

COVER SHEET

SEC Registration Number

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COMPANY NAME

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D	I	A	R	I	E	S																								

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

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M	a	n	d	a	l	u	y	o	n	g		C	i	t	y															

Form Type

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Department requiring the report

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Secondary License Type, If Applicable

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COMPANY INFORMATION

Company's Email Address

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Company's Telephone Number

7918-8188

Mobile Number

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No. of Stockholders

5,603

Annual Meeting (Month / Day)

**Every 2nd to the last Friday
of April Each Year**

Fiscal Year (Month / Day)

2024 (03/31)

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Ms. Venus A. Mejia

Email Address

**venus.mejia@filinvestgrou
p.com**

Telephone Number/s

7918-8188

Mobile Number

--

CONTACT PERSON'S ADDRESS

79 EDSA, Brgy. Highway Hills, Mandaluyong City

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATIONS CODE AND SRC RULE 17(2) (b) THEREUNDER**

1. For the quarterly period ended **March 31, 2024**
2. SEC Identification Number **170957**
3. BIR Tax ID **000-533-224**
4. Exact name of issuer as specified in its charter **FILINVEST LAND, INC.**
5. Province, Country or other jurisdiction of incorporation or organization **Philippines**
6. Industry Classification Code: _____ (SEC Use Only)
- Filinvest Building, #79 EDSA, Brgy. Highway Hills, Mandaluyong City** **1550**
7. Address of issuer's principal office Postal Code
8. Issuer's telephone number, including area code **02-7918-8188 / 02-7588-1678**

Not Applicable

9. Former name, former address, and former fiscal year, if changed since last report
10. Securities registered pursuant to Section 8 and 12 of the SRC

<u>Title of Each Class</u>	<u>Number of shares issued and outstanding</u>
Common Shares, 1.00 par value	24,249,759,506
Preferred Shares, 0.01 par value	8,000,000,000

<u>Amount of Debt Outstanding</u>	<u>In Php thousands</u>
	75,849,891

11. Are any or all of these securities listed on the Philippine Stock Exchange?
Yes No

12. Indicate by check mark whether the issuer:

- (a) has filed reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA Rule 1(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes No

- (b) has been subject to such filing requirements for the past 90 days.

Yes No

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PART 1 – FINANCIAL INFORMATION

FILINVEST LAND, INC. AND SUBSIDIARIES

**Unaudited Interim Condensed Consolidated
Financial Statements**

As at March 31, 2024

and

For the three months ended March 31, 2024 and 2023

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statements of Financial Position

As at March 31, 2024

(Amounts in thousands)

	Notes	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
ASSETS			
Current Assets			
Cash and Cash Equivalents	6	P4,839,347	₱5,732,008
Contracts Receivable	7	1,691,043	1,837,829
Contract Assets	5	5,062,245	4,745,827
Other Receivables	8	3,075,082	3,465,056
Real Estate Inventories	9	63,384,031	72,634,830
Other Current Assets	10	7,565,566	7,192,434
Total Current Assets		85,617,314	95,607,984
Noncurrent Assets			
Contract Asset - net of current portion	5	5,169,303	5,037,942
Investment in Associates	11	5,265,288	5,219,900
Investment Properties	13	80,344,949	79,659,336
Property and Equipment	14	6,023,823	5,673,012
Deferred Income Tax Assets		58,929	48,483
Goodwill	3	4,567,242	4,567,242
Other Noncurrent Assets	15	8,986,177	8,662,178
Total Noncurrent Assets		110,415,711	108,868,093
TOTAL ASSETS		P196,033,025	₱204,476,077
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts Payable and Accrued Expenses	16	P11,787,833	₱12,551,165
Contract Liabilities		797,977	792,402
Lease Liabilities - current portion	12	173,919	175,459
Due to Related Parties	26	242,331	488,486
Income Tax Payable		79,433	21,557
Loans Payable - current portion	17	25,518,357	16,480,438
Bonds Payable - current portion	18	1,697,411	1,697,345
Total Current Liabilities		40,297,261	32,206,852
Noncurrent Liabilities			
Loans Payable - net of current portion	17	12,841,713	20,507,489
Bonds Payable - net of current portion	18	35,792,410	35,771,167
Contract Liabilities - net of current portion		85,697	149,949
Lease Liabilities - net of current portion	12	6,589,513	6,544,402
Net Retirement Liabilities		424,546	437,913
Deferred Income Tax Liabilities - net	23	3,163,961	5,649,153
Accounts Payable and Accrued Expenses - net of current portion	16	10,728,477	8,938,003
Total Noncurrent Liabilities		69,626,317	77,997,356
Total Liabilities		P109,923,578	₱110,204,208

(Forward)

	Notes	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Equity			
Common Stock	19	₱24,470,708	₱24,470,708
Preferred Stock	19	80,000	80,000
Additional Paid-In Capital		5,612,321	5,612,321
Treasury Stock	19	(221,041)	(221,041)
Retained Earnings	19	53,912,482	62,061,525
Revaluation Reserve on Financial Assets at Fair Value through Other Comprehensive Income		(2,619)	(2,619)
Remeasurement Gains on Retirement Plan		47,521	47,521
Share in Other Components of Equity of an Associate		372,449	372,449
Equity Attributable to Equity Holders of the Parent		84,271,821	92,420,864
Noncontrolling Interest		1,837,626	1,851,005
Total Equity		86,109,447	94,271,869
TOTAL LIABILITIES AND EQUITY		₱196,033,025	₱204,476,077

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statements of Income

For the three months ended March 31

(Amounts in thousands, except earnings per share figures)

	Notes	Three months Period Ended	
		2024	March 31
		(Unaudited)	(Unaudited)
REVENUE			
Real Estate Sales	4, 5	P3,398,576	P2,794,950
Rental and Related Services	4, 5	1,759,992	1,718,567
Total revenue		5,158,568	4,513,517
EQUITY IN NET EARNINGS OF ASSOCIATES		45,388	31,446
OTHER INCOME			
Interest Income	22	65,590	70,001
Others		128,547	78,597
		5,398,094	4,693,561
COSTS			
Real Estate Sales	2, 4	1,732,835	1,595,415
Rental and Related Services	4	861,237	754,908
OPERATING EXPENSES			
Selling and Marketing Expenses	21	268,585	227,093
General and Administrative Expenses	20	617,400	498,819
INTEREST AND OTHER FINANCE CHARGES	2, 22	822,080	526,082
		4,302,137	3,602,317
INCOME BEFORE INCOME TAX		1,095,957	1,091,244
PROVISION FOR INCOME TAX			
Current	23	43,092	60,573
Deferred	23	101,012	149,039
		144,104	209,612
NET INCOME		P951,854	P881,632
NET INCOME ATTRIBUTABLE TO:			
Equity holders of the parent		P844,815	P740,906
Noncontrolling interest		107,039	140,726
		P951,854	P881,632
Earnings Per Share			
Basic		P0.03	P0.03
Diluted		P0.03	P0.03

FILINVEST LAND, INC. AND SUBSIDIARIES**Interim Condensed Consolidated Statement of Comprehensive Income
For the three months ended March 31***(Amounts in thousands)*

	Three months Period Ended March 31	
	2024	2023
	(Unaudited)	(Unaudited)
NET INCOME FOR THE PERIOD	P951,854	₱881,632
OTHER COMPREHENSIVE INCOME		
Remeasurement gain from an associates investment	–	–
Remeasurement gain (losses) on retirement plan, net of tax	–	–
TOTAL COMPREHENSIVE INCOME	P951,854	₱881,632
Total comprehensive income attributable to:		
Equity holders of the parent	P844,815	₱740,906
Noncontrolling interest	107,039	140,726
	P951,854	₱881,632

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Changes in Equity For the three months ended March 31, 2024

(Amounts in thousands)

	Attributable to Equity Holders of the Parent											Total Equity
	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Stock	Unappropriated Retained Earnings	Appropriated Retained Earnings	Revaluation Reserve on Financial Assets at FVOCI	Remeasurement Gains on Retirement Plan	Share in Other Components of Equity of an Associate	Total	Noncontrolling Interest	
For the three months ended March 31, 2024												
Balances at the beginning of the year, as previously reported	P24,470,708	P80,000	P5,612,321	(P221,041)	P57,061,526	P5,000,000	(P2,619)	P47,521	P372,449	P92,420,865	P1,851,005	P94,271,870
Change in accounting policy: PFRS 15 Adjustment (Note 2)					(8,993,859)					(8,993,859)		(8,993,859)
Balances at the beginning of the year, as restated	24,470,708	80,000	5,612,321	(221,041)	48,067,667	5,000,000	(2,619)	47,521	372,449	83,427,006	1,851,005	85,278,011
Net income	-	-	-	-	844,815	-	-	-	-	844,815	107,039	951,854
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	844,815	-	-	-	-	844,815	107,039	951,854
Dividends declared	-	-	-	-	-	-	-	-	-	-	-	-
Dividend distribution to noncontrolling interest	-	-	-	-	-	-	-	-	-	-	(120,418)	(120,418)
Balances as at end of period	P24,470,708	P80,000	P5,612,321	(P221,041)	P48,912,482	P5,000,000	(P2,619)	P47,521	P372,449	P84,271,821	P1,837,626	P86,109,447
For the three months ended March 31, 2023												
Balances at the beginning of the year	P24,470,708	P80,000	P5,612,321	(P221,041)	P54,172,008	P5,000,000	(P2,619)	P68,185	P372,449	P89,552,011	P1,950,730	P91,502,741
Net income	-	-	-	-	740,906	-	-	-	-	740,906	140,726	881,632
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	740,906	-	-	-	-	740,906	140,726	881,632
Dividends declared	-	-	-	-	-	-	-	-	-	-	-	-
Dividend distribution to noncontrolling interest	-	-	-	-	-	-	-	-	-	-	(80,725)	(80,725)
Balances as at end of the period	P24,470,708	P80,000	P5,612,321	(P221,041)	P54,912,914	P5,000,000	(P2,619)	P68,185	P372,449	P90,292,917	P2,010,731	P92,303,648

FILINVEST LAND, INC. AND SUBSIDIARIES**Interim Condensed Consolidated Statement of Cash Flows
For the three months ended March 31***(Amounts in thousands)*

	2024	2023
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱1,095,957	₱1,091,244
Adjustments for:		
Interest income	(65,590)	(70,001)
Interest expense and amortization of transaction costs	822,080	492,330
Depreciation and amortization	387,452	367,078
Equity in net earnings of associates	(45,388)	(31,446)
Net pension expense, net of contribution and benefits paid	9,358	8,301
Operating income before changes in operating assets and liabilities	2,203,869	1,857,506
Changes in operating assets and liabilities		
Decrease (increase) in:		
Contracts receivables	146,786	341,874
Contract assets	(447,779)	164,327
Other receivables	389,974	75,476
Real estate inventories	(707,143)	(476,610)
Other assets	(238,172)	(955,704)
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,129,832)	1,013,902
Contracts liabilities	(58,677)	50,456
Net cash generated from operations	159,026	2,071,227
Income taxes paid, including creditable withholding taxes	(21,558)	(89,049)
Interest received	65,590	70,001
Net cash provided by (used in) operating activities	203,058	2,052,179
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment properties and property and equipment	(898,205)	(1,338,680)
Decrease (increase) in BTO rights	(51,834)	(83,716)
Cash used in investing activities	(950,039)	(1,422,396)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availments of loans payable	3,200,000	8,530,000
Payments of:		
Loans payable	(1,817,803)	(3,334,678)
Bonds payable	-	(6,000,000)
Interest and transaction costs	(1,706,754)	(940,104)
Lease liability	(84,550)	(96,870)
Dividends paid to noncontrolling interest	(120,418)	(80,725)
Changes in amounts due to related parties	(246,155)	(68,872)
Net cash used in financing activities	(145,680)	(1,991,249)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(892,661)	(1,361,466)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	5,732,008	6,619,135
CASH AND CASH EQUIVALENTS, END OF PERIOD	₱4,839,347	₱5,257,669

FILINVEST LAND, INC. AND SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Filinvest Land, Inc. (the “Parent Company” or “FLI”) is a property developer engaged mainly in the development of residential subdivisions, construction of housing units and leasing activities. It was incorporated and is domiciled in the Philippines where its shares are publicly traded. Formerly Citation Homes, Inc., the Parent Company was incorporated on November 24, 1989, after the expiration of its corporate life of 50 years, and later changed to its present name on July 12, 1993. The Parent Company and its subsidiaries (collectively referred to as “the Group”) offer a range of real estate products from socialized and affordable housing to middle-income and high-end housing, various types of subdivision lots, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, condotels, and condominium buildings. The Group also leases out commercial and office spaces in Muntinlupa City, Makati City, Pasay City, Cebu City, Tagaytay City, Cavite, and Clark Mimosa, as its major locations for leasing.

The Group’s parent company is Filinvest Development Corporation (FDC), a publicly listed entity. A.L. Gotianun, Inc. (ALG) is the Group’s ultimate parent company. FDC and ALG were incorporated in the Philippines.

The Parent Company’s registered business address is at 79 E. Delos Santos Ave. (EDSA), Brgy. Highway Hills, Mandaluyong City.

On April 19, 2024, the Board of Directors (BOD) approved and authorized the release of the accompanying unaudited interim condensed consolidated financial statements of Filinvest Land, Inc., and Subsidiaries.

2. Summary of Significant Accounting Policies

Basis of Preparation

The interim condensed consolidated financial statements are prepared using the historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) that are measured at fair value. The Group’s consolidated financial statements are presented in Philippine Peso (Peso), which is also the functional currency of the Parent Company, its subsidiaries, and associates. Amounts are in thousand Pesos except as otherwise indicated.

The interim condensed consolidated financial statements provide comparative information in respect of the previous period.

Statement of Compliance

The unaudited interim consolidated financial statements of the Group for the three months ended March 31, 2024 have been prepared in accordance with Philippine Accounting Standards (PAS) 34, Interim Financial Reporting, as modified by the application of the following reporting reliefs issued and approved by the SEC under Memorandum Circular No. 34-2021 in response to the COVID-19 pandemic.

1. Assessing if the transaction price includes a significant financing component as discussed in Philippine Interpretations Committee (PIC) Questions and Answers (Q&A) No. 2018-12-D
2. Application of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*).

The unaudited interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at December 31, 2023, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs), as modified by the application of the following reporting reliefs issued and approved by the SEC under Memorandum Circular No. 34-2020 in response to the COVID-19 pandemic.

Basis of Consolidation

The unaudited interim consolidated financial statements include the accounts of the Parent Company and the following subsidiaries. The nature of business and the corresponding percentages of ownership over these entities as of March 31, 2024 and December 31, 2023 are as follows. The voting rights held by the Group in these subsidiaries are in proportion to its ownership interest.

Subsidiaries	Nature of Business	2024	2023
Filinvest AII Philippines, Inc. (FAPI)	Real estate developer	100%	100%
FCGC Corporation (FCGCC)	Real estate developer	100%	100%
Filinvest BCDA Clark, Inc. (FBCI) ¹	Real estate developer	55%	55%
Gintong Parisukat Realty and Development Inc. (GPRDI)	Real estate developer	100%	100%
Homepro Realty Marketing, Inc. (Homepro)	Real estate developer	100%	100%
SJR Developers, Inc. (SDI)	Real estate developer	100%	100%
Niyog Property Holdings, Inc. (NPHI) ²	Real estate developer	100%	-
Cajel Realty Corporation (CRC) ²	Real estate developer	100%	-
Filinvest REIT Corp. (FILRT)	Real estate developer and lessor	63%	63%
Filinvest Asia Corporation (FAC)	Real estate developer and lessor	60%	60%
Filinvest Cyberparks, Inc. (FCI)	Real estate developer and lessor	100%	100%
Filinvest Clark Mimosa, Inc. (FCMI)	Real estate developer and lessor	100%	100%
Festival Supermall, Inc. (FSI)	Property management	100%	100%
Filinvest Lifemalls Corporation (FLC)	Real estate developer and lessor	100%	100%
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Real estate developer and lessor	100%	100%
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Real estate developer and lessor	100%	100%
ProOffice Works Services, Inc. (ProOffice)	Property manager	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property manager	100%	100%
Co-Living Pro Managers Corp. (CPMC)	Real estate developer and lessor	100%	100%
FSM Cinemas, Inc. (FSM Cinemas) ³	Theater operator	60%	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	60%	60%
Timberland Sports and Nature Club, Inc. (TSNC)	Recreational facilities developer and operator	98%	98%
Nature Specialists, Inc. (NSI)	Property manager	75%	75%
Leisurepro, Inc. (Leisurepro)	Marketing Manager	100%	100%
Proleads Philippines, Inc. (PPI)	Marketing Manager	100%	100%
Property Leaders International Limited (PLIL)	Marketing Manager	100%	100%
Property Maximizer Professional Corp. (Promax)	Marketing Manager	100%	100%
Realpros Philippines, Inc. (RPI)	Marketing Manager	100%	100%
FREIT Fund Managers, Inc.	Fund Manager	100%	100%
OurSpace Solutions, Inc. (OSI)	Coworking spaces operator	70%	100%

Notes:

1. FBCI is owned indirectly through FCGCC.
2. NPHI and CRC were acquired in 2023
3. FSM Cinemas is owned indirectly through FSI
4. On August 2, 2023, as Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI resulting to FLI's 70% ownership in OSI (see Note 1).

Except for PLIL which was incorporated in British Virgin Islands, all of the Parent Company's subsidiaries were incorporated in the Philippines. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies.

None of the foregoing subsidiaries has been a party to any bankruptcy, receivership or similar proceedings and has not undergone or entered any material classification, merger, consolidation (except as disclosed elsewhere in this report), purchased, or sold a significant amount of assets outside the ordinary course of business.

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the Group's consolidated financial statements are consistent with those of the previous financial years, except for the adoption of the following amendments in PFRS and PAS which became effective beginning January 1, 2024. Unless otherwise indicated, adoption of these amendments to existing standards and interpretations did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. The amendments are not expected to have a material impact on the Group.

- Adoption of Implementation of *IFRIC Agenda Decision on Over Time Transfer of Constructed Goods* (IAS 23, *Borrowing Cost*) for the Real Estate Industry

In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under par. 35I of IFRS 15. IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of a qualifying asset under IAS 23 considering that these inventories are ready for their intended sale in their current condition.

The IFRIC agenda decision would change the Group's current practice of capitalizing borrowing costs on real estate projects with pre-selling activities.

On February 21, 2020, the Philippine SEC issued Memorandum Circular No. 4, Series of 2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above IFRIC Agenda Decision until December 31, 2020. Further, on December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the Real Estate Industry until December 31, 2023.

The Group opted to avail of the relief as provided by the SEC. Had the Group adopted the IFRIC agenda decision, borrowing costs capitalized to real estate inventories related to projects with pre-selling activities should have been expensed out in the period incurred.

As at March 31, 2024, the Group adopted the IFRIC agenda decision using the modified retrospective approach. The Parent Company recognized the impact of the change against the beginning retained earnings in 2024 amounting to ₱8.99 billion. The impact to the comparative accounts and amounts are decreases in current assets amounting to ₱10.33 billion and noncurrent liabilities amounting to ₱3.00 billion, and increase in current liabilities amounting to ₱1.66 billion.

