HOUSE OF INVESTMENTS

ANNEX "C"

MANAGEMENT REPORT

Financial and Other Information

Audited Financial Statements
The Statement of Management's Responsibility and Consolidated Audited Financial Statements of the Group as at December 31, 2021 are attached hereto as **Annex "D".**

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

Management Discussion and Analysis of Financial Condition and Plan of Operations

Item 1: Description of Business

1.1 Business Development

House of Investments, Inc. ("House of Investments" or "the Company") was incorporated in 1959 as an investment bank, the first of such bank to be organized in the Philippines. Through the years, the Company evolved into an investment holding and management company with a diversified portfolio and became one of the four major flagship corporations of the Yuchengco Group of Companies ("YGC").

The Company's core business focus is organized into four segments, namely: Automotive Business, Education, Construction and Property Services. Its portfolio investments are in Pharmaceuticals, Energy, and Deathcare. A detailed discussion of each of the business segments of House of Investments are provided in the next section of this report.

CORE BUSINESS UNITS:

CARS BUSINESS

House of Investments operates three car-retailing brands: Honda, Isuzu, and Geely. Honda's and Geely's vehicle line-up include passenger cars and light commercial vehicle categories while Isuzu's is purely commercial vehicles.

The Company's Honda full-service dealerships are located in Quezon Ave. and Manila; it also operates a service center in Tandang Sora. House of Investments also owns and operates Honda Cars Greenhills through its wholly-owned subsidiary HI Cars, Inc. Meanwhile, the Company's Isuzu dealerships are in Manila, Commonwealth, and Leyte and its Geely dealership is in Manila.

House of Investments also holds a minority stake in Sojitz G Auto Philippines Corporation which owns and operates the Geely distributorship, with a flagship dealership in North Edsa and a dealership in Makati.

THE CONSTRUCTION SECTOR

EEI CORPORATION AND SUBSIDIARIES
House of Investments holds a majority stake in EEI Corporation ("EEI"). EEI was founded in 1931 as machinery and mills supply house for the mining industry. Over the past 90 years, aside from broadening the range of industrial machinery and systems it distributes, EEI also expanded into construction services, and in the supply of manpower in the Philippines and overseas. Today, EEI is one of the country's leading construction companies, with a reputable track record in general contracting and specialty works.

Through its long years of working and collaborating with global contractors, EEI has achieved World class caliber project management and execution expertise with the use of better technologies in all disciplines of the construction industry.

It has been involved in the installation, construction, and erection of power generating facilities; oil refineries; chemical production plants; cement plants; food and beverage manufacturing facilities; semiconductor assembly plants; roads, bridges, railroads, ports, airports, elevated expressways, metro rail transit system and other infrastructure; high rise residential and office towers, and hotel buildings. The Company also operates one of the country's modern steel fabrication plants.

Driven by a commitment to Philippine development and to have greater presence in the economy, EEI continues to expand its core business to a wide array of construction competencies. The Company has also been engaged in doing construction projects overseas for more than forty years.

EEI also owns the following major subsidiaries:

- **Equipment Engineers, Inc.** is engaged in the supply and marketing of a broad range of industrial plant facilities, process equipment, systems, and parts to the industrial, commercial, and property development companies and also in supply management services.
- **EEI Power Corporation** is engaged in retail electricity supply and in the supply of electrical equipment and services, as well as electro-mechanical contracting works and roof installations. It also has investments in renewable energy.
- **EEI Construction and Marine, Inc.** is engaged in structural fabrication works and light steel construction works such as storage tanks, pressure vessels, ducts and pipes.
- **EEI Realty Corporation** is engaged in the development of land, housing, and other properties.
- **EEI Carga** is engaged in the operation of a digital logistics platform that enables shippers to deliver their products through various transportation options available in the platform.
- **EEI Limited and Subsidiaries** provides labor supply and project management and supervision services.
- **GAIC Group** provides manpower services to both local and foreign markets.
- **JPSAI** is a provider of formworks and scaffolding.
- **LearnJP** operates a human resource development center that provides services for the improvement in language proficiency, such as in English, Filipino, Japanese and other foreign languages, and related academic or non-academic areas including skills development and cultural orientation to foreigners, locals and other interested individuals.
- **Biotech JP Corporation** is engaged in the manufacturing of specialized food products.

THE EDUCATION SECTOR

iPEOPLE, INC. AND SUBSIDIARIES

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

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

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

The operating schools under the iPeople network are as follows:

(1) **Malayan Education System, Inc. (Operating under the name of Mapúa University).** Mapúa University is widely considered as the leading and largest private engineering and technological university in the Philippines. Don Tomas Mapúa, the first registered Filipino architect, founded Mapúa Institute of Technology on January 25, 1925. It was acquired in 1999 by the YGC, which brought the school into the global and digital age. Mapúa operates in two (2) major campuses: its main campus in Intramuros and its newly built extension campus in Makati. Mapúa University's commitment to its philosophy of Outcomes-Based Education and its judicious use of digital educational technologies have earned the institution the reputation of being the leader in providing quality education in the country, especially in the field of

engineering and information technology. With its commitment to academic excellence, Mapúa became the first school in Southeast Asia to obtain accreditation for its programs from ABET, a US-based non-profit, non-governmental agency that accredits college and university programs in applied and natural science, computing, engineering, and engineering technology. Mapúa also received 4 Stars rating for excellence by the Quacquarelli Symonds (QS) Intelligence Unit under its QS Stars Rating System and was recognized by QS as one of Asia's Top 550 universities in 2021 and 2022.

