

# COVER SHEET

SEC Registration Number

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COMPANY NAME

F	I	L	I	N	V	E	S	T	D	E	V	E	L	O	P	M	E	N	T	C	O	R	P	O	R	A	T
I	O	N	A	N	D	S	U	B	S	I	D	I	A	R	I	E	S										

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

T	H	E	B	E	A	U	F	O	R	T	,	S	T	H	A	V	E	N	U	E	C	O	R	N	E	R
2	3	R	D	S	T	R	E	E	T	,	B	O	N	I	F	A	C	I	O	G	L	O	B	A	L	
C	I	T	Y	,	T	A	G	U	I	G	C	I	T	Y	,	M	E	T	R	O	M	A	N	I	L	A

Form Type

Department requiring the report

Secondary License Type, If Applicable

1	7	-	Q
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### COMPANY INFORMATION

Company's Email Address

[corpsec@filinvestland.com](mailto:corpsec@filinvestland.com)

Company's Telephone Number

**7798-3977**

Mobile Number

**N/A**

No. of Stockholders

**3,988**

(excluding treasury shares)

Annual Meeting (Month / Day)

**Every Last Friday of April**

Fiscal Year (Month / Day)

**12/31**

### CONTACT PERSON INFORMATION

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

Name of Contact Person

**Brian T. Lim**

Email Address

**Brian.lim@filinvestgroup.com**

Telephone Number/s

**7798-3977**

Mobile Number

**N/A**

### CONTACT PERSON'S ADDRESS

**The Beaufort, 5<sup>th</sup> Avenue Corner 23<sup>rd</sup> Street, Bonifacio Global City, Taguig City, Metro Manila**

**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 REGULATION CODE AND SRC  
RULE 17(2)(b) THEREUNDER

1. For the period ended **June 30, 2024**

2. SEC Identification Number **51048**

BIR Tax Identification No.

3. **000-053-167-000**

Exact name of registrant as specified in its charter:

4. **FILINVEST DEVELOPMENT CORPORATION**

5. **Philippines**

Province, Country or other jurisdiction of incorporation of organization

6. **(SEC Use Only)**

Industry Classification Code:

The Beaufort, 5<sup>th</sup> Avenue Corner 23<sup>rd</sup> Street,  
Bonifacio Global City, Taguig City 1634,

7. **Metro Manila**

Address of principal office

8. **02-77983977**

Registrant's telephone number, including area code

9. **Not applicable**

Former name, former address, and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class

**Common Stock, P1.0 par value**

Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding

**8,648,462,987 shares**

**₱136,457.2 million long-term and short-term debt**

11. Are any or all of these securities listed in the Philippines Stock Exchange?

Yes [  ]

No [  ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

**Philippine Stock Exchange**

**Common Stock**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Revised Securities Act (RSA) and SRC Rule 17 thereunder and Sections 11 of the RSA and RSA 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 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**

### **Item 1. Financial Statements**

Please refer to Attachment I for the Unaudited Interim Condensed Consolidated Financial Statements of Filinvest Development Corporation (FDC) and Subsidiaries (collectively referred to as the “Group”) as of June 30, 2024 (with comparative audited figures as at December 31, 2023) and for the six months ended June 30, 2024 and 2023. Aging of the Group’s Loans and Receivables and Supplementary Information and Disclosures required on SRC Rules 68 and 68.1 as Amended as of June 30, 2024, are also presented in Attachment II and III, respectively.

### **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operation**

#### **Results of Operations**

#### **Six Months Ended June 30, 2024, Compared with Six Months Ended June 30, 2023**

##### **I. Consolidated Results of Operations**

The Group recorded consolidated net income to Parent of ₱5,541.5 million for the first half of the year, 40.6% higher than the reported net income of ₱3,942.1 million in the same period of last year. The banking segment accounted for the bulk of the income contributions at 38.0%, followed by the real estate at 19.3% and power and utility business at 31.0% of total. The sugar and hospitality businesses accounted for the remaining 9.4% and 2.3% of total, respectively.

Total revenues and other income surged 30.1% year-on-year to ₱55,489.5 million, on the back of 31.2% growth in core revenues fueled by strong performance across all business segments and 19.5% growth in other income which came mainly from the real estate and banking segments.

##### **II. Segment Operations**

###### **Banking and Financial Services**

EWB delivered the highest net income to Parent contribution for the group of ₱2,603.2 million in the first half this year, 6.9% improvement than the same period last year driven primarily by the sustained momentum from its lending portfolio that has gone back to pre-pandemic levels.

The Bank’s interest income grew 30.9% to ₱20,532.5 million largely attributable to higher volume of loans and receivables, followed by interest income on FVOCI, investment securities at amortized cost and FVPL securities. Likewise, non-interest income improved by 12.6% to ₱3,687.6 million resulting from higher service fees and commission income, trading securities gain and gains from sale of foreclosed assets.

Cost of banking and financial services increased by 42.8% to ₱4,028.3 million from ₱2,821.9 million from higher volume and higher cost of funding for the period. Operating expenses, excluding provision for probable losses, also went up by 30.0% due to higher manpower cost from increase in manpower count and normal annual increases to compensate for inflation, depreciation and amortization, taxes and licenses manly GRT and DST from increase in transaction volume, advertising and technological expenses. Provision for losses increased by 55.2% to ₱4,504.5 million due to the combined impact of higher loan volumes and residual effects of the pandemic on the consumer portfolio.

###### **Real Estate Operations**

The Group’s real estate business, consisting of Filinvest Land, Inc. (FLI) and Filinvest Alabang, Inc. (FAI), contributed ₱1,319.8 million in net income to Parent in the first half of 2024, a 3.5% growth from last year’s net income contribution of ₱1,275.4 million, as residential and retail segments posted topline growth. Real estate revenues rose 18.8% to ₱7,716.1 million in the first half of 2024 from higher construction percentage of completion achieved during the period. Likewise, mall and rental revenues grew by 11.9% to ₱4,085.5 million. The growth was fueled by increased business activity, shopper traffic

and removal of rental concessions.

Cost of real estate sales increased by 3.3% due to higher real estate revenues realized during the period from higher sales and percentage of completion while cost of mall and rental services also went up by 53.4% mainly due to higher direct operating expenses attributable to the increased level of operations in the retail segment, cost of operating new office buildings, and the rise in power rates. Operating expenses increased by 54.9% primarily due to higher manpower costs, insurance, taxes and licenses, availment of outside services, marketing expenses and higher interest costs. Provision for income tax increased to ₱444.6 million from ₱440.4 million related to higher taxable income in 2024 and reduction of income contribution of business operations with lower income tax rate over the regular corporate tax rate.

### **Power and Utility Operations**

In the six months ended June 30, 2024, the Group's power and utility business generated ₱12,842.9 million total revenues and other income, a major increase of 75.5% over the reported ₱7,319.7 million in the same period last year. The increase was primarily due to the higher volume and average selling price during the current period. Total cost increased by 74.6% to ₱9,054.7 million from higher fuel consumption. Operating expenses increased by 4.1% to ₱1,090.3 million from increased salary costs and insurance costs. As a result, net income surged to ₱2,124.2 million, an 84.7% increase from the same period last year.

### **Hospitality Operations**

Hospitality business revenues and other income were up 49.0% year-on-year to ₱2,040.7 million driven by improved occupancy and room rates and higher food and beverage revenues due to the revenge travel. Cost and expenses increased by 44.3% corresponding to the increase in business volume and increasing consumer prices.

### **Sugar Business**

In the first half of 2024, sugar business recorded ₱646.7 million net income to Parent, a 37.6% improvement over last year's net income of ₱469.9 million, despite lower sugar prices, since cost of sugar operations declined by 19.2% from lower fuel consumption and operational improvements.

### **Other Operations**

The Group's other operations, which consist primarily of head office borrowing cost and expense, incurred net loss contribution to Parent of ₱1,306.8 million in the first half of 2024, 4.3% higher than previous year's ₱1,252.9 million, due to higher interest expense and external service costs.

### **Financial Condition**

#### **As of June 30, 2024 compared with as of December 31, 2023**

As of June 30, 2024, The Group's total assets stood at ₱766,774.8 million, higher by 4.3% from December 31, 2023 asset level of ₱734,934.0 million, with the following substantial changes in accounts:

- **Loans and receivables of real estate operations**  
**20.8% increase from ₱9,285.8 million to ₱11,216.7 million**  
Mainly from increased revenues for the period and increased rent receivables from tenants.

- **Loans and receivables of banking and financial services**  
**7.3% increase from ₱281,253.3 million to ₱301,854.0 million**  
Driven mainly by personal loans, credit cards, auto loans, and teachers' loans.
- **Loans and receivables of power and utility operations**  
**32.4% increase from ₱4,862.0 million to ₱6,438.3 million**  
Higher level of trade receivables was due to higher pass-through fuel cost and Wholesale Electricity Spot Market (WESM) sales in 2024.
- **Loans and receivables of sugar operations**  
**13.3% increase from ₱134.6 million to ₱152.5 million**  
Mainly from increase in advances to sugar plants and receivables from customers.
- **Financial assets at fair value through other profit or loss**  
**126.5% increase from ₱4,112.3 million to ₱9,315.5 million**  
Due to movements in the Bank's proprietary trading portfolio shifting to build-up the Bank's accrual portfolio in line with the Bank's business models.
- **Financial assets at fair value through other comprehensive income**  
**43.1% increase from ₱19,411.4 million to ₱27,774.3 million**  
Due to the increase in value of the Bank's investments holdings.
- **Contract assets**  
**10.2% decrease from ₱9,867.6 million to ₱8,856.5 million**  
Mainly due to increased collections, including receipt of bank takeouts.
- **Real estate inventories**  
**12.0% decrease from ₱81,004.4 million to ₱71,282.3 million**  
Mainly from impact of IFRIC restatement on borrowing costs of FLI.
- **Coal, spare parts, and other inventories**  
**93.2% increase from ₱1,665.8 million to ₱3,218.3 million**  
Brought about by higher raw sugar inventories during the year.
- **Investment in joint venture**  
**10.5% increase from ₱1,907.1 million to ₱2,108.0 million**  
From higher share in joint venture earnings.
- **Right-of-use assets**  
**14.4% increase from ₱4,150.7 million to ₱4,748.4 million**  
From additional lease arrangements entered by the Group.
- **Other assets - net**  
**7.4% increase from ₱33,314.6 million to ₱35,773.1 million**  
Mainly due to increase in advances to contractors and suppliers of the group, creditable withholding taxes and capital expenditures related to BTO rights.

As of June 30, 2024, the Group's total liabilities was at ₱592,896.9 million, 6.4% higher than the December 31, 2023, balance of ₱557,242.2 million, with the following material changes in accounts:

- **Bills and acceptances payable**  
**112.7% increase from ₱15,403.7 million to ₱32,762.4 million**  
Mainly from higher volume of repurchase agreements, Interbank borrowings from BSP – OLF (Overnight Lending Facility) and other banks.
- **Accounts payable, accrued expenses and other liabilities**  
**7.9% increase from ₱46,888.9 million to ₱50,582.3 million**  
Mainly from increases in the Group's payables relating to operating requirements, manpower and interest accruals, and retention fees.
- **Income tax payable**  
**16.2% increase from ₱488.5 million to ₱567.8 million**  
Represents current period's recognition of provision for income tax.
- **Retirement liabilities**  
**9.0% increase from ₱1,575.0 million to ₱1,717.5 million**  
Pertains to accruals for the Group's employee retirement.
- **Lease liabilities**  
**8.2% decrease from ₱8,454.3 million to ₱7,759.5 million**  
Pertains to payments of the Group's lease obligations.
- **Deferred tax liabilities**  
**25.9% decrease from ₱10,281.6 million to ₱7,621.0 million**  
Mainly attributable to impact of IFRIC restatement on borrowing costs of FLI.

On April 26, 2024, FDC's Board of Directors (BOD) approved the declaration and payment of cash dividends of ₱0.10346 per share for every common share of record as of May 20, 2024, payable on June 11, 2024.

On April 28, 2023, FDC's Board of Directors (BOD) approved the declaration and payment of cash dividends of ₱0.06534 per share for every common share of record as of May 22, 2023. This was paid on June 14, 2023.

The Group has commitments for capital expenditures for the project developments of the real estate segment, the requirement of the sugar manufacturing subsidiaries, the development and construction of solar rooftop facilities and other utility projects, the intended construction and management of various hotels, and the bank's expansion and implementation of IT projects, which could be adequately covered by the operating cash flow and availment of medium and long term loans.

## Performance Indicators

	As of and for the Six-Months Ended June 30, 2024 (Unaudited)	As of December 31, 2023 (Audited) and for the Six-Months Ended June 30, 2023 (Unaudited)
Earnings Per Share - Basic (EPS)	<u>₱0.641 /share</u>	<u>₱0.456 /share</u>
<u>Net Income (Attributable to Equity Holders of the Parent Company)</u>		
Weighted Average Number of Outstanding Shares		
Price Earnings Ratio (PE Ratio)	8.5 Times	11.4 Times
<u>Closing Price <sup>(1)</sup></u>		
EPS		
Return on Revenue	13%	13%
<u>Total Net Income</u>		
Total Revenue		
Return on Equity (Average)	8%	7%
<u>Total Net Income (Annualized)</u>		
Average Total Equity		
Assets to Equity Ratio	4.41 :1	4.14 :1
<u>Total Assets</u>		
Total Equity		
Debt to Equity Ratio		
a) <u>Long-term and Short-term Debt</u>	0.78 :1	0.74 :1
Total Equity		
b) <u>Total Liabilities Excluding Deposit liabilities, Bills and Acceptances Payable, Asset Retirement Obligation and Finance Lease Liabilities</u>	1.14 :1	1.09 :1
Total Equity		
Current Ratio		
a) <u>Including EW</u>	0.66 :1	0.80 :1
Current Assets		
Current Liabilities		
b) <u>Excluding EW</u>	2.01 :1	2.70 :1
Current Assets		
Current Liabilities		
Quick Ratio – excluding EW	1.00 :1	1.17 :1
<u>Current Assets – Inventories</u>		
Current Liabilities		
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) to Total Interest Expense	4.55 Times	4.49 Times
<u>EBITDA</u>		
Total Interest Expense <sup>(2)</sup>		

(1) Closing prices of P5.48 and P5.20 as of June 30, 2024 and 2023, respectively.