Upon adoption of this IFRIC agenda, financial soundness indicators such as the interest-bearing debt-to-equity ratio is 0.88, return on equity is 0.044, return on asset is 0.019, current ratio is 2.22 and gross profit margin is 49%. If the IFRIC agenda was not adopted, interest-bearing debt-to-equity ratio is 0.80, return on equity is 0.040, return on asset is 0.018, current ratio is 2.48 and gross profit margin is 45%.

- *Adoption of Certain Provisions of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)*

On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 08, 2019, the SEC issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023. A summary of the PIC Q&A provisions covered by the SEC deferral and the related deferral period follows:

	Deferral Period
a. Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)	Until December 31, 2023
b. Treatment of land in the determination of the POC discussed in PIC Q&A 2018-12-E	Until December 31, 2023

After the deferral period, real estate companies have an accounting policy option of applying either the full retrospective approach or modified retrospective approach as provided under SEC MC 8-2021.

The Group availed of the SEC relief to defer the above specific provision of PIC Q&A No. 2018-12 on determining whether the transaction price includes a significant financing component. Had this provision been adopted, the mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments provided for in the contract to sell might constitute a significant financing component. In case of the presence of significant financing component, the guidance should have been applied retrospectively. The Group adopted the guidance using the modified retrospective approach. The adoption of this guidance has impact in interest income, interest expense, revenue from real estate sales, contract assets, provision for deferred income tax, deferred tax asset or liability and the opening balance of retained earnings. As at March 31, 2024, the Group has assessed that the impact of this adoption is insignificant.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosure: Supplier Finance Arrangements*

Future Changes in Accounting Policy

Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Deferred effectivity

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

3. Goodwill

Goodwill arising from business combinations in the Group's consolidated statements of financial position as of March 31, 2024 and December 31, 2023 consists of (amounts in thousands):

Festival Supermall structure	₱3,745,945
FAC	494,744
FILRT	326,553
	<u>₱4,567,242</u>

As of March 31, 2024 and December 31, 2023, the recoverable value of the cash generating units to which the goodwill pertains is in excess of the carrying value of the cash generating units, thus, no impairment has been recognized. There are no events that have occurred and circumstances that have changed since December 31, 2023 which would indicate that an impairment indicator exists as of March 31, 2024.

4. Segment Reporting

For management purposes, the Group is organized into the following segments:

Real Estate

This involves the acquisition of land, planning and development of large-scale, fully integrated residential communities, as well as the development and sale of residential lots, housing units, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, a private membership club and condominium buildings. This also includes corporate-related business operations not classified as leasing activities.

Leasing

This involves the operations of Festival Supermall, Fora Tagaytay, Main Square and Il Corso, including its management and theater operations, and the leasing of commercial and office spaces in Makati City, Muntinlupa City, Pasay City, Bacoor City, Tagaytay City, Cebu City and Clark.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Performance of each segment is evaluated based on their profit and loss or net income.

The chief operating decision-maker of the Group is the Executive Committee. The committee reviews internal reports to assess performance and allocate resources. Based on the reports, it is also able to determine both the operating and non-operating segments. Reporting by geographical segments does not apply as the Group currently operates in the Philippines only.

No operating segments have been aggregated to form the above reportable segments. Transfer prices between segments are based on rates agreed upon by the parties and have terms equivalent to transactions entered with third parties.

For the period ended March 31, 2024 and 2023, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

The information about the financial position and result of operations of these business segments for the period ended March 31, 2024 and 2023 are summarized below.

	March 31, 2024 (Unaudited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of associates:					
External	P3,398,576	P1,759,992	P5,158,568	P-	P5,158,568
Inter-segment	812	-	812	(812)	-
	3,399,388	1,759,922	5,159,380	(812)	5,158,568
Equity in net earnings of associates	45,388	-	45,388	-	45,388
Other income	449,875	253,199	703,074	(508,936)	194,138
	P3,894,651	P 2,013,191	P 5,907,842	(P509,749)	P5,398,094
Net income	P789,257	P 193,106	P 982,363	(P30,509)	P951,854
EBITDA	P1,412,633	P 1,139,546	P2,552,179	(P246,690)	P2,305,489
Segment assets	P 88,609,794	P109,660,521	P 198,270,315	(P2,237,289)	P196,033,026
Less net deferred income tax assets	-	58,930	58,930	-	58,930
Net segment assets	P88,609,794	P109,601,591	P 198,211,385	(P2,237,289)	P195,974,096
Segment liabilities	P48,855,030	P 53,043,573	P 101,898,603	P8,024,979	P109,923,582
Less net deferred income tax liabilities	3,042,630	103,879	3,146,509	17,452	3,163,961
Net segment liabilities	P 45,812,400	P52,939,694	P 98,752,094	P8,007,527	P106,759,621
Cash flows provided by (used in):					
Operating activities	(P1,175,575)	P1,016,640	(P158,935)	P361,993	P203,058
Investing activities	(31,209)	(918,830)	(950,039)	-	(950,039)
Financing activities	(63,485)	227,637	164,152	(309,832)	(145,680)

	December 31, 2023 (Audited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Segment Assets	P110,882,971	P104,057,871	P214,940,842	(P10,464,765)	P204,476,077
Less net deferred tax assets	-	48,483	48,483	-	48,483
Net segment assets	P110,882,971	P104,009,388	P214,892,359	(P10,464,765)	P204,427,594
Segment Liabilities	P63,140,179	P47,438,064	P110,578,243	(P374,035)	P110,204,208
Less net deferred tax liabilities	5,802,647	56,068	5,858,715	(209,562)	5,649,153
Net segment liabilities	P57,337,532	P47,381,996	P104,719,528	(P164,473)	P104,555,055

	March 31, 2023 (Unaudited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of associates:					
External	P2,794,950	P1,718,567	P4,513,517	P-	P4,513,517
Inter-segment	84,247	-	84,247	(84,247)	-
	2,879,196	1,718,567	4,597,763	(84,247)	4,513,517
Equity in net earnings of associates	31,446	-	31,446	-	31,446
Other income	430,782	195,812	626,593	(477,995)	148,598
	P3,341,424	P1,914,379	P5,255,803	(P562,242)	P4,693,561
Net income	P749,479	P403,101	P1,152,580	(P270,948)	P881,632
EBITDA	P1,096,704	P1,172,074	P2,268,778	(P284,374)	P1,984,404
Cash flows provided by (used in):					
Operating activities	P1,017,160	P442,229	P1,459,389	P592,790	P2,052,179
Investing activities	45,426	(1,467,822)	(1,422,396)	-	(1,422,396)
Financing activities	(1,570,511)	(588,659)	(2,159,170)	167,921	(1,991,249)

The following table shows a reconciliation of the earnings before interest and other finance charges, income taxes, depreciation, and amortization (EBITDA) to income before income tax in the consolidated statement of income.

	March 31, 2024	March 31, 2023
	(Unaudited)	(Unaudited)
	(In Thousands)	
EBITDA	P2,305,489	P1,984,404
Depreciation and amortization	(387,452)	(367,078)
Operating profit	1,918,037	1,617,326
Interest and other finance charges	(822,080)	(526,082)
Income before income tax	P1,095,957	P1,091,244

5. Revenue from Contracts with Customers

Disaggregated Revenue Information

The Group's disaggregation of each source of revenue from contracts with customers are presented below:

	March 31, 2024	March 31, 2023
	(Unaudited)	(Unaudited)
	(In Thousands)	
Real estate sales by market segment		
Medium income	P2,419,710	P1,617,026
Low affordable and affordable	406,880	870,755
High-end and others	288,993	231,975
Socialized	282,993	75,194
	3,398,576	2,794,950
Cinema operations by type of goods or services (included as part of rental and related services)		
Theater, snack bar, parking and amusement sales	60,841	49,068
	60,841	49,068
Tenant dues		
Office leasing	266,428	280,215
Mall operations and other leasing operations	96,477	92,997
	362,905	373,212
Total revenue from contracts with customers	3,822,322	3,217,230
Rental and related services		
Office leasing	815,341	880,431
Mall operations	431,796	415,012
Others	89,109	844
	1,336,246	1,296,287
Total Revenue	P5,158,568	P4,513,517

The Group's real estate sales are revenue from contracts with customers which are recognized over time while revenues from theater, snack bar, parking and amusement are recognized at a point in time. Market segments classification of projects in 2023 were updated to conform with the 2024 presentation. Rental and related services – others are revenue from Co-Living, Industrial and Hospitality.

As of March 31, 2024 contract balances are as follows:

	Current	Noncurrent	Total
	(In Thousands)		
Contracts receivable	P1,691,043	P–	P1,691,043
Contract assets	5,062,245	5,169,303	10,231,548
Contract liabilities	797,977	85,697	883,674

As of December 31, 2023 contract balances are as follows:

	Current	Noncurrent	Total
	(In Thousands)		
Contract receivable	P1,837,829	P–	P1,837,829
Contract assets	4,745,827	5,037,942	9,783,769
Contract liabilities	792,402	149,949	942,351

Real estate sales contracts are collectible in equal monthly principal installments in varying periods of two (2) to ten (10) years. Interest rates per annum range from 11.5% to 19.0%. Titles to the residential units sold transferred to customers upon full payment of the contract price.

Contract assets represent the right to consideration for assets already delivered by the Group in excess of the amount recognized as contracts receivable. Contract assets is reclassified to contracts receivable when monthly amortization of customer is due for collection.

Contract liabilities consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the good and services transferred based on percentage of completion. The movement in contract liability arise mainly from revenue recognition of completed performance obligations.

Rental agreements

The Group entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space (b) provisioning of water and electricity and (c) provision of air conditioning and CUSA services (d) administration fee.

Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations is recognized when services are rendered. The tenant is required to settle within 7 to 20 days upon receipt of the bill. In case of delay in payments, a penalty of 3% to 36% per annum is charged for the amount due for the duration of delay. The lease arrangement would typically require a tenant to pay advance rental equivalent to three (3) months and a security deposit equivalent to three (3) months rental to cover any breakages after the rental period, with the excess returned to the tenant.

In line with the rental relief framework implemented by the government to support businesses and the broader economy due to the impact of COVID-19, the Group waived its right to collect rent and other charges as part of lease concessions it granted to lessees. Rent discounts and concessions given vary for merchants that are (1) allowed to operate during community quarantine and operational (2) allowed to operate during community quarantine but not operational (3) not allowed to operate during community quarantine.

6. Cash and Cash Equivalents

This account consists of:

	March 31 2024 (Unaudited)	December 31 2023 (Audited)
	(In Thousands)	
Cash	₱3,610,109	₱4,604,987
Cash equivalents	1,229,238	1,127,021
	₱4,839,347	₱5,732,008

Cash includes cash on hand and in banks. Cash in bank earns interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from dates of placement and are subject to an insignificant risk of change in value.

Interest income earned on the Group's cash and cash equivalents amounted to ₱19.95 million and ₱14.07 million as at March 31, 2024 and 2023, respectively (see Note 22).

There is no restriction on the Group's cash and cash equivalents as at March 31, 2024 and December 31, 2023.

7. Contracts Receivable

This account consists of:

	March 31 2024 (Unaudited)	December 31 2023 (Audited)
	(In Thousands)	
Contracts receivable	₱1,445,878	₱1,582,486
Receivables from government and financial institutions	245,165	255,343
	₱1,691,043	₱1,837,829

Real estate sales contracts are collectible over varying periods within two (2) to ten (10) years. The receivables arising from real estate sales are collateralized by the corresponding real estate properties sold. The Group records any excess of progress work over the right to an amount of consideration that is unconditional (i.e., contracts receivable) as contract assets.

Receivables from government and financial institutions pertain to government and bank-financed real estate sales. Receivables from government and financial institutions are collectible within one year.

Interest income recognized on contracts receivable amounted to ₱39.84 million and ₱53.54 million for the three months ended March 31, 2024 and 2023, respectively (see Note 22). Interest rates per annum on contracts receivable range from 11.5% to 19.0% for these periods.

The Group has a mortgage insurance contract with Philippine Guarantee Corporation (then, Home Guaranty Corporation), a government insurance company for a retail guaranty line. As of March 31, 2024 and December 31, 2023, the contracts (comprise of both contracts receivable and contract assets) covered by the guaranty line amounted to ₱282.91 million and ₱361.45 million, respectively. As of March 31, 2024 and December 31, 2023, the remaining unutilized guaranty line amounted to ₱1.39 billion and ₱1.37 billion, respectively.

As of March 31, 2024 and December 31, 2023, no impairment losses were recognized from contracts receivable.

8. Other Receivables

This account consists of:	March 31 2024 (Unaudited)	December 31 2023 (Audited)
	(In Thousands)	
Receivables from tenants	P2,027,631	P2,038,850
Due from related parties (Notes 12 and 20)	247,909	695,344
Advances to officers and employees	468,696	422,954
Receivables from homeowners' associations	249,200	227,671
Others	140,792	139,383
	3,134,228	3,542,202
Less: Allowance for expected credit losses	59,146	59,146
	P3,075,082	P3,465,056

Receivables from tenants represent charges to tenants for rentals and utilities normally collectible within a year.

Advances to officers and employees represent advances for project costs, marketing activities, travel and other expenses arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.

Receivables from homeowners' associations represent claims from the homeowners' association of the Group's projects for the payment of the expenses on behalf of the association.

Receivables from buyers mainly pertain to advances for fit-out funds and other advances relating to insurance and other chargeable expenses to buyers which are normally collectible within a year.

Others represent advances for selling, marketing, and administrative expenses of international sales offices, arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.

Allowance for expected credit losses represents impairment on receivables from tenants and homeowners' associations (see Annex C).

9. Real Estate Inventories

This account consists of:	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
	(In Thousands)	
Real estate inventories - at cost		
Lots, condominium and residential units for sale	P42,717,207	P45,642,483
Land and land development	20,666,824	26,992,347
	P63,384,031	P72,634,830

A summary of the movement in lots, condominium and residential units for sale is set out below:

	March 31, 2024	December 31, 2023
	(Unaudited)	(Audited)
	(In Thousands)	
Balance at beginning of year	₱45,642,483	₱44,623,160
Land costs transferred from land and land development	-	648,649
Additions thru asset acquisition	-	452,578
Construction/development costs incurred	2,674,000	7,319,735
Capitalized borrowing costs	-	699,846
Reversal of capitalized borrowing costs (Note 2)	(3,866,441)	-
Cost of real estate sales	(1,732,835)	(8,101,485)
	₱42,717,207	₱45,642,483

Capitalization rate for the capitalized borrowing costs is 5.15% for the year ended December 31, 2023 (nil in 2024).

A summary of the movement in land and land development is set out below:

	March 31, 2024	December 31, 2023
	(Unaudited)	(Audited)
	(In Thousands)	
Balance at beginning of year	₱26,992,347	₱26,703,327
Land acquisitions	-	51,111
Land costs transferred to lots, condominium and residential units for sale	-	(648,649)
Reversal of capitalized borrowing costs (Note 2)	(6,467,330)	-
Site development and incidental costs	141,807	886,558
	₱20,666,824	₱26,992,347

As of March 31, 2024 and December 31, 2022, on account additions to land and land development during the period which remain outstanding amounted to ₱4.72 billion and ₱4.40 billion, respectively, and these are recognized as part of "Accounts payable and accrued expense" (see Note 16).

10. Other Current Assets

This account consists of:	March 31, 2024	December 31, 2023
	(Unaudited)	(Audited)
	(In Thousands)	
Input taxes - net	₱3,622,399	₱3,842,624
Creditable withholding taxes	1,842,654	1,231,664
Cost to obtain contract	286,754	367,514
Prepaid expenses	870,084	807,382
Construction materials and supplies	381,645	401,535
Advances to contractors and suppliers	440,016	445,383
Short-term deposits	122,014	96,332
	₱7,565,566	₱7,192,434

11. Investments in Associates

This account consists of:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
(In Thousands)		
At equity:		
Acquisition cost		
Balance at beginning of year	₱1,028,841	₱1,018,841
ProActive Professionals Corp. (ProActive)	-	10,000
Balance at end of year	1,028,841	1,028,841
Accumulated equity in net earnings:		
Balance at beginning of year	1,808,158	1,733,276
Equity in net earnings for the year	45,388	242,007
Dividend declaration	-	(167,125)
Balance at end of year	1,853,546	1,808,158
Share in revaluation increment on land at deemed cost*	2,010,452	2,010,452
Share in other components of equity	372,449	372,449
	₱5,265,288	5,219,900

*Presented as part of retained earnings in the consolidated statement of changes in equity.

As of March 31, 2024 and December 31, 2023, the carrying value of the Group's investments in associates follows:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
(In Thousands)		
FAI	₱4,942,788	₱4,908,516
DPI	94,870	93,119
FMI	81,725	81,629
CTI	53,670	52,190
Pro-excel	48,168	43,406
SharePro	34,067	31,040
ProActive	10,000	10,000
	₱5,265,288	₱5,219,900

12. Leases

Group as lessee

The Group has lease contracts for land. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group has entered into land lease arrangements with lease terms of between 25 and 50 years. There are several leases that include an extension option to lease the assets for additional 25 years based on mutual agreement of the parties.

The rollforward analysis of right-of-use assets follows:

	March 31, 2024 (Unaudited)		
	Investment Properties (Note 13)	Other Noncurrent Assets (Note 15)	Total
	(In Thousands)		
Cost			
At January 1 and December 31	P4,621,647	P91,387	P4,713,034
Additions	–	–	–
As at March 31	4,621,647	91,387	4,713,034
Accumulated Depreciation			
At January 1			
Depreciation (Note 21)	25,159	39	25,198
As at March 31	25,159	39	25,198
Net Book Value	P4,596,488	P91,348	P4,687,836

	December 31, 2023 (Audited)		
	Investment Properties (Note 13)	Other Noncurrent Assets (Note 16)	Total
	(In Thousands)		
Cost			
At January 1 and December 31	P5,376,136	P112,424	P5,488,560
Accumulated Depreciation			
At January 1	607,636	14,142	621,778
Depreciation (Note 21)	146,853	6,895	153,748
As at December 31	754,489	21,037	775,526
Net Book Value	P4,621,647	P91,387	P4,713,034

The following are the amounts recognized in the consolidated statement of income (amounts in thousands):

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
	(In Thousands)	
Amortization expense of right-of-use assets (included in general and administrative expenses)	P25,198	P38,128
Interest expense on lease liabilities (included in interest and other finance charges)	128,121	118,570
	P153,319	P156,698

The rollforward analysis of lease liabilities follows:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
	(In Thousands)	
Beginning balance	P6,719,861	P6,508,490
Interest expense	128,121	583,815
Payments	(84,550)	(372,444)
At end of period	6,763,431	6,719,861
Lease Liabilities - current portion	173,919	175,459
Lease liabilities - net of current portion	P6,589,513	P6,544,402

The Group also has a certain lease of land with variable rental payments and lease of office space considered as “low-value assets”. The Group applies the lease of ‘low-value assets’ recognition exemptions for these leases.

