December 31, 2023 from P12,470.1 million as of December 31, 2022. Trade and other payables as of December 31, 2023 of P2,934.4 million were lower by 10.9% than P3,292.6 million as of December 31, 2022. Trade and other payables are covered by agreed payment schedules. Provision for claims went down to P58.9 million as of December 31, 2023 from P61.0 million as of December 31, 2022. Income and other taxes payable decreased by 52.5% to P100.1 million as of December 31, 2023 from P210.6 million as of December 31, 2022 due to higher income before tax. Port concession rights payable (current and noncurrent) as of December 31, 2023 totaled P7,466.6 million, 5.9% lower than P7,933.3 million as of December 31, 2022. Lease liabilities (current and noncurrent) were at P724.8 million as of December 31, 2023, decreased by 5.3% from P765.1 million as of December 31, 2022 due to amortization of lease contracts. Pension liability as of December 31, 2023, of P236.8 million was higher by 14.2% compared to P207.4 million as of December 31, 2022.

Consolidated Cash Flows

Net cash provided by operating activities increased by 3.1% to P6,067.2 million in 2023 from P5,886.8 million in 2022 due to higher operating income and increase in trade and other receivables.

Net cash used in investing activities in 2023 of P2,062.8 million were 25.2% lower than P2,757.8 million in 2022 due to lower acquisitions of intangible assets and property and equipment.

Cash used in financing activities in 2023 of P3,165.8 million was higher by 20.0% than the P2,639.0 million in 2022 due to higher payments of cash dividends and higher payments of concession liabilities.

Adoption of New or Revised Standards, Amendments to Standards and Interpretation

The Group has adopted the following amendments to standards starting January 1, 2023 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Group's consolidated financial statements.

- *Definition of Accounting Estimates (Amendments to PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors).* To clarify the distinction between changes in accounting policies and changes in accounting estimates, the amendments introduce a new definition for accounting estimates, clarifying that

they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an accounting estimate is developed to achieve the objective set out by an accounting policy. Developing an accounting estimate includes both selecting a measurement technique and choosing the inputs to be used when applying the chosen measurement technique. The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged. The amendments also provide examples on the application of the new definition.

The amendments will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the amendments are applied.

- *Disclosure of Accounting Policies (Amendments to PAS 1, Presentation of Financial Statements and PFRS Practice Statement 2, Making Materiality Judgements).* The amendments are intended to help companies provide useful accounting policy disclosures. The key amendments to PAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The amendments to PFRS Practice Statement 2 includes guidance and additional examples on the application of materiality to accounting policy disclosures, assisting companies to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The Group reviewed the accounting policies and although the amendments did not result in any changes to the accounting policies themselves, updates were made to the accounting policy information disclosed in Note 4 Material Accounting Policies in certain instances in line with the amendments.

- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to PAS 12, Income Taxes).* The amendments clarify that the initial recognition exemption does not apply to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations.

For leases and decommissioning liabilities, the associated deferred tax assets and liabilities will be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other appropriate component of equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

Amendments to Standards Issued but Not Yet Adopted

A number of amendments to standards are effective for annual periods beginning after January 1, 2023. However, the Group has not early adopted the following amended standards in preparing these consolidated financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Group's consolidated financial statements.

Effective January 1, 2024

- *Classification of Liabilities as Current or Noncurrent - 2020 amendments and Noncurrent Liabilities with Covenants - 2022 amendments (Amendments to PAS 1)*. To promote consistency in application and clarify the requirements on determining whether a liability is current or noncurrent, the amendments:
 - removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
 - clarified that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current and covenants with which the entity must comply after the reporting date do not affect a liability's classification at that date;
 - provided additional disclosure requirements for non-current liabilities subject to conditions within twelve months after the reporting period to enable the assessment of the risk that the liability could become repayable within twelve months; and
 - clarified that settlement of a liability includes transferring an entity's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or noncurrent.

The amendments will apply retrospectively for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Entities that have early applied the 2020 amendments may retain application until the 2022 amendments are applied. Entities that will early apply the 2020 amendments after issue of the 2022 amendments must apply both amendments at the same time.

Financial Instruments

Non-derivative Financial Instruments. Non-derivative financial instruments consist of cash and cash equivalents, trade and other receivables, deposits, equity securities, trade and other payables (except for statutory payables), port concession rights payable and lease liabilities.

Recognition and Initial Measurement. Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Fair Value through Profit or Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial Assets

Classification and Subsequent Measurement. On initial recognition, the Group classifies its financial assets in the following measurement categories: amortized cost; FVOCI - debt investment; FVOCI - equity investment; or FVTPL.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The Group has no financial assets classified as measured at: FVOCI - debt investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the

Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost using the effective interest method if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Included in this category are the Group's cash and cash equivalents, trade and other receivables, and deposits.

Cash includes cash on hand and in banks which are stated at face value. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisition and are subject to an insignificant risk of changes in value.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. The accumulated fair value reserves are never reclassified to profit or loss. Dividends are recognized as income in profit or loss unless it clearly represents a recovery of the cost of investment.

Included in this category is the Group's equity instruments (included under other noncurrent assets).

Business Model Assessment. The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- a. the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- b. how the performance of the portfolio is evaluated and reported to the Group's management;
- c. the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- d. how managers of the business are compensated - e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- e. the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Solely Payments of Principal and Interest Assessment. Principal is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration

for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Key Performance Indicators (KPIs)

KPIs discussed below were based on consolidated amounts as portions pertaining to the Company's subsidiary, ATI Batangas, Inc. (ATIB) were not material. As of end 2023:

- ATIB's total assets were only 9.7% of the consolidated total assets.
- Income before other income and expense from ATIB was only 5.2% of consolidated income before other income and expense.³

Consolidated KPI	Manner of Calculation	2023	2022	Discussion
Return on Capital Employed	Percentage of income before interest and tax over capital employed	18.0%	16.3%	Increased due to higher income before interest and taxes during the period.
Return on Equity attributable to equity holders of the parent	Percentage of net income over equity attributable to equity holders of the parent	19.0%	14.1%	Improved due to higher net income.
Current ratio	Ratio of current assets over current liabilities	2.81 : 1.00	2.21 : 1.00	Increased due to higher current assets.
Asset to equity ratio	Ratio of total assets over equity attributable to equity holders of the parent	1.47 : 1.00	1.56 : 1.00	Decreased due to higher increase in equity.
Debt to equity ratio	Ratio of total liabilities over equity attributable to equity holders of the parent	0.47 : 1.00	0.56 : 1.00	Improved due to decrease in liabilities and increase in stockholders' equity.

³ Income before interest and tax excludes also net unrealized foreign exchange losses and others.

Day Sales in Receivables (DSR)	Gross trade receivables over revenues multiplied by number of days	10 days	11 days	Decreased due to improved collections.
Net Income Margin	Net income over revenues less government share in revenues	34.7%	27.1%	Increased due to higher net income growth.
Reportable Injury Frequency Rate (RIFR) ⁴	Number of reportable injuries within a given accounting period relative to the total number of hours worked in the same accounting period.	0.87	0.56	Increased due to a higher number of injuries.

Summary of Selected Financial Data (in millions)

Description	Year ended December 31, 2023	Year ended December 31, 2022
<i>Revenues</i>	P15,451.8	P13,622.7
<i>Net income</i>	4,437.8	3,028.2
<i>Total assets</i>	36,072.9	35,638.9
<i>Total liabilities</i>	11,521.5	12,470.1

⁴ RIFR is the KPI for injuries introduced in 2014 to replace LTIFR. RIFR is a more stringent KPI as it covers not only Lost Time Injuries (LTIs) but also Medically Treated Injuries (MTIs) and Fatalities incidents.