(2) Excluding accretion expense on financial liability on lease contract

## PART II - OTHER INFORMATION

### Item 3. Other Operations - Bond Issuance

On February 7, 2024, the Parent Company issued fixed rate 2.5-year bonds due in 2026 with principal amount of ₱10 billion. The bonds carry a fixed interest rate of 6.3206% per annum payable quarterly in arrears starting May 7, 2024.

I.	Proceeds	
	Net proceeds	₱9,876.0
II.	Utilization	
	Partial financing of debt obligations	5,000.0
	Capital expenditures for:	
	Hospitality projects	281.4
	Renewable energy and water projects	34.0
	Investments in digitalization	11.5
	General corporate purposes	200.0
III.	Balance as of June 30, 2024	₱4,349.1

### Item 4. Subsequent Events

There are no other material events subsequent to June 30, 2024 up to the date of this report that have not been reflected in the Unaudited Interim Condensed Consolidated Financial Statements and Notes to Unaudited Interim Condensed Financial Statements.

### Item 5. Other Disclosures

1. Except as disclosed in the Notes to Unaudited Interim Condensed 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 condensed consolidated financial statements do not include all of 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. There are no known trends, demands, comments, events or uncertainties that will have a material impact on liquidity.
5. Except for the sugar operations, the operating activities are carried out uniformly over the calendar year. Except for the milling season, there are no unusual operating cycles or seasons during the year. The milling activities of the sugar subsidiaries usually start in November and end in May or June of the following year.
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, Analysis of Financial Condition and Results of Operations, and Subsequent Events, 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, Subsequent Events, Financial Risk Exposures, Notes to Unaudited Interim Condensed Consolidated Financial Statements, Other Disclosures and Supplementary Information, there are no other material events subsequent to June 30, 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 other dividends paid (aggregate or per share) separately for ordinary shares and other shares during the interim period, except as discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operation.
10. There have been no material changes in the composition of the Group during the interim period, such as business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations, except as discussed in the Notes to Unaudited Interim Condensed Consolidated Financial Statements, Management's Discussion and Analysis of Financial Condition and Results of Operations.
11. There are no material contingencies and any other events or transactions affecting the current interim period.
12. There are no known events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.
13. There are no known material off-balance sheet transactions, arrangements, obligations including contingent liabilities, and other relationships of the Company, with unconsolidated entities or other persons created during the reporting period.
14. There are no significant elements of income or loss, except as discussed in the Management's Discussion and Analysis on Financial Condition and Results of Operations, which did not arise from the Company's continuing operations.
15. Aside from the possible material increase in interest rates on the outstanding floating - rate term loans, 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. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangements requiring it to make payments or any significant amount in its accounts payable that has not been paid within the stated terms.
16. 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, the Company considers the following:

**Seasonality**

Except for the significant impact of COVID-19 pandemic to the Company's operations starting March 2020, there were no other trends, events or uncertainties that have had or that are reasonably expected to have a material impact on net sales or revenues or income from operations.

**SIGNATURES**

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

Issuer **FILINVEST DEVELOPMENT CORPORATION**

Signature:



Title: **RHODA A. HUANG**  
President and CEO  
Date: **August 13, 2024**

Signature:



Title: **BRIAN T. LIM**  
Treasurer and CFO  
Date: **August 13, 2024**

# Filinvest Development Corporation and Subsidiaries

Unaudited Interim Condensed Consolidated  
Financial Statements as at June 30, 2024  
and for the Six Months Ended  
June 30, 2024 and 2023  
(with Comparative Audited Consolidated  
Statement of Financial Position as at  
December 31, 2023)

**FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2024 WITH COMPARATIVE FIGURES AS AT DECEMBER 31, 2023**  
**(Amounts in Thousands of Pesos)**

	<b>June 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
<b>ASSETS</b>		
Cash and cash equivalents (Note 6)	<b>₱46,949,191</b>	₱48,962,146
Loans and receivables		
Real estate operations (Note 7)	<b>11,216,733</b>	9,285,775
Hospitality operations (Note 8)	<b>243,085</b>	247,570
Banking and financial services (Note 9)	<b>301,853,951</b>	281,253,378
Power operations (Note 10)	<b>6,438,278</b>	4,861,962
Sugar operations (Note 11)	<b>152,510</b>	134,639
Financial assets at fair value through profit or loss (Note 12)	<b>9,315,494</b>	4,112,322
Financial assets at fair value through other comprehensive income (FVOCI) (Note 12)	<b>27,774,321</b>	19,411,425
Investment securities at amortized cost (Note 12)	<b>76,937,002</b>	75,401,019
Contract assets (Note 16)	<b>8,856,508</b>	9,867,642
Real estate inventories (Note 13)	<b>71,282,334</b>	81,004,413
Coal, spare parts and other inventories (Note 14)	<b>3,218,337</b>	1,665,772
Investment properties	<b>98,073,204</b>	98,240,278
Property, plant and equipment	<b>45,632,578</b>	45,103,226
Investments in joint ventures and associate (Note 15)	<b>2,108,035</b>	1,907,136
Deferred tax assets - net	<b>5,820,628</b>	5,628,946
Right-of-use assets	<b>4,748,404</b>	4,150,658
Goodwill (Note 4)	<b>10,381,152</b>	10,381,152
Other assets - net (Note 16)	<b>35,773,091</b>	33,314,574
	<b>₱766,774,836</b>	₱734,934,033
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Deposit liabilities (Note 17)	<b>₱352,524,674</b>	₱338,781,312
Bills and acceptances payable (Note 18)	<b>32,762,143</b>	15,403,706
Accounts payable, accrued expenses and other liabilities (Note 19)	<b>50,582,330</b>	46,888,946
Contract liabilities (Note 16)	<b>2,904,671</b>	2,996,852
Short-term and long-term debt (Note 20)	<b>136,457,166</b>	132,371,944
Income tax payable	<b>567,826</b>	488,470
Retirement liabilities	<b>1,717,549</b>	1,575,028
Lease liabilities (Note 27)	<b>7,759,462</b>	8,454,337
Deferred tax liabilities - net	<b>7,621,032</b>	10,281,563
Total Liabilities	<b>₱592,896,853</b>	₱557,242,158

(Forward)

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
<b>EQUITY</b>		
Equity attributable to equity holders of the Parent Company		
Capital stock - ₱ 1 par value (Note 21)		
Authorized common shares - 15,000,000,000		
Authorized preferred shares - 2,000,000,000		
Issued common shares - 9,319,872,387	<b>₱9,319,872</b>	₱9,319,872
Treasury shares - 671,409,400 (Note 21)	<b>(3,614,474)</b>	(3,614,474)
Additional paid-in capital	<b>11,900,015</b>	11,900,015
Retained earnings (Note 21)	<b>119,077,834</b>	119,711,533
Other comprehensive income - net of tax		
Revaluation reserve on financial assets at FVOCI	<b>(354,083)</b>	(302,556)
Remeasurement loss on retirement plans	<b>(262,799)</b>	(176,065)
Translation adjustment	<b>108,504</b>	201,167
Share in other components of equity in joint ventures	<b>724</b>	724
<b>Total</b>	<b>136,175,593</b>	137,040,216
Noncontrolling interest (Notes 2 and 5)	<b>37,702,390</b>	40,651,659
<b>Total Equity</b>	<b>173,877,983</b>	177,691,875
	<b>₱766,774,836</b>	₱734,934,033

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

**FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF INCOME**  
(Amounts in Thousands of Pesos, Except Earnings Per Share Figures)

	Quarters Ended		Six Months Ended	
	2024	June 30 2023	2024	June 30 2023
<b>REVENUES</b> (Note 30)				
Real estate operations				
Sale of lots, condominium and residential units	<b>₱4,093,760</b>	₱3,581,108	<b>₱7,716,090</b>	₱6,494,734
Mall and rental revenues	<b>2,191,521</b>	1,805,902	<b>4,085,493</b>	3,650,419
Hospitality operations	<b>914,402</b>	654,217	<b>1,845,223</b>	1,340,139
Banking and financial services	<b>10,560,739</b>	8,334,267	<b>20,532,549</b>	15,679,923
Power operations	<b>7,363,045</b>	3,933,680	<b>12,788,497</b>	7,240,909
Sugar operations	<b>1,497,593</b>	1,550,366	<b>3,690,969</b>	4,198,546
	<b>26,621,060</b>	19,859,540	<b>50,658,821</b>	38,604,670
<b>OTHER INCOME</b>				
Real estate operations (Note 23)	<b>397,017</b>	393,102	<b>866,124</b>	623,532
Hospitality operations	<b>135,570</b>	21,477	<b>195,427</b>	29,848
Banking and financial services (Note 23)	<b>1,844,077</b>	1,581,623	<b>3,687,622</b>	3,275,904
Power operations	<b>38,026</b>	57,863	<b>54,430</b>	78,827
Sugar operations	<b>8,170</b>	12,487	<b>27,059</b>	32,956
	<b>2,422,860</b>	2,066,552	<b>4,830,662</b>	4,041,067
Total Revenues and Other Income	<b>29,043,920</b>	21,926,092	<b>55,489,483</b>	42,645,737
<b>COSTS</b> (Note 24)				
Real estate operations				
Sale of lots, condominium and residential units (Note 13)	<b>1,896,208</b>	1,943,431	<b>3,708,328</b>	3,591,375
Mall and rental services	<b>970,819</b>	437,801	<b>1,761,472</b>	1,148,432
Hospitality operations	<b>638,932</b>	402,344	<b>1,169,455</b>	810,249
Banking and financial services	<b>2,129,304</b>	1,501,104	<b>4,028,302</b>	2,821,871
Power operations	<b>5,511,672</b>	2,958,732	<b>9,054,676</b>	5,184,833
Sugar operations	<b>1,329,428</b>	1,401,456	<b>2,839,573</b>	3,512,155
Other operations	<b>150,338</b>	148,229	<b>294,730</b>	261,246
	<b>12,626,701</b>	8,793,097	<b>22,856,536</b>	17,330,161
<b>EXPENSES</b> (Note 25)				
Real estate operations	<b>2,587,933</b>	1,579,697	<b>4,570,154</b>	2,950,839
Hospitality operations	<b>286,949</b>	261,320	<b>696,767</b>	603,800
Banking and financial services	<b>8,092,494</b>	6,312,596	<b>15,940,781</b>	12,337,326
Power operations	<b>509,519</b>	541,302	<b>1,090,346</b>	1,047,611
Sugar operations	<b>53,228</b>	32,373	<b>109,024</b>	77,485
Other operations	<b>611,827</b>	1,181,497	<b>1,091,476</b>	1,635,115
	<b>12,141,950</b>	9,908,785	<b>23,498,548</b>	18,652,176
Total Costs and Expense	<b>24,768,651</b>	18,701,882	<b>46,355,084</b>	35,982,337

(Forward)

	Quarters Ended		Six Months Ended	
	2024	2023	2024	2023
<b>INCOME BEFORE INCOME TAX</b>	<b>₱4,275,269</b>	₱3,224,210	<b>₱9,134,399</b>	₱6,663,400
<b>PROVISION FOR INCOME TAX</b>				
Current	<b>816,399</b>	753,254	<b>2,109,285</b>	1,507,142
Deferred	<b>84,294</b>	(91,958)	<b>(37,276)</b>	(304,751)
	<b>900,693</b>	661,296	<b>2,072,009</b>	1,202,391
<b>NET INCOME</b>	<b>₱3,374,576</b>	₱2,562,914	<b>₱7,062,390</b>	₱5,461,009
Net income attributable to:				
Equity holders of the Parent Company	<b>₱2,619,208</b>	₱1,790,188	<b>₱5,541,472</b>	₱3,942,142
Noncontrolling interest	<b>755,368</b>	772,726	<b>1,520,918</b>	1,518,867
	<b>₱3,374,576</b>	₱2,562,914	<b>₱7,062,390</b>	₱5,461,009
Basic/Diluted Earnings Per Share				
Attributable to the Equity Holders of the Parent Company	<b>₱0.303</b>	₱0.207	<b>₱0.641</b>	₱0.456

**FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF**  
**COMPREHENSIVE INCOME**  
(Amounts in Thousands of Pesos)

	Quarters Ended June 30		Six Months Ended June 30	
	2024	2023	2024	2023
<b>NET INCOME</b>	<b>₱3,374,576</b>	₱2,562,914	<b>₱7,062,390</b>	₱5,461,009
<b>OTHER COMPREHENSIVE LOSS</b>				
<b>Other comprehensive loss to be reclassified to profit or loss in subsequent periods</b>				
Translation adjustment	(271,333)	55,447	(119,984)	53,501
<b>Other comprehensive income not to be reclassified to profit or loss</b>				
Changes in fair value of financial assets through other comprehensive income	(156,156)	795,219	(79,069)	706,427
Remeasurement gain on retirement plans, net of tax	(102,810)	67,951	(111,545)	41,552
	(258,966)	863,170	(190,614)	747,979
	(530,299)	918,617	(310,598)	801,480
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱2,844,277</b>	₱3,481,531	<b>₱6,751,792</b>	₱6,262,489
Total comprehensive income attributable to:				
Equity holders of the Parent Company	₱2,131,651	₱2,708,698	₱5,310,549	₱4,615,647
Noncontrolling interest	712,626	772,833	1,441,243	1,646,842
	<b>₱2,844,277</b>	₱3,481,531	<b>₱6,751,792</b>	₱6,262,489