(2) **Malayan Colleges Laguna, Inc., A Mapúa School ("MCL")** is a wholly-owned subsidiary of Mapúa University located in Cabuyao, Laguna, alongside several science and industrial parks. MCL was established to extend the brand of the Mapúa Institute of Technology to the south by offering programs in engineering and architecture, accountancy, business, communication, computer science, information technology, maritime education, and multimedia arts to students who prefer to stay closer to home. With 22 baccalaureate programs of which 3 are fully online programs, MCL has five degree-offering colleges, namely College of Arts and Science, College of Computer and Information Science, E.T. Yuchengco College of Business, Mapúa Institute of Technology at Laguna, and the Mapúa-PTC College of Maritime Education and Training. In 2016, MCL also opened its doors to Senior High School (SHS) students, offering a total of six strands under the Academic and the Technical-Vocational-Livelihood Tracks. After thirteen years of operation, MCL was granted Autonomous Status by the Commission on Higher Education last October 2019, as per CHED Memorandum Order No. 12, Series of 2019. Given this, MCL offered two new programs, B.S. Business Administration and B.S. Psychology, starting Academic Year 2020-2021.MCL has achieved another milestone by obtaining a three-star overall rating in Quacquarelli Symonds (QS) Star Rating System from the United Kingdom last December 2020.To date, there are 5,028 students under both college and SHS with 44% percent of its college students enrolled in engineering programs.

(3) **Malayan Colleges Mindanao (A Mapúa School), Inc. ("MCM"**) is a wholly-owned subsidiary of Mapúa University. Incorporated in 2015, MCM was established to offer Mapúa-education in Davao and Mindanao. MCM looms along General Douglas MacArthur Highway in Matina, Davao City, and opened its doors to senior high school and college students last July 2, 2018. MCM has built a community of competent and innovative leaders who possess attributes that make them globally competitive and locally in-demand, distinguishing itself from the rest through these important facets in its educational system: Learner-Centered Outcomes-Based Education, Blended Online and Face-to-Face Learning Sessions, Industry Partnerships, Mindanao-Centric Learning, and Advanced Learning Facilities. Within MCM's DNA is the academic excellence that Mapùa is known for, and MCM is committed to bring about the same level of excellence into its community in Mindanao.

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

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

Masters Degree programs in the Graduate Studies department. UNC endeavors to fulfill its tri-focal function of instruction, research, and extension while making education accessible and affordable. The battle cry "from first to number one" summarizes UNC's goals of excellence in quality, access, relevance, and responsiveness. UNC aims to be known not only as the first university in Bicol, but to be the Number 1 university in terms of employability of graduates.

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

(7) **Affordable Private Education Center, Inc. (Doing Business Under the Name of APEC Schools**) was founded in 2013 with the vision of providing affordable but quality private education to thousands of Filipinos. Its mission then was to prepare its students for college, employment or both. It is a chain of private high school that offers K-12 program of the Department of Education. Started with only 130 students in 2013, APEC Schools has expanded to 23 branches with more than 15,800 students and almost 800 employees. In 2016, APEC Schools offered Senior High School with the Accounting Business Management (ABM) strand, and Accelerated Career Experience, its own job immersion program developed with employer partners. In 2018, APEC Schools celebrated its 5th year anniversary and graduated the first batch of 2,000 Senior High School students. In 2020, APEC Schools offered two new programs suited for the education's new normal: APEC Agile Distance Learning program and APEC Flex Homeschool program to help students continue with their education despite the pandemic. In December of the same year, Google recognized APEC Schools as a Google Reference School - the first and only in the Philippines. Most students have gone on to top colleges and universities, while 15% have gone on to be employed within three months of graduation.

PROPERTY SERVICES

LANDEV CORPORATION

House of Investments, Inc. wholly owns Landev Corporation. Landev Corporation is primarily engaged in Property management, Project management and Comprehensive Security Services. Major clients are YGC properties and development projects.

SAN LORENZO RUIZ INVESTMENT HOLDINGS AND SERVICES, INC.

In December 2020, House of Investments acquired 100% of the issued and outstanding capital stock in San Lorenzo Ruiz Investment Holdings & Services, Inc.. In January 2022, Sojitz acquired 15% stake in San Lorenzo. San Lorenzo is currently developing its property within the Makati Central Business District into a mix-use commercial complex that features an iconic design, a network of open spaces, public art facilities, and green technology.

RCBC REALTY CORPORATION

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

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

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

In May 2018, RCBC Plaza received its Leadership in Energy and Environmental Design (LEED) EBOM Gold certification, making it the first multi-tenanted building in the Philippines to achieve the prestigious certification. LEED is a certification program designed by the US Green Building Council (USGBC) and has become the most widely used green building rating system to assess environmental compliance in terms of sustainability, energy conservation, water reduction, air quality and materials, and resources.