ASIAN TERMINALS, INC. AND A SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME

(Amounts In Thousands, Except Per Share Data)

	Year Ended December 31		
	2022	2021	Change
			% Change
REVENUES FROM OPERATIONS	P13,622,704	P11,162,744	P2,459,960
GOVERNMENT SHARE IN REVENUES	(2,468,762)	(1,947,677)	(521,085)
	11,153,942	9,215,067	1,938,875
COSTS AND EXPENSES EXCLUDING			
GOVERNMENT SHARE IN REVENUES	(6,176,412)	(5,426,240)	(750,172)
OTHER INCOME AND EXPENSES			
Finance income	45,496	5,758	39,738
Finance cost	(505,572)	(504,068)	(1,504)
Others - net	(529,694)	(254,907)	(274,787)
	(989,770)	(753,217)	(236,553)
CONSTRUCTION REVENUES	1,928,019	546,474	1,381,545
CONSTRUCTION COSTS	(1,928,019)	(546,474)	(1,381,545)
	-	-	-
INCOME BEFORE INCOME TAX	3,987,760	3,035,610	952,150
INCOME TAX EXPENSE			
Current	1,137,822	716,918	420,904
Deferred	(178,218)	80,963	(259,181)
	959,604	797,881	161,723
NET INCOME	P 3,028,156	P 2,237,729	P 790,427
Income Attributable to			
Equity Holders of the Parent Company	P3,024,811	P2,236,720	P788,091
Non-controlling interest	3,345	1,009	2,336
	P3,028,156	P2,237,729	P790,427
Basic/Diluted Earnings Per Share Attributable			
to Equity Holders of the Parent Company	P1.51	P1.12	P0.39
			35.2%

Revenues for the year ended December 31, 2022, of P13,622.7 million went up by 22.0% from P11,162.7 million in 2021. Revenues from South Harbor (SH) international containerized cargo and Batangas Container Terminal (BCT) increased from last year by 19.2% and 12.7%, respectively, on account of higher container volume while revenues from ATI Batangas were higher than last year by 65.9% on account of higher RoRo volumes and higher number of passengers.

Port authorities' share in revenues in 2022 of P2,468.8 million increased by 26.8% from P1,947.7 million in 2021 as a result of higher revenues subject to port authorities' share.

Cost and expenses in 2022 amounted to P6,176.4 million, 13.8% higher than P5,426.2 million in 2021. Depreciation and amortization in 2022 increased by 3.2% to P1,908.8 million from P1,849.7 million in 2021. Labor costs in 2022 of P1,633.1 million were higher by 9.2% compared to P1,495.2 million in 2021 due to salary rate increases and higher volumes. Equipment running in 2022 went up by 23.9% to P824.5 million from P665.4 million in 2021 due to the following: i) higher usage of equipment spare parts and consumables; and ii) higher fuel costs related to higher volume and higher fuel price. Taxes and licenses in 2022 increased by 30.9% to P549.2 million from P419.7 million in 2021 due to higher real property taxes related to additional equipment and improvements in South Harbor and Batangas and higher business taxes. Facilities-related expenses in 2022 went up by 26.1% to P270.3 million from P214.4 million in 2021 due to higher repairs and maintenance costs for lightings and wharves related to safety as well as higher IT costs. Insurance of P213.4 million in 2022 increased by 7.6% compared to P198.4 million last year due to higher insurance premiums. General transport of

P179.3 million in 2022 were higher by 53.8% than P116.5 million in 2021 on account of higher trucking costs. Management fees in 2022 increased by 29.8% to P173.4 million from P133.6 million in 2021 following higher earnings before tax. Security, health, environment and safety in 2022 of P167.5 million were higher by 9.8% compared to P152.5 million in due to higher security costs related to higher passenger volume. Rentals of P33.7 million in 2022 went up by 141.7% compared to P14.0 million in the same period last year due to rental of a generator set used in the new Passenger Terminal Building in Batangas. Professional fees in 2022 of P25.4 million went up by 97.0% from P12.9 million last year due to higher consultancy fees related to Business Development Projects. Marketing, commercial, and promotion in 2022 increased by 48.1% to P10.4 million from P7.0 million due to higher advertising costs. Entertainment, amusement and recreation in 2022 of P10.1 million went up by 191.5% from P3.5 million last year. Other expenses in 2022 totaled P176.4 million, went up by 29.5% from P136.2 million in 2021 due to higher general operations and higher brokerage and handling fees with corresponding revenues.

Finance income in 2022 of P45.5 million was higher by 690.1% than P5.8 million last year due to higher interest rates on money market placements and higher cash balance. Finance costs in 2022 of P505.6 million were higher by 0.3% against P504.1 million last year. Others-net was at negative P529.7 million in 2022 from negative P254.9 million in 2021 mainly due to higher unrealized foreign exchange losses on the fair value of concession liability and accrued interest following the depreciation of the Philippine Peso against the US Dollar.

Income before income tax in 2022 of P3,987.8 million was higher by 31.4% compared to P3,035.6 in 2021. Provision for income tax increased by 20.3% to P959.6 million in 2021 from P797.9 million in the same period last year due to higher results.

Net income for the year ended December 31, 2022 increased by 35.3% to P3,028.2 million from P2,237.7 million last year. Earnings per share increased to P1.51 in 2022 from P1.12 in 2021.

Key Variable and Other Qualitative and Quantitative Factors

(i) Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

- There had been no known trends, events or uncertainties that had or are reasonably expected to have a material favorable or unfavorable impact on the Company's, other than those discussed in this report.

(ii) Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation

- There had been no event known to management that could trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

(iii) All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period

- There had been no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the period that would address the past and would have a material impact on future operations.

(iv) Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures

- This includes the completion of the Batangas Passenger Terminal Phase 1, expansion of existing port facilities, acquisition of additional modern equipment, implementation of smart

IT systems as well as the construction of Cavite Barge Terminal which will be completed in 2023 using the Company's internal funds.

v) *Any Known Trends, Events or Uncertainties (Material Impact on Sales)*

- There had been no known trends, events or uncertainties that had or are reasonably expected to have a material favorable or unfavorable impact on the Company's revenues from continuing operations, other than those discussed in this report.

vi) *Any Significant Elements of Income or Loss (from continuing operations)*

- There had been no significant elements of income that did not arise from the Company's continuing operations.

(vii) *Causes for Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%) – refer to discussion on Results of Operations, Financial Condition and Cash Flows.*

(viii) *Seasonal Aspects that has Material Effect on the FS*

- There had been no seasonal factor that had a material effect on the financial condition and results of operations.

COVID-19 has impacted the business operations of the company and its offsite facilities. South Harbor volume was impacted by the surge in Covid-19 cases in China for the first half of 2022. In general, China port operations slowed down, and in some ports had to suspend operations for days. Business operations continue following existing government regulations and guidelines. The measures undertaken by the company and its offsites include the implementation of its Business Continuity Plan for COVID-19. The company also has a Prevention and Control Plan for COVID-19 and other communicable diseases in place as well as emergency response procedures for situations concerning public health and safety. This includes mandatory thermal scanning prior to entry into our gates and offices, regular sanitization of offices and facilities, social distancing, remote modes of communication such as teleconference and videocalls and sustained information campaign on COVID 19 and proper personal hygiene. Aligned with the government's COVID-19 vaccination efforts, ATI has attained 99.9% vaccination rate for its employees through its own corporate initiatives and in partnership with industry groups and local government units. A continuous campaign for booster administration is likewise being undertaken. The company also continuously maintains close coordination with relevant government entities.