13. Investment Properties

The rollforward analysis of this account are as follows:

	March 31, 2024 (Unaudited)					
	Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Right-of-use assets	Total
	(In Thousands)					
Cost						
Balances at beginning of year	P16,575,680	P32,104,793	P407,782	P35,545,897	P5,376,136	P90,010,288
Additions	10,089	293,964	4,474	545,520	-	854,046
Transfers (Note 14)			-	-	-	
Balances at end of year	16,585,769	32,398,757	412,255	36,091,417	5,376,136	90,864,334
Accumulated Depreciation						
Balances at beginning of year	-	9,199,751	396,712	-	754,489	10,350,952
Depreciation (Note 21)	-	138,515	4,759	-	25,159	168,433
Balances at end of year	-	9,338,266	401,471	-	779,648	10,519,385
Net Book Value	P16,585,769	P23,060,491	P10,784	P36,091,417	P4,596,488	P80,344,949
	December 31, 2023 (Audited)					
	Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Right-of-use assets	Total
	(In Thousands)					
Cost						
Balances at beginning of year	P16,533,276	P29,538,271	P382,015	P34,327,269	P5,376,136	P86,156,967
Additions	42,404	2,566,522	25,767	1,218,628	-	3,853,321
Balances at end of year	16,575,680	32,104,793	407,782	35,545,897	5,376,136	90,010,288
Accumulated Depreciation						
Balances at beginning of year	-	8,150,458	377,477	-	607,636	9,135,571
Depreciation (Note 21)	-	1,049,293	19,235	-	146,853	1,215,381
Balances at end of year	-	9,199,751	396,712	-	754,489	10,350,952
Net Book Value	P16,575,680	P22,905,042	P11,070	P35,545,897	P4,621,647	P79,659,336

Borrowing costs capitalized as part of investment properties amounted to P393.88 million and P944.83 million as of March 31, 2024 and December 31, 2023, respectively. Capitalization rate used is 4.18% to 7.15% for the three months ended March 31, 2024 and 4.33% to 6.68% for the year ended December 31, 2023.

The aggregate fair value of the Group's investment properties amounted to P214.26 billion as of March 31, 2024 and December 31, 2023, respectively based on third party appraisals performed by an SEC accredited independent appraiser and management appraisal updated using current and period-end values and assumptions. The fair value of investment properties was determined using the Income Approach based on discounted cash flow analysis for completed buildings, Residual Approach for buildings under construction and Market Approach for land.

Under the Income Approach, all expected cash flow from the use of the assets were projected and discounted using the appropriate discount rate reflective of the market expectations. The Residual Approach is based on the Income Approach after consideration of the estimated cost to complete. The valuation of investment property is categorized as Level 3 in the fair value hierarchy since valuation is based on unobservable inputs. The significant unobservable inputs used in the valuation pertains to lease income growth rate and discount rate.

Market data approach provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. This approach was used for the land as it is commonly used in the property market since inputs and data for this approach are available. For market data approach, the higher the rise per sqm., the higher the fair value. The significant unobservable inputs to valuation of the land is the price per square meter ranging from P35,000 to P275,000.

The Group has contractual commitments and obligations for the construction and development costs to be incurred for investment properties and property and equipment items aggregating P2,745.8 million and P3,894.66 million as of March 31, 2024 and December 31, 2023, respectively. These will be recognized as liabilities in the Group's consolidated financial statements when the related services are received.

14. Property & Equipment

The rollforward analysis of this account are as follows:

	March 31, 2024 (Unaudited)						
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
	(In Thousands)						
Cost							
Balances at beginning of year	P3,699,958	P3,340,297	P223,602	P190,607	P322,297	P277,210	P8,053,971
Additions	16,454	211,714	18,003	249,346	36,192	5,773	537,482
Transfer and Disposal	-	-	-	-	-	-	-
Balances at end of year	3,716,412	3,552,011	241,605	439,953	358,489	282,983	8,591,453
Accumulated Depreciation and Amortization							
Balances at beginning of year	797,291	1,106,310	170,430	149,062	157,866	-	2,380,959
Depreciation and amortization	24,183	95,227	10,348	18,967	37,946	-	186,671
Transfers and Disposal	-	-	-	-	-	-	-
Balances at end of year	821,474	1,201,537	180,778	168,029	195,812	-	2,567,630
Net Book Value	P2,894,938	P2,350,474	P60,827	P271,924	P162,677	P282,983	P6,023,823

	December 31, 2023 (Audited)						
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
	(In Thousands)						
Cost							
Balances at beginning of year	P3,613,237	P3,166,765	P185,075	P166,739	P213,023	P220,898	P7,565,737
Additions	86,721	173,532	38,527	23,868	109,274	56,312	488,234
Balances at end of year	3,699,958	3,340,297	223,602	190,607	322,297	277,210	8,053,971
Accumulated Depreciation and Amortization							
Balances at beginning of year	699,238	966,089	155,299	123,207	136,625	-	2,080,458
Depreciation and amortization (Note 21)	98,053	140,221	15,131	25,855	21,241	-	300,501
Balances at end of year	797,291	1,106,310	170,430	149,062	157,866	-	2,380,959
Net Book Value	P2,902,667	P2,233,987	P53,172	P41,545	P164,431	P277,210	P5,673,012

As of March 31, 2024 and December 31, 2023, on account additions to property and equipment which remain outstanding amounted to P526.86 million and P98.03 million, respectively, and these are recognized as part of “Accounts payable and accrued expenses” (see Note 16).

15. Other Noncurrent Assets

This account consists of:

	March 31 2024 (Unaudited)	December 31 2023 (Audited)
	(In Thousands)	
BTO rights	P6,914,913	P6,863,079
Advances to contractors and suppliers	1,561,711	1,249,226
Advances to joint venture partners	304,627	311,157
Input taxes - net of current portion	230,170	230,170
Creditable withholding taxes - net of current portion	178,626	178,626
Investment in bonds	150,000	150,000
Right-of-Use	112,424	112,424
Deposits	72,649	72,057
Financial assets at FVTOCI	15,535	15,535
Other assets	65,813	67,809
	9,606,467	8,485,036
Less accumulated amortization	620,290	587,906
	P8,986,177	P8,662,178

BTO rights pertain to the cost related to the Build, Transfer and Operate agreement with The Province of Cebu (Cebu Province) entered on March 26, 2012. The BTO project relates to the development, construction, and operation of the Business Process Outsourcing (BPO) Complex by the Group at the land properties owned by Cebu Province located at Salinas, Lahug, Cebu City.

The rollforward analysis of BTO rights is as follows:

	March 31, 2024 (Unaudited)		
	BTO Rights	Right-of-Use Assets	Total
	(In Thousands)		
Cost			
Balance at beginning of year	P6,863,079	P112,424	6,975,503
Additions	51,834	–	51,834
Balance at end of year	6,914,913	112,424	7,027,337
Accumulated Amortization			
Balance at beginning of year	566,868	21,037	587,905
Depreciation	32,346	39	32,385
Balance at end of year	599,214	21,076	620,290
Net Book Value	P6,315,699	P91,348	P6,407,047

	December 31, 2023 (Audited)		
	BTO Rights	Right-of-Use	Total
		Assets	
(In Thousands)			
Cost			
Balance at beginning of year	P5,997,831	P112,424	P6,110,255
Additions	865,248	–	865,248
Balance at end of year	6,863,079	112,424	6,975,503
Accumulated Amortization			
Balance at beginning of year	496,263	14,142	510,405
Depreciation	70,605	6,895	77,500
Balance at end of year	566,868	21,037	587,905
Net Book Value	P6,296,211	P91,387	P6,387,598

For the three months period ended March 31, 2024 and 2023, and for the period ended December 31, 2023, related amortization recognized as part of “Cost of rental and related services” amounted to P32.39 million, P30.42 million and P70.61 million, respectively. Rent income amounting to P128.09 million and P145.08 million for the three months period ended March 31, 2024 and 2023, respectively, was recognized as part of “Revenue from rental and related services”.

16. Accounts Payable and Accrued Expenses

This account consists of:

	March 31, 2024 (Unaudited)			December 31, 2023 (Audited)		
	Current	Noncurrent	Total	Current	Noncurrent	Total
(In Thousands)						
Accounts payable	P4,812,981	P7,002,468	P11,815,448	P5,579,664	P5,017,658	P10,597,322
Deposits and advance rent from tenants	1,638,943	1,717,483	3,356,426	1,630,033	1,645,028	3,275,061
Retention fees payable	1,708,378	199,201	1,907,579	2,082,442	499,537	2,581,979
Accrued expenses	1,840,756	–	1,840,756	1,712,947	–	1,712,947
Deposits for registration	221,513	1,600,137	1,821,650	217,825	1,573,499	1,791,324
Accrued interest on bonds and loans	713,387	–	713,387	674,345	–	674,345
Other payables	851,875	209,189	1,061,064	653,909	202,281	856,190
	P11,787,833	P10,728,477	P22,516,311	P12,551,165	P8,938,033	P21,489,168

Accrued expenses account consists of:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
(In thousands)		
Suppliers and contractors	P1,811,509	P1,658,604
Utilities	4,556	4,355
Payroll	4,273	12,917
Professional fees	928	35,975
Other accruals	19,490	1,096
	P1,840,756	P1,712,947

17. Loans Payable

This account consists of:

	March 31, 2024	December 31, 2023
	(Unaudited)	(Audited)
	(In Thousands)	
Developmental loans from local banks	₱38,467,245	₱37,085,048
Less unamortized transaction costs	107,175	97,121
	38,360,070	36,987,927
Less current portion of loans payable	25,518,357	16,480,438
Long-term portion of loans payable	₱12,841,713	₱20,507,489

Developmental loans from local banks have floating or fixed interest rates at different terms and repayment periods. Additional bank loans availed by the Group in 2024 amounted to ₱3.18 billion, net of debt issuance cost amounting to ₱10.05 million. Principal payments made in 2024 amounted to ₱1.82 billion.

As of March 31, 2024, short-term loans payable, presented under current portion of loans payable amounted to ₱25.57 billion.

Interest incurred on these loans (gross of related capitalized borrowing costs) amounted to ₱1.07 billion and ₱504.83 million for the three months ended March 31, 2024 and 2023, respectively.

Amortization of transaction costs amounted to ₱16.13 million and ₱16.06 million for the three months ended March 31, 2024 and 2023, respectively, and included under “Interest and other financing charges” (see Note 22). The Group’s loans payable is unsecured and no assets are held as collateral for these debts. The agreements covering the abovementioned bank loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.0x and minimum interest coverage ratio of 1.0x.

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock if it would materially and adversely affect the Group’s ability to perform its obligations; sale or transfer and disposal of all or a substantial part of its capital assets other than in the ordinary course of business; restrictions on use of funds other than the purpose it was approved for; and entering into any partnership, merger, consolidation or reorganization except in the ordinary course of business and except when the Group maintains controlling interest.

As of March 31, 2024 and December 31, 2023, the Group complied with these contractual agreements and has not been cited in default on its outstanding loan obligations.

18. Bonds Payable

This account consists of:

	March 31 2024	December 31 2023
	(Unaudited)	(Audited)
	(In Thousands)	
Bonds payable	₱37,795,400	₱37,795,395
Less unamortized transaction costs	305,579	326,883
	37,489,821	37,468,512
Less current portion of bonds payable	1,697,411	1,697,245
Long-term portion of bonds payable	₱35,792,410	₱35,771,167

The Group's bonds payable is unsecured, and no assets are held as collateral for these debts. These bonds require the Group to maintain certain financial ratios which include maximum debt-to-equity ratio ranging from 2.0x to 2.5x; minimum current ratio ranging from 1.0x to 2.0x; and minimum debt service coverage ratio (DSCR) of 1.0x. On January 09, 2023, FILRT completed the payment of its five and a half (5.5) years fixed rate retail bonds in the aggregate amount of P6.0 billion. As of March 31, 2024 and December 31, 2023, the Group is not in breach of these covenants and has not been cited in default on any of its outstanding obligations.

19. Equity

The details of the Parent Company's common and preferred shares as of March 31, 2024 and December 31, 2023 follow:

	Common	Preferred
	(In Thousands, Except Par Value figures)	
Authorized shares	P33,000,000	P8,000,000
Par value per share	1	0.01
Issued and outstanding shares	24,470,708	8,000,000
Treasury shares	220,949	-

There was no issuance of additional common shares for the three months period ended March 31, 2024.

Retained Earnings

Retained earnings include undistributed earnings amounting to P6.67 billion and P6.62 billion as of March 31, 2024 and December 31, 2023, respectively, representing accumulated equity in net earnings of subsidiaries and associates, which are not available for dividend declaration until declared as dividends by the subsidiaries and associates.

Retained earnings are further restricted for the payment of dividends to the extent of the cost of the shares held in treasury and deferred tax asset recognized in profit or loss as of March 31, 2024 and December 31, 2023.

As at March 31, 2024, the amount of retained earnings appropriated for business expansions for construction of residential, leasing and mixed-use projects amounted to P5.0 billion. The appropriation will be fully utilized to cover part of the capital expenditure requirements of the Company which are expected to be completed in 2024.

Dividend Declarations

On April 19, 2024, the BOD of FLI approved the declaration and payment of cash dividends of P0.05 per share or a total of P1.22 billion for all common stockholders and P0.0005 per share or a total of P4.00 million for all preferred stockholders of record as of May 13, 2024 payable on June 05, 2024.

On April 19, 2024, the BOD of FLI approved the declaration and payment of cash dividends of P0.0005 per share or a total of P4.00 million for all preferred stockholders of record as of May 13, 2024 payable on June 05, 2024.

On April 24, 2023, the BOD of FLI approved the declaration and payment of cash dividends of P0.03600 per share or a total of P872.99 million for all common stockholders of record as of May 12, 2023 payable on June 06, 2023.

On April 24, 2023, the BOD of FLI approved the declaration and payment of cash dividends of P0.00036 per share or a total of P2.88 million for all preferred stockholders of record as of May 12, 2023 payable on June 06, 2023.

On April 22, 2022, the BOD of FLI approved the declaration and payment of cash dividends of P0.04700 per share or a total of P1.14 billion for all common stockholders of record as of May 11, 2022 payable on June 02, 2022. The Group has remaining unpaid cash dividend amounting to P21.09 million as of December 31, 2022.

On April 22, 2022, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.0004 per share or a total of ₱3.2 million for all preferred stockholders of record as of May 11, 2022 payable on June 02, 2022. The Group has remaining unpaid cash dividend amounting to ₱0.32 million as of December 31, 2022.

Capital Management

The Group monitors its capital and cash positions and manages its expenditures and disbursements. Furthermore, the Group may also, from time to time seek other sources of funding, which may include debt or equity issues depending on its financing needs and market conditions.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value and ensure compliance with debt covenants. No changes were made in capital management objectives, policies or processes for the periods ended March 31, 2024 and December 31, 2023.

The Group monitors capital using debt-to-equity ratio, which is the interest-bearing debt (loans payable and bonds payable) divided by total equity. The Group's policy is to keep the debt-to-equity ratio not to exceed 2:1. The following table shows how the Group computes for its debt-to-equity ratio:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
	(In Thousands)	
Loans Payable (Note 17)	₱38,360,070	₱36,987,927
Bonds Payable (Note 18)	37,489,821	37,468,512
	75,849,891	74,456,439
Total Equity	86,109,447	94,271,869
Debt-to-equity ratio	0.88 : 1.00	0.79 : 1.00

20. General and Administrative Expenses

The account consists of:	March 31 2024 (Unaudited)	March 31 2023 (Unaudited)
	(In Thousands)	
Salaries, wages and employee benefits	₱206,781	₱161,800
Taxes and licenses	104,474	82,135
Repairs and maintenance	83,923	86,430
Outside services	79,202	55,253
Depreciation and amortization	23,688	19,870
Transportation and travel	19,216	15,860
Entertainment, amusement and recreation	17,667	15,601
Communications, light and water	12,435	10,914
Dues and subscriptions	11,866	7,573
Insurance	10,507	10,936
Electronic data processing charges	10,385	7,698
Retirement costs	9,358	8,301
Human resource relations	6,925	3,656
Office supplies	4,935	4,985
Rent	4,498	5,110
Postage and freight charges	2,435	2,162
Others	9,105	535
	₱617,400	₱498,819

“Others” mainly consists of other miscellaneous expenses. Accounts classifications was updated to conform with the 2023 presentation.

21. Selling and Marketing Expenses

The account consists of:

	March 31, 2024	March 31, 2023
	(Unaudited)	(Unaudited)
	(In Thousands)	
Brokers' commissions	₱113,398	₱115,257
Selling, advertising and promotions	56,642	49,940
Service fees	53,974	39,461
Salaries and wages	27,125	13,265
Sales office direct costs	16,393	8,448
Others	1,053	722
	₱268,585	₱227,093

22. Interest and Other Finance Charges

The following table shows the component of interest income, interest expense and other financing charges recognized in the consolidated statements of income:

	March 31, 2024	March 31, 2023
	(Unaudited)	(Unaudited)
	(In Thousands)	
Interest income on:		
Contracts receivable	₱39,837	₱53,541
Cash and cash equivalents	19,946	14,074
Others	5,807	2,386
	₱65,590	₱70,001
Interest and other finance charges:		
Loans and bonds payable, net of interest capitalized	₱678,002	₱403,096
Lease liabilities, net of interest capitalized	127,941	105,672
Amortization of transaction costs of loans and bonds	15,309	16,197
Other finance charges	827	1,117
	₱822,080	₱526,082

23. Income Tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

	March 31, 2024	March 31, 2023
	(Unaudited)	(Unaudited)
	(In Thousands)	
Current	₱43,092	₱60,573
Deferred	101,012	149,039
	₱144,104	₱209,612

24. Financial Risk Exposures

The Group's principal financial instruments are composed of cash and cash equivalents, contracts, and other receivables, due from related parties, financial assets at FVTOCI, accounts payable and accrued expenses, due to related parties and long-term debt (loans payable and bonds payable). The main purpose of these financial instruments is to raise financing for the Group's operations.

The main objectives of the Group's financial risk management are as follows:

- To identify and monitor such risks on an ongoing basis.
- To minimize and mitigate such risks; and,
- To provide a degree of certainty about costs.

The Group's finance and treasury functions operate as a centralized service for managing financial risks and activities, as well as providing optimum investment yield and cost-efficient funding for the Group. The Group's BOD reviews and approves the policies for managing each of these risks. The policies are not intended to eliminate risk but to manage it in such a way that opportunities to create value for the stakeholders are achieved. The Group's risk management takes place in the context of the normal business processes such as strategic planning, business planning, operational and support processes.

The main risks arising from the Group's financial instruments are liquidity risk, credit risk and interest rate risk. The Group also monitors the foreign currency risk arising from all financial instruments.

Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. To cover its financing requirements, the Group uses a combination of internally generated funds and available long-term and short-term credit facilities.

As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

Under the current financial scenario, it is cheaper for the Group to finance its projects by drawing on its bank lines, tapping the local bond market and/or by rediscounting part of its receivables, to complement the Group's internal cash generation.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily for its contract receivables and other receivables.

Credit risk is managed since the titles of the properties sold are retained by the Group until installment receivables are fully collected and the fair values of these properties held as collateral are sufficient to cover the carrying values of the installment contract receivable.