PORTFOLIO INVESTMENTS:

ENERGY

House of Investments has investments in the energy sector through its stake in PetroEnergy Resources Corporation ("PERC") and EEI Power Corporation, a wholly-owned subsidiary of EEI.

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

EEI POWER CORPORATION is engaged in retail electricity supply and in the supply of electrical equipment and services, as well as electro-mechanical contracting works.

PHARMACEUTICALS

HI-EISAI PHARMACEUTICALS, INC. ("HEPI") is a joint venture between House of Investments and the Eisai Co. of Japan with the Company owning 50%. HEPI imports pharmaceuticals from Japan, which it sells in the Philippine market through established drug distributors.

DEATHCARE

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

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

RISK MANAGEMENT

House of Investments as an operating, holding and management company with significant involvement in a number of industries through its various divisions, subsidiaries, associates, joint ventures, and managed companies is exposed to risks that are particular to its nature of operations and the environment in which it operates. The Company believes that risk management is the responsibility of all stakeholders within the Group. As such, risk management is integrated into the businesses' organizational activities and processes, embedded into the regular functions and operational requirements to achieve the corporate goals.

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

During the year, the Company conducted a group-wide risk assessment. Following are the key risk factors that may impact the objectives of the Company.

Risk Factors at the Holding Company level

1. Reputation
   The inability of the Company to maintain and failure protect its reputation may adversely affect its objective of creating and growing its value for its stakeholders. House of Investments communicates its vision, mission, core values, and objectives to all its stakeholders and ensures all stakeholders are mindful with certainty of the company DNA in accomplishing the corporate objectives. The senior management of the Company participates in the Group's strategic planning, management, and operational meetings to ensure alignment with the holding company.

2. Information and Cyber Security/Safety
   The failure to protect the Company from data breaches and/or the inability of the information systems to adequately protect the critical data and infrastructure may adversely affect stakeholders' confidence, disrupt operations, and may result to business losses. To mitigate the risks, House of Investments ensures strict compliance with the data privacy act and the company's information and communications technology security policy. The Company conducts periodic review and information campaign through cybersecurity awareness programs. HI directed groupwide investment in cybersecurity resources.

3. Talent
   The probability that a critical role will become vacant and cannot be satisfactorily filled may negatively affect the Company's continuity of its strategic imperatives and/or products and services standards. House of Investments established programs in building key competencies and capability, as well as implementing succession planning to address the exposures.

4. Regulation
   The Company's business may be impacted by changes in laws and policies or the introduction of new laws or regulations which may affect its business operations and financial results. House of Investments, operating in largely in regulated industries, manages these risks by monitoring emerging laws and regulations and industry developments affecting or may affect its business. The Company takes the position of proactively participating in consultations and dialogues with pertinent regulatory agencies and organizations relevant to its operations strengthening its capability to anticipate and adapt to potential changes.

5. Market
   The Philippine and Global economic condition may impact the Company's investment and growth commitments to its stakeholders. House of Investments is cognizant that pursuing business opportunities by expanding its footprint is critical to sustain its growth commitments. The Company considers investments anchored on the company's management expertise and available resources and uses acceptable financial modelling and testing considering its investment commitments. Monitoring the market risks is imbedded in the normal course of business and necessary measures are implemented to counter the potential impact.

Risk Factors at the Group level

1. Business Resiliency
   The inability to bring the Company out of operational disruptions, resume critical processes, and restore normal operations may result to service breach and financial losses. The Group is committed to address risks that may cause disruptions to its operations. Measures are put in place to mitigate the risks as provided for in the Group's crisis management and business continuity plans and disaster risk management program with the end objective of bringing back the business activities to normal operations as soon as possible. Further, the Group maintains and continues to invest in system and software applications, online platforms to improve the Group's ability to provide services remotely and meet stakeholders' expectations.

Where applicable and appropriate, specific insurance is obtained to help reduce the financial impact of the operational disruptions and damages.

2. Reputation
   The inability of the Company to maintain and failure protect its reputation may adversely affect its objective of creating and growing its value for its stakeholders. The Group communicates its vision, mission, core values, and objectives to all its stakeholders and ensures all stakeholders are mindful with certainty of the company DNA in accomplishing the corporate objectives. The Group has stakeholder action centers to address concerns, conducts surveys and social listening to assess reputational concerns, and implements social media policy to ensure appropriate community behavior.

3. Information and Cyber Security/Safety
   The failure to protect the Company from data breaches and/or the inability of the information systems to adequately protect the critical data and infrastructure may adversely affect stakeholders' confidence, disrupt operations, and may result to business losses. To mitigate the risks, the Group ensures strict compliance with the data privacy act and the Group's information and communications technology security policy. The Group conducts periodic review and information campaign through cybersecurity awareness programs. The Group also maintains and invests in cybersecurity resources.

4. Talent
   The probability that a critical role will become vacant and cannot be satisfactorily filled may negatively affect the Company's achievement of its strategic imperatives and/or products and services standards. The Group established programs in building key competencies and capability, as well as implementing succession planning to address the exposures. In addition, the Group maintains and continues to improve its employee engagement through activities and programs, including but not limited to individual development plan.