Consolidated Financial Condition

ASIAN TERMINALS, INC. AND A SUBSIDIARY CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Amounts In Thousands)

	December 31			
	2022	2021	Change	% Change
ASSETS				
Current Assets				
Cash and cash equivalents	P4,600,267	P3,954,166	P646,101	16.3%
Trade and other receivables - net	905,985	809,229	96,756	12.0%
Spare parts and supplies	1,081,456	935,478	145,978	15.6%
Prepaid expenses	2,503,263	2,149,009	354,254	16.5%
Total Current Assets	9,090,971	7,847,882	1,243,089	15.8%
Noncurrent Assets				
Investment in an associate	55,282	58,373	(3,091)	-5.3%
Property and equipment - net	2,566,211	1,890,714	675,497	35.7%
Intangible assets - net and goodwill	21,080,924	20,551,531	529,393	2.6%
Right of use asset - net	775,248	458,999	316,249	68.9%
Deferred tax assets - net	975,876	801,324	174,552	21.8%
Other noncurrent assets	86,759	102,037	(15,278)	-15.0%
Total Noncurrent Assets	25,540,300	23,862,978	1,677,322	7.0%
TOTAL ASSETS	P34,631,271	P31,710,860	P2,920,411	9.2%
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	P3,292,607	P2,379,928	912,679	38.3%
Provisions for claims	61,044	63,216	(2,172)	-3.4%
Port concession rights payable - current portion	423,028	368,778	54,250	14.7%
Income and other taxes payable	210,629	132,693	77,936	58.7%
Lease Liabilities - Current	118,066	85,028	33,038	38.9%
Total Current Liabilities	4,105,374	3,029,643	1,075,731	35.5%
Noncurrent Liabilities				
Port concession rights payable - net of current portion	7,510,283	7,333,393	176,890	2.4%
Pension liability	207,409	241,609	(34,200)	-14.2%
Lease liabilities - Non current	647,026	367,609	279,417	76.0%
Total Noncurrent Liabilities	8,364,718	7,942,611	422,107	5.3%
	12,470,092	10,972,254	1,497,838	13.7%
Equity				
Equity Attributable to Equity Holders of the Parent Company				
Capital stock	2,000,000	2,000,000	-	0.0%
Additional paid in capital	264,300	264,300	-	0.0%
Retained earnings	19,887,619	18,467,868	1,419,751	7.7%
Fair value reserve	(5,820)	(5,820)	-	0.0%
	22,146,099	20,726,348	1,419,751	6.8%
Non-controlling Interest	15,080	12,258	2,822	23.0%
Total Equity	22,161,179	20,738,606	1,422,573	6.9%
TOTAL LIABILITIES AND EQUITY	P34,631,271	P31,710,860	P2,920,411	9.2%

Total assets as of December 31, 2022 increased by 9.2% to P34,631.3 million from P31,710.9 million as of December 31, 2021. Total current assets as of December 31, 2022 up by 15.8% to P9,091.0 million from P7,847.9 million as of December 31, 2021. Cash and cash equivalents as of December 31, 2022 were higher by 16.3% to P4,600.3 million from P3,954.2 million as of December 31, 2021. Trade and other receivables - net as of December 31, 2022 up by 12.0% to P906.0 million from P809.2 million as of December 31, 2021. Spare parts and supplies - net as of December 31, 2022 of P1,081.4 million were higher by 15.6% compared to P935.5 million as of December 31, 2021 in support of operational requirements and equipment maintenance program. Prepaid expenses of P2,503.3 million as of December 31, 2022 went up by 16.5%

from P2,149.0 million as of December 31, 2021 on account of higher input taxes on PPA fees and various purchases of capital expenditures.

Total non-current assets of P25,540.3 million as of December 31, 2022, were higher by 7.0% compared to P23,863.0 million as of December 31, 2021. Property and equipment-net increased by 35.7% to P2,566.2 million as of December 31, 2022 from P1,890.7 million as of December 31, 2021. Additions to property and equipment which were not subject to the service concession arrangement totaled P829.7 million in 2022. Intangible assets - net as of December 31, 2022 of P21,080.9 million were higher by 2.6% compared to P20,551.5 million as of December 31, 2021. Acquisitions of intangible assets which consisted of civil works and cargo handling equipment that were subject of the service concession arrangement amounted to P1,986.9 million in 2022. Right-of-use assets – net was at P775.2 million as of December 31, 2022, was higher by 68.9% compared to P459.0 million as of December 31, 2021. Deferred tax assets - net as of December 31, 2022 of P975.9 million went up by 21.8% to P801.3 million as of December 31, 2021, pertaining to adjustment on deferred tax on unrealized foreign exchange loss on fair value of concession liability and accrued interest. Other noncurrent assets as of December 31, 2022 decreased by 15.0% to P86.8 million from P102.0 million as of December 31, 2021.

Total liabilities went up by 13.7% to P12,470.1 million as of December 31, 2022 from P10,972.3 million as of December 31, 2021. Trade and other payables as of December 31, 2022 of P2,379.9 million were higher by 38.3% than P2,379.9 million as of December 31, 2021. Trade and other payables are covered by agreed payment schedules. Provision for claims went down to P61.0 million as of December 31, 2022 from P63.2 million as of December 31, 2021. Income and other taxes payable increased by 58.7% to P210.6 million as of December 31, 2022 from P132.7 million as of December 31, 2021 due to higher income before tax. Port concession rights payable (current and noncurrent) as of December 31, 2022 totaled P7,933.3 million, 3.0% higher than P7,702.2 million as of December 31, 2021. Lease liabilities (current and noncurrent) were at P765.1 million as of December 31, 2022, increased by 69.0% from P452.6 million as of December 31, 2021 due to renewal of lease contracts. Pension liability as of December 31, 2022, of P207.4 million was lower by 14.2% compared to P241.6 million as of December 31, 2021.

Consolidated Cash Flows

Net cash provided by operating activities increased by 36.0% to P5,886.8 million in 2022 from P4,328.7 million in 2021 due to higher operating income and increase in trade and other payables.

Net cash used in investing activities in 2022 of P2,757.8 million were 9.3% higher than P2,523.1 million in 2021 due to higher acquisitions of intangible assets and property and equipment.

Cash used in financing activities in 2022 of P2,639.0 million was higher by 9.8% than the P2,403.5 million in 2021 due to higher payments of cash dividends and payments of lease liabilities.

Adoption of New or Revised Standards, Amendments to Standards and Interpretation

The Group has adopted the following amendments to standards starting January 1, 2022 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Group's consolidated financial statements.

- *Property, Plant and Equipment - Proceeds before Intended Use (Amendments to PAS 16, Property, Plant and Equipment)*. The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment the proceeds from selling items produced before that asset is available for use. The proceeds before intended use should be recognized in profit or loss, together with the costs

of producing those items which are identified and measured in accordance with PAS 2, *Inventories*.

The amendments also clarify that testing whether an item of property, plant and equipment is functioning properly means assessing its technical and physical performance rather than assessing its financial performance.