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

## FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES

### UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands of Pesos)

Equity Attributable to Equity Holders of the Parent Company											
	Capital Stock (Note 21)	Additional Paid-in Capital	Retained Earnings	Revaluation Reserve on Financial Assets at Fair Value Through Other Comprehensive Income	Remeasurement Gain (Loss) on Retirement Plans	Translation Adjustment	Share in Other Components of Equity in Joint Ventures (Note 15)	Treasury Shares	Total	Noncontrolling Interest (Note 5)	Total
For the Six Months Ended June 30, 2024											
Balances as of January 1, 2024	₱9,319,872	₱11,900,015	₱119,711,533	(₱302,556)	(₱176,065)	₱201,167	₱724	(₱3,614,474)	₱137,040,216	₱40,651,659	₱177,691,875
Change in accounting policy:											
PFRS 15 Adjustment	–	–	(5,838,631)	–	–	–	–	–	(5,838,631)	(3,155,228)	(8,993,859)
	9,319,872	11,900,015	113,872,902	(302,556)	(176,065)	201,167	724	(3,614,474)	131,201,585	37,496,431	168,698,016
Net income	–	–	5,541,472	–	–	–	–	–	5,541,472	1,520,918	7,062,390
Other comprehensive income (loss)	–	–	–	(51,527)	(86,734)	(92,663)	–	–	(230,924)	(79,674)	(310,598)
Total comprehensive income (loss)	–	–	5,541,472	(51,527)	(86,734)	(92,663)	–	–	5,310,548	1,441,244	6,751,792
Acquisition of noncontrolling interest	–	–	558,202	–	–	–	–	–	558,202	(695,502)	(137,300)
Dividends declared (Notes 5 and 21)	–	–	(894,742)	–	–	–	–	–	(894,742)	(539,783)	(1,434,525)
Balance as of June 30, 2024	₱9,319,872	₱11,900,015	₱119,077,834	(₱354,083)	(₱262,799)	₱108,504	₱724	(₱3,614,474)	₱136,175,593	₱37,702,390	₱173,877,983
For the Six Months Ended June 30, 2023											
Balances as of January 1, 2023	₱9,319,872	₱11,900,015	₱111,329,156	(₱1,326,191)	(₱186,845)	(₱159,838)	₱724	(₱3,614,474)	₱127,262,419	₱38,409,623	₱165,672,042
Net income	–	–	3,942,142	–	–	–	–	–	3,942,142	1,518,867	5,461,009
Other comprehensive income (loss)	–	–	–	592,518	39,335	41,652	–	–	673,505	127,975	801,480
Total comprehensive income (loss)	–	–	3,942,142	592,518	39,335	41,652	–	–	4,615,647	1,646,842	6,262,489
Dividends declared	–	–	(565,091)	–	–	–	–	–	(565,091)	(510,575)	(1,075,666)
Balances as of June 30, 2023	₱9,319,872	₱11,900,015	₱114,706,207	(₱733,673)	(₱147,510)	(₱118,186)	₱724	(₱3,614,474)	₱131,312,975	₱39,545,890	₱170,858,865

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

**FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Amounts in Thousands of Pesos)

	<b>Six Months Ended June 30</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	<b>₱9,134,399</b>	₱6,663,400
Adjustments for:		
Provision for probable losses (Note 25)	<b>4,515,188</b>	2,902,881
Depreciation and amortization (Notes 24 and 25)	<b>2,683,466</b>	2,385,299
Interest expense (Notes 24 and 25)	<b>3,326,903</b>	2,526,246
Unrealized foreign exchange gains/losses on financial assets at fair value through other comprehensive income and investment securities at amortized cost	<b>(4,552,286)</b>	–
Share in net loss of a joint venture (Note 15)	<b>(136,687)</b>	9,567
Loss on asset foreclosure and dacion transactions	<b>(341,982)</b>	(2,951)
Interest income	<b>(143,390)</b>	(223,753)
Amortization of premium (discount) on financial assets at fair value through other comprehensive income and investment securities at amortized cost	<b>17,663</b>	–
Operating income before changes in operating assets and liabilities	<b>14,503,274</b>	14,260,689
Decrease (increase) in:		
Loans and receivables and contract assets	<b>(28,636,421)</b>	(19,678,181)
Financial assets at fair value through profit and loss	<b>(5,203,172)</b>	(4,740,940)
Contract assets	<b>1,011,134</b>	(27,534)
Real estate inventories	<b>(611,636)</b>	(649,820)
Coal, spare parts and other inventories	<b>(1,552,565)</b>	(638,410)
Increase (decrease) in:		
Deposit liabilities	<b>13,743,362</b>	4,681,285
Accounts payable, accrued expenses and other liabilities	<b>1,841,212</b>	1,381,811
Contract liabilities	<b>(92,181)</b>	(575,073)
Net cash used in operations	<b>(4,996,993)</b>	(5,986,173)
Income taxes paid, including creditable withholding taxes	<b>(2,029,929)</b>	(1,216,099)
Net cash used in operating activities	<b>(7,026,922)</b>	(7,202,272)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of:		
Financial assets at FVOCI	<b>(7,762,917)</b>	(3,192,078)
Investment properties and property, plant and equipment	<b>(5,426,210)</b>	(3,956,599)
Investment securities at amortized cost	–	(12,002,547)
Investment in subsidiary and joint venture	<b>(137,300)</b>	(258,850)
Proceeds from sale of:		
Investment properties and repossessed assets	<b>2,979,634</b>	1,332,276
Maturities of investments securities at amortized cost	<b>2,097,673</b>	–
Financial assets at FVOCI	<b>18,374</b>	4,846,820
Interest received	<b>143,390</b>	223,753
Increase in other assets	<b>(2,288,872)</b>	(2,804,345)
Net cash used in investing activities	<b>(10,376,228)</b>	(15,811,570)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term debt and short-term debt	<b>23,309,609</b>	12,030,000
Increase in bills and acceptance payable (Note 18)	<b>17,358,437</b>	9,416,499
Payments of:		
Long-term and short-term debt	<b>(19,603,440)</b>	(15,707,009)
Interest	<b>(3,437,437)</b>	(3,608,349)
Dividends (Note 21)	<b>(1,434,525)</b>	(1,075,666)
Financial liabilities on lease contract	<b>(802,449)</b>	(577,779)
Net cash provided by financing activities	<b>15,390,195</b>	477,696
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,012,955)</b>	(22,536,146)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>48,962,146</b>	71,311,956
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 6)</b>	<b>₱46,949,191</b>	₱48,775,810

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

# **FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**

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## **NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

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### **1. Corporate Information**

Filinvest Development Corporation (FDC or the “Parent Company”) is a stock corporation incorporated on April 27, 1973 under the laws of the Philippines where its shares are publicly traded. The Parent Company and its subsidiaries (collectively referred to as the “Filinvest Group” or the “Group”) are engaged in real estate operations as a developer of residential subdivisions and mixed-use urban projects, including condominiums, commercial buildings, industrial parks and farm estates. The Filinvest Group is also involved in leasing operations, hospitality operations, banking and financial services, power operations and sugar farming and milling business. A.L. Gotianun, Inc. (ALGI) is the Group’s ultimate parent company and was incorporated in the Philippines.

The Parent Company’s registered business address is at The Beaufort, 5th Avenue Corner 23rd Street, Bonifacio Global City, Taguig City, Metro Manila.

#### Real Estate Operations

On August 9, 2023, ProActive Professionals Corp. (ProActive) was incorporated to provide business process outsourcing services. ProActive is owned 40% by FDC, 40% by Filinvest Land, Inc. (FLI) and 20% by Filinvest Alabang Inc. (FAI). ProActive has not started commercial operations as of June 30, 2024.

On August 2, 2023, FLI subscribed to an additional 45 million common shares for a total consideration of ₱45.00 million. On the same date, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI, resulting in FLI’s 70% ownership in OSI for a total consideration of ₱30.00 million. OSI started commercial operations on November 1, 2023.

On July 14, 2023, FLI entered into a Share Purchase Agreement with Rizal Commercial Banking Corporation (RCBC) to purchase all outstanding shares of stock of Niyog Property Holdings, Inc. (NPHI) and Cajel Realty Corporation (CRC) for a total consideration of ₱633.26 million payable over until July 5, 2028, taking over the two latter companies’ joint land development activities in Bacoor City, Cavite.

On December 28, 2022, Filinvest Alabang Inc. (FAI) entered into a Deed of Absolute Sale of Shares to sell portion of its interest in Pro-excel Property Managers, Inc. (Pro-excel) to Filinvest Land, Inc. (FLI) and FDC for a total consideration of ₱14.7 million. The resulting ownership interest of FAI, FLI and FDC in Pro-excel after the transfer is 47.5%, 47.5% and 5.0%, respectively. The primary purpose of Pro-Excel is to engage in the business of administration, maintenance and management of real estate development, controlled development projects and subdivision projects. This is a non-event at the consolidated financial statements level.

On December 16, 2022, FAI purchased the 76.9% ownership interest in Entrata Hotel Services, Inc. (EHSI) from Filinvest Hospitality Corporation (FHC) for a total consideration of ₱27.3 million. After the transfer, EHSI is 100.0% owned by FAI. The primary purpose of EHSI is to own, lease, operate and/or manage hotels, resorts, villas, service apartments and condotels, and all adjuncts and accessories and other related activities. This is a non-event at the consolidated financial statements level.

On December 14, 2022, FLI entered into a Deed of Assignment to purchase 100% ownership in SJR Developers, Inc. (SDI). Total acquisition price amounted to ₱0.60 million. The primary purpose of SDI is to own, use, improve, develop, subdivide, sell, exchange, lease and hold for investment or otherwise, real estate of all kinds, including buildings, house, apartment and other structures. The acquisition of SDI has no material effect to the consolidated financial statements.

On May 26, 2022, OurSpace Solutions, Inc. (OSI), a wholly owned subsidiary of FLI, was incorporated with primary purpose of developing, operating, managing and maintaining commercial buildings to be used as coworking spaces. On May 22, 2023, OSI issued a resolution authorizing the issuance of additional shares out of its unissued authorized capital stock, pursuant to the provisions of the Joint Venture Agreement entered into by KMC Community, Inc. (KCI) and FLI.

#### Hospitality Operations

On February 15, 2024, the Securities and Exchange Commission (SEC) approved the following amendments to the Articles of Incorporation of Cubao Cityscapes, Inc: (i) to change of name to Baker J Concepts, Inc.; and (ii) its secondary purpose to establish, maintain and operate services in connection with the restaurant and catering enterprise.

On October 2, 2023, Archipelago International Pte. Ltd., (AIPL) entered into a Deed of Assignment for its 40% ownership in Chroma Hospitality, Inc. (CHI) to FDC for a total consideration of ₱50.0 million. The resulting ownership interest of FDC in CHI after the transfer is 100%.

On June 3, 2022, Hospitality Enterprise Resources Corporation (HERC), a wholly owned subsidiary of FHC, was incorporated to engage primarily in the business of providing technical, management, administrative, business process and consultancy services. HERC started commercial operations on January 1, 2023.

On March 31, 2022, the Accounting and Corporate Regulatory Authority of Singapore approved the transfer of ownership in Filinvest International Pte. Ltd. (FIPL, formerly Halo Halo Hospitality Pte. Ltd.) from FHC to FDC. FIPL, which was incorporated on May 4, 2020, as a private company limited by shares under the Singapore Companies Act, with registered offices situated in the Republic of Singapore, has not started commercial operations as of December 31, 2022. This is a non-event at the consolidated financial statements level.

#### Power and Utility Operations

On June 6, 2022, the Securities and Exchange Commission (SEC) approved the following amendments to Articles of Incorporation of FDC Camarines Power Corporation, a wholly owned subsidiary of FDC Utilities, Inc. (FDCUI): (i) to change of name to FDC Green Energy Corp (FGEC); and (ii) its primary purpose to engage in the development and utilization of renewable energy resources, construction, rehabilitation and operation of renewable energy systems and facilities.

#### Other Operations

On January 13, 2024, Filinvest Infra-Solutions Ventures, Inc. (Filinvest Infra) was incorporated to provide invest and develop entities engaged in the infrastructure related projects. Filinvest Infra is wholly owned by FDC. Filinvest Infra has not started commercial operations as of June 30, 2024.

On January 6, 2022, the SEC resolved to grant Investree Philippines, Inc. (Investree) a permanent license to operate as a crowdfunding intermediary and funding platform, following a review of Investree's operations since the issuance of its provisional license on January 7, 2021. Investree is a joint venture between FDC's wholly owned subsidiary, Filinvest Digital Innovation and Ventures Inc. (FDEV) and Investree Singapore Pte. Ltd. (Investree SG). On March 26, 2021, FDC entered a Deed of Assignment to sell its ownership in Investree to FDEV amounting to ₱6.5 million. After the sale, Investree is owned 50.0% by FDEV and 50% by Investree SG. Investree was incorporated on May 6, 2020, to engage primarily in the business of software integration and providing IT solutions.

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## 2. Summary of Significant Accounting Policies

### Basis of Preparation

The accompanying unaudited interim condensed consolidated financial statements are prepared using the historical cost basis, except for financial assets at fair value through profit or loss (FVPL), financial assets at fair value through other comprehensive income (FVOCI) and derivative financial instruments that have been measured at fair value. The financial statements are presented in Philippine Peso (₱) and all amounts are rounded to the nearest thousand except when otherwise indicated.

The functional currency of the Parent Company, its subsidiaries, associate, and joint ventures is the Philippine Peso, except for the Foreign Currency Deposit Unit (FCDU) of East West Banking Corporation (EW). The functional currency of the FCDU is the United States Dollar (USD). For financial reporting purposes, FCDU accounts and foreign currency-denominated accounts of the Group are translated into their equivalents in Philippine Peso (see accounting policy on foreign currency transactions and translations).