It is the Group's policy that buyers who wish to avail the in-house financing scheme be subjected to credit verification procedures. Receivable balances are being monitored on a regular basis and subjected to appropriate actions to manage credit risk. Moreover, the Group has a mortgage insurance contract with Home Guaranty Corporation for a retail guaranty line.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and financial assets at FVTOCI, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Set out below is the information about the credit risk exposure on the Group's contract receivables and contract assets using a provision matrix:

March 31, 2024 (Unaudited)						
	Total	Socialized	Low Affordable	Affordable	Middle Income	High- end
(In Thousands)						
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	P11,925,015	P815,594	P1,082,518	P6,284,200	P3,610,147	P96,555

December 31, 2023 (Audited)						
	Total	Socialized	Low Affordable	Affordable	Middle Income	High-end
(In Thousands)						
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	P11,621,598	P520,811	P1,695,400	P3,894,430	P4,520,571	P990,386

The Group has outstanding purchase agreements with financial institutions whereby the Group sold its contracts receivable with a provision that the Group should buy back these receivables in case these become overdue for two to three consecutive months or when the contract to sell has been cancelled.

Based on the Group's experience, the said assets are highly collectible or collectible on demand. The Group holds as collaterals the corresponding properties which the third parties had bought on credit. In few cases of buyer defaults, the Group can repossess the collateralized properties and resell them at the prevailing market price.

All financial assets are of high-grade credit quality. Based on the Group's experience, these assets are highly collectible or collectible on demand. The Group holds as collaterals for its installment contract receivables the corresponding properties, which the third parties purchased in installments.

As at March 31, 2024 and December 31, 2023, the analysis of contracts receivable that were past due but not impaired is as follows:

	Past due but not impaired					Total
	Less than 30 days	30 to 60 days	61 days to 90 days	91 days to 120 days	Over 120 days	
(In Thousands)						
March 31, 2024	P623,981	P266,761	P143,854	P76,284	P337,420	P1,448,300
December 31, 2023	P384,811	P171,577	P250,029	P160,180	P669,888	P1,582,485

Interest Rate Risk

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's loans from various financial institutions which carry floating interest rates. To manage interest rate risk, the Group renegotiates the interest rates for certain long-term debts to convert them from fixed-rate debt to floating-rate debt as the Group believes that the current interest rate environment makes it more favorable to carry floating-rate debt.

Of the total ₱75.85 billion loans outstanding as of March 31, 2024, ₱ 9.94 billion are on floating rate basis. The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, or the Group's annualized profit before tax through the impact on floating rate borrowings.

	Increase (decrease) in basis points	Effect on annualized income before income tax (In Thousands)
March 31, 2024	+200	₱198,870
	-200	(198,870)

Financial Instruments

The Company's principal financial instruments are composed of cash and cash equivalents, contract receivables, other receivables and long-term debt. The Company does not have any complex financial instruments like derivatives.

Comparative Fair Values of Principal Financial Instrument (In Thousands of Pesos)

	March 31, 2024 (Unaudited)		December 31, 2023 (Audited)	
	Carrying Values	Fair Values	Carrying Values	Fair Values
	(In Thousands)			
Cash and cash equivalents	P4,839,347	P4,839,347	₱5,732,008	₱5,732,008
Contracts receivables	1,691,043	1,691,043	1,837,829	1,837,829
Other receivables	3,075,082	3,075,082	3,465,056	3,465,056
Accounts payable and other accrued expenses	22,516,311	21,320,797	21,489,168	19,266,559
Long-term debt	75,849,891	71,887,569	74,456,439	72,600,273

Due to the short-term nature of cash and cash equivalents, contracts receivables, other receivables and due to related parties, the fair value approximates the carrying amounts.

The Group categorizes the accounts payable and accrued expenses and long-term debt under Level 3.

Accounts payable and accrued expenses: On accounts due within one year, the fair value of accounts payable and accrued expenses approximates the carrying amounts. On accounts due for more than a year, estimated fair value is based on the discounted value of future cash flows using the prevailing interest rates on loans and similar types of payables as of the reporting date. Interest rates used was 6.33% as of March 31, 2024 and 6.18% in December 31, 2023.

Long-term debt (lease liabilities, loans payable and bonds payable): The estimated fair value of long-term debts with fixed interest and not subjected to quarterly re-pricing is based on the discounted value of future cash flows using the applicable risk-free rates for similar type of loans adjusted for credit risk. Long-term debt subjected to quarterly re-pricing is not discounted since its carrying value approximates fair value. The discount rates used range from 4.18% to 7.25% and 4.46% to 7.20% as of March 31, 2024 and December 31, 2023, respectively.

Investment in foreign securities

The Group does not have any investment in foreign securities.

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements for the three months ended March 31, 2024 and the year ended December 31, 2023.

25. EPS Computation

Basic/diluted EPS is computed as follows:

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
	(In Thousands, Except per Share Data)	
Net income attributable to equity holders of the parent* (a)	P844,815	P740,906
Common shares issued	24,470,709	24,470,709
Less weighted average number of treasury stock	220,949	220,949
Weighted average number of common shares outstanding (b)	24,249,760	24,249,760
Earnings Per Share (a/b)	P0.03	P0.03

There were no potential dilutive shares for the three months ended March 31, 2024 and 2023.

26. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control of the Group's ultimate parent company (referred herein as "Affiliates"). Related parties may be individuals or corporate entities.

All material Related Party Transactions ("RPT") with a transaction value that reaches ten percent (10%) of the Group's total consolidated assets shall be subject to the review by the RPT Committee.

Transactions that were entered into with an unrelated party that subsequently becomes a related party shall be excluded from the limits and approval of the Policy on Related Party Transactions ("Policy"). However, any renewal, change in the terms and conditions or increase in exposure level, related to these transactions after a non-related party becomes a related party, shall subject it to the provisions of the Policy.

In the event wherein there are changes in the RPT classification from non-material to material, the material RPT shall be subject to the provisions of the Policy.

Outstanding balances at year-end are unsecured, interest free and require settlement in cash, unless otherwise stated. The transactions are made at terms and prices agreed upon by the parties. As of March 31, 2024 and December 31, 2023, the Group has not made any provision for impairment loss relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Composition of amounts due/to from related parties follow:

	March 31, 2024	December 31, 2023
	<u>(In Thousands)</u>	
Due from related parties:		
Ultimate parent (b)	P762	P598
Parent (c)	3,127	3,123
Associates (d, h)	95,713	511,724
Other affiliates (e, g)	148,307	179,899
	P247,909	P695,344
Due to related parties:		
Parent (c)	(P29,874)	(P383,191)
Associates (d, h)	(161,198)	(57,556)
Other affiliates (e, g)	(51,259)	(47,739)
	(P242,331)	(P488,486)

The level of volume of transactions and terms and conditions of the transactions are generally consistent as in prior year unless otherwise stated.

a. Transactions with bank under common control of the ultimate parent (EW)

On January 3, 2012, the Group entered into a Receivable Purchase Agreement with East West Banking Corporation (EW), an entity under common control of the ultimate parent. The Group agreed to sell, assign, transfer and convey to EW all of its rights, titles and interest on certain contracts receivables. The contracts receivables sold to EW will be serviced by the Group under an Accounts Servicing Agreement.

Under this agreement, the Group shall be responsible for the monitoring and collection of contracts receivables sold to EW, including safekeeping of the collections in trust until these are remitted to EW, 10 days after the beginning of each month.

For the performance of the said services, the Group charges EW a service fee equivalent to a certain percentage of the amounts actually received and collected. Although the Group retains the contractual rights to receive cash flows from the contract receivables sold to EW, the same will be subsequently distributed to EW under a “pass-through arrangement”.

In this transaction, the risk of default and non-payment of buyers of contracts receivable is assumed by EW and the Group has no liability to EW for such events. Due to this, the Group derecognized the contracts receivables sold and did not recognize any liability in its consolidated financial statements. There was no sale of contracts receivable for the three months ended March 31, 2024 and year ended December 31, 2023

The Group’s plan assets in the form of cash equivalents amounting to P96.60 million as of March 31, 2024 and as of December 31, 2023 are maintained with EW. The Group also maintains cash and cash equivalents with EW.

b. Transactions with Ultimate Parent (ALG)

Transactions with the Group’s ultimate parent company relates to sharing of common expenses.

c. Transactions with Parent Company (FDC)

The Parent Company charged FDC certain common expenses paid by the Parent Company on its behalf.

On December 12, 2022, FILRT entered into a Deed of Sale for the purchase of three (3) parcels of land with a total area of 29,086 sq.m. owned by FDC, located in Boracay, Aklan. The parties agreed to a total purchase price of P1,047.1 million, P314.1 million, representing 30% of purchase price, payable upon signing of the agreement and the remaining 70% amounting to P732.9 million payable in equal quarterly installment up to December 2024. The land and related liability were carried at present value of future cash flow amounting to P1,021.8 million and P683.3 million, respectively.

In 2009, Promax was appointed by FDC as the marketing agent to act for and on behalf of FDC in promoting the marketing and sale of the Beaufort project. Accordingly, FDC pays Promax a marketing fee equivalent to a certain percentage of the net selling price.

d. *Transactions with Associates*

FAI

Transactions with FAI include noninterest-bearing cash advances and various charges for rent, management fees, marketing fees, share of expenses and commission charges.

On December 28, 2022, FAI entered into a Deed of Absolute Sale of Shares to sell portion of its interest in Pro-excel to FLI for a total consideration of ₱10.97 million. The resulting ownership interest of FLI in Pro-excel after the transfer is 47.5%.

Pro-excel

Transactions from Pro-Excel relates to sharing of common expenses and management fee for managing the buildings of FLI.

DPI

Transactions from DreamBuilders Pro, Inc. relates to sharing of common expenses and noninterest-bearing cash advances

FMI

Transactions with Filinvest Mimosa Inc. relates to sharing of common expenses.

CTI

Transactions with Corporate Technologies, Inc. relates to sharing of common expenses and service fee for information and technology services.

SPI

Transactions with Sharepro, Inc. relates to sharing of common expenses and service fee for technical and project management.

In 2022 and 2021, certain employees of FLI were transferred to SPI, an associate. The related retirement benefits of these employees were also transferred with a corresponding payable to SPI under "Other payables" (see Note 16). As of March 31, 2024 and December 31, 2023, the outstanding balance of the transferred retirement benefits amounted to ₱144.11 million.

Pro-excel and DPI rents its office space from FLI while SPI rents its office space from FILRT. Revenue earned is recorded as part of Rental Revenues in the Statements of Comprehensive Income in 2024 and 2023. Outstanding receivables are recorded as part of Other Receivables in the Statements of Financial Position as of March 31, 2024 and December 31, 2023.

e. *Transactions with Affiliates*

Transactions with affiliate relates to sharing of common expenses paid by the Parent Company on their behalf.

FILRT entered into a service agreement with FDC Retail Electricity Sales whereby FILRT shall engage and pay the services rendered by the latter to provide the electricity requirements of its facilities.

FILRT also entered into a service agreement with Professional Operations Maintenance Experts Incorporated. whereby FILRT shall engage and pay the services rendered by the latter to operate and maintain its equipment and premises.

FILRT also entered into a service agreement with its affiliate, Parking Pro, Inc., to operate and maintain the its parking facilities.

- f. The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱38.68 million for the three months ended March 31, 2024. Post-employment benefits of key management personnel is nil for the three months ended March 31, 2024.

g. *Leases with related parties - Group as lessor*

Chroma Hospitality, Inc. leases its office from FILRT. The lease term is 10 years, renewable by another 5 years upon mutual agreement by the parties.

h. Leases with related parties - Group as lessee

The Group has several land lease transactions with related parties:

1. Mall lease with FAI

The Parent Company, as lessee, entered into a lease agreement with FAI on a portion of the land area occupied by the Festival Supermall and its Expansion. The lease term will expire on September 30, 2056.

2. Land lease with FAI

The Parent Company, as lessee, entered into a lease agreement with FAI for a portion of land area occupied by a third party lessee. The lease term will expire on December 31, 2034.

3. FCMI lease with FMI

FCMI, a wholly owned subsidiary of the Parent Company, subleases the Mimosa Leisure Estate from FMI, an associate of the Parent Company. The original lessor is Clark Development Corporation. The lease term is 50 years, renewable by another 25 years upon mutual agreement by parties.

4. PDDC lease with FAI

PDDC, a 60% owned subsidiary of the Parent Company, leases Block 50 Lot 3-B-2, Northgate District from FAI. The lease term is twenty (20) years from the date on which the Chilled Water production plants starts supplying chilled water.

As of March 31, 2024 and December 31, 2023, the amount included in lease liability payable to related parties is ₱5,904.8 million and ₱5,952.3 million, respectively (see Note 12).

27. Events after the Reporting Date

None

28. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Group's interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities. However, uncertainty about these assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group also included, as one of its main considerations, the impact of the continuing impact of COVID-19 pandemic in making significant judgments and assumptions.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Judgments, key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are consistent with those applied in the most recent annual audited consolidated financial statements.

Item 2. Management’s Discussion and Analyses of Financial Condition and Results of Operations

Results of operations for the three months ended March 31, 2024 compared to three months ended March 31, 2023

For the quarter ended March 31, 2024, FLI’s consolidated net income increased by ₱70.22 million or 7.97%, from ₱881.63 million to ₱951.85 million, coming mainly from the growth in the residential segment.

Revenues and other income

Total consolidated revenues and other income increased by ₱704.53 million or 15.01% year-on-year from ₱4,693.56 million in 2023 to ₱5,398.09 million in 2024 which was driven by the growth in residential and retail leasing segment’s topline.

Real estate sales grew by ₱603.63 million or by 21.60% compared to prior year, from ₱2,794.95 million in 2023 to ₱3,398.58 million in 2024 mainly resulting from higher construction percentage of completion achieved during the period. Real estate sales booked during the year broken down by product type are as follows: Medium Income 70.0% (inclusive of MRB and HRB); Affordable and low affordable 12.0%; High-End and Others 9.7%; Socialized 8.3%.

Rental and related services increased by ₱41.43 million or by 2.41% vs. last year, from ₱1,718.57 million in 2023 to ₱1,759.99 million in 2024. Retail leasing, rose by ₱53.1million or 9.91% which was mainly due to higher occupancy level of 68% in 2024 from 65% in 2023, rental escalation rates, and the removal of rental concessions. Office leasing, on the other hand, decreased by ₱66.9 million or by 5.82%, which is attributable to lower occupancy level of 64% in 2024 from 67% in 2023 resulting from tenants’ shift from work-on-site to hybrid or flexible work-from-home arrangements and increasing competition. Co-living (dormitel segment) contributed ₱50.00 million in revenue coming from the operations of The Crib Clark as of March 31, 2024 which is nil as of March 31, 2023.

Equity in net earnings of associates increased by ₱13.94 million or by 44.34% year-on-year from ₱31.45 million in 2023 to ₱45.39 million in 2024 mainly due to improved operations reported by FAI, DPI and Pro-Excel.

Interest income decreased by ₱4.41 million or by 6.30% compared to prior year, from ₱70.00 million in 2023 to ₱65.59 million in 2024 due to lower interest income derived from installment contract receivables for in-house financing scheme as more buyers continuously opt to secure direct financing from banks to settle their accounts.

Other income increased by ₱49.95 million or by 63.55% vs. last year from ₱78.60 million in 2023 to ₱128.55 million in 2024 due to higher income generated from miscellaneous services.

Costs and Expenses

Cost of real estate sales increased by ₱137.42 million or by 8.61%, year-on-year from ₱1,595.42 million in 2023 to ₱1,732.84 million in 2024 due to higher real estate revenues realized for the period.

Cost of rental services increased by ₱106.33 million or by 14.09% compared to prior year, from ₱754.91 million in 2023 to ₱861.24 million in 2024 due mainly to higher direct operating expenses as a result of increased level of operations in the retail segment.

Selling & marketing expenses increased by ₱41.49 million or by 18.27% year-on-year from ₱227.09 million in 2023 to ₱268.59 million in 2024 due to increase in commission, manpower overhead costs directly related to various sales generation efforts and service fees paid to third party.

General and administrative expenses increased by ₱118.58 million or by 23.77% vs. last year from ₱498.82 million in 2023 to ₱617.40 million in 2024 primarily due to higher manpower costs, taxes and licenses, transportation, professional fees, security & janitorial, and dues & subscription expenses related to the additional Infrastructure Rehabilitation Fund for the managed projects.

Interest and other finance charges

Interest and other finance charges increased by ₱296.00 million or by 56.26% compared to prior year from ₱526.08 million in 2023 to ₱822.08 million in 2024 primarily due to higher borrowing costs and interest on lease liabilities.

Provision for Income Tax

Total provision for income tax decreased by ₱65.51 million or 31.25% vs. last year from ₱209.61 million in 2023 to ₱144.10 million in 2024 due to the increase in FILRT's net income contribution this year.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Financial Condition as of March 31, 2024 compared to as of December 31, 2023

As of March 31, 2024, FLI's total consolidated assets stood at ₱196.03 billion from ₱204.48 billion as of December 31, 2023, a decrease by ₱8.44 billion or 4.13%. Following are the material changes in account balances:

15.57% Decrease in Cash and Cash Equivalents

Primarily due to additions to investment properties and BTO rights, tempered by increased net cash provided by operating activities on account of increased collections.

2.59% Overall Increase in Contract Receivables and Contract Assets

7.99% decrease in contract receivables; 4.58% increase in contract assets (6.67% increase in contract assets – current portion; 2.61% increase in contract assets – net of current portion)

Mainly due to higher sales offset by collections, including receipt of bank takeouts, which resulted to the increase in contract assets.

11.25% Decrease in Other Receivables

Mainly due to collection from related parties.

12.74% Decrease in Real Estate Inventories

Primarily because of the adoption of PFRS 15.

7.09% Overall Increase in Other Assets

5.19% Increase in Other Current Assets; 12.87% Increase in Other Noncurrent Assets

Largely due to increase in input taxes, creditable withholding taxes and prepaid real property taxes. The increase in other noncurrent assets pertains to increase in advances to contractors and suppliers.

6.18% Increase in Property and Equipment

Increase is due to additions made for the period, net of depreciation during the period.

21.55% Increase in Deferred Income Tax Assets

Mainly due to increased advance rentals.

4.78% Overall Increase in Accounts Payable and Accrued Expenses

6.08% Decrease in Accounts Payable and Accrued Expenses – current; 20.03% Increase in Accounts Payable and Accrued Expenses – non-current

Increase in current liability/reserve in relation to application of PFRS 15.

6.23% Overall Decrease in Contract Liabilities

0.70% increase in contract liabilities - current; 42.85% decrease in contract liabilities – net of current portion

Decrease is attributable to revenue recognized outpacing collection from buyers during the period.

50.39% Decrease in Due to Related Parties

Mainly due to partial payment by FILRT to FDC on purchase of Boracay lot.

268.47% Increase in Income Tax Payable

Due to the higher net income of the Group.

3.71% Overall Increase in Loans Payable

54.84% increase in loans payable – current portion; 37.38% decrease in loans payable – net of current portion
Mainly due to availment of various loans totaling ₱3.2 billion during the 1st quarter of 2024, net of ₱1.8 billion loan repayments.

43.99% Increase in Deferred Tax Liabilities

The increase is mainly due to the impact of application of PFRS 15.