For the sale of items that are not part of a company's ordinary activities, the amendments require the company to disclose separately the sales proceeds and related production cost recognized in profit or loss and specify the line items in which such proceeds and costs are included in the statement of comprehensive income. This disclosure is not required if such proceeds and cost are presented separately in the statement of comprehensive income.

The amendments apply retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

- *Onerous Contracts - Cost of Fulfilling a Contract (Amendment to PAS 37, Provisions, Contingent Liabilities and Contingent Assets)*. The amendments clarify that the cost of fulfilling a contract when assessing whether a contract is onerous includes all costs that relate directly to a contract - i.e. it comprises both incremental costs and an allocation of other direct costs.

The amendments apply to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments is recognized as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated. Earlier application is permitted.

- *Annual Improvements to PFRS Standards 2018-2020*. This cycle of improvements contains amendments to four standards, of which are applicable to the Group:

- *Subsidiary as a First-time Adopter (Amendment to PFRS 1, First-time Adoption of Philippine Financial Reporting Standards)*. The amendment simplifies the application of PFRS 1 for a subsidiary that becomes a first-time adopter of PFRS later than its parent. The subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transition to PFRS.

- *Fees in the '10 per cent' Test for Derecognition of Financial Liabilities (Amendment to PFRS 9, Financial Instruments)*. The amendment clarifies that for the purpose of performing the '10 per cent' test for derecognition of financial liabilities, the fees paid net of fees received included in the discounted cash flows include only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. It applies to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- *Lease Incentives (Amendment to Illustrative Examples accompanying PFRS 16, Leases)*. The amendment deletes from the Illustrative Example 13 the reimbursement relating to leasehold improvements to remove the potential for confusion because the example had not explained clearly enough the conclusion as to whether the reimbursement would meet the definition of a lease incentive in PFRS 16.

- *Reference to the Conceptual Framework (Amendment to PFRS 3 Business Combinations)*. The amendments:

- updated PFRS 3 so that it now refers to the 2018 Conceptual Framework;
- added a requirement that, for transactions and other events within the scope of PAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Levies*, an acquirer applies PAS 37 or IFRIC 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination; and
- added an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

Standards Issued but Not Yet Adopted

A number of amendments to standards are effective for annual periods beginning after January 1, 2022. However, the Group has not early adopted the following new or amended standards in preparing these consolidated financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Group's consolidated financial statements.

Effective January 1, 2023

- *Classification of Liabilities as Current or Non-current (Amendments to PAS 1, Presentation of Financial Statements)*. To promote consistency in application and clarify the requirements on determining whether a liability is current or non-current, the amendments:
 - removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
 - clarified that a right to defer settlement exists only if the company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date; and
 - clarified that settlement of a liability includes transferring a company's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or non-current.

The amendments apply retrospectively for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

In November 2021, the International Accounting Standards Board issued the Exposure Draft, *Non-Current Liabilities with Covenants* after considering stakeholder feedback on the December 2020 tentative agenda decision issued by the IFRS Interpretations Committee about the amendments. The exposure draft proposes to again amend IAS 1 as follows:

- Conditions which the entity must comply within twelve months after the reporting period will have no effect on the classification as current or non-current.
- Additional disclosure requirements will apply to non-current liabilities subject to such conditions to enable the assessment of the risk that the liability could become repayable within twelve months.
- The amendments will apply retrospectively for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted.

Entities that have early applied the 2020 amendments may retain application until the 2022 amendments are applied. Entities that will early apply the 2020 amendments after issue of the 2022 amendments must apply both amendments at the same time.

- The 2022 amendments are not yet locally adopted as part of PFRS.
- *Definition of Accounting Estimates (Amendments to PAS 8 Accounting Policies, Changes in Accounting Estimates and Errors)*. To clarify the distinction between changes in accounting policies and changes in accounting estimates, the amendments introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an accounting estimate is developed to achieve the objective set out by an accounting policy. Developing an accounting estimate includes both selecting a measurement technique and choosing the inputs to be used when applying the chosen measurement technique. The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged. The amendments also provide examples on the application of the new definition.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the amendments are applied.

- *Disclosure of Accounting Policies (Amendments to PAS 1 Presentation of Financial Statements and PFRS Practice Statement 2 Making Materiality Judgements)*. The amendments are intended to help companies provide useful accounting policy disclosures. The key amendments to PAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The amendments to PFRS Practice Statement 2 include guidance and additional examples on the application of materiality to accounting policy disclosures.

The amendments are effective from January 1, 2023. Earlier application is permitted.

- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to PAS 12 Income Taxes)*. The amendments clarify that the initial recognition exemption does not apply to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations. The amendments apply for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities will be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or

other appropriate component of equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

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

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to PFRS 10, Consolidated Financial Statements and PAS 28, Investments in Associates and Joint Ventures)*. The amendments address an inconsistency between the requirements in PFRS 10 and in PAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Originally, the amendments apply prospectively for annual periods beginning on or after January 1, 2016 with early adoption permitted. However, on January 13, 2016, the FRSC decided to postpone the effective date of these amendments until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

Key Performance Indicators (KPIs)

KPIs discussed below were based on consolidated amounts as portions pertaining to the Company's subsidiary, ATI Batangas, Inc. (ATIB) were not material. As of end 2022:

- ATIB's total assets were only 9.4% of the consolidated total assets.
- Income before other income and expense from ATIB was only 13.3% of consolidated income before other income and expense.⁵

Consolidated KPI	Manner of Calculation	2022	2021	Discussion
Return on Capital Employed	Percentage of income before interest and tax over capital employed	16.3%	13.2%	Increased due to higher income before interest and taxes during the period.
Return on Equity attributable to equity holders of the parent	Percentage of net income over equity attributable to equity holders of the parent	14.1%	11.0%	Improved due to higher net income.
Current ratio	Ratio of current assets over current liabilities	2.21 : 1.00	2.59 : 1.00	Decreased due to higher current liabilities.

⁵ Income before interest and tax excludes also net unrealized foreign exchange losses and others.

Asset to equity ratio	Ratio of total assets over equity attributable to equity holders of the parent	1.56 : 1.00	1.53 : 1.00	Increased due to increase in total assets.
Debt to equity ratio	Ratio of total liabilities over equity attributable to equity holders of the parent	0.56 : 1.00	0.53 : 1.00	Increased due to increase in liabilities
Day Sales in Receivables (DSR)	Gross trade receivables over revenues multiplied by number of days	11 days	9 days	Increase due to higher revenues.
Net Income Margin	Net income over revenues less government share in revenues	27.1%	24.3%	Increased due to higher net income growth.
Reportable Injury Frequency Rate (RIFR) ⁶	Number of reportable injuries within a given accounting period relative to the total number of hours worked in the same accounting period.	0.52	0.56	Improved as a result of extensive safety campaign and strict implementation of HSES policies.

Summary of Selected Financial Data (in millions)

Description	Year ended December 31, 2022	Year ended December 31, 2021
Revenues	P13,622.7	P11,162.7
Net income	3,028.2	2,237.7
Total assets	34,631.3	31,710.9
Total liabilities	12,470.1	10,972.2

Financial Statements

The interim financial statements contained in the Quarterly Report or the SEC Form 17-Q for the month ended 30 September 2025 are herein attached as Exhibit 1.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

There was no change in or disagreement with external auditors on accounting and financial disclosures.