5. Regulation
   The Company's business may be impacted by changes in laws and policies or the introduction of new laws or regulations which may affect its business operations and financial results. The Group, operating largely in regulated industries, manages these risks by monitoring emerging laws and regulations and industry developments affecting or may affect its business. The Group takes the position of proactively participating in regular consultations and dialogues with pertinent regulatory agencies and organizations relevant to its operations and aiming to attain thought leadership status in the industry where it operates.

6. Market
   The Philippine and Global economic condition may impact the Company's investment and growth commitments to its stakeholders. The Group is cognizant that pursuing business opportunities is critical to sustain its growth commitments. The Group considers opportunities anchored on the company's management expertise and available resources. Monitoring the market risks is imbedded in the normal course of business and necessary measures are implemented to counter the potential impact. The Group partnered with business organizations to cushion the potential financial impact to relevant stakeholders, implements process improvements and other cost-saving measures, strengthens its online platforms to provide internet-based services and affordable distance learning programs.

Other risks for the Holding Company and the Group

Other risks that are inherent to the operations of the Company and the Group which may expose the Group include the following.

1. Operational
   The inefficiencies and/or failure of internal processes and/or systems, non-compliance with policies and regulatory requirements, human errors in the conduct of the Group's daily activities may result to financial losses. To manage these risks, the Group ensures that all operating units have efficient and effective processes and support systems to meet and deliver

its objectives. Further, the Group periodically assesses existing controls and compliance to ensure its continued relevance and effectiveness by conducting periodic operational audit.

2. Competition
   The inability to understand and face intense competition and/or anticipate emerging competitors may place the Group in a disadvantageous position resulting to business losses. To respond to these risks, the Group monitors both competition and market trends, rethinking strategies with disruptive innovation, diversification, differentiation, and leadership in mind maximizing the use of existing resources and making the necessary investments where appropriate. The Group's strong industry partnership and collaboration provides insights into the future and potential requirements.

3. Workplace Safety and Security
   The inability to provide a safe environment and/or operationalize adequate workplace security and preventive measures may adversely affect the Group's reputation and operations which could lead to negative stakeholders' actions and financial losses. The Group manages the risks by implementing a workplace security program, ensuring strict compliance with regulatory agencies' requirements on safety and security in the workplace. The Group maintains and continually improves appropriate processes and equipment aimed at securing its facilities and stakeholders.

Item 2: Properties

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

The following summarizes information on House of Investments and subsidiaries real property ownership as of December 31, 2021.

PROPERTY DESCRIPTION	DATE ACQUIRED	TYPE
HOUSE OF INVESTMENTS, INC.		
Quezon Avenue	2002	Industrial
SAN LORENZO INVESTMENT HOLDINGS AND SERVICES, INC.		
Sen. Gil Puyat Ave., Makati	2019	For development
EEI CORPORATION		
Itogon, Benguet	1985	Residential (Monterazza)
Nueva Ecija	1997	Agricultural
Bulacan	1997	Agricultural
Golden Haven Memorial - Las Pinas	2003	Memorial Lots
San Jose, Sta Maria, Bulacan	2005	Industrial
Minuyan, San Jose del Monte, Bulacan	2005	Agricultural
Minuyan, San Jose del Monte, Bulacan	2005	Cogon/Agricultural
Bauan, Batangas	2012	Fabrication Shop
EEI CONSTRUCTION AND MARINE, INC.		
Silang, Cavite	2010	Fabrication Shop
EEI REALTY CORP.CORPORATION		
Trece Martires, Cavite	1995	Residential
Trece Martires, Cavite	1995	Industrial
Trece Martires, Cavite	1995	Developed Residential
Calamba, Laguna	1995-96	Residential
Marikina - Suburbia East	1999	Residential
EQUIPMENT ENGINEERS, INC.		
Irisan, Benguet	2009	Residential
Itogon, Benguet	2006	Residential
GULF ASIA INTERNATIONAL CORPORATION		
General Trias, Cavite	1998	Residential
MALAYAN EDUCATION SYSTEM, INC.		

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

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

PROPERTY DESCRIPTION	LOCATION	LEASE EXPIRATION
HOUSE OF INVESTMENTS, INC.		
Dealership	Paco, Manila	2026
Dealership	Paco, Manila	2026
Dealership	Commonwealth, QC	2024
Service Center	Tandang Sora, QC	2028
Dealership	Leyte	2024
Warehouse	Leyte	2024
EEI		
Industrial (EEI Home Base)	Quezon City	Annually, every December
Industrial	Tanza, Cavite	Annually, every May
HI CARS, INC.		
Dealership	Mandaluyong	2028
Stockyard	Kalookan	2022
AFFORDABLE PRIVATE EDUCATION CENTER, INC.		
Office	Head Office	2024
School campus	V. Luna	2030
School campus	Dona Juana	2030
School campus	North Fairview	2027
School campus	C. Raymundo	2026
School campus	Marikina Heights	2027
School campus	Grace Park West	2027
School campus	Tondo	2025
School campus	Tondo (Annex)	2027
School campus	Muntinlupa	2025
School campus	Sta. Rita Sucat	2027
School campus	Dasmariñas	2029

PROPERTY DESCRIPTION	LOCATION	LEASE EXPIRATION
School campus	Bacoor-Molino	2029
School campus	Roxas Boulevard	2028
School campus	Pateros	2022
School campus	Taytay	2030
School campus	Ortigas Ext., Cainta	2028
School campus	Calumpang-Annex	2024
School campus	JRU Lipa	2026
School campus	Las Pinas	2026
School campus	Concepcion Dos	2027
School campus	New Manila	2029
School campus	San Pablo	2024

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

Item 3 – Legal Proceedings

House of Investments, particularly Dealerships and Security Agency, is involved in certain disputes that arise in the ordinary conduct of business such as labor disputes and products-related disputes, pending before the NLRC and DTI, respectively. It also has pending criminal cases in courts of general jurisdiction filed against erring employees. The Company's management believes that these suits will ultimately be settled and/or decided in its favor and will not adversely affect the subsidiary's financial position and operating results.