Material Changes in Liquidity and Cash Reserves for the three-month period ended March 31, 2024 versus March 31, 2023

FLI Group registered a net cash outflow of ₱0.89 billion for the three months ended March 31, 2024 mainly from net cash used in investing activities as a result of additional investment properties and investment in property, plant, and equipment. This was coupled with net cash used in financing activities and tempered by net cash provided by operating activities.

Operating activities for the period ended at ₱0.20 billion net cash inflow from ₱2.05 billion net inflow in the same period last year mainly due to payments made to suppliers.

Investing activities used ₱0.95 billion cash during the period versus ₱1.42 billion in the same period last year mainly due to acquisitions of investment properties and property and equipment.

Financing activities used ₱0.14 billion primarily from new loan availments totalling P3.20 billion, offset by the payments of interests, principal debt, cash dividends and due to related parties.

Net decrease in cash and cash equivalents as of March 31, 2024 resulted to ₱0.89 billion which is ₱0.47 billion lower than the ₱1.36 billion decrease for the three months ended March 31, 2023.

Performance Indicators

	March 31	March 31	December 31
	2024	2023	2023
	(Unaudited)	(Unaudited)	(Audited)
1 Earnings per Share - Basic ¹	0.03	0.03	0.16
2 Earnings per Share - Diluted ²	0.03	0.03	0.16
3 Price Earnings Ratio ³	4.88	6.25	3.69
4 Interest-bearing Debt to Equity Ratio ⁴	0.88	0.79	0.79
5 Debt Ratio ⁵	0.56	0.54	0.54
6 EBITDA to Total Interest Paid ⁶	2.14	2.08	2.18

¹ Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

² Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

³ Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by annualized actual earnings per share for the periods ended March 31, 2024 and 2023 and December 31, 2023. Closing price as of March 31, 2024, March 31, 2023 and December 31, 2023 is 0.68, 0.75 and 0.59, respectively.

⁴ Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

⁵ Debt Ratio is computed as total liabilities divided by total assets

⁶ EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

Item 3. Business Development / New Projects

Since its incorporation, the Parent Company has invested in properties situated in what the Parent Company believes are prime locations across the Philippines for existing and future housing and land development projects. It is important for the Parent Company to have access to a steady supply of land for future projects. In addition to directly acquiring land for future projects, the Parent Company has also adopted a strategy of entering joint venture arrangements with landowners for the development of raw land into future project sites for housing and land development projects. This allows FLI to reduce its capital expenditures for land and substantially reduces the financial holding costs resulting from owning land for development.

Under the joint venture agreements, the joint venture partner contributes the land free from any lien, encumbrance, tenants or informal settlers and the Parent Company undertakes the development and marketing of the products. The joint venture partner is allocated either the developed lots or the proceeds from the sales of the units based on pre-agreed distribution ratio.

Potential land acquisitions and participation in joint venture projects are evaluated against several criteria, including the attractiveness of the acquisition price relative to the market, the suitability or the technical feasibility of the planned development. The Parent Company identifies land acquisitions and joint venture opportunities through active search and referrals.

As of March 31, 2024, the Parent Company had a land bank of approximately 1,864.9 hectares of raw land for the development of its various projects, including approximately 196.5 hectares of land under joint venture agreements, which the Parent Company's management believes is sufficient to sustain several years of development and sales.

Details of the Parent Company’s raw land inventory for its residential business as of March 31, 2024 are set out in the table below:

FLI Land Bank as of March 31, 2024				
In Hectares				
Location	Company Owned	Under Joint Venture	Total	% to Total
Luzon				
Metro Manila	34.4	-	34.4	1.8%
Rizal	711.6	9.2	720.8	38.7%
Bulacan	252.2	-	252.2	13.5%
Bataan	12.3	-	12.3	0.7%
Pampanga	-	24.9	24.9	1.3%
Camarines Sur	0.8	-	0.8	0.0%
Pangasinan	3.5	-	3.5	0.2%
Cavite	300.6	58.8	359.4	19.3%
Laguna	229.8	0.7	230.5	12.4%
Batangas	45.6	42.1	87.7	4.7%
	1,590.8	135.7	1,726.5	92.6%
Visayas				
Cebu	1.5	35.7	37.2	2.0%
Negros Occidental	0.2	-	0.2	0.0%
	1.7	35.7	37.4	2.0%
Mindanao				
Davao	6.3	25.1	31.4	1.7%
South Cotabato	69.6	-	69.6	3.7%
	75.9	25.1	101.0	5.4%
Total	1,668.4	196.5	1,864.9	100.0%

In addition to the above, FLI has the following landbank under a joint development or long-term leasing agreement, available to FLI for development and operations.

Location	Area in has.	Remarks
Filinvest Mimosa Plus	201.6	Being developed with FDC
New Clark City	288.0	Being developed with BCDA
Total	489.6	

City di Mare

Inspired by the world’s best-loved coastal cities, City di Mare, or “City by the Sea”, spans across 50.6 hectares at Cebu’s South Road Properties.

It is a master-planned development composed of different zones catering to a wide array of lifestyles and activities - Il Corso, the 10.6-hectare waterfront lifestyle strip; the 40-hectare residential clusters; and The Piazza, nestled at the heart of the residential enclaves puts lifestyle essentials such as school, church, shops, and restaurants within the neighborhood. City di Mare is envisioned to be a destination in itself, takes full advantage of the coastal ambience featuring seaside shopping, dining, beach and water sports and more, right by the water’s edge.

The 10.6-hectare retail development known as Il Corso has a gross leasable area of approximately 32,000 square meters. City di Mare has four resort-themed residential enclaves inspired by world-class resorts, with each 10-hectare development flaunting a distinct architectural character. With over 65% of the property allocated for wide, open areas and landscaped greens, City di Mare provides the generous amenity of breathing space and a refreshing dose of nature throughout the site. Residences are spread out over the sprawling development, maximizing the abundant sunlight and allowing the invigorating sea air to circulate freely.

In July 2015, FLI, Filinvest REIT Corp, (“FILRT”) and Filinvest Alabang, Inc. (“FAI”) (collectively referred to as “Filinvest Consortium”) won the bidding for a 19.20-hectare lot in Cebu’s South Road Properties (SRP). This property is referred to as SRP2.

Pampanga

Filinvest Mimosa, Inc., a company formed in 2016 by the consortium of Filinvest Development Corporation (FDC) and FLI as the winning bidder in the privatization of the former Mimosa Leisure Estate, has a lease agreement with Clark Development Corporation for a term of fifty (50) years, renewable for another twenty-five (25) years. Over this period, Filinvest Mimosa will develop, manage and operate the estate.

Tarlac

FLI signed a Joint Venture Agreement with the Bases Conversion and Development Authority (BCDA) for the development of the 288-hectare Filinvest at New Clark City in Tarlac. New Clark City is envisioned to be developed as the country's newest sustainable urban community and globally-competitive investment center that is smart, green and disaster-resilient. The industrial and logistics park is now currently being developed. The township will also have commercial and residential components.

Laguna

Ciudad de Calamba is a 350-hectare Modern Filipino-Hispanic Township development in the gracious City of Calamba, Laguna. It is a master-planned affordable and middle-income township with an industrial component.

Rizal

Havila is master-planned as a mix of affordable, middle-income and high-end subdivisions in Rizal province overlooking Metro Manila. With its 306-hectare development, the township offered three major communities such as Mission Hills, Highlands Pointe and Forest Farm interconnected by linkroad of Antipolo, Taytay and Angono Rizal. Newer developments in Havila are Mira Valley, Amarilyo Crest and Amarilyo Residences.

Timberland Heights, a sprawling 677-hectare premier mountain suburban township development located in the highest peaks of San Mateo, Rizal. It captures the essence of a mountain hideaway, a sporting and leisure paradise and a luxurious country resort in a premier township development.

Manna East, a 60-hectare modern Filipino themed affordable and middle-income community in Teresa, Rizal. Housing construction is ongoing for New Fields Phase 1 (launched Jan 2018). The construction of all amenity areas for New Fields Phase 1 is also expected to be completed by 2Q 2023. Land development is ongoing and expected to be completed in 3Q 2023 in Futura Plains (launched July 2019). FLI is currently planning the expansion for New Fields and launched Phase 2 in June 2022.

Negros Occidental

Palm Estates, 51-hectare township development designed to be a city within Talisay City. The first residential project was launched in the last quarter of 2016. Land Development for the first phase is complete and house construction is already on-going.

Wood Estates

A 94-hectare township located in Trece Martires, Cavite with easy access to schools, shopping centers and transportation hubs.

Iloilo Centrale

Iloilo Centrale is an 11.4-hectare mixed-use development in Leganes, Iloilo City where the highly anticipated Panay-Guimaras bridge will be located. Blending modern urban living with Iloilo’s timeless heritage and charm, Iloilo Centrale will be a vibrant community offering residential, commercial, retail, and recreational spaces, as well as a transport hub.

Recent Land Acquisitions

In 2023, FLI acquired from various third-party sellers the parcels of land in Bulacan, Cavite, and South Cotabato.

In 2022, FLI acquired from various third-party sellers the parcels of land in Mandaluyong City, Manila, Parañaque, Valenzuela, Dumaguete, Davao, Cavite, Rizal and Bulacan.

Residential Development

FLI will further grow its core residential real estate development business, which includes house and lots, MRBs and high-rise condominium units. Currently, FLI has the following high-rise condominium projects:

The Linear

The Linear, a master-planned residential and commercial hub in Makati City. Two (2) L-shaped towers, each twenty-four (24) storeys high, comprise this dynamic condominium community that perfectly caters to the needs of young urban professionals.

Studio City

Studio City is a community composed of a five-tower residential condominium complex within the Filinvest City to serve the demand for housing of the growing number of professionals working within Filinvest City and in the nearby Madrigal Business Park.

Since it is located within Filinvest City, residents will enjoy proximity to Festival Supermall, Westgate Center, Northgate Cyberzone, Asian Hospital and Medical Center, and other commercial, educational and medical institutions. The development consists of eighteen (18) storeys per building with commercial units at the ground floor. All residential floors will have twenty-five (25) studio units per floor.

The Levels

Located at one of the highest points of Filinvest City at around 23 meters above sea level, The Levels is a one-block, four-tower residential condominium development that features laidback suburban living inside a fast-paced business district. The residential development is set in a tropical landscape, with four towers uniquely designed with terracing levels, giving it a castle-effect look. The high-rise sections will be set in lush greenery, providing residents with views of the gardens. The second tower has just been launched.

Studio N

Studio N is a 25-Storey development and is the latest addition to the studio series portfolio of Filinvest. This is located at the main business hub of Filinvest City. This is currently under construction.

Vinia Residences

Vinia is a 25-storey condominium development located along EDSA in Quezon City, right across TriNoma and just steps away from the MRT-North Avenue station. With its coveted location, it offers a world of ease and convenience to yuppies and families looking for quality homes, as well as budding entrepreneurs who want to start a home-based business at the heart of the city.

Studio Zen

Studio Zen is a 21-storey condominium development located along Taft Avenue in Metro Manila. Student-oriented amenities, Zen-inspired features, and functional building facilities makes it an ideal residence for students living independently and a great investment opportunity for entrepreneurs who want to take advantage of the ready rental market in the area.

Studio A

Studio A is a single tower 34-storey hi-rise residential condominium located in Loyola Heights in Quezon City. A community conveniently situated near premier universities, the LRT 2 line and other commercial establishments.

100 West

100 West is a single tower 38-storey high-rise commercial and residential condominium with office spaces located in Gen. Gil Puyat Avenue corner Washington St. in Makati City. 100 West is in the Makati Business District and accessible to both north and south of Metro Manila.

Studio 7

Studio 7 is a mixed-use development that will have office and residential towers complemented with retail outlets, located in Quezon City along EDSA very close to the GMA-Kamuning MRT station. Studio 7 will have studios as well as one-bedroom residential units.

Activa

Activa is a mixed-use development with residential and retail components. It is entrenched in the heart of Quezon City's busiest and liveliest district, Cubao. Situated at the crossroads of two of the metro's most vital thoroughfares. Activa connects to the north and south via EDSA, and to the east and west via Aurora Boulevard. It also has direct access to the MRT and LRT lines, and accessible by various modes of transportation like buses and jeepneys.

FLI expects to remain focused on core residential real estate development business which includes landed housing, medium-rise buildings (MRB) and high-rise condominium projects, residential farm estates, entrepreneurial communities, and leisure developments in response to the demands of the Philippine market.

The following are the most recently launched projects and projects with new phases and buildings:

PROJECT	LOCATION
HORIZONTAL	
Amarilyo Crest	Rizal
Pineview	Cavite
Sandia	Batangas
Tierra Vista	Bulacan
The Grove	Rizal
Savannah Place	Cavite
Futura Homes Palm Estates	Bacolod
Futura Homes Mactan	Cebu
Futura Homes Iloilo	Iloilo
Futura Homes Koronadal	South Cotabato
Anila Park Residences	Rizal
Aria at Serra Monte	Rizal
The Prominence	Quezon City
Futura Homes Davao	Davao
New Fields at Manna	Rizal
Meridian Place	Cavite
Valle Dulce	Laguna
Ventura Real	Rizal
Claremont Expansion	Pampanga
Southwinds	Laguna
Futura Zamboanga	Zamboanga
Enclave	Muntinlupa
New Leaf	Cavite
Mira Valley	Rizal
Hampton Orchard	Pampanga
Futura Mira	Calamba
Futura Plains	Rizal
Tropics 4	Cainta
New Fields at Manna	Rizal
Alta Vida 4&5	Bulacan
Rosewood Place	Cavite
The Arborage C	Laguna

PROJECT	LOCATION
MRB	
One Oasis Cebu	Cebu
One Oasis Cagayan de Oro	Cagayan de Oro
Panglao Oasis	Taguig
One Spatial	Pasig
San Remo	Cebu
Centro Spatial	Davao
One Spatial Iloilo	Iloilo
Marina Spatial	Dumaguete
8 Spatial	Davao
Maui Oasis	Manila
Alta Spatial	Valenzuela City
Bali Oasis	Pasig
Maldives Oasis	Davao
Sorrento Oasis	Pasig
Veranda	Davao
Futura East	Cainta
Centro Spatial	Manila
Belize	Muntinlupa
Futura Vinta	Zamboanga
Futura Monte	Naga City
HRB	
Activa	Quezon City
Levels	Alabang
Studio City	Alabang
Studio N	Alabang

PROJECT	LOCATION
New Leaf Phase 2	Cavite

PROJECT	LOCATION
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On-going developments of the abovementioned projects are expected to require additional funds, but FLI believes that it will have sufficient financial resources for these anticipated requirements, from the secondary issuance of shares from Filinvest REIT Corp., (formerly Cyberzone Properties, Inc.), debt financing and internal cash generation from operations.

FLI expects to remain focused on core residential real estate development business which includes landed housing, medium-rise buildings (MRB) and high-rise condominium projects, residential farm estates, entrepreneurial communities, and leisure developments in response to the demands of the Philippine market.

In 2024, FLI intends to retain its dominant position as the leader in MRB projects by launching 4 new projects nationwide and 10 additional buildings of existing projects. Aside from the MRBs, FLI has pipelined 14 horizontal residential projects. FLI projects are geographically diversified and can be found in 22 provinces across the country. FLI also focuses on projects that have short construction periods to minimize construction risks. Home buyers are typically first-time home owners and ultimate end-users..

Leasing Segment

The Company has a significant leasing portfolio comprising mostly commercial office and retail developments, including thirty five (35) offices and BPO buildings, its flagship mall, the Festival Supermall in Filinvest City, and three (3) other community malls. The Company was a pioneer among the Philippine landlords with the longest histories of focusing on the BPO industry as tenants. As of March 31, 2024, the Company has a portfolio of 348,700 sq.m. of leased office space comprising major international BPO tenants and 189,145 sq.m. of retail space. The Company believes this history and track record is a competitive advantage in gaining the continued confidence of BPO locators.

FLI has the following investment properties for lease:

Commercial Retail Leasing Properties

Festival Supermall Alabang

The landmark project, Festival Supermall, carries on its position as the prime destination for recreation and retail in southern Metro Manila. With more ‘firsts’ on its offerings and a better shopping ambiance, the mall has elevated the retail experience in the south. It is one of the country’s largest shopping malls with more than 1,000 shops.

Major improvements have been undertaken and continue to be undertaken for the existing mall and its facilities. New interiors give the mall a refreshed look and modern ambiance, complementing the recently completed 46,000 sq.m. expansion wing.

The introduction of new and unique food establishments has made Festival a gastronomic destination ushering in new traffic and strengthening its appeal to its core target market. The Water Garden, a new distinctly refreshing outdoor amenity and convergence zone in the expansion wing, continues to be favorite among mall patrons.

Fora Mall

Conveniently located right by Tagaytay Rotunda is Fora Mall, the first regional mall in the area. This prime retail destination provides about 26,000 sq. m of leasable space amidst nature, open spaces, and a beautifully landscaped amphitheater. It primarily serves the local market and Tagaytay bound tourists. Several local and popular food concepts, along with national brands, have opened in the mall. Super Metro, a 24-hour hypermarket, serves as its anchor. Other notable shops include Ace Hardware, Power Mac and Own Days. The mall also has four (4) digital cinemas which have become the go to place for Tagaytay City and surrounding towns for recreation.

Main Square

With a smaller format of over 18,000 sq. m leasable area, Main Square is the first and only mall along Bacoor Blvd, close to Bacoor City Hall and fronting Princeton Heights. Positioned as the reliable one-stop hub for neighboring gated villages of Bacoor, it provides basic shopping, wellness, service, and convenience offerings. The City of Bacoor has also opened its satellite offices in Main Square.

Il Corso

Il Corso is a retail development with an estimated 34,000 sq. m of leasable area in the City di Mare estate development of Filinvest in the South Reclamation Area of Cebu City. Its opened restaurants facing the sea have become destinations in the southern edge of Cebu City. The cinema has also opened. A 10,000 sq.m. portion of the mall is being reconfigured to accommodate Business Process Outsourcing Companies.

Other Filinvest Lifemalls

The following table sets out a summary of the Company's other major Filinvest Lifemalls.

Mall	Location	GLA (sq.m.)	Features
Fora Mall	Taytay Rotonda	26,000	<ul style="list-style-type: none">• 24-hour super metro anchor store• Four (4) digital cinemas• Open air amphitheater and forest feature• Beside Quest Hotel
Main Square	Princeton Heights, Bacoor, Cavite	18,000	<ul style="list-style-type: none">• Robinson Supermarket• Watsons, Ace Hardware• Anytime Fitness• Starbucks, Coffee Bean & Tea Leaf• Beside Bacoor City Hall
Il Corso	City di Mare, Cebu	34,000	<ul style="list-style-type: none">• Seaside waterfront boardwalk with al fresco dining• Central piazza with dancing fountain• Fully-functional lighthouse and battleship playground for children

Retail Space Projects in the Pipeline

As of March 31, 2024, the Filinvest Mall Dumaguete, Filinvest Mall Cubao and Filinvest Mall Mimosa are under construction. As a strategic direction, Filinvest Land will develop commercial areas to complement its residential and mixed use developments.