⁶ RIFR is the KPI for injuries introduced in 2014 to replace LTIFR. RIFR is a more stringent KPI as it covers not only Lost Time Injuries (LTIs) but also Medically Treated Injuries (MTIs) and Fatalities incidents.

Description of the General Nature and Scope of the Business

Corporate Background

Asian Terminals, Inc. (ATI), formerly known as Marina Port Services, Inc. (MPSI), was incorporated on July 9, 1986 to provide general services with respect to the operation and management of port terminals in the Philippines. In August 1990, a consortium of local and foreign companies acquired all the issued and outstanding capital stock of ATI.

South Harbor

ATI manages and operates the South Harbor pursuant to the Third Supplement to the Contract for Cargo Handling Services and Related Services granted by the Philippine Ports Authority (PPA) extending ATI's South Harbor concession for twenty-five (25) years or until May 2038.

The Container Terminal Division handles stevedoring, arrastre, warehousing, storage, craneage, container freight station (CFS) and other port-related services for international cargoes. ATI's 5-year lease contract commencing in 2011 over two parcels of land located in Sta. Mesa, City of Manila continued and is extended until January 2027. This land is being used exclusively as an off-dock container depot.

General Stevedoring operations provides arrastre, stevedoring and storage services to international shipping lines.

The ATI South Harbor Eva Macapagal Terminal handles international cruise ships for homeporting and transit calls.

The ATI South Harbor facility is certified compliant with the International Ship and Port Facility Security (ISPS) Code issued by the Office for Transportation Security, DOTC. A renewal certification audit was recently conducted by the OTS last February 17-18 2025. .

The ATI South Harbor facility is certified with ISO 14001:2015 (Environment), ISO 45001:2018 (Occupational Health and Safety), ISO 9001: 2015 (Quality) and ISO 28000: 2022 (Security and Resilience). The certificates are valid until April 2025 and February 2028.

Inland Clearance Depot (Laguna)

The Inland Clearance Depot (ICD) was established pursuant to Customs Memorandum Order No. 11-97 which designated ICD as an extension of the Port of Manila and as a customs bonded facility. This permits the immediate transfer of cargoes to the facility while still being cleared by customs in Manila. This provides savings on storage charges and efficient just-in- time delivery

for clients in the CALABARZON area. The facility provides storage, trucking, just-in-time delivery and maintenance and repair services for its clients, which includes carriers and Beneficial Cargo Owners (BCOs). Customs Memorandum Order No. 23-2003 expanded the operations of the ATI-Calamba ICD to include servicing the Port of Batangas, in addition to the Port of Manila.

The facility is equipped with CCTV cameras for security monitoring.

The Inland Clearance Depot is certified with ISO 14001:2015 (Environment), ISO 45001:2015 (Health and Safety), ISO 9001: 2015 (Quality) and ISO 28000: 2022(Security and Resilience). The certificates are valid until April 2025 and February 2028.

Port of Batangas

ATI Batangas, Inc. (ATIB), a 99.17%-owned subsidiary of ATI, is the sole cargo handling contractor operating at the Port of Batangas. ATI provides management services to ATIB relating to operations, marketing, training and administration.

ATIB had a 10-year Cargo Handling Contract in Phase 1 of the Port of Batangas effective until October 2015, under which it provides arrastre, stevedoring, storage and related cargo handling services. By virtue of the same contract, ATIB was also given the right to manage and operate the Fastcraft Passenger Terminal and to provide specific services and amenities to all passengers, both for fastcraft and RO-RO vessels.

A Lease Agreement for the management and operation of additional assets and facilities in Phase 1 was signed by ATIB effective August 1, 2009 and co-terminous with the above-mentioned 10-year agreement. Pursuant to this Lease Agreement, the Passenger Terminal Building 2 was turned over to ATIB in May 2010. On January 18, 2010, the PPA issued to ATI the Notice to Proceed to Award the Contract for the Management, Operation, Maintenance, Development and Promotion of the Container Terminal "A-1", Phase II of the Port of Batangas for a period of 25 years. The contract was signed on March 25, 2010 and is effective for a term of 25 years. The Notice to Proceed dated June 16, 2010 allowed ATI to start and commence operations at the Terminal on 1 July 2010.

On 2 October 2015, ATIB and ATI signed a Contract for the Management, Operation, Maintenance and Development of Phase I, Port of Batangas for a term commencing 01 October 2015 until 30 September 2025. This contract effectively consolidates the above-mentioned contracts of ATIB in Phase 1, Port of Batangas, and included the contract to lease the Main Passenger Terminal Building mentioned in the narrative below. On December 20, 2019, Asian Terminals, Inc., its subsidiary ATI Batangas, Inc., and the Philippine Ports Authority have signed the First Amendment to said contract extending the term for an additional 10 years from September 30, 2025 up to June 30, 2035.

The container terminal handles stevedoring, arrastre, storage, container freight station (CFS) and other port related activities for domestic and international shipping lines. Other special services include ship's husbanding, maintenance and repair services, and trucking.

ATI's 5-year lease agreement with PPA effective 3 April 2012 covering a land adjacent to the CFS area of the Container Terminal "A-1" has been extended until 2 April 2022. ATI's occupancy continues under the same terms until the end of this reporting period and to date. This area is being utilized as storage for completely built units (CBU) of vehicles.

On 1 February 2021, PPA issued to ATI a Permit to Occupy over an 80,000 square meter area in Phase II of the Port of Batangas, effective for the period 1 February 2021 to 31 January 2022 and the same was renewed for another period from February 2022 to January 2023. ATI continues under the same terms to date. PPA likewise issued to ATI a Permit to Occupy for a 20,000 square meter area in Phase II of the Port of Batangas effective for the period 1 June 2022 to 31 December 2022. ATI's occupancy continues under the same terms to date. The

above-mentioned areas are used as storage area of cargoes being handled by ATI as port operator of Phases I and II of Port of Batangas.

ATIB and Batangas Container Terminal is certified with ISO 14001:2015 (Environment), ISO 45001:2018 (Occupational Health and Safety), ISO 9001: 2015 (Quality) and ISO 28000: 2022 (Security and Resilience). The certificates are valid until April 2025 and February 2028.

ATIB and Batangas Container Terminal are certified compliant with the International Ship and Port Facility Security (ISPS) Code issued by the Office for Transportation Security, DOTC. The certificates are valid until April 2028 for ATI Batangas and October 2027 for Batangas Container Terminal.

Batangas Supply Base

On May 1, 2000, ATIB entered into a contract to lease the Main Passenger Terminal Building for the purpose of operating a supply base for companies engaged in oil and gas exploration. This contract was extended and renewed several times, the latest one being until February 2026. Integrated to this contract is the operation and management of the Batangas Supply Base within the Port of Batangas under contract with Prime Energy Resources Development BV, with a term of until February 2026.

The Supply Base provides logistics support to the Malampaya Gas-to-Power-Project which includes cargo-handling, crane and equipment hire, transport, labor and waste management. The life of the Malampaya Gas field is approximately 20 years.

Batangas Supply Base is certified with ISO 14001:2015 (Environment), ISO 45001:2018 (Occupational Health and Safety), ISO 9001: 2015 (Quality) and ISO 28000: 2022 (Security and Resilience). The certificates are valid until April 2025 and February 2028.