EEI has various cases (civil, criminal and labor) filed by against the Company. Any decision on these cases, for or against the Company, will not have any material effect on the Company's operations and/or finances.

Mapúa University is involved in certain disputes that arise in the ordinary conduct of business. Management believes that these suits will ultimately be settled in the normal course of operations and will not adversely affect the subsidiary's financial position and operating results.

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

There are no matters to be submitted to the vote of the security holders of House of Investments during the Annual Stockholders Meeting to be held on August 10, 2022.

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

CONSOLIDATED RESULTS

Year 2021 vs. 2020

INCOME STATEMENT

Results of Operations

For the period ended December 2021, the Group rebounded from its net loss in previous year, generating a net income of P1,627.77 million.

As the government starts to ease the lockdown restrictions, the Group's construction and automotive segments slowly regained momentum. Both segments showed positive bottom line results compared to net losses the previous year. On the other hand, the education segment reported continuous improvement in net results, surpassing its pre-pandemic results by almost three times of its 2019 net income. Kindly refer in Notes to FS 23 and 25

Costs of sales and services, as well as the administrative expenses of the Group dropped by 9%, respectively mainly due to cost reduction programs adapted by the Group. The Group temporarily suspended the hiring of new employees during the pandemic which resulted to significant reduction in its personnel-related costs. The significant drop in depreciation is attributable to the closed Car dealerships in 2020. (Comparative results of the costs of sales and services, as well as the general and administrative expenses may be found in notes 25 to 29 of the attached 2021 audited financial reports.)

Equity in net earnings of associates and joint ventures grew from P1,368.43 million to P1,430.35 million, primarily attributable to improved results these portfolio investments, i.e., higher revenues which resulted to better net income compared to the previous year.

Other income increased from P128.77 million to P191.90 million, mainly due to unrealized foreign exchange gain recognized by the construction segment compared to losses last year. In 2020, EEI recognized losses due to unfavorable exchange rate upon collection of advances from an affiliate compared to the exchange rate used at initial recognition of the said advances.

Interest and finance charges were lower, from P712.57 million to P708.37 million primarily due to lower borrowing rates.

Financial Position

Total assets stood at P57,193.76 million from P51,885.48 million in 2020.

Increase in cash and cash equivalents was largely due to collection of receivables from clients and associates by P1.6 billion, net proceeds from bank loans by P0.4 billion, and from the construction segment's issuance of preferred shares in December 2021 which resulted to net proceeds of P5.96 billion. Reduction in receivables was due to collection from clients and customers. Contract assets increased by 15%, largely attributable to new projects of the Construction Company such as Grand Hyatt Residences, Metro Manila Subway, Malolos-Clark Railway, to name a few. Receivables from related parties increased from P53.42 million to P145.28 million due to advances to a foreign affiliate relative to the recruitment of project workers to be employed by the foreign affiliate. Inventories dropped by 18% due to accelerated production of the construction segment coupled by lower purchases of the automotive segment. Reduction in prepaid expenses and other current assets was mainly due to reclassification of unutilized creditable withholding taxes (CWTs) amounting to P933.00 million. This was reclassified to non-current asset in recognition of its expected future applicability.

Reduction in equity investments at FVOCI pertains to drop in market value of quoted securities. Increase in investments in associates and joint ventures pertains to equity earnings for the period. Decrease in right of use assets (as well as in lease liabilities) was mainly due to amortization as of the period. Increase in retirement asset pertains mainly to changes in financial assumption. Reduction in deferred tax asset pertains to derecognition of the asset related to reduced income tax rate as a result of the implementation of CREATE Law. Increase in other noncurrent assets pertains to non-current portion of the CWTs of construction group.

Total liabilities were reduced from P30,031.29 million to P27,078.21 million.

Effectively, the total bank loans of the Group increased by P442 million, net of repayments. These were used to finance operations and investment activities of the Group. Reduction in contract liabilities pertain to application of deposits against progress billings for the period. The significant reduction in due to related parties was because of the settlement of management fees by education segment to a related party. Decrease in retirement liability was mainly driven by the change in the financial assumptions, wherein the discount rates used for 2021 are higher at 4.93%-4.99% compared to 3.69%-3.78% in 2020. Decrease in other noncurrent liabilities pertains to reclassification of retention payable of the construction segment to current.

Total equity increased from P21,854.19 million to P30,115.55 million. Increase is primarily due to improved performance of the Group as well as the increase in the value of the land.

Year 2020 vs. 2019

INCOME STATEMENT

Results of Operations

The Group closed 2020 with an aggregate net loss of P1,693.71 million against 2019's net income of P1,649.45 million.