Mall Locators

In the Philippines, many major shopping malls have been developed by companies which also own large retail operations that to comprise a large chunk of the leasable area. The Company does not own any retail operations. Because the Company and its affiliates are focused primarily on real estate development and finance, the Company believes that this gives its Filinvest Lifemalls the flexibility to sign up tenants who can best serve its target market. The Company has successfully attracted major retailers at the Filinvest Lifemalls, such as Robinson's Retail, SM, SSI, Metro Retail, H&M, Uniqlo, Bistro Group, and Landmark.

The retail leasing business is not dependent upon a single customer or a few customers, the loss of any or more of which would not have a material adverse effect on the registrant and its subsidiaries taken as a whole. It is also not dependent on any related party.

Mall Leasing Policies

FLI manages its Filinvest Lifemalls with a view to maximizing and enhancing its value by ensuring that it has a mix of tenants that will allow it to cater to the widest possible range of market segments and to meet consumer demand in the communities which the mall serves.

Tenants enter into short- to medium-term leases, typically for periods of two (2) to five (5) years, with tenants required to make a security deposit equal to three (3) to six (6) months' rent and to pay rent on a monthly basis. Tenants pay rents that are either fixed or are comprised of a base rent plus a variable portion ranging from 1.5% to 15.0% of the tenants' sales revenues. Typically, tenants operating restaurants and other dining establishments are charged higher variable rates than tenants who operate apparel stores and other retail establishments. The combined rent of a base amount per sq.m. plus a variable rent factor based on a percentage of sales, is subject to a minimum rent computed at an amount per sq.m. per month. The base portions of rents are primarily determined by the specific location in the mall and size of space being leased, and are typically subject to an annual escalation rate. Fixed-rate leases are generally with tenants that provide services (such as banks and foreign exchange centers) or which sell high-priced goods (such as jewelry stores and computer stores) and which do not typically generate high turnover. Tenants are charged separately for common area-related costs, such as costs for security, janitorial and other maintenance services and for utilities.

Commercial Office Properties

As of March 31, 2024, the Group owns commercial office spaces for lease to several BPO and other office locators with total gross leasable space of 591,017 sq.m. Primarily, they are located in Northgate Cyberzone in Filinvest City, Alabang, Muntinlupa. Northgate is an 18.7- hectare PEZA zone that enjoys developer incentives. Among the Company's portfolio is the PBCom tower where FLI owns 60.0% through FAC, which owns 50.0% of the 52-storey PBCom Tower in the Makati CBD. PBCom Tower is a Grade A, PEZA-registered, IT/office building located along Ayala Avenue, Makati City with a GLA of 35,148 sq.m.

The Group also owns several completed office developments, in Bay City, Pasay, at EDSA, Mandaluyong near Ortigas MRT station, at Gil Puyat, Makati City, at Clark Mimosa and at Cyberzone Cebu IT Park. A summary of the GLA is set forth below:

Location	Number of Buildings	GLA (sq. m.)
Northgate Cyberzone, Filinvest City	20	366,895
Metro Manila outside of Filinvest City	7	127,653
Outside Metro Manila	8	96,469
Total	35	591,017

The office buildings of Filinvest are mainly located in business parks or in mixed-used complexes highly accessible to public transport. The Group believes its business park model, wherein the Group builds on areas specifically suited for business and industrial establishments supported, in certain cases, by incentives from the Government, gives it a competitive advantage as business parks are the preferred site of major BPO tenants. Being in a major business park allow the tenants assurance of expansion options within proximity thereby giving the Group an advantage over stand-alone developments.

- Northgate Cyberzone, an 18-hectare, PEZA-registered IT park located in Filinvest City in Alabang. The office buildings of the Group sit within the 10-hectare parcel of land in the Northgate district owned by FLI.
- Mimosa Workplus, an office village that is comprised of eight buildings set amidst the lush natural environment of the Filinvest Mimosa+ Leisure City.
- Cyberzone Cebu and Filinvest IT Park are two distinct developments on two separate Build-Transfer-Operate (BTO) arrangements with the Cebu Province. The two parcels of land totaling 2.9 hectares are near the city center located along Banilad and Salinas Avenue in Cebu. Together these comprise 7 office towers, a mall, and a hotel development. The office and mall portions are pre-certified LEED Gold rating.
- Filinvest Cyberzone Bay City, a 4-tower office complex in the bustling section of the Bay Area. Its four towers are already completed and operating. The complex is also certified LEED Silver rating.

- 100 West is part of a mixed used building in the Makati Central Business District. Office space allocated is approximately 14,333 sq. m.
- Marinatown Dumaguete is a mixed-use development with residential, office and retail components located in the Dumaguete Bay.

Ongoing Construction

- Activa is a 1.37-hectare mixed use development at the corner of EDSA and Aurora Boulevard and lies in close proximity to the Cubao LRT and Cubao MRT Stations. The development will have the following: BPO office tower, a traditional office tower, residential tower, hotel and a retail mall. The designs for the BPO office and mall portions are pre-certified with LEED Gold rating.
- Studio 7 is a two (2)-tower mixed-use complex comprising of residential and office buildings on a retail and parking podium. Located along major thoroughfare EDSA in Quezon City, it is strategically located close to the GMA Kamuning Metro Rail Transit 3 Station and is a pre-certified LEED Silver rating.
- Filinvest Buendia located in the Makati Central Business District
- Columna located in Manila City

New Leasing Formats

Co-living units or Dormitels: The Crib Clark located in the Clark Mimosa Leisure estate serves as temporary living accommodations for employees within the Clark Economic Zone. Four buildings have been completed and fully leased out.

- Industrial Parks: Filinvest Innovation Parks in Filinvest New Clark City and Ciudad de Calamba targets industrial locators who will lease land or ready built factory buildings.
- Co-working spaces: Management of co-working spaces in a joint venture with KMC Community which will be located in Filinvest office buildings. One branch is currently operating and another will be launched in 2024.

Hospitality business operations

FLI created the following projects which operates under the hospitality business. However, the totality of these operations is not significant to be classified as a separate segment. The results of operations of the following are classified under the recurring or leasing business.

- Grand Cenia located within the Cebu Business District
- Fora located right beside the Fora Mall at the center of Tagaytay City
- Timberland located in Rizal

Lease Profiles

The Company's office tenants are principally companies in the BPO sector with customer care, medical transcription, software development, graphic design and animation services. Firms that provide corporate backroom support operations, such as accounting and bookkeeping, account maintenance, accounts payable administration, payroll processing, expense and revenue reporting, legal, financial reporting and other finance-related services, have also established a growing presence in the Philippines. Aside from the BPO sector, there are Traditional HQ tenants and small database of POGO tenants.

Office space leases for FLI are typically for periods ranging from three (3) to five (5) years, although "built-to-suit" buildings are typically leased for ten years. The lease agreements generally require tenants to make a three-month security deposit and three (3) months advance rent. Rent is paid on a fixed per sq.m. basis, depending on unit size and location.

Leases with POGO tenants, which account for approximately 4% of total office space in aggregate, are usually for terms of minimum three (3) to five (5) years with six (6) months deposit and six (6) months advance rent (to be applied at the end of the lease term but these are payable upfront upon handover) for such tenants.

The office leasing business is not dependent upon a single customer or a few customers, the loss of any or more of which would not have a material adverse effect on the registrant and its subsidiaries taken as a whole. It is also not dependent on any related party.

FLI's current tenants include Top Multinational BPO Companies - which are some of the most recognized players in the BPO space. FLI enjoys relatively high repeat business from its existing clients with about 90% of its current tenants being original tenants who have opted to either renew or extend their respective lease contracts, suggesting the company's strong ability to retain quality lessees.

Residential Housing

Since it began commercial operations, FLI's core business has been developing and selling residential subdivisions and housing units in the Philippines. In the 1990s, FLI started developing affordable housing units in the Philippines. Since then, the Company has ventured into the development of other real estate products, such as MRBs and HRBs. The Company believes that its long-standing brands, built over a five (5)-decade history of success and innovation provides it with an advantage in the marketing and sales of its core affordable housing products nationwide.

The Company's residential projects include houses, lots, MRBs and HRBs, which are offered in the socialized, affordable, middle income and high-end housing segments. Except for FLI's socialized housing products, which are categorized based on criteria set by the Government, FLI's residential product lines are categorized based on criteria determined solely by the Company, taking into consideration factors such as the price points for each category and the target market for each project. The criteria set by the Company in determining which of its projects are affordable, middle-income and high-end may differ from those set by its competitors and by industry associations.

The Company's customer base consists of both domestic and overseas Filipinos. The Company believes the OFW population and expatriate Filipinos contribute a significant portion of the demand for FLI's affordable and middle-income housing by remitting funds to family members in the Philippines to purchase property and by purchasing properties from abroad.

Landed Residential Housing

Socialized Housing

These developments are marketed and sold under FLI's Pabahay brand and consist of projects where lots typically sell for P=160,000 or less per lot and housing units typically sell for P580,000 or less per unit. Buyers for these projects are eligible to obtain financing from the Government-mandated PAGIBIG Fund. Maximum sale prices for FLI's specialized housing products do not exceed the Government-mandated ceiling of P580,000 per unit. Any income realized from the development and improvement of socialized housing sites are exempt from taxation. In October 2023, the price limit for socialized housing was increased to P850,000.

Affordable Housing

These developments are marketed and sold under FLI's Futura Homes brand and consist of projects where lots are typically sold at prices ranging from above P60,000 to P750,000 and housing units from above P850,000 to P2,500,000. FLI designs and constructs homes in this sector with the capacity and structural strength to give the owner the option to place an additional storey, which can double the available floor area. Affordable housing projects are typically located in provinces bordering Metro Manila, including Bulacan, Laguna, Batangas and Cavite, and in key regional cities and provinces such as Tarlac, Cebu, Davao, Palawan, Bacolod and Koronadal. Construction of a house in this sector is usually completed approximately six months from the completion of the required down payment.

Middle-Income Housing

These developments are marketed and sold under FLI's Aspire brand and consist of projects where lots are typically sold at prices ranging from above P750,000 to P1,200,000 and housing units from above P2,500,000 to P4,000,000. Middle-income projects are typically located within Metro Manila, nearby provinces such as Rizal, Cavite, Pampanga and Laguna, and major regional urban centers in Cebu, Davao, and Zamboanga.

High-end Housing

Marketed under Filinvest Prestige brand, these developments consist of projects where lots are sold at prices above ₱1,200,000 and housing units for above ₱4,000,000. FLI's high-end projects are located both within Metro Manila and in areas immediately outside Metro Manila.

Vertical Residential Housing

Medium-Rise Buildings

MRB projects are designed in clusters of buildings that surround amenities with the intention of providing a quiet environment within an urban setting. MRBs are typically five (5) stories with an elevator and include studio, one bedroom and two (2) bedroom units. The Company's policy is to commence construction of an MRB building when at least 50.0% of the units in the building has been sold. From a developer's perspective, MRBs offer several benefits compared to high-rise developments. MRBs can generally be constructed in less than one year once all approvals have been obtained, which reduces the risk borne by FLI between the launch and delivery of a project. The lower height of MRBs also reduces construction costs compared with high-rises which require extra reinforcement to protect against earthquake damage.

MRBs are marketed under FLI's "Oasis" brand for the middle-income market and under FLI's "Spatial" brand for the affordable housing market. MRBs under the "Oasis" brand typically have per-unit prices ranging from ₱2,000,000.00 to ₱4,400,000.00 depending on the size of the unit, while MRBs under the "Spatial" brand typically have per-unit prices ranging from ₱1,700,000.00 to ₱3,600,000.00. MRBs offer low-density development and lower association dues compared with high-rise condominium buildings, in addition to a lower price per sq.m. MRBs are generally located in prime urban zones. Further, MRBs are developed to maximize open space, with buildings typically occupying 30% to 35% of the development's land area. In contrast with its other developments, which generally require the down payment to be paid within 12 months, FLI generally allows MRB purchasers to pay the down payment in installments over a 24-month period.

As of the reporting date, the Company has 27 MRB projects with more than 100 buildings throughout Luzon, Visayas and Mindanao.

High-Rise Buildings ("HRBs")

The Company develops HRBs in prime areas. HRBs are at least eighteen (18) stories, with various floor plans and designs depending upon the demographics of the target market for each building. FLI's policy is to commence construction of a HRB when at least 50% of the units in the building has been sold. From a development perspective, HRBs generally can be constructed in two (2) years once all Government approvals have been obtained.

Leisure Projects

The Company's leisure projects consist of its condotels, residential farm estates, residential resort developments.

Condotels

FLI developed the 25-storey Grand Cenia Hotel and Residences, which is strategically located across the Cebu Business Park, a joint venture project of FLI, as developer, and Gotianun Family-owned GCK Realty Corporation, as landowner. Under the terms of the joint venture agreement, GCK Realty Corporation contributed 4,211 sq.m. of land to be developed in accordance with a master development plan in exchange for an 8% interest in the joint venture. The condotel units are targeted to business travelers, returning OFWs and expatriate Filipinos. Owners of individual condotel units are required to place their units in a rental pool that will be operated as a business hotel. Owners are entitled to use the unit for 14 days annually. The units were handed over to the condotel buyers for preparation for hospitality operations. In 2012, the hotel started operating as the Quest Hotel and Conference Center, Cebu, a three- star hotel with business and conference facilities. The Company has also developed the Fora Hotel Tagaytay.

Residential Farm Estates

The Company began marketing its residential farm estate projects to customers in 2003, after FLI's in-house market research indicated that there was demand among customers, such as retirees and farming enthusiasts, for leisure farms that can serve as alternative primary homes near Metro Manila. To help attract buyers, the Company maintains demonstration farms in its farm estate projects and also has personnel on site to provide buyers with technical advice on farming. Customers can purchase lots (with a minimum lot size of 750 sq.m.) on which they are allowed to build a residential unit (using up to 25.0% of the total lot area). The remaining lot area can be used for small-scale farming, such as fish farming or vegetable farming. Residential farm estates are sold on a lot-only basis, with buyers responsible for the construction of residential units on their lots.

As of the reporting date, the Company has three (3) residential farm estates under FLI, Nusa Dua Farm Estate, Mandala Residential Farm Estate and Forest Farms Residential Farm Estate. Nusa Dua Farm Estate is located in Cavite, just south of Metro Manila. Mandala Residential Farm Estate (“Mandala”) is located in Rizal province and integrated in FLI’s Timberland Heights township project. Forest Farms Residential Farm Estate (“Forest Farms”) is also located in Rizal province as part of FLI’s Havila township project. It is an exclusive mountain retreat and nature park, located between the hills of Antipolo and the forested area of Angono, Rizal.

Residential Resort Development

FLI entered the high-end residential resort market in 2007 with the launching of the Laeuna de Taal project located along Tagaytay Ridge, Batangas and the Kembali Coast project and Veranda Resort Condominium in Samal Island, Davao. The residential resorts capture the growing demand for second homes and leisure and retirement destinations of the high-end market segment. Laeuna de Taal, provides scenic views of the Taal Lake, and offers three (3) residential enclaves: Arista, Bahia, and Orilla. Located on the water front of Laeuna de Taal is the Lake Club, a lakeside amenity designed for wellness, recreation and events. Kembali Coast is an Asian-Balinese inspired beachfront residential development with a 1.8-kilometer beach, providing seaside resort-style living in the Mindanao area. Kembali has a total land area of 50 hectares while the Laeuna de Taal project has a total land area of 60 hectares.

Other Infrastructure

District Cooling System

FLI has also partnered with Engie Services Philippines pursuant to a 60:40 joint venture to develop in Northgate Cyberzone, Filinvest City what is expected to be the first and largest district cooling system in Northern Luzon with an expected capacity of up to 12,000 tons of refrigeration. The district cooling system is expected to provide sustainable energy solutions by conserving energy through lower use of electricity, water, and chemicals, and reducing greenhouse gas emissions and ozone-destroying refrigerants.

The joint venture entity, Philippine DCS Development Corporation (“PDDC”), was registered with the Philippine SEC on July 31, 2015 and started its commercial operations in September 2017. PDDC’s primary purpose is to engage in the business of the construction and operation of a district cooling system, the supply of chilled water, and the development of, and search for, new district cooling system and heating, ventilation, and air-conditioning projects.

Real Estate Investment Trust (REIT)

In preparation for the FILRT’s transition to a REIT company, FLI and FILRT identified and selected the properties of FILRT that will comprise the initial REIT portfolio based on the requirements of the REIT Law as well the Company’s investment criteria. As such, FLI and FILRT determined that certain of FILRT’s assets (as enumerated below) will be transferred from FILRT to FLI in the form of property dividends or through assignment of rights. On December 4, 2021, the FILRT Board approved the declaration of property dividends consisting of one building (which has been operational for less than three years) in Northgate Cyberzone (Axis Tower 2), two (2) buildings under construction in Northgate Cyberzone (Axis Tower 3 and Axis Tower 4), and a parcel of land in South Road Properties, Cebu City to stockholders of record as of November 30, 2021. On February 11, 2022, the FILRT Board also approved the declaration of property dividends to stockholders of record as of February 15, 2022, consisting of four (4) existing buildings, (i) Concentrix Building in Northgate Cyberzone, (ii) IT School in Northgate Cyberzone, (iii) the Filinvest Building at EDSA, Wack, Mandaluyong City, all of which have been identified for redevelopment, and (iv) Cebu Tower 2 in Filinvest Cyberzone Cebu, which has been operating for less than three (3) years. On February 11, 2022, the FILRT Board also approved the transfer of its rights under its “build-transfer-operate” (“BTO”) arrangement with the Cebu Provincial Government relating to two buildings under construction (Cebu Tower 3 and Cebu Tower 4) in Filinvest Cyberzone Cebu, to FLI. These transactions do not affect the consolidated financial statements of FLI and its subsidiaries.

On August 12, 2021, Filinvest REIT Corp., the real estate investment trust (REIT) of Filinvest Land, Inc., was listed on the PSE with an offer price of ₱7.00 per share. The base offer of the IPO was 1,634,187,850 common shares, with an overallotment option of up to 163,418,785 common shares.

FLI previously owned 100% of FILRT and sold 36.7% or 1,797.61 million shares in its initial public offering (IPO). The gross proceeds from the IPO amounted to Php 12,583,246,445.00.

REIT Reinvestment Plan

As sponsor of FILRT, the REIT Law requires the Company to reinvest (a) any proceeds realized by it from the sale of FILRT shares or other securities issued in exchange for income-generating real estate transferred to the FILRT and (b) any money raised by the Company from the sale of any of its income generating real estate to FILRT, in any real estate, including any redevelopment thereof, and/or infrastructure projects in the Philippines within one (1) year of receipt of the proceeds.

Filinvest Land shall monitor the actual disbursements of projects proposed in the Reinvestment Plan on a quarterly basis. For purposes of monitoring, Filinvest Land prepares quarterly progress reports of actual disbursements on the projects covered by the Reinvestment Plan. In the event of changes in the actual disbursements of projects proposed in the Reinvestment Plan, Filinvest Land, shall inform the SEC, PSE, BIR or the appropriate government agency, by sending a written notice to that effect.

As of March 31, 2024, FLI already disbursed the total net proceeds amounting to ₱12,264.02 million based on REIT reinvestment plans.

A copy of Filinvest Land, Inc.'s REIT Reinvestment Plan Final Report is shown under Item 7 attached in this quarterly report.