Tanza Barge Terminal

The Tanza Barge Terminal operates with an annual handling capacity of 240,000 TEUs, behind a 4-hectare concrete container yard, docking facilities with harbor cranes and comprehensive yard and safety equipment. This project is a game-changer in the transportation and logistics industry in the region. It optimizes domestic sea lanes as an alternative to roads, transporting containerized cargoes via barge to and from Manila South Harbor and Tanza, thereby bringing cargoes faster and closer to consignees in Cavite and nearby environs. The facility eliminates an estimated 150,000 truck trips annually, effectively contributing to decongesting Metro Manila's overcrowded roads, reducing logistical bottlenecks for business at greater cost-benefit, and promoting growth and development in rural regions.

TBT is located within the MetroCas Industrial Estates-Special Economic Zone. As operator, ATI is registered as an Ecozone Facilities Enterprise with the Philippine Economic Zone Authority. Within TBT is a Customs Facility and Warehouse which is operated under Tanza Container Terminal, Inc., a wholly-owned subsidiary of ATI.

Tanza Container Terminal Inc. is certified with ISO 28000:2022 (Security and Resilience) valid until February 2028. The terminal has also been recommended by certifying body last January 2025, to receive certifications for ISO 14001:2015 (Environment), ISO 45001:2018 (Occupational Health and Safety), ISO 9001:2015 (Quality).

South Cotabato Integrated Port Services, Inc.

ATI owns 35.71% of the issued and outstanding capital stock of South Cotabato Integrated Port Services, Inc. (SCIPSI).

SCIPSI is the existing cargo handling operator at the Makar Wharf in the Port of General Santos, General Santos City. It is located near the business center of the city and caters to the needs of local businesses (which are engaged mainly in agriculture, fisheries, livestock and poultry) as well as importers and exporters.

The services provided by SCIPSI include container terminal handling, arrastre, stevedoring, bagging, domestic cargo handling and equipment services.

SCIPSI is certified with ISO 14001:2015(Environment): ISO 45001:2018 (Occupational Health and Safety) and ISO 9001:2015 (Quality). It is Investors in People (IIP) certified beginning June 16, 2009. In November 2021, SCIPSI won the IIP Gold Employer of the Year (International) Award in June 2016, the IIP Excellence in Social Responsibility Award in November 2018, the IIP Reward and Recognition Award in November 2019, and the Community Employee of the Year in 2021 and 2023 in London, UK. Also in 2023, SCIPSI was a finalist for HR Person of the Year Award.

SCIPSI also won the People Investor of the Year Award in during the first IIP Philippines Awards in July 2023. In addition, SCIPSI was a National Finalist for Outstanding LMC and received a Special Award during the National Conciliation and Mediation Board (NCMB) and the Philippine League of Labor-Management Cooperation Practitioners' (PHILAMCOP) 2023 Twin Search for Outstanding Labor-Management Cooperation (LMC).

The International Ship and Port Facility Security Code compliance certificate for the Port of General Santos issued by the Office of Transport Security (OTS) is valid until September 11, 2027.

Percentage of Sales or Revenues and Contributed by Foreign Sales for each of the last 3 FY.

Service	2024		2023		2022	
	Amount	% to Total	Amount	% to Total	Amount	% to Total
Stevedoring	7,577,996	46%	6,587,928	43%	5,862,108	43%
Arrastre	6,041,196	37%	5,960,647	39%	5,532,700	41%
Logistics	246,844	1%	160,055	1%	188,913	1%
Special/Other Services	2,675,692	16%	2,743,170	18%	2,038,983	15%
TOTAL	16,541,728	100%	15,451,800	100%	13,622,704	100%

Source	2024		2023		2022	
	Amount	% to Total	Amount	% to Total	Amount	% to Total
Domestic	785,124	5%	815,833	5%	637,552	5%
Foreign	15,756,604	95%	14,635,967	95%	12,985,153	95%
TOTAL	16,541,728	100%	15,451,800	100%	13,622,704	100%

Competition

ATI manages the South Harbor at the Port of Manila. Its major competitor is International Container Terminal Services, Inc., which operates the Manila International Container Terminal, and Manila Multipurpose Terminal (formerly Harbour Centre) which operates a private commercial port at the northern end of the Manila North Harbor handling international non-containerized shipment.

At the Port of Batangas, ATIB competes with two (2) major private commercial ports on breakbulk cargoes -- Philippine National Oil Corporation Energy Base and Bauan International Port Inc. The Batangas Container Terminal has no direct competitor.

ATI's Inland Clearance Depot (ICD), which is also known as the Laguna Inland Logistics Terminal (LILT) competes with ICTSI's Laguna Gateway Inland Container Terminal (LGICT) located in Calamba, Laguna. ICD is a duly accredited Customs-facility and serves as an extension of the seaport operations of ATI Manila's South Harbor and Batangas Port, while LGICT is an extension of the seaport operations of ICTSI's MICT.

Effect of existing or probable governmental regulations on the business

Various laws, orders, rules and regulations govern ATI's business and operations. ATI's commitments and authority to manage, operate, maintain, develop and promote its business are based on the terms provided in its various contracts with and the administrative rules issued by the Philippine Ports Authority (PPA). The regulatory powers of government agencies namely the Department of Labor and Employment (DOLE), Department of Environment and Natural Resources (DENR), Securities and Exchange Commission (SEC), Bureau of Customs (BOC), Philippine Competition Commission, Philippine Economic Zone Authority, as well as the concerned Local Government Units (LGU) over various aspects of its business and intended projects, facilitate and ensure observance of existing laws.

Employees

ATI has a total manpower complement of 1,833 as of December 31, 2024. Of the total, 1,498 are in Operations, 203 are in Maintenance and 132 are in Management and Administration. The projected headcount for next 12 months is 1,998.

About 75% of the existing manpower is covered by collective bargaining agreement with the following unions:

TYPE OF WORKER	UNION
Equipment operators and dockworkers	Associated Workers Union (AWU)
Stevedores	Samahan ng Trabajador at Empleyado sa Pantalan (STEP)
Field Supervisors	Associated Skilled and Technical Employees Union (ASTEU)
Checkers	South Harbor Independent Port Checkers Union (SHIPCU)
Stevedores and dockworkers	Batangas Pier Stevedores and Labor Union (BPSLU)

There were no labor strikes for the past twenty nine (29) years.

Costs and Effects of Compliance with Environmental Laws

In 2024 ATI incurred approximately Php 34.7 million for various environmental activities and other environment related projects. The Company also participated in Corporate Social Responsibility activities benefiting nearby communities.

ATI business units maintain its current certifications to ISO 14001:2015 Environmental Management System.

Business Risks

The Company regularly undertakes a Business Risk Profile review where risks are identified by priority based on a systematic assessment of probability and impact. Control strategies are identified and action points established with the designated accountable persons. Results and developments are monitored during quarterly reviews through an innovative risk system, Workiva, which highlights the key priority risks and presents the Company's current risk landscape.

Adequate bonds and insurance coverage with business interruption clauses and global umbrella scope, structural testing and improvement of facilities and equipment, compliance with government regulations, asset management systems, business continuity plans, disaster recovery procedures, safety and health management systems, emergency response procedures and security management systems are in place, reviewed and updated to meet operational contingencies and business developments brought by rapidly changing market conditions.

Process controls, intensified collection efforts, rationalization of capital and operational spending, close monitoring of economic indicators and financial planning and budget controls are practiced to address financial and strategic contingencies. Regular monitoring and updating of system, assets and policies are ensured to maintain order and implement improvements in response to the growing market.