The unaudited interim condensed consolidated financial statements provide comparative information in respect of the previous period. The Group presents its unaudited interim condensed consolidated statement of financial position broadly in order of liquidity.

### Statement of Compliance

The unaudited interim condensed consolidated financial statements of the Group as at and for the six months ended June 30, 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.

The unaudited interim consolidated financial statements of the Group for the six months ended June 30, 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 condensed consolidated financial statements include the financial statements of the Parent Company and its subsidiaries. All of the Parent Company's subsidiaries were incorporated in the Philippines, except for Filinvest Development Cayman Islands (FDCI) which was incorporated under the laws of Cayman Islands, Property Leaders International Limited (PLIL) which was incorporated in British Virgin Islands, and FIPL which was incorporated in the Republic of Singapore.

The unaudited interim condensed consolidated financial statements include the accounts of the Parent Company and the following subsidiaries, with the corresponding percentages of ownership of the immediate parent company as at June 30, 2024, and December 31, 2023. The voting rights held by the Group in these entities are in proportion to their ownership interest.

	<b>Percentage of Ownership Interest of the Immediate Parent Company</b>	
	<b>2024</b>	<b>2023</b>
<b>Subsidiaries:</b>		
FW <sup>(1)</sup>	<b>78</b>	78
East West Rural Bank, Inc. (EWRB)	<b>100</b>	100
East West Insurance Brokerage, Inc.(ESBI)	<b>100</b>	100
East West Leasing and Finance Corporation	<b>100</b>	100
Quest Marketing and Integrated Services, Inc. (QMIS)	<b>100</b>	100
Assurance Solutions Insurance Agency (ASIA)	<b>100</b>	100
FVI	<b>100</b>	100
FLI	<b>66</b>	65
Filinvest AII Philippines, Inc.	<b>100</b>	100
Homepro Realty Marketing, Inc.	<b>100</b>	100
FCGC Corporation	<b>100</b>	100
Filinvest BCDA Clark, Inc.	<b>55</b>	55
FILRT	<b>63</b>	63
FCI	<b>100</b>	100
Filinvest Asia Corporation (FAC)	<b>60</b>	60
FCMI	<b>100</b>	100
Filinvest Lifemalls Mimosa, Inc.	<b>100</b>	100
Filinvest Lifemalls Corporation	<b>100</b>	100
Property Specialist Resources, Inc.	<b>100</b>	100
Filinvest Lifemalls Tagaytay, Inc.	<b>100</b>	100
Festival Supermall, Inc.	<b>100</b>	100
FSM Cinemas, Inc.	<b>60</b>	60
Philippine DCS Development Corporation	<b>60</b>	60
Timberland Sports and Nature Club	<b>98</b>	98
Property Maximizer Professional Corp.	<b>100</b>	100
Leisurepro, Inc.	<b>100</b>	100
Proleads Philippines, Inc.	<b>100</b>	100
PLIL	<b>100</b>	100
Realpros Philippines, Inc.	<b>100</b>	100
Gintong Parisukat Realty and Development, Inc.	<b>100</b>	100
ProOffice	<b>100</b>	100
NSI <sup>(2)</sup>	<b>75</b>	75
FFMI	<b>100</b>	100
CPMC	<b>100</b>	100
OSI	<b>100</b>	100
SDI	<b>100</b>	100
NPHI	<b>100</b>	100
CRC	<b>100</b>	100
Filinvest Mimosa, Inc. (FMI) <sup>(3)</sup>	<b>78</b>	78
DPI <sup>(4)</sup>	<b>84</b>	84
ProMixers Aggregates Corp.	<b>100</b>	100
FAI <sup>(5)</sup>	<b>93</b>	93
Northgate Convergence Corporation	<b>100</b>	100
Proplus, Inc.	<b>100</b>	100
ParkingPro, Inc.	<b>100</b>	100
EHSI	<b>100</b>	100
SALI	<b>100</b>	100
FDCUI	<b>100</b>	100
FDC Casecanan Hydro Power Corporation	<b>100</b>	100
FDC Retail Electricity Sales Corporation	<b>100</b>	100
FWUI	<b>100</b>	100
FDC FLOW Marigondon	<b>100</b>	100
FDC FLOW Talisay	<b>100</b>	100
FDC FLOW SRP	<b>100</b>	100
FGEC	<b>100</b>	100
FDC Misamis Power Corporation (FDC Misamis)	<b>100</b>	100
FDC Renewables Corporation	<b>100</b>	100
Countrywide Water Services, Inc. (CWSI)	<b>100</b>	100
PSHC	<b>100</b>	100

	Percentage of Ownership Interest of the Immediate Parent Company	
	2024	2023
Davao Sugar Central Company, Inc. (DSCC)	100	100
Cotabato Sugar Central Company, Inc. (CSCC)	100	100
High Yield Sugar Farms Corporation (HYSFC)	100	100
Mactan Seascapes Services, Inc. (MSSI)	100	100
FHC	100	100
Quest Restaurants, Inc.	100	100
Boracay Seascapes, Inc. (BSI)	100	100
Chinatown Cityscapes Hotel, Inc.	100	100
Duawon Seascapes Resort, Inc. (DSRI)	100	100
Mimosa Cityscapes, Inc. (MCI)	100	100
Baker J Concepts, Inc. (formerly Cubao Cityscapes, Inc.)	100	100
Princesa Seascapes, Inc.	100	100
Dumaguete Cityscapes, Inc.	100	100
Fora Services, Inc.	100	100
Fora Restaurants, Inc.	100	100
NSI <sup>(2)</sup>	25	25
Zamboanga Cityscapes, Inc.	100	100
Dauin Seascapes, Inc.	100	100
GCI	100	100
BMI	100	100
HERC	100	100
FIPL <sup>(8)</sup>	—	—
Samui Seascapes	—	—
CHI <sup>(6)</sup>	100	100
FIPL	100	100
CTI	87	87
CNC	100	100
FDCI	100	100
FDEV	100	100
Qwote	100	100
SPI	83	83
Pro-Excel	84	84
Pro-Active	84	84
Filinvest Infra	100	—

1. The percentage ownership in EW includes indirect ownership through FVI of 37.9%
2. NSI is owned 75.0% by FLI and 25.0% by FHC (see Note 1)
3. The percentage ownership in FMI includes 47.5% share of FLI
4. The percentage ownership in DPI includes 45.0% share of FLI (see Note 1)
5. The percentage ownership in FAI includes indirect ownership through FLI of 20.0%
6. CHI is 100% owned by the Parent Company (see Note 1), previously held as investment in associate.

### 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 PFRSs and Philippine Accounting Standards (PAS) which became effective January 1, 2024. Unless otherwise indicated, adoption of these new standards 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. As at June 30, 2024, the Group has assessed that the impact of this adoption is insignificant.

- 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 June 30, 2024, the Group adopted the IFRIC agenda decision using the modified retrospective approach. The Group recognized the impact of the change against the beginning retained earnings and noncontrolling interest in 2024 amounting to ₱5.8 billion and ₱3.2 billion, respectively. The impact to the comparative accounts and amounts are decrease in current assets amounting to ₱10.3 billion and noncurrent liabilities amounting to ₱3.0 billion, and increase in current liabilities amounting to ₱1.7 billion.

- *Deferral 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 MC No. 14-2018 and 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 3 years until December 31, 2020. On December 15, 2020, the SEC issued 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 percentage-of-completion (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 will adopt the guidance using the modified retrospective approach. The adoption of this guidance will impact 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 June 30, 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, *Disclosures: Supplier Finance Arrangements*

#### Future Changes in Accounting Policies

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*  
PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

On December 15, 2021, the Financial Reporting Standard Council (FRSC) amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the International Accounting Standards Board (IASB).

PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

- 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*

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### 3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Group's unaudited 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 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.

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### 4. Goodwill and Business Combinations

As of June 30, 2024 and December 31, 2023, goodwill arising from business combinations in the Group's consolidated statement of financial position consists of (amounts in thousands):

PSHC	₱6,177,310
Standard Chartered Bank Philippines' retail banking business, QMIS and ASIA	2,560,561
EWRB and Green Bank, Inc.	397,474
FILRT	326,553
Other bank acquisitions	919,254
	<u>₱10,381,152</u>

The Group performed its annual impairment test in December and when circumstances indicated that the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the audited consolidated financial statements for the year ended December 31, 2023. As at June 30, 2024, and December 31, 2023, the Group assessed that there are no indicators of impairment on its goodwill.

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### 5. Subsidiaries with Noncontrolling Interest

As of June 30, 2024, and December 31, 2023, the noncontrolling interest in EW represents 22.1%. The noncontrolling interest in FLI represents 34.1% as of June 30, 2024 and 34.6% as of December 31, 2023. Other noncontrolling interest pertains to the 7.0% equity interest in FAI as of June 30, 2024 and December 31, 2023, and 5.0% equity interest of CDC in FMI as of June 30, 2024 and December 31, 2023.

### *Acquisition of Noncontrolling Interest*

On March 12, 2024, FDC purchased additional 120,000,000 shares of FLI for a total consideration of ₱81.6 million which resulted to an increase in the Group's ownership interest in FLI from 64.9% to 65.4%.

On May 2, 2024, FDC further acquired additional 125,153,960 shares of FLI for a total consideration of ₱89.1 million which resulted to an increase in the Group's ownership interest in FLI from 65.4% to 65.9%.

### *Dividend Declaration*

On April 19, 2024, the BOD of EW approved the declaration and payment of cash dividends of ₱0.54 per share to stockholders on record as of May 17, 2024, payable on May 31, 2024. The share of the noncontrolling interest related to these dividend declarations amounted to ₱268.5 million.

On April 19, 2024, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.05 per share or a total of ₱1.22 billion for all common stockholders of record as of May 13, 2024, payable on June 05, 2024. On the same date, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.00050 per share or a total of ₱4.0 million for all preferred stockholders of record as of May 13, 2024. Both dividends were payable on June 5, 2024. The share of the noncontrolling interest related to these dividend declarations amounted to ₱425.6 million.

On February 26, 2024, the BOD of FILRT declared cash dividends totaling ₱327.8 million. The share of the noncontrolling interest related to these dividend declarations amounted to ₱121.3 million.

On February 14 and May 31, 2023, the BOD of FILRT declared cash dividends totaling ₱694.8 million. The share of the noncontrolling interest related to these dividend declarations amounted to ₱255.2 million.

On April 24, 2023, the BOD of EW approved the declaration and payment of cash dividends of ₱0.41 per share to stockholders on record as of May 12, 2023. This was paid on May 21, 2023. The share of the noncontrolling interest related to these dividend declarations amounted to ₱204.3 million.

On April 24, 2023, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.036 per share or a total of ₱875.9 million for all common stockholders of record as of May 12, 2023. On the same date, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.00036 per share or a total of ₱2.9 million for all preferred stockholders of record as of May 12, 2023. Both dividends were paid on June 6, 2023. The share of the noncontrolling interest related to these dividend declarations amounted to ₱306.3 million.

The summarized financial information of EW and FLI are provided below. This information is based on amounts after consolidation but before intercompany eliminations.

*Summarized Statements of Financial Position*

	June 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
	FLI	EW	FLI	EW
	(In Thousands)			
<b>Assets:</b>				
Cash and cash equivalents	<b>₱5,834,429</b>	<b>₱42,671,349</b>	₱5,732,008	₱44,452,833
Loans and receivables	<b>5,476,774</b>	<b>314,106,429</b>	5,302,884	296,615,471
Financial assets at FVPL	–	<b>9,315,494</b>	–	4,112,322
Financial assets at FVOCI	<b>165,535</b>	<b>26,779,679</b>	165,535	18,483,960
Investment securities at amortized cost	–	<b>76,937,002</b>	–	75,401,019
Contract assets	<b>8,810,007</b>	–	9,783,769	–
Real estate inventories	<b>42,709,827</b>	–	45,642,483	–
Investment properties	<b>81,278,748</b>	<b>993,533</b>	79,750,724	975,602
Land and Land Development	<b>20,047,177</b>	–	26,992,347	–
Property and equipment	<b>5,708,367</b>	<b>2,079,825</b>	5,673,012	1,777,326
Investment in a joint venture	–	<b>1,162,100</b>	–	993,166
Investment in associates	<b>5,230,042</b>	–	5,219,900	–
Deferred tax assets – net	<b>63,363</b>	<b>4,249,916</b>	48,483	4,098,880
Goodwill	<b>4,567,242</b>	<b>3,877,289</b>	4,567,242	3,877,241
ROU assets	–	<b>5,138,001</b>	–	5,387,031
Other assets	<b>16,712,372</b>	<b>8,282,614</b>	15,597,691	8,030,469
<b>Liabilities:</b>				
Deposit liabilities	–	<b>(371,416,774)</b>	–	(356,534,662)
Bills and acceptance payable	–	<b>(32,762,143)</b>	–	(15,403,706)
Accounts payable, accrued expenses and other liabilities	<b>(22,869,739)</b>	<b>(14,609,747)</b>	(20,851,645)	(16,762,581)
Contract liabilities*	<b>(934,583)</b>	<b>(827,162)</b>	(2,006,651)	(1,375,772)
Retirement liabilities	<b>(438,587)</b>	<b>(641,742)</b>	(437,193)	(582,930)
Income tax payable	<b>(66,833)</b>	<b>(419,423)</b>	(83,263)	(297,166)
Long-term and short-term debt	<b>(77,062,295)</b>	–	(74,456,440)	–
Lease liability	<b>(6,847,311)</b>	<b>(5,935,827)</b>	(6,719,861)	(6,073,341)
Deferred tax liabilities – net	<b>(2,909,088)</b>	–	(5,649,153)	–
<b>Total Equity</b>	<b>₱85,475,447</b>	<b>₱68,980,413</b>	₱94,271,872	₱67,175,162
<b>Attributable to:</b>				
Equity holders of the Parent Company	<b>₱54,180,303</b>	<b>₱63,392,668</b>	₱70,088,279	₱52,299,566
Noncontrolling interest	<b>29,569,516</b>	<b>5,587,745</b>	21,801,932	14,875,596
Noncontrolling interest in subsidiaries	<b>1,725,628</b>	–	2,381,661	–