Registration with the Board of Investments (BOI)

As of March 31, 2024, FLI has registered no projects with the BOI under the Omnibus Investments Code of 1987 (Executive order No. 226).

Item 4. Other Disclosures

1. Except as disclosed in the Notes to Unaudited Interim Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations, there are no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.
2. The Company's unaudited interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated annual financial statements as of and for the year ended December 31, 2023 (PAS 34, par 15).
3. The accounting policies and methods of computation adopted in the preparation of the unaudited interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements as of and for the year ended December 31, 2023.
4. On known trends, events or uncertainties that have had or are reasonably expected to have favorable or unfavorable impact on net sales or revenues or income from continuing operations of FLI, the Covid-19 global pandemic.

COVID-19 Pandemic

The Group continues to abide by and comply with all rules and regulations issued by the government in relation to the COVID-19 pandemic. In line with applicable rules and regulations, the said risks are mitigated by business continuity strategies set in place by the Group.

5. Aside from any probable material increase in interest rates on the outstanding long-term debt with floating rates, there are no known trends, events or uncertainties or any material commitments that may result to any cash flow or liquidity problems of the Group within the next 12 months.
6. There are no changes in estimates of amounts reported in prior year (2023) that have material effects in the current interim period.
7. Except for those discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operations, there are no other issuances, repurchases and repayments of debt and equity securities.

8. Except as discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operations, and Financial Risk Exposures, there are no material events subsequent to March 31, 2024 up to the date of this report that have not been reflected in the financial statements for the interim period.
9. There are no changes in contingent liabilities or contingent assets since December 31, 2023.
10. There are no material contingencies and any other events or transactions affecting the current interim period.
11. The Group is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments, or any significant amount of the Group's payables that have not been paid within the stated trade terms.
12. There are no significant elements of income that did not arise from the Group's continuing operations.
13. There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Group.
14. Except for those discussed above, there are no material changes in the financial statements of the Group from December 31, 2023 to March 31, 2024.
15. There are no 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 other than those that were previously reported.
16. Other information
17. Please refer to Annex C for the Aging Schedule for the Group's receivables as of March 31, 2024. Annex D are Supplementary Information and Disclosures required on SRC rules 68 and 68.1 as amended for the three months ended March 31, 2024.
18. There is no other information required to be reported that have not been previously reported in SEC Form 17-C.

FILINVEST LAND, INC. AND SUBSIDIARIES

INDEX TO SUPPLEMENTARY SCHEDULES

Annex A:	Reconciliation of Retained Earnings Available for Dividend Declaration
Annex B:	Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered
Annex C:	Aging of Receivables
Annex D:	Supplementary Schedules Required by Annex 68-J
	Schedule A. Financial Assets
	Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
	Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
	Schedule D. Long-term Debt
	Schedule E. Indebtedness to Related Parties
	Schedule F. Guarantees of Securities of Other Issuers
	Schedule G. Capital Stock
	Schedule H. Bond Issuances - Securities Offered to the Public

FILINVEST LAND, INC. AND SUBSIDIARIES**Supplementary Schedule of Retained Earnings Available for Dividends Declaration
March 31, 2024**

(Amounts in thousands)

Unappropriated Retained Earnings, beginning of reporting period		₱51,893,299
Add: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of retained earnings appropriation	—	
Effect of restatements	—	
Others	936,414	936,414
Less: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	—	
Retained earnings appropriated during the reporting period	—	
Effect of restatements	8,993,859	
Others	—	(8,993,859)
Unappropriated Retained Earnings, as adjusted		43,835,854
Add/Less: Net income (loss) for the current year		712,554
Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	—	
Unrealized foreign exchange gain, except those attributable to cash and equivalents	—	
Unrealized fair value adjustment (marked-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Unrealized fair value gain of investment property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	—	
Sub-total		—
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—	
Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss FVTPL)	—	
Realized fair value gain of Investment Property	—	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	—	
Sub-total		—

(Forward)

Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	P-	
Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of Investment Property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-	
Sub-total		-

Adjusted Net Income/Loss	712,554
---------------------------------	----------------

Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

Depreciation on revaluation increment (after tax)	-	
Sub-total		-

Add/Less: Adjustments related to relief granted by the SEC and BSP

Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others	-	
Sub-total		-

Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution

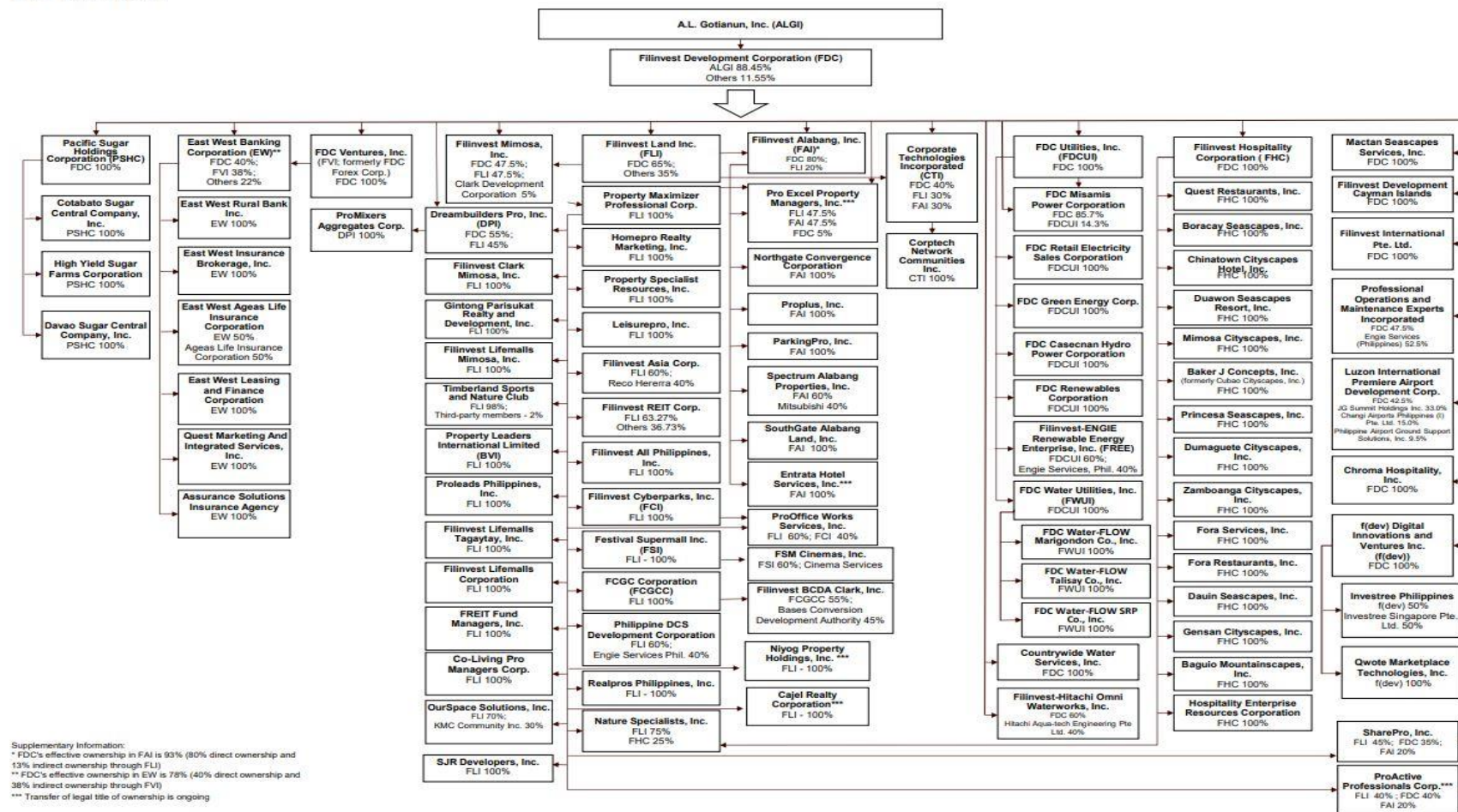
Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(9,465)	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	(18,956)	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others	-	
Sub-total	(28,421)	(28,421)

Total Retained Earnings, end of reporting period available for dividend	P44,519,987
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FILINVEST LAND, INC. AND SUBSIDIARIES

**Map Showing the Relationship Between and Among the Companies in the Group, Its Ultimate Parent Company and Co-Subsidiaries
March 31, 2024**

A.L. GOTIANUN, INC.
MAP SHOWING THE RELATIONSHIP BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT, CO-SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES
(As of March 31, 2024)



Supplementary Information:
* FDC's effective ownership in FAI is 93% (80% direct ownership and 13% indirect ownership through FLI)
** FDC's effective ownership in EW is 78% (40% direct ownership and 38% indirect ownership through FVI)
*** Transfer of legal title of ownership is ongoing

FILINVEST LAND, INC. AND SUBSIDIARIES**Aging of Receivables****March 31, 2024**

(Amounts in thousands)

	Neither past due nor impaired	Past Due but not impaired				Impaired
		Less than 30 days	31-90 days	91-120 days	Over 120 days	
Type of Account Receivable						
a) Mortgage, Notes & Installment Contract Receivable						
Installment Contracts Receivable and Contract Assets	P10,231,549	P623,981	P410,615	P76,284	P337,420	P-
Receivable from Financing Institutions	245,166	-	-	-	-	-
Sub-total	10,476,714	623,981	410,615	76,284	337,420	-
b) Other Receivables	3,134,228	-	-	-	-	59,146
Receivables from tenants	2,027,631	-	-	-	-	43,282
Due from related parties	247,909	-	-	-	-	-
Advances to officers and employees	468,696	-	-	-	-	-
Receivables from homeowners' associations	249,200	-	-	-	-	15,864
Receivables from buyers	17	-	-	-	-	-
Others	140,774	-	-	-	-	-
	P13,610,942	P623,981	P410,615	P76,284	P337,420	P59,146

Account Receivable Description	Nature/Description	Collection Period
Type of Receivables		
Installment contracts receivables	This is the Group's in-house financing, where buyers are required to make down payment and the balance will be in the form of a mortgage loan to be paid in equal monthly installments.	5-10 years
Receivable from financing institution	This represents proceeds from buyers' financing under one or more of the government programs granted to finance buyers of housing units and mortgage house financing of private banks.	Within 1 year
Other receivables	This represents claims from other parties arising from the ordinary course of business. It also includes receivables from tenants, related parties, advances to officers and employees and homeowners' associations.	1 to 2 years

Normal Operating Cycle: 12 calendar months

Schedule A

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Financial Assets

March 31, 2024

Below is the detailed schedule of the Group's financial assets in equity securities as of March 31, 2024:

Name of Issuing entity and association of each issue	Number of Shares	Amount Shown in the Statement of Financial Position	Value Based on Market Quotation at end of year	Income Received and Accrued
(In Thousands Except Number of Shares)				
Financial assets at FVOCI				
Quoted:				
Philippine Long Distance Telephone Company Manila Electric Company	26,100	₱261	₱261	₱-
(MERALCO)	1,153,694	6,197	6,197	-
		6,458	6,458	-
Unquoted:				
The Palms Country Club, Inc.	1,000	₱3,060	₱3,060	₱-
Cebu Country Club	1	6,017	6,017	-
		9,077	9,077	-
		₱15,535	₱15,535	₱-

The Group's investment in MERALCO is an unlisted preferred shares acquired in connection with the infrastructure that it provides for the Group's real estate development projects. These are carried at cost less impairment, if any.

FILINVEST LAND, INC. AND SUBSIDIARIES

**Supplementary Schedule of Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
March 31, 2024**

As of March 31, 2024, there were no advances to employees of the Group with balances above ₱1.0 million.

All amounts receivable from related parties pertained to items arising in the ordinary course of business.

Schedule C

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Amounts Receivable (Payable) from Related Parties which are Eliminated during the Consolidation of Financial Statements March 31, 2024

Below is the schedule of receivables (payables) with related parties which are eliminated in the consolidated financial statements as of March 31, 2024. All are noninterest-bearing and to be settled within the year:

	Volume of Transactions	Receivable (Payable)	
		(In Thousands)	
Filinvest REIT Corp (FILRT)	Share in Expenses	P158,489	P233,644
Filinvest Cyberzone Mimosa, Inc. (FCMI)	Share in expenses	(735)	3,073,946
Homepro Realty Marketing, Inc. (Homepro)	Share in expenses	721	715,618
Filinvest Cyberparks, Inc. (FCI)	Share in expenses	155,707	2,199,056
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Share in expenses	4,580	636,290
Filinvest Clark Green City (FCGC)	Share in expenses	30,000	79,239
Property Maximizer Professional Corp. (Promax)	Share in Expenses	15,763	154,922
Nature Specialists, Inc.	Share in expenses	5,051	94,479
Proleads Philippines, Inc. (PPI)	Share in expenses	116	27,984
Filinvest AII Philippines, Inc. (FAPI)	Share in expenses	(99,563)	(90,839)
Gintong Parisukat Realty and Development Inc. (GPRDI)	Share in expenses	565	28,183
Realpros Philippines, Inc. (RPI)	Share in expenses	0	15,252
Filinvest BCDA Clark, Inc. (FBCI)	Share in expenses	61	94,462
Property Specialist Resources, Inc. (Prosper)	Share in expenses	(59)	7,943
Leisurepro, Inc. (Leisurepro)	Share in expenses	31	6,662
Co-Living Pro Managers Corp.	Share in Expenses	299	11,626
Festival Supermall, Inc. (FSI)	Share in expenses	(5,439)	(5,063)
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Share in expenses	0	211
Property Leaders International Limited (PLIL)	Share in expenses	0	111
Philippine DCS Development Corporation (PDDC)	Share in expenses	0	141
ProOffice Works Services, Inc. (ProOffice)	Share in expenses	0	95
FREIT Fund Managers, Inc. (FFMI)	Share in expenses	0	223
Filinvest Lifemalls Corporation (FLC)	Share in expenses	0	89
FSM Cinemas, Inc.	Share in expenses	(12)	2
Filinvest REIT Corp (FILRT)	Rental Income	0	0
Property Maximizer Professional Corp. (Promax)	Marketing Fee Expenses	(10,896)	0
Filinvest Asia Corporation (FAC)	Share in expenses	(3)	(3)
Timberland Sports and Nature Club, Inc. (TSNC)	Share in expenses	100	19,733
Ourspace Solutions, Inc.	Share in expenses	0	454
SJR Developers	Share in expenses	925	45,183
Niyog Property Holdings Inc.	Share in expenses	539	3,705
Cajel Realty Corporation	Share in expenses	102	551
		P256,342	P7,353,901

Schedule C

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Amounts Receivable (Payable) from Related Parties which are Eliminated during the Consolidation of Financial Statements March 31, 2024

The table below shows the movement of the receivables (payables) from related parties:

	December 31 2023	Additions	Collections	March 31 2024
		(In Thousands)		
Filinvest REIT Corp (FILRT)	P75,155	P158,489		P233,644
Filinvest Cyberzone Mimosa, Inc. (FCMI)	3,074,681	(735)		3,073,946
Homepro Realty Marketing, Inc. (Homepro)	714,896	721		715,617
Filinvest Cyberparks, Inc. (FCI)	2,043,349	155,707		2,199,056
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	631,710	4,580		636,290
Filinvest Clark Green City (FCGC)	49,239	30,000		79,239
Property Maximizer Professional Corp. (Promax)	150,055	5,173	(307)	154,921
Nature Specialists, Inc.	89,429	5,051		94,480
Proleads Philippines, Inc. (PPI)	27,868	116		27,984
Filinvest AII Philippines, Inc. (FAPI)	8,723	(99,563)		(90,840)
Gintong Parisukat Realty and Development Inc. (GPRDI)	27,618	565		28,183
Realpros Philippines, Inc. (RPI)	15,252	0		15,252
Filinvest BCDA Clark, Inc. (FBCI)	94,402	1,138	(1,077)	94,463
Property Specialist Resources, Inc. (Prosper)	8,002	-	(60)	7,942
Leisurepro, Inc. (Leisurepro)	6,632	31		6,663
Co-Living Pro Managers Corp.	11,327	299		11,626
Festival Supermall, Inc. (FSI)	376	(5,439)		(5,063)
Filinvest Lifemalls Mimosa, Inc. (FLMI)	212	-		212
Property Leaders International Limited (PLIL)	111	-		111
Philippine DCS Development Corporation (PDDC)	141	-		141
ProOffice Works Services, Inc. (ProOffice)	95	-		95
FREIT Fund Managers, Inc. (FFMI)	223	-		223
Filinvest Lifemalls Corporation (FLC)	88	-		88
FSM Cinemas, Inc.	15	(12)		3
Filinvest Asia Corporation (FAC)	-	(1)	(2)	(3)
Timberland Sports and Nature Club, Inc. (TSNC)	19,633	100		19,733
Ourspace Solutions, Inc.	455	-		455
SJR Developers	44,259	925		45,184
Niyog Property Holdings Inc.	3,166	539		3,705
Cajel Realty Corporation	449	102		551
	P7,097,561	P257,786	(P1,446)	P7,353,901

The intercompany transactions between FLI and the subsidiaries pertain to share in common expenses, rental charges, marketing fee, management fee, subscription receivables and dividends. There were no amounts written off during the year and all amounts are expected to be settled within the year.

FILINVEST LAND, INC. AND SUBSIDIARIES
**Supplementary Schedule of Long-term Debt
March 31, 2024**

Below is the schedule of long-term debt of the Group:

Title of Issue & Type of Obligation	Amount Authorized by Indenture/Facility Agreement	Current Portion of Long-term Debt (In Thousands)	Long-term Debt (net of Current Portion (In Thousands)	Interest Rate	No. of Periodic Installment	Maturity Date
Filinvest Land Inc.						
Bonds						
Philippine Peso	1,700,000	1,697,411	–	5.6400%	N/A, Bullet	December 4, 2024
Philippine Peso	8,925,000	–	8,866,507	5.3500%	N/A, Bullet	June 23, 2025
Philippine Peso	1,000,000	–	997,006	5.7100%	N/A, Bullet	August 20, 2025
Philippine Peso	5,000,000	–	4,965,545	4.5300%	N/A, Bullet	December 21, 2025
Philippine Peso	1,764,600	–	1,757,501	4.1800%	N/A, Bullet	May 18, 2026
Philippine Peso	11,430,800	–	11,300,757	6.9829%	N/A, Bullet	June 1, 2027
Philippine Peso	2,975,000	–	2,948,719	6.4100%	N/A, Bullet	June 23, 2027
Philippine Peso	5,000,000	–	4,956,374	5.2600%	N/A, Bullet	December 21, 2027
Bank Loan- Peso						
Local Bank	5,105,000	3,592,725	1,498,475	Various fixed / floating rates	Various	Various from 2024 to 2027
Local Bank	7,888,333	4,249,468	3,616,877	Various fixed / floating rates	Various	Various from 2024 to 2026
Local Bank	1,958,333	1,953,954	–	Various fixed rates	Various	Various from 2024 to 2025
Local Bank	2,000,000	–	1,991,469	Various fixed rates	Various	September 27, 2026
Local Bank	3,050,000	–	3,029,022	Various fixed / floating rates	Various	Various from 2026 to 2029
Local Bank	1,919,167	1,915,974	–	Various fixed / floating rates	Various	Various within 2024
Local Bank	1,770,000	1,763,442	–	Various floating rates	Various	Various within 2024
Local Bank	2,750,000	1,579,142	1,162,235	Various fixed rates	Various	Various from 2024 to 2025
Local Bank	1,080,000	1,075,183	–	Various fixed rates	Various	Various within 2024
Sub-total	65,316,233	17,827,299	47,090,487			
Subsidiaries						

Bank Loan- Peso						
Local Bank	804,545	652,317	150,000	Various fixed/floating rates	Various	Various from 2024 to 2025
Local Bank	5,773,333	4,631,150	1,134,934	Various fixed rates	Various	Various from 2024 to 2028
Local Bank	3,000,000	2,999,415	–	Various fixed rates	Various	Various within 2025
Local Bank	260,200	–	258,701	Various fixed / floating rates	Various	Various from 2026 to 2028
Local Bank	825,000	822,252	–	Various floating rates	Various	Various within 2024
Local Bank	283,333	283,333	–	Various floating rates	Various	Various within 2024
	₱76,262,645	₱27,215,769	₱48,634,122			

Each loan balance is presented net of unamortized deferred costs. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.0x and minimum interest coverage ratio of 1.0x.