Aggressive marketing approach and customer relations, regular dialogue with and active participation in the initiatives of concerned government entities and port users, productivity and efficiency improvements are initiated as far as commercial and legal contingencies are concerned.

PROPERTIES

The Company has outstanding leases and subleases covering land, buildings, and offshore areas in Manila (Sta. Mesa), Laguna (Calamba), Batangas (Sta. Clara) and Cavite (Tanza). Rental expenses on these properties in 2024 totaled P210.2 million. The current lease agreements have various expiration dates with the longest term expiring in August 2043. The leases are renewable upon mutual agreement with the lessor. There is no intention to purchase any of the real property currently being leased.

Main Facilities

South Harbor

The Container Terminal operates a facility with 6 container berths. It has 1,185 meters of quay line equipped with twin-lift capable ship-to-shore gantry cranes. Capacity was 1.03m prior to 2013 and has now been brought up to 1.4m through developments since 2013. The facility has now 11,400 TGS twenty-footer ground slots with yard capacity of 1.8M TEUS. South Harbor provides optimal service through modern equipment comprising of 11 ship-to-shore cranes, 28 rubber-tired gantry cranes, 5 container stackers, 13 empty handlers, and 72 internal transfer vehicles and 13 forklifts. The Truck Holding Area can accommodate up to 100 trucks. South Harbor has a Container Freight Station (CFS) and a Designated Examination Area (DEA) with two pass-through container x-ray portals and backup mobile x-ray machines operated by the Bureau of Customs. The South Harbor facility offers efficient gate access through five corridors connecting to main roadways. The Terminal Operating System (TOS) is powered by Zodiac, an innovative system developed inhouse by DP World in partnership with ATI which has more advanced features to boost terminal efficiency and productivity.

The General Stevedoring Division (GSD) occupies a single pier at the Manila South Harbor with a total of 5 berths. It is equipped with annually certified lifting gears and 19 heavy forklifts rated up to 30 tons. GSD resumed services to international cruise vessels in 2023.

Inland Clearance Depot (Laguna)

Inland Clearance Depot (ICD) is a 4.2-hectare container yard facility. It has a maximum capacity of 2,500 TEUs. It is equipped with two (2) reachstackers and one (1) unit of 3-tonner forklift to service the logistics requirement of clients. The core activities of ICD, among others, include the "Just-in-Time-Deliveries" for CALABARZON based consignees using the Ports of Batangas and Manila.

Port of Batangas (Phase 1) (ATIB)

The domestic terminal has 230-meter and 185-meter berths and three general cargo berths with lengths ranging from 130 meters to 180 meters. It has a storage area totaling 62,500 square meters (sqm) and a transit shed measuring 3,000 square meters. Additional services, through partnerships, include operating an offshore supply base.

ATIB operates an integrated passenger terminal for high-speed inter-island ferries and RORO vessels. It has seven fast craft berths with a total length of 540 meters and a draft of five meters. It has a 124 meters-long ferry berth with five meters draft and six RORO berths with a total length of 680 meters. The passenger terminal facility includes a 25,000 sqm. marshalling area for RORO vehicles.

In 2018, ATI unveiled a modern Multilevel Car Storage Facility in ATIB, which has since increased the port's capacity to handle around 13,000 completely-built imported car units at any one time.

In line with government's port modernization program, ATIB unveiled a bigger, better, and smarter Batangas Passenger Terminal (BPT) in April 2024 with a floor area of 15,000 sqm. The upgraded terminal can now accommodate 8,000 passengers from previous capacity of 2,500. BPT is equipped with world-class facilities such as an expansive and fully-airconditioned passenger lounge, orderly ticketing offices, clean and gender-neutral restrooms, provisions for free wi-fi and clean drinking water, and mobility features for the elderly and differently-abled, among others. It also has huge overhead digital boards advising passengers on the schedule of departing vessels, their designated boarding gates, and other relevant announcements. The terminal connects Luzon via Batangas to nearby islands like Mindoro, Masbate, Iloilo, Boracay, and other Visayas locations through fast-crafts and domestic roll-on/roll-off vessels calling the port.

Batangas Container Terminal (Container Terminal “A-1”, Phase II of the Port of Batangas)

The Batangas Container Terminal (“A-1”, Phase 2) is the preferred international gateway terminal for South Luzon and Calabarzon (Cavite, Laguna, Batangas, Rizal and Quezon).

ATI in 2019 expanded BCT in response to growing market demand. BCT has a quay length spanning 670 meters with a draft of 13 meters. BCT’s approximate area of 180,000 sqm include the container yard, working apron, maintenance and control buildings, gates and roadways. The terminal has a total ground slots for 2,870 twenty-foot equivalent container units. Efficient operations are complemented by four ship-to-shore cranes, 8 rubber-tired gantry cranes and other container handling equipment. The terminal is also equipped with 10 reefer platforms with 352 plugs, with back-up generator sets and covered by a network of CCTV cameras. The Terminal Operating System is powered by Zodiac OPS7. In 2022, BCT implemented CARGOES AVA+ Auto Gate System. This is the first AI-powered automated gate system.

Tanza Container Terminal

The Tanza Container Terminal Inc. (TCTI) facility features a 4.1-hectare landside facility supported by reach-stackers, internal transfer vehicles, fire truck among other operations-critical equipment, and a 3.3-hectare seaside area with 150-meter jetty head/ docking facilities with harbor cranes and a 350-meter trestle that connects the jetty head to the land area.

Batangas Supply Base

ATI operates and manages the Batangas Supply Base within the Port of Batangas under a contract with Shell Philippines Exploration B.V. (SPEX) (succeeded by Prime Energy Resources Development BV in 2023). The contract has been extended until February 2026.

South Cotabato Integrated Port Services Inc.

South Cotabato Integrated Port Services, Inc. (SCIPSI) operates the Makar Wharf in General Santos City. Cargoes are loaded or unloaded using ships gears. It has a total berth length of 850 meters. SCIPSI receives and handles cargoes through the use of their various lifting equipment with capacities ranging from 3 tons to 40 tons.

Legal Proceedings

Please refer to the write-up under Item 5 (5) of the Information Statement.

Directors and Executive Officers

Please refer to the write-ups under Item 5 of the Information Statement.

Market Price and Dividends

Stock Prices

The Company's common equity is traded at the Philippine Stock Exchange. Following are the high and low sales prices for each quarter within the last two fiscal years:

2023	High	Low
First Quarter (Jan. – Mar.)	13.98	13.54
Second Quarter (Apr. – June)	15.10	13.70
Third Quarter (July – Sept.)	15.58	14.00
Fourth Quarter (Oct. - Dec.)	16.00	15.00
2024	High	Low
First Quarter (Jan. – Mar.)	18.46	15.26
Second Quarter (Apr. – June)	21.40	17.76
Third Quarter (July – Sept.)	19.20	18.56
Fourth Quarter (Oct. - Dec.)	19.20	17.00
2025	High	Low
First Quarter (Jan. – Mar.)	19.20	16.30
Second Quarter (Apr. – June)	24.95	18.24
Third Quarter (July – Sept.)	33.40	24.25
Fourth Quarter (Oct. - Dec.)	35.15	30.70

As at the latest practicable date January 5, 2026⁷ , ATI shares were traded at its highest for Php34.60 lowest for Php34.50 and closed at Php34.50. Market capitalization is Php 66.9B.