The community quarantine implemented during the year had greatly affected the construction and automotive segments of the Group. During the lockdown period, the construction activities were cancelled and the car dealerships were closed. And during this period, the Group continued to pay the salaries of its workers and its personnel. After the lockdown, operations had slowly picked up but nevertheless, the Group was able to operate only at 50-70% capacity. As a result, total revenues dropped by 38%, from P34,129.84 million to P21,176.05 million in 2020.

Costs of sales and services include the Group's lockdown costs. Administrative expenses increased by 10%, from P2,818.96 million to P3,098.57 million, mainly due to personnel related costs brought about by increase in manpower complement of the construction group.

Equity in net earnings of associates and joint ventures grew from P727.82 million to P1,368.43 million. Increase is attributable to improved performance of Al-Rushaid Construction Company, Ltd. ("ARCC", a foreign affiliate of EEI) and PetroSolar Corporation.

Interest and finance charges were lower, from P780.61 million to P712.57 million primarily due to lower borrowing rates.

BALANCE SHEET

Financial Position

Total assets stood at P51,885.47 million, slightly lower from P51,995.76 million in 2019.

Increase in cash and cash equivalents was largely due to collection of trade receivables from clients and net proceeds from bank loans. Reduction in receivables was due to lower revenues coupled with collection from clients and customers. Decrease in contract assets is largely attributable to low production of the construction arm of the Group. Inventories dropped from P2,362.28 million to P1,888.03 million due to lower purchases. Receivable from related parties was lower due to reduced manpower services relative to the lockdown. Increase in prepaid expenses and other current assets was due to increase in unutilized creditable withholding taxes and input tax (VAT), coupled with increase in advances to suppliers and contractors.

Reduction in equity investments at FVOCI pertains mainly to reclassification of investment in PetroGreen Energy Corporation (PGEC) to investment in associates due to indirect ownership of the Parent Company through EEI and PERC. Increase in investment property pertains to the property owned by the newly acquired subsidiary of the Parent Company. Decrease in right of use assets (as well as in lease liabilities) was mainly due to termination of lease contracts of closed car dealership branches. Increase in deferred tax asset pertains to recognition of EEI relative to its NOLCO. Increase in other noncurrent assets pertains to non-current portion of the contract assets of EEI.

Total liabilities increased from P28,502.05 million to P30,031.29 million.

Effectively, the total bank loans of the Group increased by P2,316.81 million, net of repayments. These were used to finance operations and investment activities of the Group. Reduction in contract liabilities pertain to application of deposits against progress billings for the period. The significant reduction in due to related parties was because of the settlement of EEI Limited's liability to ARCC. Increase in retirement liability was due to higher provisioning based on the recent valuation of the Group's actuary. Increase in other noncurrent liabilities pertain to additional retention on progress billings of EEI's subcontractors.

Total equity dropped from P23,493.71 million to P21,854.19 million. Decrease is primarily due to net losses recognized by the Group for the period which reduced its retained earnings from P10,111.28 million in 2019 to P9,785.83 million in 2020. Change in fair value reserve of equity investments pertains to reclassification of investment in PGEC.

Year 2019 vs. 2018

INCOME STATEMENT

The Group registered a 42% growth in net income, from P1,164.28 million in 2018 to P1,649.45 million in 2019.

Total revenues grew by 6%, from P32,346.34 million to P34,129.84 million, primarily because of increase in construction revenues driven by the robust production levels of infrastructure projects of EEI; coupled with higher revenues from education segment brought about by (a) higher number of enrollees; (b) full 9-month operations of Malayan Colleges Mindanao ("MCM") compared to just 2 months in 2018; and (c) contributions from newly acquired subsidiaries of iPeople as a result of the merger effective May 2, 2019. On the other hand, the car dealerships registered an 8% drop in revenues due to increased competition which resulted to lower number of vehicle units sold.

Equity in net earnings of associates increased from P255.78 million to P727.82 million primarily because of higher intake from Al-Rushaid Construction Company, Ltd. (a foreign affiliate of EEI).

General and administrative expenses increased by 6%, from P2,651.24 million to P2,818.97 million, primarily attributable to (a) payment of Capital Gains Tax relative to the sale by the Parent Company of its direct investment in Mapua to iPeople; (b) increase in the number of personnel to support the growing business of the group; (c) depreciation of newly constructed/renovated school campuses; and (e) expenses of the newly acquired companies of iPeople group. Interest and finance charges increased due to new loans obtained by the Group to finance its existing projects and developments costs. Also, the adoption of the new accounting standard on Leases, PFRS 16, contributed P79.5 million in interest cost in 2019.

BALANCE SHEET

Consolidated total assets stood at P52.0 billion against P39.60 billion in 2018.

Total current assets increased by 42%, from P16.09 billion in 2018 to P22.83 billion, whereas the total non-current assets increased by 24%, from P23.50 billion to P29.16 billion.

The significant movements of the balance sheet accounts are brought about by the Group's adoption of PFRS 16 (Leases) effective January 2019 and the consolidation of newly acquired subsidiaries resulting from the merger of AC Education into iPeople effective May 2, 2019.