\*Contract liabilities of EW are presented under accounts payable, accrued expenses and other liabilities

*Summarized Statements of Comprehensive Income for the Six Months Ended June 30, 2024 and 2023:*

	June 30, 2024 (Unaudited)		June 30, 2024 (Unaudited)	
	FLI	EW	FLI	EW
	(In Thousands)			
Revenues and other income	<b>₱11,420,506</b>	<b>₱24,501,863</b>	₱9,821,444	19,275,880
Equity in net income (loss) of associates and joint venture	<b>66,141</b>	<b>162,823</b>	65,279	28,815
Costs and operating expenses	<b>(7,305,197)</b>	<b>(20,275,339)</b>	(6,685,439)	(15,381,667)
Interest and other finance charges	<b>(2,052,732)</b>	–	(1,181,440)	–
Income before income tax	<b>2,128,718</b>	<b>4,389,347</b>	2,019,844	3,923,028
Provision for income tax	<b>(358,178)</b>	<b>(901,545)</b>	(342,860)	(620,964)
Net income	<b>1,770,540</b>	<b>3,487,802</b>	1,676,984	3,302,064
Other comprehensive income (OCI)	–	<b>(467,565)</b>	6,178	516,024
<b>Total comprehensive income</b>	<b>₱1,770,540</b>	<b>₱3,020,237</b>	₱1,683,162	3,818,088

*Summarized Statements of Cash Flow Information for the Six Months Ended June 30, 2024 and 2023:*

	June 30, 2024 (Unaudited)		June 30, 2023 (Unaudited)	
	FLI	EW	FLI	EW
Cash flows from (used in):	(In Thousands)			
Operating activities	<b>₱3,824,504</b>	<b>(₱14,045,791)</b>	₱4,576,205	(₱12,682,233)
Investing activities	<b>(1,905,118)</b>	<b>(3,296,918)</b>	(3,973,321)	(9,498,341)
Financing activities	<b>(1,816,965)</b>	<b>15,561,225</b>	(2,446,957)	3,723,386
Net decrease in cash and cash equivalents	<b>₱102,421</b>	<b>(₱1,781,484)</b>	(₱1,844,073)	(₱18,457,188)

As of June 30, 2024 and December 31, 2023, there are no significant restrictions, outside the ordinary course of business, on the Parent Company's ability to access or use assets and settle the liabilities of these subsidiaries.

## 6. Cash and Cash Equivalents

This account consists of:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	(In Thousands)	
Cash	<b>₱54,905</b>	₱13,112,008
Short-term placements	<b>16,445,322</b>	12,302,781
Due from BSP	<b>16,689,568</b>	16,171,987
Due from other banks	<b>11,798,192</b>	2,469,290
Interbank loans receivable (IBLR)	<b>1,961,204</b>	4,906,080
	<b>₱46,949,191</b>	₱48,962,146

Cash includes cash on hand and in banks. Cash in banks earn interest at the respective bank deposit rates. Short-term placements are made for varying periods of up to three (3) months and earn interest at the respective short-term deposit rates.

## 7. Loans and Receivables - Real Estate Operations

This account consists of:

	June 30, 2024 (Unaudited)			December 31, 2023 (Audited)		
	Due Within One Year	Due After One Year	Total	Due Within One Year	Due After One Year	Total
	(In Thousands)					
Contracts receivable	<b>₱5,008,540</b>	<b>₱-</b>	<b>₱5,008,540</b>	₱3,582,421	₱-	₱3,582,421
Receivables from tenants	<b>2,664,228</b>	-	<b>2,664,228</b>	2,495,211	-	2,495,211
Receivables from buyers	<b>736,603</b>	-	<b>736,603</b>	437,634	-	437,634
Receivable from government and other financial institutions	<b>706,107</b>	-	<b>706,107</b>	566,778	-	566,778
Advances to officers and employees	<b>511,322</b>	-	<b>511,322</b>	414,993	-	414,993
Receivable from sale of joint venture lots	<b>323,056</b>	-	<b>323,056</b>	862,358	-	862,358
Receivable from homeowners' association (HOA)	<b>163,991</b>	-	<b>163,991</b>	168,525	-	168,525
Due from related parties (Note 22)	<b>56,355</b>	-	<b>56,355</b>	24,032	-	24,032
Others	<b>1,161,348</b>	-	<b>1,161,348</b>	828,384	-	828,384
	<b>11,331,550</b>	-	<b>11,331,550</b>	9,380,336	-	9,380,336
Less allowance for ECL	<b>114,817</b>	-	<b>114,817</b>	94,561	-	94,561
	<b>₱11,216,733</b>	<b>₱-</b>	<b>₱11,216,733</b>	₱9,285,775	₱-	₱9,285,775

Contracts receivables are collectible within one (1) year. These receivables arising from real estate sales are collateralized by the corresponding real estate properties sold.

Based on the Group's assessment, the modifications in the contractual cash flows as a result of the above reliefs are not substantial and therefore do not result in the derecognition of the affected financial assets.

Receivables from tenants represent charges to tenants for rentals and utilities which are normally collectible within 1 year.

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

Receivables from HOA represent claims of the Group's projects for the payments of expenses on behalf of the association.

Receivables from government and other financial institutions pertain to government and bank-financed real estate sales. These are collectible within 1 year.

Receivables from buyers mainly pertain to advances for fit-out funds and other advances relating to insurance and other expenses chargeable to buyers.

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

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## 8. Loans and Receivables - Hospitality Operations

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Trade	<b>₱137,835</b>	₱145,729
Advances to officers and employees	<b>8,864</b>	7,098
Due from related parties	<b>96,386</b>	94,743
	<b>₱243,085</b>	₱247,570

Trade receivables pertain to receivables from credit card companies, travel agents and corporate guests, which are non-interest bearing and are collectible within 1 year.

Advances to officers and employees refer to advances for travel, sales and marketing expenses, insurance and other expenses arising from ordinary course of business. These are liquidated within seven (7) days after actual use of the advances.

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## 9. Loans and Receivables - Banking and Financial Services

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
	(In Thousands)	
Receivables from customers:		
Corporate lending	<b>₱44,123,510</b>	₱44,530,303
Consumer lending	<b>251,335,399</b>	230,111,973
	<b>295,458,909</b>	274,642,276
Unamortized discount	<b>8,022,356</b>	6,873,004
	<b>303,481,265</b>	281,515,280
Other receivables	<b>10,737,087</b>	11,661,815
	<b>314,218,352</b>	293,177,095
Less allowance for expected credit losses (ECL)	<b>12,364,401</b>	11,923,717
	<b>₱301,853,951</b>	₱281,253,378

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## 10. Loans and Receivables - Power Operations

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
	(In Thousands)	
Trade	<b>₱6,722,238</b>	₱5,230,296
Due from related parties	<b>80,640</b>	10,380
Other receivables	<b>24,925</b>	10,811
	<b>6,827,803</b>	5,251,487
Less allowance for ECL	<b>389,525</b>	389,525
	<b>₱6,438,278</b>	₱4,861,962

Trade receivables pertain to receivables from electric cooperative for the transmitted power. These receivables are non-interest bearing and are due every 25th of the month of the immediately succeeding billing period.

The allowance pertains to the receivables that were specifically identified as impaired as of reporting date. Other receivables pertain mainly to advances to officers and employees, which will be liquidated or charged against salary.

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## 11. Loans Receivables - Sugar Operations

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Trade	<b>₱42,943</b>	₱31,999
Advances to:		
Sugar planters	<b>128,746</b>	122,213
Officers and employees	<b>4,745</b>	4,327
	<b>176,434</b>	158,539
Less allowance for ECL	<b>23,924</b>	23,900
	<b>₱152,510</b>	₱134,639

Advances to sugar planters are for various incentives such as fertilizers, crop loans and tractor services. These are usually offset against the planter's share of sales proceeds.

Advances to officers and employees represent advances for travel, marketing and other expenses, loans availed by employees and officers, including educational and loans arising from ordinary course of business. These are liquidated upon the accomplishment of the purposes for which the advances were granted or deducted from the salaries of officers and employees.

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## 12. Financial Assets at FVPL, Financial Assets at FVOCI and Investment Securities at Amortized Cost

### *Financial Assets at FVPL*

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Government securities	<b>₱9,274,279</b>	₱4,058,236
Private bonds	<b>30,843</b>	43,707
Equity securities	<b>10,372</b>	10,379
	<b>₱9,315,494</b>	₱4,112,322

In the second quarter of 2024 and 2023, the yield rates range from 3.60% to 10.35% and 3.90% to 9.57% respectively.

### *Financial Assets at FVOCI*

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Government debt securities	<b>₱19,591,897</b>	₱11,731,842
Private bonds	<b>7,172,714</b>	6,737,050
Quoted equity securities	<b>972,559</b>	906,183
Unquoted equity securities	<b>37,151</b>	36,350
	<b>₱27,774,321</b>	₱19,411,425

In the second quarter of 2024 and 2023, the interest rates of financial assets at FVOCI range from 0.13% to 6.87% and 0.13% to 8.32% respectively.

The private equity securities were designated as at FVOCI on the basis that these are not held for trading. These include shares in a real estate company and a golf club.

### *Investment Securities at Amortized Cost*

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Government securities	<b>₱75,140,178</b>	₱71,836,021
Private bonds	<b>1,807,153</b>	3,575,706
	<b>76,947,331</b>	75,411,727
Allowance for impairment losses	<b>(10,329)</b>	(10,708)
	<b>₱76,937,002</b>	₱75,401,019

Peso-denominated government bonds have effective interest rates ranging from 4.96% to 7.98% and 4.96% to 7.98% in second quarter of 2024 and 2023. Foreign currency-denominated government and private bonds have effective interest rates ranging from 4.38% to 7.76% in 2024 and 2.76% to 6.66% 2023.

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### 13. Real Estate Inventories

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Real estate inventories - at cost		
Lots, condominium and residential units for sale	<b>₱44,943,835</b>	₱47,726,560
Land and land development	<b>26,338,499</b>	33,277,853
	<b>₱71,282,334</b>	₱81,004,413

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

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Balances at beginning of period	<b>₱47,726,560</b>	₱46,681,349
Construction/development costs incurred	<b>4,264,407</b>	7,682,932
Land cost transferred from land and land development	<b>533,874</b>	648,649
Additions thru asset acquisition (Notes 1 and 3)	–	452,578
Land acquired during the year	–	95,531
Capitalized borrowing costs	–	699,846
Reversal of capitalized borrowing costs (Note 2)	<b>(3,872,678)</b>	
Cost of inventories sold (Note 24)	<b>(3,708,328)</b>	(8,534,325)
<b>Balances at end of period</b>	<b>₱44,943,835</b>	<b>₱47,726,560</b>

Borrowing costs capitalized as project costs are interests on loans obtained to finance the Group's ongoing projects. Capitalization rate for the capitalized borrowing costs is 5.15% for the year ended December 31, 2023. (nil in 2024).

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

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Balances at beginning of year	<b>₱33,277,853</b>	₱32,978,012
Land acquisitions	<b>949</b>	51,111
Transfers to lots, condominium and residential units for sale	<b>(533,874)</b>	(648,649)
Site development and incidental costs	<b>270,982</b>	897,379
Reversal of capitalized borrowing costs (Note 2)	<b>(6,677,411)</b>	–
<b>Balances at end of period</b>	<b>₱26,338,499</b>	<b>₱33,277,853</b>

As of June 30, 2024 and December 31, 2023, on account additions to land and land development during the period which remain outstanding amounted to ₱4,100.0 million and ₱4,400.0 million, respectively, and these are recognized as part of "Accounts payable and accrued expense" (see Note 19).

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#### 14. Coal, Spare Parts and Other Inventories

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Power inventories - at cost		
Coal	<b>₱599,512</b>	₱697,350
Spare parts	<b>500,646</b>	473,789
Fuel and others	<b>159,447</b>	151,313
	<b>1,259,605</b>	1,322,452
Sugar inventories		
Sugar and molasses - at cost	<b>221,116</b>	52,503
Materials and supplies - at net realizable value	<b>1,654,569</b>	192,721
	<b>1,875,685</b>	245,224
Hospitality inventories - at cost		
Food and beverage	<b>39,473</b>	41,329
Others	<b>43,574</b>	56,767
	<b>83,047</b>	98,096
	<b>₱3,218,337</b>	₱1,665,772

These inventories were not pledged or used as collateral to secure any obligation as of June 30, 2024 and December 31, 2023.

