

Message from the Chairman and the President

Annual Stockholders Meeting

September 22, 2023

The administration of President Ferdinand “Bongbong” Marcos, Jr. assumed office on June 30, 2022. In the past year, the political and social situation, as well as the economy of the Philippines remained stable and healthy. The GDP grew by 7.6% in the year 2022, which was the fastest rate of economic growth recorded since 1976. Although this growth is expected to soften in 2023, nevertheless the positive response of the foreign investors from the recent overseas visits of the President indicates that the Direct Foreign Investments to the country will likely increase rapidly in the years to come, and therefore provide a bright prospect for the continued economic growth of the Philippines. For our company, Mabuhay Holdings Corporation, we hope to take advantage of this opportunity and ride the bandwagon of the economic growth of the country.

In the past year, through its wholly-owned subsidiary, T&M Holdings, Inc., our Company completed the construction of a 98-unit affordable housing project in Trece Martires of Cavite, which we named Verde Vita Subdivision. Early this year, we entered into a contract to purchase a 3.679-hectare property in Lipa City, Batangas. We are now in the process of completing the documentation for the transfer of the land title. We plan to develop another affordable housing project composed of 400 to 450 units on this property. The target date for the completion of this new project will be by the end of 2025. We realize that from a pure investment viewpoint, the margin of profitability of affordable housing projects is not as high as other construction projects. However, projects such as these have no or little marketing risk for the developers, since the demand for affordable housing is very strong. From our past experience, all housing units were reserved by interested buyers once the houses were put on the market for sale, even before the actual construction work commenced. We also do not encounter any collection or bad-debt problems in affordable housing projects. Most of the buyers avail themselves of Pag-Ibig financing, and the Pag-Ibig Fund pays us in full upon the completion of construction. For buyers who avail themselves of loans from private banks or pay with their own equity, the housing units are turned over to them only after full payment. In addition to the low-risk advantage, our affordable housing projects support the

government efforts to address the housing shortage problem of the lower income group, thus fulfilling our corporate social responsibility as a listed company and as a concerned member of the community.

The management team of Mabuhay Holdings Corp. will focus on the Lipa City housing project in 2024, and at the same time look for other investment opportunities which are in line with the development direction of the government and at the same time generate greater benefits for our shareholders.

Once again, the members of the Board of Directors and the Management Team of Mabuhay Holdings Corporation would like to express our deepest gratitude to our shareholders for their trust and support. We look forward to a better future of our Company.

Atty. Roberto V. San Jose
Chairman

Esteban G. Peña Sy
President