Cash and cash equivalents increased from P2.04 billion to P2.69 billion mainly because of iPeople's new subsidiaries coupled with collection of progress billings and retention receivables from various completed domestic projects of EEI. Receivables were higher due to billed trade receivables of EEI, timing of start of classes of the schools and contribution of the newly acquired subsidiaries of iPeople. Contract assets, which is composed of unbilled production and net retention receivables, registered a significant growth in 2019 due to higher construction activities of EEI. Receivable from related parties was lower by P74.73 million due to payment of an affiliate. Inventories dropped by 12% as a result of lower inventory held by car dealerships. Prepaid expense and other current assets, which includes unutilized input and creditable withholding taxes of the Group, increased from P1.46 billion to P1.98 billion primarily because of increased advances to suppliers and contractors of EEI.

Total noncurrent assets at P29.16 billion from P23.51 billion in 2018, includes assets of the entities acquired by iPeople.

Equity investments grew from P0.97 billion to P1.15 billion primarily because of the increase in the valuation of the unquoted shares of EEI in Hermosa Ecozone Development Corporation in compliance with PFRS 9. Investments in associates and joint ventures grew by 12% due to investment in Sojitz G Auto Philippines Corporation, wherein the Parent company has 20% stake, coupled with higher equity earnings intake for the period. Increase in property and equipment at cost and revalued pertains mainly to assets of the newly acquired subsidiaries of iPeople as a result of the merger with AC Education, Inc. Right of use asset is a result of adoption of the new accounting standard, PFRS 16. Retirement assets dropped due to higher cost recognized for the year as a result of higher headcount and lower discount rate. Deferred tax asset pertains mainly to the tax effect of remeasurement loss on defined benefit plans of the Group. The reduction in other noncurrent assets pertain mainly to collection of the outstanding receivables of EEI.

Consolidated total liabilities increased from P21.43 billion to P28.50 billion.

Total current liabilities increased from P18.58 billion to P20.30 billion. Loans payable dropped as a result of the conversion of loans of iPeople to a longer term, coupled with payments of matured loans. Increase in accounts payable and accrued expenses pertain to heightened production activities of EEI which resulted to increased billings from various subcontractors and suppliers. Income tax payable increased by P32 million as a result of higher taxable income of the Group. Due to related parties mainly pertains to foreign currency adjustment in relation to EEI's account in ARCC. Current portion of lease liability resulted from the new accounting standard, PFRS 16, wherein present value of operating leases is recorded in the books of the Company.

Total noncurrent liabilities increased from P2.85 billion to P8.20 billion. Increase in long term debt pertains mainly to reclassification of iPeople's short-term loan to long-term loan. Accrued retirement liability increased significantly due to higher actuarial losses recognized for the year as a result of lower discount rate compared to in 2018. Increase in deferred tax liabilities is related to the revaluation increment on land of the Group, including the properties of the newly acquired companies of iPeople. Noncurrent lease liability pertains to recognized liability on the remaining lease term of the group in compliance with PFRS 16. Other noncurrent liabilities pertain mainly to contract obligations of EEI on projects with completion date beyond one year after balance sheet date.

Consolidated equity grew from P18.17 billion to P23.49 billion, of which P14.744 billion is attributable to the Parent Company. Reduction in preferred stock and increase in common stock is attributable to the conversion of preferred shares of the Parent Company. Equity reserve on acquisition of noncontrolling interest pertains to the difference in acquisition cost and par value of the EEI shares acquired by the Parent Company, as well as the result of the dilution of its ownership interest in iPeople. Reduction in revaluation increment pertains to re-attribution of the Parent Company's share in iPeople to noncontrolling interest, as a result of the merger. Changes in fair value of equity investments carried at FVOCI is higher due to the increase in fair market value of investment in Hermosa Ecozone Development Coporation.

Total consolidated retained earnings increased from P9.20 billion to P10.11 billion.

Financial Ratios

Below are the financial ratios that are relevant to the Group's for the years ended December 31, 2021 and 2020:

Financial ratios		**2021**	2020
Current ratio *Indicates the Group's ability to pay short-term obligation*	Current Assets / Current Liabilities	**1.42:1**	1.02:1
Solvency Ratio *Shows how likely a company will be to continue*	Net Income+Depreciation / Total liabilities	**0.10:1**	(0.011:1)

Financial ratios		**2021**	2020
meeting its debt obligations			
Debt-to-equity ratio *Measures the Group's overall leverage*	Total Debt / Total Equity	**0.90:1**	1.37:1
Asset to Equity Ratio *Measures the group's leverage and long-term solvency*	Total Assets / Total Equity	**1.90:1**	2.37:1
Interest Rate Coverage *Shows how easily a company can pay interest on outstanding debt*	EBIT* / Interest Expense	**3.71:1**	(3.16:1)
Return on Assets *Measure the ability to utilize the Group's assets to create profits*	Net Income / Average Total Assets	**2.98%**	(3.26%)
Return on Equity *Reflects how much the Group's has earned on the funds invested by the stockholders*	Net Income / Average Total Equity	**6.26%**	(7.47%)

**Earnings before interest and taxes*

Current ratio went up from 1.02 in 2020 to 1.42 in 2021. This is mainly attributable to the increase in cash and cash equivalents largely from construction segment's issuance of preferred shares.