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#### 15. Investments in Joint Ventures and Associate

The carrying value of the Group's investments in joint ventures and associate follows:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
<i>Investment in Joint Ventures</i>		
EW Ageas Life	<b>₱1,162,099</b>	₱993,166
SAPI (Note 1)	<b>521,438</b>	454,375
Investree (Note 1)	<b>6,749</b>	6,749
FREE	<b>32,851</b>	34,314
PROMEI	<b>12,038</b>	12,038
FLOW	<b>8,151</b>	31,602
Balance brought forward	<b>1,743,326</b>	1,532,244
<i>Investment in Associate</i>		
LIPAD	<b>428,743</b>	438,926
Impairment of investment in JV	<b>(64,034)</b>	(64,034)
	<b>₱2,108,035</b>	₱1,907,136

### Investments in Joint Ventures

Below is a summary of certain financial information concerning these individually immaterial joint ventures:

	<b>June 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
(In Thousands)		
Acquisition cost		
Balances at beginning of year	<b>₱4,215,458</b>	₱4,001,260
Additions	–	216,000
Step acquisition	–	(1,802)
Balances at end of period	<b>4,215,458</b>	4,215,458
Accumulated share in net loss		
Balances at beginning of year	<b>(2,684,463)</b>	(2,530,080)
Share in net loss - net	<b>211,082</b>	(125,146)
Step acquisition	–	(29,237)
Balances at end of period	<b>(2,473,381)</b>	(2,684,463)
Accumulated share in OCI		
Balances at beginning	<b>1,249</b>	724
Movements	–	525
Balances at end of period	<b>1,249</b>	1,249
	<b>₱1,743,326</b>	₱1,532,244

### 16. Other Assets

This account consists of:

	<b>June 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
(In Thousands)		
Intangible assets		
BTO rights (Note 33)	<b>₱6,369,829</b>	₱6,296,211
Branch licenses	<b>2,167,600</b>	2,167,600
Capitalized software	<b>844,318</b>	822,738
Customer relationship and core deposits	<b>105,692</b>	106,446
	<b>9,487,439</b>	9,392,995
Restricted cash	<b>6,419,620</b>	6,250,087
Input taxes	<b>4,545,738</b>	4,456,467
Advances to contractors and suppliers	<b>3,464,647</b>	2,413,916
Prepaid expenses	<b>2,445,102</b>	2,174,632
Creditable withholding taxes	<b>2,854,645</b>	2,075,731
Repossessed assets	<b>2,129,386</b>	2,022,310
Deposits	<b>615,796</b>	624,092
Construction materials and supplies	<b>405,120</b>	456,367
Card acquisition cost	<b>503,271</b>	409,531
Cost to obtain contracts (Note 13)	<b>302,882</b>	367,514
Advances to joint venture partners	<b>282,483</b>	311,157
Deferred costs	<b>455,617</b>	293,482
Documentary stamps	<b>158,733</b>	192,146
Margin account	<b>163,502</b>	167,996

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Equity on car plan	<b>168,309</b>	162,658
Short-term deposits	<b>123,152</b>	96,332
Stationery and supplies on hand	<b>149,105</b>	78,517
Deposits to suppliers	–	49,030
Biological assets	<b>20,501</b>	38,518
Derivative assets	<b>56,335</b>	21,812
Returned cash and other cash items	<b>4,780</b>	4,879
Others (Note 33)	<b>1,076,764</b>	1,411,861
	<b>35,832,927</b>	33,472,030
Less allowance for impairment losses (Note 29)	<b>59,836</b>	157,456
	<b>₱35,773,091</b>	₱33,314,574

BTO Rights pertain to the cost related to the Build, Transfer and Operate agreement with the Province of Cebu (Cebu Province) entered into on March 26, 2012. The BTO project relates to the development, construction and operation of business process outsourcing (BPO) complex by the Group at the land properties owned by Cebu Province located at Salinas, Lahug, Cebu City.

Capitalized software pertains to costs of computer software licenses and programs acquired by the Group for its banking and power operations.

Customer relationship and core deposits resulted from the business combination between EW and American International Group, Inc. Philam Savings Bank Group (AIGPASB) in 2009.

Restricted cash pertains to funds intended for debt repayment and is not available to management for any disbursement transactions other than its specified purpose.

Input taxes represent the value-added tax (VAT) due or paid on purchases of goods and services subjected to VAT that the Group can claim against any future liability to the Bureau of Internal

Revenue for output VAT on sale of goods and services subjected to VAT.

Advances to contractors and suppliers represent down payment to contractors and suppliers which will be applied against future billings for development and construction contracts.

Prepaid expenses include commission paid to brokers, deferred rent, insurance, subscription and taxes.

Creditable withholding taxes are taxes withheld by the withholding agents from payment to the Group which are creditable against the income tax liability of the Group.

Repossessed assets pertain to other foreclosed properties which do not qualify as land and building.

Deposits include EW's refundable deposits with Master Card and Visa related to its credit card business and FLI's deposits in escrow for payments of raw land pending finalization of contract to sell.

Construction materials and supplies shall be used in the development and construction of the Group's residential subdivisions, condominiums and commercial buildings.

Deferred costs pertain to expenditures incurred related to project development and site preparation.

Advances to joint venture partners are advances (e.g., for property taxes and permits) which are normally applied against the share of the joint venture partners from the sale of the joint venture properties.

Short-term deposits pertain to cash placements with maturity of more than 3 months up to 12 months and earn interest at prevailing market rates.

Biological assets of the Group consist of sugarcane crops.

Others include sundry debits, interoffice floats and developmental rights.

#### Contract Assets and Contract Liabilities

As of June 30, 2024, and December 31, 2023, the Group's contract assets amounted to ₱8,856.5 million and ₱9,867.6 million, respectively, while contract liabilities amounted to ₱2,904.7 million and ₱2,996.9 million, respectively.

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

Contract liabilities pertain to 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 by Group based on POC. Contract liabilities also include deferred credit card and loyalty point, membership fees and dues and deferred exclusive bancassurance access fee.

## 17. Deposit Liabilities

This account consists of:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Savings	<b>₱151,194,343</b>	₱152,641,165
Time	<b>83,862,951</b>	64,126,014
Demand	<b>117,467,380</b>	122,014,133
	<b>₱352,524,674</b>	₱338,781,312

## 18. Bills and Acceptances Payable

This account consists of borrowings from:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Repurchase agreements (SSURA)	<b>₱32,743,345</b>	₱15,391,794
Outstanding acceptances	<b>18,798</b>	11,912
	<b>₱32,762,143</b>	₱15,403,706

## 19. Accounts Payable, Accrued Expenses and Other Liabilities

The details of this account follow:

	June 30, 2024 (Unaudited)			December 31, 2023 (Audited)		
	Due Within One Year	Due After One Year	Total	Due Within One Year	Due After One Year	Total
	(In Thousands)					
Accounts payable (Notes 15)	<b>₱11,113,578</b>	<b>₱7,536,806</b>	<b>₱18,650,384</b>	₱11,765,518	₱5,017,658	₱16,783,176
Accrued expenses	<b>12,428,403</b>	-	<b>12,428,403</b>	9,546,884	-	9,546,884
Deposits for registration	<b>2,510,131</b>	<b>1,642,455</b>	<b>4,152,586</b>	2,414,005	1,573,499	3,987,504
Retention fee payable	<b>2,608,843</b>	<b>841,578</b>	<b>3,450,421</b>	2,551,557	548,521	3,100,078
Asset retirement obligation (ARO)	<b>781,592</b>	-	<b>781,592</b>	753,895	-	753,895
Accrued interest	<b>2,349,079</b>	-	<b>2,349,079</b>	1,793,825	-	1,793,825
Deposits from tenants	<b>1,560,253</b>	<b>1,709,060</b>	<b>3,269,313</b>	4,539,055	1,645,028	6,184,083
Due to related parties	<b>790,816</b>	-	<b>790,816</b>	856,199	-	856,199
Other payables	<b>3,592,824</b>	<b>1,116,912</b>	<b>4,709,736</b>	3,172,169	711,133	3,883,302
	<b>₱37,735,519</b>	<b>₱12,846,811</b>	<b>₱50,582,330</b>	₱37,393,107	₱9,495,839	₱46,888,946

Other payables pertain to travel expense, repairs and maintenance expense, securities and janitorial expense, bonuses, insurance expense and banking fees.

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## 20. Short-term and long-term debt

Below are the current and noncurrent portion of the long-term and short-term debt:

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
	(In Thousands)	
Current	<b>₱48,429,548</b>	₱29,528,806
Noncurrent	<b>88,027,618</b>	102,843,138
	<b>₱136,457,166</b>	₱132,371,944

The Group's long-term and short-term debt are unsecured and no assets are held as collateral for these debts, except for the loans of FDC Misamis. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio of 2.0x to 4.0x; debt service coverage ratio of 1.0x to 1.1x; interest coverage ratio of 2.0x to 3.0x; and minimum current ratio of 2.0x.

As of June 30, 2024 and December 31, 2023, the Group has not been cited as in default on its outstanding loan obligation.

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## 21. Equity

### Capital Stock

Below is the summary of the Group's track record of registration of securities with the SEC as of June 30, 2024:

	Number of Shares Registered (In Thousands)	Number of Holders of Securities as of End of Period
January 1, 2023	8,648,463	4,005
Movements	–	(7)
December 31, 2023	8,648,463	3,998
Movements	–	(10)
June 30, 2024	8,648,463	3,988

*Note: Exclusive of 671,409,400 treasury shares as of June 30, 2024 and December 31, 2023.*

### Dividend Declaration

On April 26, 2024, the Parent Company's BOD approved the declaration and payment of cash dividends of ₱0.10346 per share for every common share of record as of May 20, 2024, payable on June 11, 2024.

On April 28, 2023, the Parent Company's BOD approved the declaration and payment of cash dividends of ₱0.06534 per share for every common share of record as of May 22, 2023. This was paid on June 14, 2023.

### Capital Management

The Group monitors its capital and cash positions and manages its expenditure 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 to support its business and maximize shareholder value. No changes were made in capital management objectives, policies or processes for the three months ended June 30, 2024 and year ended December 31, 2023.

The Group monitors capital using debt-to-equity ratio, which is the long-term debt divided by total equity. The Group’s policy is to keep the debt-to-equity ratio not to exceed 2:1.

	<b>June 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
	(In Thousands)	
Long-term and short-term debt	<b>₱136,457,166</b>	₱132,371,944
Total equity	<b>173,877,983</b>	177,691,875
Debt-to-equity ratio	<b>0.78:1.00</b>	0.74:1.00

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## 22. Related Party Transactions

The Group has entered into various transactions with related parties. 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 or common significant influence (referred to 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 as at June 30, 2024 are unsecured, interest free and require settlement in cash, unless otherwise stated. As of June 30, 2024 and 2023, the Group has not made any material 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.

<b>2024</b>				
	<b>Amount/ Volume</b>	<b>Outstanding Balance Due from (Due to)</b>	<b>Terms</b>	<b>Conditions</b>
(In Thousands)				
<b>Due from related parties</b>				
Affiliates: (Notes 7, 8 and 10)				
Share in expenses	P-	P24	Noninterest-bearing, collectible on demand	Unsecured, no impairment
	P-	P24		
<b>2023</b>				
	<b>Amount/ Volume</b>	<b>Outstanding Balance Due from (Due to)</b>	<b>Terms</b>	<b>Conditions</b>
(In Thousands)				
Due from related parties				
Real estate operations (Note 7)				
Ultimate Parent Company <sup>(a)</sup>	(P360)	P320	Noninterest-bearing, collectible on demand	Unsecured, no impairment
Affiliates: (Notes 7, 8 and 10)				
Share in expenses	69,597	129,155	Non-interest bearing and due on demand except for P53.0 million loan subject to interest rate of 3.5% to 3.8% due within 1 year	Unsecured, no impairment
	P69,237	P129,475		
Due to related parties (Note 23)				
Affiliates				
Share in expenses <sup>(a)</sup>			Noninterest-bearing, payable on demand	Unsecured
Management fee <sup>(c)</sup>	217,461	(63,379)		
	P217,461	(P63,379)		

(a) Share in Group expenses

(b) Availment of loan payable, with interest at prevailing market rate

(c) Management fee charged to hospitality operations by a joint venture.

The compensation of key management personnel consists of short-term employee salaries and benefits amounting to P64.4 million and P45.2 million for the six months period ended June 30, 2024 and 2023, respectively. Post-employment benefits of key management personnel amounted to P5.2 million and P7.1 million for the three months period ended June 30, 2024 and 2023, respectively.

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## 23. Other Income

Other income from real estate operations consists of:

	<b>June 30, 2024</b>	June 30, 2023
	<b>(Unaudited)</b>	(Unaudited)
	(In Thousands)	
Processing fees	<b>₱192,719</b>	₱155,172
Interest income on cash and cash equivalents, contract receivables and contract assets and others	<b>72,908</b>	96,732
Service income	<b>66,952</b>	79,872
Water supply income	<b>45,095</b>	50,427
Sewer treatment services	<b>33,626</b>	17,895
Foreign currency exchange gains (losses) - net	<b>4,089</b>	(97)
Income from amusement centers, parking and other leased related activities	<b>177</b>	204
Others	<b>450,558</b>	223,327
	<b>₱866,124</b>	₱623,532

Others include commission income and membership and maintenance dues and other fees from tenants.

Other income - net from banking and financial services consist of:

	<b>June 30, 2024</b>	June 30, 2023
	<b>(Unaudited)</b>	(Unaudited)
	(In Thousands)	
Service charges, fees and commissions	<b>₱2,693,819</b>	₱2,260,165
Loss on asset foreclosure and dacion transactions	<b>596,723</b>	115,272
Foreign exchange gain	<b>198,425</b>	297,081
Trust Income	<b>66,070</b>	61,570
Trading and securities gain (loss)	<b>(191,422)</b>	106,390
Gain (loss) on sale of assets	<b>(254,741)</b>	112,321
Others	<b>578,748</b>	323,105
	<b>₱3,687,622</b>	₱3,275,904

## 24. Cost

Cost of sale of lots, condominium and residential units for the six months period ended June 30, 2024 and 2023 amounted to ₱3,708.3 million and ₱3,591.4 million, respectively. Cost of rental and related services amounted to ₱1,761.5 million and ₱1,148.4 million.

Cost of hospitality operations consists of:

	<b>June 30, 2024 (Unaudited)</b>	June 30, 2023 (Unaudited)
	(In Thousands)	
Salaries, wages and employee benefits	<b>₱296,589</b>	₱206,601
Food and beverage	<b>168,284</b>	136,714
Depreciation	<b>149,951</b>	139,962
Utilities	<b>113,087</b>	91,027
Supplies	<b>60,166</b>	36,653
Sales and marketing	<b>28,979</b>	20,731
Commission	<b>25,416</b>	16,670
Rent	<b>23,209</b>	25,338
Transportation and travel	<b>21,645</b>	16,101
Contract services	<b>11,074</b>	10,073
Guest amenities	<b>10,708</b>	8,199
Guest laundry and linen	<b>8,540</b>	9,553
Kitchen fuels	<b>7,934</b>	6,327
Communications	<b>6,960</b>	5,001
Guest transportation	<b>3,897</b>	1,096
Complimentary food and services	<b>3,694</b>	4,469
Representation and entertainment	<b>2,655</b>	3,100
Equipment rental	<b>910</b>	554
Repairs and maintenance	<b>31</b>	–
Others	<b>225,726</b>	72,080
	<b>₱1,169,455</b>	₱810,249

Others include dive shop operating expenses, spa expenses, office supplies, banquet expenses, landscaping and cable services.