Each bond balance is presented net of unamortized deferred costs. The agreements covering the abovementioned bonds require maintaining certain financial ratios which include maximum debt-to-equity ratio ranging from 2.0x to 2.5x; minimum current ratio ranging from 1.0x to 2.0x; and minimum debt service coverage ratio (DSCR) of 1.0x.

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock; sale or transfer and disposal of all or a substantial part of its capital assets; restrictions on use of funds; and entering into any partnership, merger, consolidation or reorganization.

The Group has complied with these contractual agreements. There was neither default nor breach noted for the reporting period.

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Indebtedness to Related Parties

March 31, 2024

This schedule is not applicable as there are no non-current indebtedness which exceed 5% of total assets as of March 31, 2024 and December 31, 2023.

FILINVEST LAND, INC. AND SUBSIDIARIES

**Supplementary Schedule of Guarantees of Securities of Other Issuers
March 31, 2024**

The Group does not have guarantees of securities of other issuers as of March 31, 2024.

Schedule G

FILINVEST LAND, INC. AND SUBSIDIARIES
Supplementary Schedule of Guarantees of Capital Stock
March 31, 2024

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, Officers and Employees	Others
(In Thousands)						
Common Shares	33,000,000	24,249,760	–	16,267,682	58,663	7,923,415
Preferred Shares	8,000,000	8,000,000	–	8,000,000	–	–

Schedule H

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Bond Issuances – Securities Offered to the Public March 31, 2024

	2013	2014	2015	2017	2020	2021	2022	2023
	7.0 Billion Bond	7.0 Billion Bond	8.0 Billion Bond	6.0 Billion Bond	8.1 Billion Bond	10.0 Billion Bond	11.90 Billion Bond	11.43 Billion Bond
Expected gross and net proceeds as disclosed in the prospectus								
Gross Proceeds	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000	₱6,000,000,000	₱9,000,000,000	₱10,000,000,000	₱11,900,000,000	₱12,000,000,000
Less: Expenses	67,594,379	82,327,087	85,330,750	68,308,996	118,002,625	131,785,030	154,432,780	149,808,155
Net Proceeds	₱6,932,405,621	₱6,917,672,913	₱7,914,669,250	₱5,931,691,004	₱8,881,997,375	₱9,868,214,970	₱11,745,567,220	₱11,850,191,845
Actual gross and net proceeds								
Gross Proceeds	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000	₱6,000,000,000	₱8,100,000,000	₱10,000,000,000	₱11,900,000,000	₱11,430,800,000
Less: Expenses	82,906,997	77,906,937	86,811,468	96,582,653	165,450,548	137,330,244	156,399,197	143,059,814
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452	₱9,862,669,756	₱11,743,600,803	₱11,287,740,186
Expenditure items where the proceeds were used								
Land Acquisition	₱2,965,648,318	₱-	₱88,961,000	₱-	₱595,776,352	₱2,000,000,000	₱2,273,000,000	₱-
Project Development	1,185,554,209	2,422,093,063	2,888,760,022	-	693,494,229	532,498,565	597,600,803	6,072,085,559
Investment Property	2,765,890,476	-	4,935,467,510	5,903,417,347	2,104,200,033	1,753,544,108	273,000,000	1,215,654,627
Debt refinancing	-	4,500,000,000	-	-	4,356,621,959	5,308,627,083	8,600,000,000	4,000,000,000
General Corporate	-	-	-	-	184,456,880	268,000,000	-	-
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452	₱9,862,669,756	₱11,743,600,803	₱11,287,740,186
Balance of the proceeds as of March 31, 2024								
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452	₱9,862,669,756	₱11,743,600,803	₱11,287,740,186
Capital Expenses	6,917,093,003	2,422,093,063	7,913,188,532	5,903,417,347	3,577,927,493	4,554,042,673	3,143,600,803	7,287,740,186
Debt refinancing	-	4,500,000,000	-	-	4,356,621,959	5,308,627,083	8,600,000,000	4,000,000,000
Net Proceeds	₱-	₱-	₱-	₱-	₱-	₱-	₱-	₱-

FILINVEST LAND, INC. AND SUBSIDIARIES
Components of Financial Soundness Indicators
March 31, 2024

	March 31 2024	March 31 2023	December 31 2023
	(Unaudited)	(Unaudited)	(Audited)
Current Ratio ¹	2.12	3.24	2.97
Interest-bearing debt-to-Equity ratio, ²	0.88	0.79	0.79
Debt Ratio ³	0.56	0.54	0.54
EBITDA to Total Interest Paid ⁴	2.14	2.08	2.18
Price Earnings Ratio ⁵	4.88	6.25	3.69
Quick Asset Ratio ⁶	0.55	0.77	0.71
Solvency Ratio ⁷	0.02	0.01	0.05
Interest Coverage Ratio ⁸	2.33	3.07	3.03
Net Profit Margin ⁹	0.18	0.19	0.19
Return on Equity ¹⁰	0.04	0.04	0.05
Asset-to-Equity Ratio ¹¹	2.28	2.17	2.17

¹Current Assets divided by Current Liabilities

²Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

³Total Liabilities divided by Total Assets

⁴EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid

⁵Closing price divided by Annualized Earnings per share

⁶Quick Assets (total current assets less inventories) divided by Current Liabilities

⁷Net Income before Depreciation (net income plus depreciation) divided by Total Liabilities

⁸Earnings before Interest and Other Charges and Income Tax (EBIT) divided by Interest Expense

⁹Net Income divided by Gross Revenues

¹⁰Annualized Net Income divided by Total Equity

¹¹Total Assets divided by Total Equity

SIGNATURES

Pursuant to the requirements of Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FILINVEST LAND, INC.

Signature:

Name:


TRISTANEIL LAS MARIAS

Title:

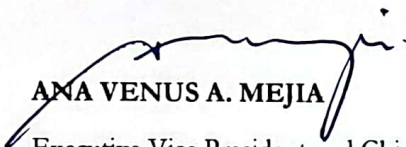
President and Chief Executive Officer

Date:

May 15, 2024

Signature:

Name:


ANA VENUS A. MEJIA

Title:

Executive Vice President and Chief Finance Officer

Date:

May 15, 2024

Signature:

Name:


JANETH B. DE LOS REYES

Title:

Deputy Chief Finance Officer

Date:

May 15, 2024

FILINVEST

LAND, INCORPORATED

79 EDSA, Highway Hills, Mandaluyong City
Metro Manila 1000, Philippines
Trunk Line: (632) 7918-8188
Customer hotline: (632) 8588-1688
www.filinvestland.com

September 28, 2022

THE PHILIPPINE STOCK EXCHANGE

Philippine Stock Exchange Plaza 6th
Floor, PSE Tower
Bonifacio Global City, Taguig

Attention: Ms. Alexandra Tom Wong
OIC, Disclosure Department

Subject: Final Report on the Disbursement of Proceeds from the Initial Public Offering ("IPO") of Filinvest REIT Corp. ("FILRT")

Dear Ms. Tom Wong,

We are pleased to submit our Final Report on the Application of Proceeds for the IPO of FILRT, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On August 12, 2021, Filinvest Land, Inc received net proceeds from the IPO of FILRT amounting to Twelve Billion Two Hundred Sixty Four Million Nineteen Thousand Three Hundred Thirty Nine Pesos (Php12,264,019,339).

As of August 11, 2022, FLI already disbursed the total net proceeds amounting to Twelve Billion Two Hundred Sixty Four Million Nineteen Thousand Three Hundred Thirty Nine Pesos (Php12,264,019,339).

The details of the disbursements are as follows:

Gross Proceeds from IPO	Php	12,583,246,445
Purchase of shares during the stabilization period	-	2,281,800
Underwriters and IPO-related fees	-	316,945,306
Net Proceeds received		<u>12,264,019,339</u>
Disbursements for Transaction Costs, Aug. 12- Sept. 30	-	132,542,601
Disbursements for Transaction Costs, Oct. 1- Dec. 31	-	<u>1,571,600</u>
Available for Reinvestment		12,129,905,138
Disbursements for Reinvestment Aug 12- Sept 30	-	1,566,787,667
Disbursements for Reinvestment Oct 1-Dec. 31	-	872,622,139
Disbursements for Reinvestment Jan.1- March 31, 2022	-	2,016,678,604
Disbursements for Reinvestment April 1-June 30, 2022	-	2,725,572,490
Disbursements for Reinvestment July 1-August 11, 2022	-	<u>4,948,244,238</u>
Balance of IPO Proceeds as of August 11, 2022		<u>0</u>

Thank you.

Very truly yours,


ANA VENUS A. MEJIA
Chief Finance Officer

ACKNOWLEDGMENT

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

SEP 28 2022

I certify that on _____, before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

	<u>Competent Evidence of Identity</u>	<u>Date / Place Issued</u>
Filinvest Land, Inc.	TIN:	
<i>Represented by:</i>		
Ana Venus Mejia	Unified Multi Purpose ID CRN –	

who were identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 325;
Page No. 46;
Book No. 30;
Series of 2022.

JOVEN G. S. MILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-21 UNTIL DECEMBER 31, 2022
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
ROLL NO. 53970
PTR NO. 4864924; 1-3-22; MANDALUYONG
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025
UG03 CITYLAND SHAW TOWER,
SHAW BLVD. MANDALUYONG CITY

FILINVEST LAND, INC.

79 EDSA, Highway Hills
Mandaluyong City, Metro Manila
Trunk line: (632) 918-8188
Customer hotline: (632) 588-1688
Fax number: (632) 918-9189
www.filinvestland.com

ANNEX A- Disbursements for the period July 1, 2022 to August 11, 2022

Project Name	Disbursing Entity	July 1, 2022-Aug. 11, 2022
Axis Three	Filinvest Land, Inc.	6,012,172
Axis Four	Filinvest Land, Inc.	640,399
Cebu Tower 3	Filinvest Land, Inc.	74,097,795
Cebu Tower 4	Filinvest Land, Inc.	75,685,665
Marina Town	Filinvest Land, Inc.	16,075,999
Columna	Filinvest Land, Inc.	9,355,918
387 Gil Puyat	Filinvest Cyberparks Inc	19,883,453
4Workplus	Filinvest Clark Mimosa Inc	4,107,727
7 Workplus	Filinvest Clark Mimosa Inc	1,399,801
The Crib Clark	Filinvest Clark Mimosa Inc	70,247,339
PDDC	Phil. DCS Development Corp.	177,408
Filinvest Innovation Park	Filinvest BCDA Clark Inc.	26,347,543
Marina Town Mall	Filinvest Land, Inc.	40,448,458
Clark Lifestyle Mall	Filinvest Clark Mimosa Inc	139,815,812
Panglao Oasis	Filinvest Land, Inc.	80,653,940
Alta Spatial	Filinvest Land, Inc.	58,716,265
Verde Spatial	Filinvest Land, Inc.	14,925,915
Bali Oasis	Filinvest Land, Inc.	22,282,320
Belize Oasis	Filinvest Land, Inc.	27,907,521
Raw Land	Filinvest Land, Inc.	17,242,043
Dreambuilders capex	Filinvest Land, Inc.	348,014,356
Futura East	Filinvest Land, Inc.	281,108,503
The Levels 2	Filinvest Land, Inc.	324,873,755

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Studio Towers	Filinvest Land, Inc.	94,370,290
Activa- Residential	Filinvest Land, Inc.	255,018,115
Activa - Offices	Filinvest Land, Inc.	95,670,383
One Filinvest	Filinvest Land, Inc.	422,300,388
Studio 7	Filinvest Land, Inc.	153,941,286
Futura Centro	Filinvest Land, Inc.	174,101,942
Sorrento Oasis	Filinvest Land, Inc.	155,760,833
Asiana Oasis	Filinvest Land, Inc.	7,145,354
Claremont	Filinvest Land, Inc.	157,524,758
Maldives Oasis	Filinvest Land, Inc.	150,351,401
New Leaf	Filinvest Land, Inc.	171,018,715
Ciudad de Calamba	Filinvest Land, Inc.	321,963,183
Centro Spatial Davao	Filinvest Land, Inc.	215,980,687
Fora Dagupan	Filinvest Land, Inc.	168,013,945
Marina Spatial Dumaguete	Filinvest Land, Inc.	124,741,978
New Fields	Filinvest Land, Inc.	200,468,808
Savannah Fields	Filinvest Land, Inc.	138,492,662
Alta Vida	Filinvest Land, Inc.	23,036,888
Anila Park	Filinvest Land, Inc.	49,622,112
Eight Spatial Davao	Filinvest Land, Inc.	74,033,034
Teresa	Filinvest Land, Inc.	94,700,011
The Leaf	Filinvest Land, Inc.	39,967,358
TOTAL		4,948,244,238

AGREED-UPON PROCEDURES REPORT ON FINAL REPORT ON USE OF PROCEEDS FROM THE LISTING OF FILINVEST REIT CORP.

Ms. Ana Venus A. Mejia
Executive Vice President and Chief Finance Officer
Filinvest Land, Inc.
Filinvest Building, 79 EDSA, Highway Hills
Mandaluyong City 1550, Metro Manila

Purpose of this Agreed-upon Procedures Report

We have performed the procedures which were agreed to by Filinvest Land, Inc. (the "Company") solely to assist you in complying with the requirements of the Philippine Stock Exchange ("PSE") in relation to the Final Report on the use of proceeds from the initial public offering ("IPO") of the shares of Filinvest REIT Corp. ("FILRT") on August 12, 2022. This report covers additional disbursements for the period from July 1, 2022 to August 11, 2022 ("Subject Matter"). Accordingly, this may not be suitable for another purpose.

Restriction on Use

This agreed-upon procedures report ("AUP Report") is intended solely for the information and use of the Company and the PSE and is not intended to be and should not be used by anyone else.

Responsibilities of the Company

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the Subject Matter on which the agreed-upon procedures are performed. The sufficiency of these procedures is solely the responsibility of the Company.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

In performing the Agreed-Upon Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We are not required to be independent for the purpose of this engagement. We are the independent auditor of the Company and complied with the independence requirements of the Code of Ethics that apply in context of the financial statement audit.

Our firm applies Philippine Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the terms of engagement dated April 13, 2022, on the Subject Matter.

1. We obtained the Final Report on Use of Proceeds from the IPO of FILRT for the period from August 12, 2021 to August 11, 2022 (the "Final Report") and checked the mathematical accuracy of the Final Report. No exceptions were noted.
2. We compared the "Disbursements for Reinvestment July 1, 2022 to August 11, 2022" in the Final Report to the list of disbursements for the period from July 1, 2022 to August 11, 2022 (the "Disbursement Schedule") and noted the amounts to be in agreement. Further, we noted that of the total disbursements reported for the period from July 1, 2022 to August 11, 2022 in the Disbursement Schedule, Php3,453.41 million and Php362.90 million pertain to disbursements made prior to July 1, 2022 and after August 11, 2022, respectively.
3. We compared the Disbursements Schedule with the schedule of Planned use of IPO proceeds as documented in the Amended Sponsor Reinvestment Plan dated July 22, 2022 (the "Amended Sponsor Reinvestment Plan") and noted that the projects in the Disbursement Schedule are included in the Amended Sponsor Reinvestment Plan and disbursements for each project are within the amount allocated in the Amended Sponsor Reinvestment Plan except for 21 projects as summarized in Appendix I.
4. We traced disbursements exceeding Php50 million to supporting documents such as bank statements and collection receipts. Differences in the amount per Disbursement Schedule samples selected and the related collection receipts pertain to withholding taxes.

Explanatory paragraph

The Company is responsible for the source documents that are described in the specified procedures and related findings section. We were not engaged to perform and we have not performed any procedures other than those previously listed. We have not performed procedures to test the accuracy or completeness of the information provided to us except as indicated in our procedures. Furthermore, we have not performed any procedures with respect to the preparation or verification of any of the source documents. We have no responsibility for the verification of any underlying information upon which we relied in forming our findings.

The agreed-upon procedures do not constitute an audit or a review of financial statements or part thereof, the objective of which is the expression of an opinion or conclusion on the financial statements or part thereof.

We undertake no responsibility to update this AUP Report for events and circumstances occurring after the AUP Report is issued.

SYCIP GORRES VELAYO & CO.

Wanessa G. Salvador

Wanessa G. Salvador
Partner

September 28, 2022
Manila, Philippines

Appendix I – Projects which exceeded the allocation based on the Amended Sponsor Reinvestment Plan (in millions):

Project	Budget	Total Disbursements Aug 12, 2021 - Aug 11, 2022	Excess over Allocated Budget
Cebu Tower 4	Php230.00	Php255.27	(Php25.27)
Filinvest Innovation Park	21.00	26.35	(5.35)
Clark Lifestyle Mall	442.00	481.35	(39.35)
Futura East	200.00	281.11	(81.11)
The Levels 2	215.00	324.87	(109.87)
Activa- Residential	300.00	350.69	(50.69)
One Filinvest	237.00	422.30	(185.30)
Studio 7	100.00	153.94	(53.94)
Futura Centro	100.00	174.10	(74.10)
Sorrento Oasis	100.00	155.76	(55.76)
Claremont	132.00	157.52	(25.52)
Maldives Oasis	100.00	150.35	(50.35)
New Leaf	58.00	171.02	(113.02)
Ciudad de Calamba	58.00	321.96	(263.96)
Centro Spatial Davao	170.00	215.98	(45.98)
Fora Dagupan	80.00	168.01	(88.01)
Marina Spatial Dumaguete	120.00	124.74	(4.74)
New Fields	136.00	200.47	(64.47)
Savannah Fields	110.00	138.49	(28.49)
Eight Spatial Davao	49.00	74.03	(25.03)
Teresa	55.00	94.70	(39.70)
Total	Php3,013.00	Php4,443.03	(Php1,430.03)

SUBSCRIBED AND SWORN TO before me this 28th day of September 2022 in Mandaluyong City, Metro Manila, affiant exhibiting to me her Philippine Passport No. _____, as competent evidence of her identity, bearing her photograph and signature, issued by the Department of Foreign Affairs Manila

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Page No. 70 ;
Book No. 30 ;
Series of 2022.

JOVEN G. SIZILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
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