Solvency ratio increased from (0.01) in 2020 to 0.10 in 2021 mainly because of the positive results of operation this year.

Debt-to-Equity ratio measures the Group's leverage. It decreased from 1.37 to 0.90 this year as an effect of the combination of the reduction in debt and the income posted by the Group resulting to higher equity.

Asset-to-Equity ratio decreased from 2.37 to 1.90 attributable to increase in equity as a result of the income registered by the Group this year.

Interest Rate Coverage ratio shows how easily a company can pay interest on outstanding debt. It is higher at 3.71 times this year due to net income earned by the Group compared to net losses incurred last year.

Return on Assets measures the ability to utilize the Group's assets to create profits. The Group's return on assets for the year 2021 increased to 2.98% from (3.26%) in 2020. This is attributable to higher net income registered by the Group this year.

Return on Average Stockholders' Equity (ROAE) measures the profitability of the Company in relation to the average stockholders' equity. The ROAE for 2021 went up to 6.26% from (7.47%) in 2020 due to positive earnings of the Group this year compared to its net loss result last year.

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

Other qualitative and quantitative factors

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

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

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

(iii) There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period;

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

San Lorenzo Ruiz Investment Holdings and Services, Inc. is redeveloping a property along Sen. Gil J. Puyat Avenue in Makati into a mix-use commercial complex. The estimated development cost is P9.3 Billion.

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

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

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

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

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

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

The common stock (PSE: HI) is traded on the Philippine Stock Exchange.

PERIOD	STOCK PRICE HIGH	LOW
2022 First Quarter	3.90	3.42
2021 Fourth Quarter	3.98	3.50
2021 Third Quarter	4.30	3.52
2021 Second Quarter	4.60	3.20
2021 First Quarter	4.10	3.40
2020 Fourth Quarter	4.63	3.16
2020 Third Quarter	3.40	2.77
2020 Second Quarter	3.95	3.20
2020 First Quarter	6.24	3.60
2019 Fourth Quarter	5.73	5.20
2019 Third Quarter	6.55	5.75
2019 Second Quarter	7.14	6.09
2019 First Quarter	7.14	5.75

The market price of HI's common stock as June 2, 2022 (latest practicable trading date) is at P3.50 for high and for low.

Stockholders

The top 20 owners of common stock as of May 31, 2022 are as follows:

STOCKHOLDER	COMMON SHARES	% OF TOTAL
PCD Nominee Corp - Filipino	418,492,110	53.90%
Pan Malayan Management & Investment Corp.*	294,759,565	37.96%
PCD Nominee Corp – Non-Filipino	19,126,136	2.46%
A.T. Yuchengco, Inc.*	7,036,070	0.91%
GDSK Development Corporation	5,064,840	0.65%
Go Soc & Sons and Sy Gui Huat, Inc.	4,019,890	0.52%
Y Realty Corporation	3,545,890	0.46%
Malayan Securities Corporation	2,790,000	0.36%
Seafront Resources Corp.	2,484,000	0.32%
Meer, Alberto M.	2,217,030	0.29
Enrique T. Yuchengco, Inc.*	1,211,360	0.16
Berck Y. Cheng or Alvin Y. Cheng or Diana Y. Cheng or Cheryl Y. Cheng	850,000	0.11
Villonco, Vicente S.	803,800	0.10
RP Land Development Corp.*	726,720	0.09
Lim, Tek Hui	627,000	0.08
EBC Securities Corporation	488,450	0.06
Dee, Helen Y. ITF: Michelle	643,010	0.08
Bardey, John C.	476,230	0.06
Wilson, Cathleen Ramona	420,170	0.05
Wilson, Claudia	420,170	0.05
SUB TOTAL	766,202,441	98.68%
Others	10,262,840	1.32%
TOTAL	**776,465,281**	**100.00%**

House of Investments has a total of 376 common shareholders owning a total of 776,465,281 shares as of May 31, 2022.

* Represents certificated shares only.

Dividends

In accordance with the Section 42 of the Revised Corporation Code of the Philippines, HI intends to declare dividends (either in cash or stock or both) in the future. Common and preferred stockholders of HI are entitled to receive a proportionate share in cash dividends that may be declared by the Board of Directors out of surplus profits derived from HI's operations after satisfying the cumulative interest of preferred shares.

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

The company has declared cash dividends as follows:

YEAR	DIVIDEND PER COMMON SHARE	DIVIDEND PER PREFERRED SHARE	TOTAL AMOUNT
Q1 2020	N/A	P0.00516	P86.56 K
Q4 2019	N/A	P0.00512	P85.86 K
Q3 2019	N/A	P0.00542	P3.35 MM
Q2 2019	P0.065	P0.00721	P55.22 MM
Q1 2019	N/A	P0.00758	P4.69 MM

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

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

There was no sale of unregistered or exempt securities,nor recent issuance of securities constituting an exempt transaction in 2021.

Description of Registrant's Securities: Common Stock and Preferred Stock

The equity capital structure of the firm as of May 31, 2022 is shown below:

	Common Stock	Preferred
Authorized Capital	1,250,000,000	2,500,000,000
Issued	776,765,281	0
Paid Up Capital	P1,134,115,785,00	0
Par Value	P1.50	P0.40