Cost of banking and financial services consists of:

	<b>June 30, 2024 (Unaudited)</b>	June 30, 2023 (Unaudited)
	(In Thousands)	
Interest on deposit liabilities and other borrowings:		
Deposit liabilities	<b>₱3,197,550</b>	₱2,403,417
Subordinated debt, bills payable and other borrowings	<b>626,104</b>	265,681
Interest expense - lease liabilities	<b>204,648</b>	152,773
	<b>₱4,028,302</b>	₱2,821,871

Cost of power operations consists of:

	<b>June 30, 2024</b>	June 30, 2023
	<b>(Unaudited)</b>	(Unaudited)
	(In Thousands)	
Coal and fuel cost	<b>₱3,547,705</b>	₱3,044,835
Purchase of electricity	<b>4,599,194</b>	1,355,419
Depreciation and amortization	<b>529,802</b>	494,638
Distribution and wheeling fees	<b>137,722</b>	128,303
Salaries and wages	<b>63,899</b>	55,105
Maintenance cost	<b>57,253</b>	46,586
Others	<b>119,101</b>	59,946
	<b>₱9,054,676</b>	₱5,184,833

Cost of sugar operations consists of:

	<b>June 30, 2024</b>	June 30, 2023
	<b>(Unaudited)</b>	(Unaudited)
	(In Thousands)	
Costs of sugarcane purchases	<b>₱1,902,939</b>	₱1,613,107
Fair value of raw sugar	<b>1,298,719</b>	1,149,541
Repairs and maintenance	<b>199,202</b>	211,592
Salaries, wages and employee benefits	<b>94,704</b>	88,575
Depreciation and amortization	<b>81,376</b>	87,582
Materials and supplies	<b>68,911</b>	57,140
Outside services	<b>41,749</b>	42,029
Cane hauling	<b>27,563</b>	19,520
Communications, light and water	<b>15,761</b>	24,937
Taxes and licenses	<b>7,069</b>	6,197
Others	<b>121,133</b>	102,586
Cost of goods manufactured	<b>3,859,126</b>	3,402,806
Decrease (increase) in:		
Sugar and molasses inventories	<b>(1,019,553)</b>	109,349
	<b>₱ 2,839,573</b>	₱3,512,155

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## 25. Expenses

Expenses of real estate operations consists of:

	<b>June 30, 2024 (Unaudited)</b>	June 30, 2023 (Unaudited)
	(In Thousands)	
Interest expense - loans	<b>₱1,679,483</b>	₱954,254
Interest expense - lease liabilities	<b>114,540</b>	75,979
	<b>1,794,023</b>	1,030,233
General and administrative		
Salaries, wages and employee benefits	<b>796,183</b>	530,861
Taxes and licenses	<b>285,046</b>	141,774
Outside services	<b>240,042</b>	170,296
Repairs and maintenance	<b>200,904</b>	161,954
Depreciation and amortization	<b>201,687</b>	139,259
Insurance	<b>23,453</b>	1,400
Travel and transportation	<b>49,614</b>	41,060
Retirement costs	<b>28,093</b>	21,927
Entertainment, amusement and recreation	<b>14,804</b>	11,035
Rent	<b>7,262</b>	9,900
Others	<b>158,801</b>	105,597
	<b>2,005,889</b>	1,335,063
Marketing expenses		
Commission expense	<b>392,540</b>	334,797
Selling, advertising and promotions	<b>100,163</b>	102,863
Others	<b>277,539</b>	147,883
	<b>770,242</b>	585,543
	<b>₱4,570,154</b>	₱2,950,839

Other general and administrative expenses include utilities, postage, freight, office supplies, association dues and other charges.

Expenses of hospitality operations consist of:

	<b>June 30, 2024</b>	June 30, 2023
	<b>(Unaudited)</b>	(Unaudited)
	(In Thousands)	
Interest expense - loans	<b>₱217,386</b>	₱212,295
	<b>217,386</b>	212,295
General and administrative		
Salaries, wages and employee benefits	<b>119,090</b>	103,311
Management fees	<b>90,846</b>	71,796
Outside services	<b>42,139</b>	23,693
Repairs and maintenance	<b>33,076</b>	28,294
Utilities and association dues	<b>25,011</b>	43,837
Credit card commission	<b>21,123</b>	13,842
Depreciation	<b>18,320</b>	45,179
Corporate office reimbursable	<b>14,352</b>	4,631
Taxes and licenses	<b>13,407</b>	11,237
Travel and transportation	<b>8,934</b>	10,329
Representation and entertainment	<b>3,920</b>	3,363
Others	<b>68,332</b>	8,038
	<b>339,460</b>	264,239
Marketing expenses	<b>20,831</b>	23,955
	<b>₱696,767</b>	₱603,800

Others pertain to estate maintenance fee and pre-operating expenses.

Expenses of banking and financial services consist of:

	<b>June 30, 2024</b>	June 30, 2023
	<b>(Unaudited)</b>	(Unaudited)
	(In Thousands)	
General and administrative		
Salaries, wages and employee benefits	<b>₱4,232,233</b>	₱3,518,215
Taxes and licenses	<b>1,508,503</b>	1,182,932
Depreciation and amortization	<b>1,054,803</b>	659,498
Technological fees	<b>595,499</b>	522,863
Advertising	<b>590,045</b>	332,958
Service charges, fees and commission	<b>587,150</b>	442,393
Outside services	<b>535,252</b>	526,027
Insurance	<b>409,336</b>	392,664
Rent	<b>209,371</b>	170,932
Repairs and maintenance	<b>185,804</b>	158,938
Utilities	<b>121,612</b>	123,837
Amortization of computer software, customer relationships and core deposits	<b>110,292</b>	99,996
Travel and transportation	<b>68,853</b>	64,953
Entertainment, amusement and recreation	<b>24,790</b>	20,904
Retirement	<b>15,249</b>	13,414
Others	<b>1,187,530</b>	1,203,921
	<b>11,436,322</b>	9,434,445
Provision for probable losses (Notes 9 and 16)	<b>4,504,459</b>	2,902,881
	<b>₱15,940,781</b>	₱12,337,326

Others include payments for subscriptions, membership fees, trainings, donations and contributions, delivery and freight expenses, fines, other charges and clearing fees.

Expenses of power operations consist of:

	<b>June 30, 2024</b>	June 30, 2023
	<b>(Unaudited)</b>	(Unaudited)
	(In Thousands)	
Interest expense - loans	<b>₱296,646</b>	₱342,892
Interest expense - lease liabilities	<b>28,369</b>	23,174
Accretion expense on ARO	<b>27,526</b>	24,168
	<b>352,541</b>	390,234
General and administrative		
Taxes and licenses	<b>193,968</b>	175,961
Salaries, wages and employee benefits	<b>122,531</b>	120,600
Depreciation and amortization	<b>64,530</b>	67,051
Outside services	<b>50,265</b>	43,401
Professional fee	<b>14,034</b>	13,062
Travel and transportation	<b>10,256</b>	12,852
Repairs and maintenance	<b>13,975</b>	10,134
Representation and entertainment	<b>8,987</b>	9,587
Others	<b>259,259</b>	204,729
	<b>737,805</b>	657,377
	<b>₱1,090,346</b>	₱1,047,611

Others include office supplies, freight and handling costs, contribution and donation, dues and subscription and financial assistance to host communities.

Expenses of sugar operations consist of:

	<b>June 30, 2024</b>	June 30, 2023
	<b>(Unaudited)</b>	(Unaudited)
	(In Thousands)	
Interest expense - loans	<b>₱28,732</b>	₱5,427
General and administrative		
Salaries, wages and employee benefits	<b>15,919</b>	16,445
Taxes and licenses	<b>10,818</b>	16,076
Outside services	<b>12,292</b>	10,300
Retirement cost	<b>11,460</b>	388
Travel and transportation	<b>3,697</b>	3,636
Supplies	<b>3,121</b>	4,261
Entertainment, amusement and recreation	<b>1,541</b>	2,354
Depreciation and amortization	<b>2,611</b>	2103
Communication	<b>2,626</b>	1679
Repairs and maintenance	<b>2,318</b>	2,861
Provision for probable losses	<b>9,185</b>	-
Others	<b>4,704</b>	11,955
	<b>80,292</b>	72,058
	<b>₱109,024</b>	₱77,485

Expenses of other operations consist mainly of interest expense amounting to ₱675.7 million and ₱664.9 million for the six months period ended June 30, 2024 and 2023, respectively.

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## 26. Earnings Per Share (EPS)

The following reflects the income and share data used in the basic EPS computations:

	<b>June 30, 2024 (Unaudited)</b>	June 30, 2023 (Unaudited)
	(In Thousands, Except Per Share Figures)	
a. Net income - attributable to equity holders of the parent	<b>5,541,472</b>	3,942,142
b. Weighted average number of outstanding common shares	<b>8,648,463</b>	8,648,463
c. EPS - Basic (d/b)	<b>0.641</b>	0.456

There are no diluted shares as of June 30, 2024 and 2023. The diluted earnings per share is same as the basic earnings per share as of June 30, 2024 and 2023.

Treasury shares of 671,409,400 shares as of June 30, 2024 and December 31, 2023 are deducted from the total outstanding shares in computing the weighted average number of outstanding common shares.

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## 27. Lease Commitments

The rollforward analysis of lease liabilities follows (amounts in thousands):

	<b>June 30, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
At January 1	<b>₱8,454,337</b>	₱7,238,419
Additions	<b>42,201</b>	2,667,420
Accretion of interest expense	<b>206,788</b>	547,656
Payments	<b>(943,864)</b>	(1,999,158)
As at December 31	<b>7,759,462</b>	8,454,337
Lease liabilities - current portion	<b>₱1,216,150</b>	₱1,325,059
Lease liabilities - net of current portion	<b>₱6,543,312</b>	₱7,129,278

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## 28. Contingencies and Commitments

In the normal course of the Group's operations, there are various outstanding commitments and contingent liabilities which are not reflected in the accompanying financial statements. The Group does not anticipate material unreserved losses as a result of these transactions.

The Group has several loan-related suits and claims that remain unsettled. It is not practicable to estimate the potential financial impact of these contingencies. However, in the opinion of the management, the suits and claims, if decided adversely, will not involve sums having a material effect on the Group's financial statements.

The following is a summary of commitments and contingencies of the Parent Company at their peso-equivalent contractual amounts arising from off-balance sheet items:

	2024	2023
Unused credit lines	<b>₱118,574,398</b>	₱190,658,891
Trust department accounts	<b>63,537,810</b>	61,529,662
Broker customer securities	<b>42,489,067</b>	40,840,802
Forward exchange sold	<b>14,280,483</b>	7,640,848
Spot exchange sold	<b>12,164,095</b>	11,991,023
Spot exchange bought	<b>6,702,486</b>	3,978,326
Unused commercial letters of credit	<b>5,102,943</b>	3,509,978
Forward exchange bought	<b>4,319,026</b>	4,721,303
Treasurer/cashier/manager's checks	<b>725,562</b>	461,311
Inward bills for collection	<b>626,636</b>	512,802
Financial futures bought	<b>483,487</b>	–
Outstanding guarantees	<b>212,154</b>	496,103
Late deposits/payments received	<b>18,177</b>	8,103
Outward bills for collection	<b>5,669</b>	4,398
Items held for safekeeping	<b>916</b>	934
Others	<b>183</b>	167

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## 29. 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:

	June 30, 2024 (Unaudited)	June 30, 2023 (Unaudited)
	(In Thousands)	
Current	<b>₱2,109,285</b>	₱1,507,142
Deferred	<b>(37,276)</b>	(304,751)
	<b>₱2,072,009</b>	₱1,202,391

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## 30. Segment Information

Operating segments are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources and in assessing performance. Generally, financial information is required to be reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources to segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, which in certain respects, are measured similarly as net income in the consolidated financial statements.

The chief operating decision-maker has been identified as the Executive Committee. This committee reviews the Group's internal reports in order to assess performance and allocate

resources. Management has determined the operating segments based on these reports. The Group does not report its results based on geographical segments because the Group currently operates only in the Philippines.

The Group derives its revenues from the following reportable segments:

*Real Estate Operations*

This involves 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 segment also involves operations and management of cinema and mall, property management and leasing of commercial and office spaces.

*Hospitality Operations*

This involves operation of hotels, including management of resorts, villas, golf course, service apartment and other services for the pleasure, comfort and convenience of guests in said establishments under its management.

*Banking and Financial Services*

This involves a wide range of financial services to consumer and corporate clients which includes deposit-taking, loan and trade finance, treasury, trust services, credit cards, cash management, custodial services, insurance services and leasing and finance. The business units in this segment consist of retail banking, corporate banking, consumer banking, and treasury and trust.

*Power and Utility Operations*

This involves the operation of power plants and supply of power to off-takers and also includes retail electricity supply operations. This segment also involves maintenance, operation and management of waterworks system for distribution and supply of potable water to domestic, commercial, and industrial users.

*Sugar Operations*

This involves operation of agricultural lands for planting and cultivating farm products, operation of a complete sugar central for the purpose of milling or converting sugar canes to centrifugal or refined sugar and selling of sugar and by-products.