Cash Dividends

The Company declared cash dividends for the last two fiscal years, as follows:

Date	Dividend Per Share (PhP)	Record Date
April 27, 2023	1.00	May 26, 2023
April 25, 2024	1.50	May 23, 2024
April 24, 2025	1.505	May 23, 2025

Dividends declared by subsidiaries for the last two fiscal years are as follows:

Date	Dividend Per Share (PhP)	Record Date
<i>ATI Batangas Inc (ATIB)</i>		
May 4, 2023	350.00	May 19, 2023
May 2, 2024	350.00	May 24, 2024
<i>South Cotabato Integrated Port Services Inc. (SCI/PSI)</i>		
May 18, 2023	6,975.32	May 18, 2023
September 5, 2024	11,334.90	August 30, 2024

There is no dividend declaration in Tanza Container Terminal for the last two fiscal years.

Except for the availability of sufficient retained earnings, there is no restriction on the payment of dividends on common shares. Majority of the Board must approve any dividend declaration.

Holders

The following are the Top 20 Stockholders of ATI as of December 31, 2025:

⁷ The latest practicable date prior to the filing the Definitive Information Statement.

	Name	No. of Shares	% to Total ⁸
1	DP WORLD AUSTRALIA (POAL) PTY. LTD	346,466,600	17.88%
2	ATI HOLDINGS, INC.	291,371,229	15.03%
3	PCD FILIPINO	261,981,979	13.52%
4	PECARD GROUP HOLDINGS, INC.	198,203,968	10.23%
5	PHILIPPINE SEAPORT INC.	196,911,524	10.16%
6	DAVEN HOLDINGS, INC.	155,906,071	8.04%
7	SG HOLDINGS, INC.	130,000,000	6.71%
8	MORRAY HOLDINGS, INC.	100,000,000	5.16%
9	PCD NON-FILIPINO	80,624,895	4.16%
10	HARBOURSIDE HOLDINGS CORP.	80,000,000	4.13%
11	ABERLOUR HOLDING COMPANY, INC.	71,517,463	3.69%
12	TANCO, EUSEBIO H.	16,507,463	0.85%
13	GRANITE REALTY CORPORATION	1,000,000	0.05%
14	OBEN, REGINALDO &/OR TERESA OBEN	784,266	0.04%
15	VICA SERVICES AND MANAGEMENT CO., INC.	600,000	0.03%
16	UNI-SHIP, INCORPORATED	261,466	0.01%
17	CORVITE JR., RODOLFO G.	222,398	0.01%
18	PHIL. REMNANTS CO., INC.	183,333	0.01%
19	CHOA, VICTOR K.	161,000	0.01%
20	PADERNAL, THOMAS B.	139,999	0.01%

Recent Sale of Unregistered Securities

No unregistered or exempt securities including recent issuance of securities constituting an exempt transaction were sold in 2025, 2024, 2023 and 2022.

Compliance on Corporate Governance

The Company has substantially complied with the provisions of its Manual on Corporate Governance which was adopted on August 30, 2002. In 2017, the Board in its regular meeting amended the Manual on Corporate Governance in substantial compliance to the provisions of the Memorandum Circular No. 19 series of 2016 or the Code of Corporate Governance for Publicly Listed Companies.

The Company commits to the principles and best practices of good corporate governance to attain its goals and objectives. Its principal officers and directors have attended Corporate Governance seminars and orientations in compliance with the provisions of its Manual of Corporate Governance and provisions of SEC Memorandum Circular No. 19 series of 2016. The seminars were facilitated by accredited providers: Risks, Opportunities, Assessment and Management (ROAM), SGV and Institute of Corporate Directors (ICD).

The Company has not deviated from its Manual. In November 2024, the Board, individual directors, Corporate Governance Committee, Audit Committee, Nomination Committee, Compensation Committee and the key officers have undergone the required self-assessment. The over-all results for 2024 yielded "excellent" scores and were reported by the Corporate Governance Committee which convened last November 26, 2024, to discuss the results for reporting to the Board. The Board took note of the results and approved the

⁸ Based on outstanding capital stock of 1,938,150,694 as of December 31, 2025

same in the board meeting on December 9, 2024. The Audit Committee also separately conducted its self-assessment last August 6, 2024.⁹

Summary of the directors' attendance to board meetings for 2024 is posted on the Company website.¹⁰.

Continuous monitoring and compliance with the Corporate Governance Manual and other corporate standards are ensured through the Board and the board committees, Compliance Officer, President, Chief Financial Officer and the Internal and External Auditors.

UNDERTAKING

A printed copy of the Definitive Information Statement shall be provided free of charge to any stockholder upon his/her written request addressed to:

**Atty. Rodolfo G. Corvite, Jr.
Office of the Corporate Secretary,
Asian Terminals, Inc.
ATI Head Office Building ,
A. Bonifacio Drive, Port Area,
Manila**

⁹ Pursuant to SEC Memorandum Circular No. 4 series of 2012 and the ATI Audit Committee Charter. The results are posted in the ATI Website https://www.asianterminals.com.ph/ati_sec_disclosures.aspx

¹⁰ ATI Website, https://www.asianterminals.com.ph/ati_sec_disclosures.aspx



CERTIFICATION

I, RODOLFO G. CORVITE, JR., Filipino, of legal age, with office address at ATI Head Office, A. Bonifacio Drive, Port Area, Manila, after being sworn in accordance with law, hereby depose and state that:

1. I am the Compliance Officer and Corporate Secretary of Asian Terminals, Inc. (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with office address at ATI Head Office, A. Bonifacio Drive, Port Area, Manila;
2. Ambassador Teodoro L. Locsin, Jr., was appointed in 2022 as Philippines' Ambassador Extraordinary and Plenipotentiary to the United Kingdom of Great Britain and Northern Ireland. The written consent from the Department of Foreign Affairs was obtained prior to his election in April 24, 2025, allowing him to continue with his directorship/s and /or corporate positions in Philippine companies. A copy is hereto attached as Annex "A".
3. There are no other directors or executive officers connected with the government or any of its instrumentalities or agencies, except for Ambassador Teodoro L. Locsin, Jr.
4. Nothing further.

IN WITNESS WHEREOF, I have hereunto affixed my signature on this
JAN 06 2026 in Taguig City.

RODOLFO G. CORVITE, JR.
Compliance Officer/Corporate Secretary



Doc No. 8;
Page No. 3;
Book No. 1;
Series of 2026.

MARK STEPHEN C. SY
Appointment No. 204 (2025-2026)
Notary Public for Taguig City
Until December 31, 2026

1105 Tower 2, High Street South Corporate Plaza
26th Street, Bonifacio Global City, Taguig City
PTR No. A-6769410; 01/05/2026; Taguig City
IBP Receipt No. INV 575194; 12/29/2025; RSM Chapter
MCLE Compliance No. VIII-0040621; valid until April 14, 2028



DEPARTMENT OF FOREIGN AFFAIRS
KAGAWARAN NG UGNAYANG PANLABAS

Annex "1"

08 September 2022

Dear Ambassador Locsin,

This is to formally confirm that the undersigned has no objection and hereby grants his permission allowing you to continue with your directorship(s) and/or corporate positions in Philippine companies for as long as this does not impede the effective discharge of your duties as Ambassador.

Very truly yours,


ENRIQUE A. MANALO
Secretary for Foreign Affairs

HIS EXCELLENCY

MR. TEODORO L. LOCSIN JR.

Ambassador Extraordinary and Plenipotentiary-designate of the Philippines
United Kingdom of Great Britain and Northern Ireland