*Other Operations*

This involves other operations of the Parent Company including FDCI, CTI, FDEV and SPI. FDCI was incorporated to facilitate the Group's issuance of foreign currency-denominated bonds while CTI is engaged in providing computer and information technology services FDEV is organized to engage in the business of a holding company and invest in technology-based business entities while SPI was incorporated to provide technical and business process services.

The financial information on the operations of these business segments as shown below are based on the measurement principles that are similar with those used in measuring the assets, liabilities, income and expenses in the consolidated financial statements which is in accordance with PFRS, except for the Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).

As of and For the Six Months Period Ended June 30, 2024 (Unaudited)

	Real Estate Operations	Hospitality Operations	Banking and Financial Services	Power and Utilities	Sugar Operations	Other Operations	Combined	Eliminating Entries	Consolidated
	(In Thousands)								
Revenues and other income	₱13,237,934	₱2,115,851	₱24,501,863	₱13,503,966	₱3,718,028	₱3,588,016	₱60,665,658	(₱5,176,175)	₱55,489,483
EBITDA	₱5,272,515	₱471,484	₱5,451,184	₱3,649,198	₱849,195	₱2,481,735	₱18,175,311	(₱3,030,544)	₱15,145,271
Net income (loss)	₱2,021,027	₱75,161	₱3,487,802	₱1,909,570	₱644,701	₱1,348,244	₱9,486,505	(₱2,424,115)	₱7,062,390
Assets									
Operating assets	₱235,172,584	₱16,381,243	₱495,593,231	₱38,350,732	₱4,128,356	₱90,501,932	₱880,128,078	(₱113,353,242)	₱766,774,836
Less deferred tax asset	210,771	298,610	4,249,916	805,430	105,989	71,171	5,741,887	78,741)	5,820,628
Net operating assets	₱234,961,813	₱16,082,633	₱491,343,315	₱37,545,302	₱4,022,367	₱90,430,761	₱874,386,191	(₱113,431,983)	₱760,954,208
Liabilities									
Operating liabilities	₱121,345,883	₱12,659,451	₱426,612,818	₱25,042,574	₱1,154,917	₱48,349,125	₱635,164,768	(₱42,267,915)	₱592,896,853
Less deferred tax liabilities	7,062,501	147,582	-	40,243	-	1,527	7,251,853	396,179)	7,621,032
Net operating liabilities	₱114,283,382	₱12,511,869	₱426,612,818	₱25,002,331	₱1,154,917	₱48,347,598	₱627,912,915	(₱42,637,094)	₱585,275,821

For the Six Months Period Ended June 30, 2023 (Unaudited)

	Real Estate Operations	Hospitality Operations	Banking and Financial Services	Power and Utilities	Sugar Operations	Other Operations	Combined	Eliminating Entries	Consolidated
	(In Thousands)								
Revenues and other income	₱11,609,618	₱1,376,151	₱19,625,012	₱8,015,100	₱3,518,378	₱2,150,527	₱46,294,786	(₱3,649,049)	₱42,645,737
EBITDA	₱4,532,866	₱241,930	₱5,052,765	₱2,143,607	₱792,015	₱1,286,378	₱14,049,561	(₱2,474,616)	₱11,574,945
Net income (loss)	₱1,942,805	(₱147,295)	₱3,651,164	₱941,926	₱543,886	₱241,809	₱7,174,381	(₱1,713,372)	₱5,461,009

December 31, 2023 (Audited)

	(In Thousands)								
Assets									
Operating assets	₱245,812,029	₱14,780,326	₱464,205,319	₱36,807,927	₱2,895,694	₱88,487,652	₱852,988,947	(₱118,054,914)	₱734,934,033
Less deferred tax asset	52,220	309,354	4,098,880	761,746	84,527	62,252	5,368,979	259,967	5,628,946
Net operating assets	₱245,759,809	₱14,470,972	₱460,106,439	₱36,046,181	₱2,811,167	₱88,425,400	₱847,619,968	(₱118,314,881)	₱729,305,087
Liabilities									
Operating liabilities	₱123,234,132	₱11,278,953	₱397,030,156	₱25,301,776	₱621,589	₱46,714,763	₱604,181,369	(₱46,939,211)	₱557,242,158
Less deferred tax liabilities	9,923,955	2,286,914	6,073,341	2,103,189	-	336,182	20,723,581	(10,442,018)	10,281,563
Net operating liabilities	₱113,310,177	₱8,992,039	₱390,956,815	₱23,198,587	₱621,589	₱46,378,581	₱583,457,788	(₱36,497,193)	₱546,960,595

The Group's chief operating decision-maker also use net income per segment after elimination in assessing performance of the identified reportable segments, as follows:

	Net Income (Loss) Before Elimination	Eliminating Entries	Net Income (Loss) After Elimination
		<i>(Unaudited) (In Thousands)</i>	
<b>June 30, 2024</b>			
Real estate operations	<b>₱2,021,027</b>	<b>₱47,188</b>	<b>₱2,068,215</b>
Hospitality operations	<b>75,161</b>	<b>79,266</b>	<b>154,427</b>
Banking and financial services	<b>3,487,802</b>	<b>(112,161)</b>	<b>3,375,641</b>
Power and utility operations	<b>1,909,570</b>	<b>214,608</b>	<b>2,124,178</b>
Sugar operations	<b>644,701</b>	<b>1,982</b>	<b>646,683</b>
Other operations	<b>1,348,244</b>	<b>(2,654,998)</b>	<b>(1,306,754)</b>
	<b>₱9,486,505</b>	<b>(₱2,424,115)</b>	<b>₱7,062,390</b>
<b>June 30, 2023</b>			
Real estate operations	₱1,942,805	₱309,065	₱2,251,870
Hospitality operations	(147,295)	100,898	(46,397)
Banking and financial services	3,651,164	(475,498)	3,175,666
Power and utility operations	941,922	172,762	1,114,684
Sugar operations	543,886	(61,750)	482,136
Other operations	241,899	(1,758,849)	(1,516,950)
	₱7,174,381	(₱1,713,372)	₱5,461,009

The following table shows a reconciliation of the total EBITDA to total income before income tax:

	June 30, 2024	June 30, 2023
	<i>(In Thousands)</i>	
EBITDA for reportable segments	<b>₱15,145,271</b>	₱11,574,945
Depreciation and amortization	<b>2,683,971</b>	2,385,299
Operating profit	<b>12,461,300</b>	9,189,646
Interest expense	<b>3,326,901</b>	2,526,246
Income before income tax	<b>₱9,134,399</b>	₱6,663,400

Disaggregated Revenue Information:

The Group derives revenue from the transfer of goods and services over time and at a point in time, in different product types and other geographical location within the Philippines.

### Real Estate Operations

Disaggregation of each source of revenue from contracts with customers are presented below:

	<b>June 30, 2024 (Unaudited)</b>	June 30, 2023 (Unaudited)
	(In Thousands)	
<b>Real estate sales by market segment</b>		
Medium income	<b>₱5,571,307</b>	₱3,890,009
Low affordable and affordable	<b>848,706</b>	1,637,854
High-end and others	<b>896,213</b>	679,283
Socialized	<b>399,864</b>	163,043
	<b>7,716,090</b>	6,370,189
<b>Cinema operations by type of goods or services</b> (included as part of rental and related services)		
Theater sales	<b>125,870</b>	104,307
<b>Total revenue from contracts with customers</b>	<b>7,841,960</b>	6,474,496
<b>Rental and related services</b>		
Office leasing	<b>2,223,752</b>	2,264,617
Mall operations	<b>1,059,716</b>	969,624
Retail leasing	<b>229,623</b>	188,882
Lot leasing	<b>251,195</b>	85,824
Others	<b>195,337</b>	37,165
	<b>3,959,623</b>	3,546,112
<b>Total Revenue</b>	<b>11,801,583</b>	₱10,020,608

### Hospitality Operations

Disaggregation of each source of revenue from contracts with customers are presented below:

	<b>June 30, 2024 (Unaudited)</b>	June 30, 2023 (Unaudited)
	(In Thousands)	
<b>Hospitality Operations by Type of Services</b>		
Rooms services	<b>₱1,032,423</b>	₱613,843
Golf operations related services	<b>203,680</b>	185,951
Other operating departments	<b>79,473</b>	78,876
	<b>1,315,576</b>	878,670
<b>Sale of Goods by Product Type</b>		
Food and beverage	<b>529,647</b>	461,469
<b>Total Revenue from Contracts with Customers</b>	<b>₱ 1,845,223</b>	₱1,340,139

The Group recognizes revenue from room services and services of other operating department over time while revenue from sale of food and beverage, souvenirs and others are recognized at a point in time.

### *Banking and Financial Services*

Disaggregation of each source of revenue from banking and financial services are presented below:

	<b>June 30, 2024 (Unaudited)</b>	June 30, 2023 (Unaudited)
	(In Thousands)	
<b>Interest Income</b>		
Loans and receivables	<b>₱17,801,589</b>	₱13,501,377
Financial assets at FVOCI and investment securities at amortized cost	<b>2,391,595</b>	1,885,509
Financial assets at FVPL	<b>211,771</b>	76,065
Due from other banks and IBLR	<b>127,594</b>	216,972
<b>Total Interest Income</b>	<b>₱20,532,549</b>	₱15,679,923

### *Power and Utility Operations*

Disaggregation of each source of revenue from contracts with customers are presented below:

	<b>June 30, 2024 (Unaudited)</b>	June 30, 2023 (Unaudited)
	(In Thousands)	
<b>Revenue by Type of Services</b>		
Generated power	<b>₱12,786,086</b>	₱7,177,468
Retail electricity supply	<b>2,411</b>	63,441
<b>Total Revenue from Contracts with Customers</b>	<b>₱12,788,497</b>	₱7,240,909

The Group's revenue from generated power and retail electricity supply is recognized over time.

### *Sugar Operations*

Disaggregation of each sources of revenue from contracts with customers are presented below:

	<b>June 30, 2024 (Unaudited)</b>	June 30, 2023 (Unaudited)
	(In Thousands)	
<b>By Product Type</b>		
Raw Sugar	<b>₱2,106,141</b>	₱2,799,637
Milling revenue	<b>1,205,405</b>	1,078,941
Molasses	<b>378,966</b>	267,588
Refined sugar	<b>457</b>	52,380
<b>Total Revenue from Contracts with Customers</b>	<b>₱3,690,969</b>	₱4,198,546

The Group's revenue from raw sugar, refined sugar and molasses is recognized at the point when control of the goods is transferred to customers.

### 31. Fair Value Measurement

The following table sets forth the fair value hierarchy of the Group's assets and liabilities measured at fair value and those for which fair values are required to be disclosed:

	June 30, 2024 (Unaudited)				
	Carrying Value	Fair Value			
		Total	Quoted Prices in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(In Thousands)					
Assets measured at fair value					
Financial assets					
Financial assets at FVPL (Note 12)					
Government securities	₱9,274,279	₱9,274,279	₱9,274,279	₱–	₱–
Private bonds	30,843	30,843	30,843	–	–
Equity securities	33,123	33,123	33,123	–	–
	<b>9,338,245</b>	<b>9,338,245</b>	<b>9,338,245</b>	<b>–</b>	<b>–</b>
Derivative assets (Note 20)	56,335	56,335	–	56,335	–
Financial assets at FVOCI (Note 12)					
Government debt securities	19,591,897	19,591,897	19,591,897	–	–
Private bonds	7,172,714	7,172,714	7,172,714	–	–
Quoted equity securities including club shares	1,036,055	1,036,055	1,036,055	–	–
Unquoted equity securities	28,545	28,545	28,545	–	–
	<b>27,829,211</b>	<b>27,829,211</b>	<b>27,829,211</b>	<b>–</b>	<b>–</b>
Assets for which fair values are disclosed					
Financial assets					
Investment securities at amortized cost (Note 12)					
Government securities	75,130,509	75,130,509	75,130,509	–	–
Private bonds	1,806,493	1,806,493	1,806,493	–	–
	<b>76,937,002</b>	<b>76,937,002</b>	<b>76,937,002</b>	<b>–</b>	<b>–</b>
Loans and receivables					
Banking and financial services (Note 9)					
Corporate lending	41,808,564	44,396,499	–	–	44,396,499
Consumer lending	251,003,285	281,849,075	–	–	281,849,075
Other receivables	9,042,102	10,737,087	–	–	10,737,087
	<b>301,853,951</b>	<b>336,982,661</b>	<b>–</b>	<b>–</b>	<b>336,982,661</b>
Real estate operations (Note 7)					
Contracts receivable	2,781,863	2,781,863	–	–	2,781,863
Receivables from tenants	2,664,228	2,664,228	–	–	2,664,228
	<b>5,446,091</b>	<b>5,446,091</b>	<b>–</b>	<b>–</b>	<b>5,446,091</b>
Nonfinancial assets					
Investment properties (Note 16)	98,073,204	343,801,934	–	–	343,801,934
<b>Total assets</b>	<b>519,534,039</b>	<b>800,391,479</b>	<b>114,104,458</b>	<b>56,335</b>	<b>686,230,686</b>
Liabilities measured at fair value					
Financial liabilities					
Derivative liabilities (Note 23)					
	–	–	–	–	–
Liabilities for which fair values are disclosed					
Financial liabilities at amortized costs					
Deposit liabilities (Note 21)					
Time	83,862,951	83,862,951	–	–	83,862,951
Savings	151,194,343	151,194,343	–	–	151,194,343
Demand	117,467,380	117,467,380	–	–	117,467,380
	<b>352,524,674</b>	<b>352,524,674</b>	<b>–</b>	<b>–</b>	<b>352,524,674</b>
Accounts payable, accrued expenses and other liabilities (Note 23)					
Accounts payable	18,660,384	18,660,384	–	–	18,660,384
Retention fee payable	3,450,421	3,450,421	–	–	3,450,421
Deposits for registration	4,152,586	4,152,586	–	–	4,152,586
	<b>26,263,391</b>	<b>26,263,391</b>	<b>–</b>	<b>–</b>	<b>26,263,391</b>
Lease liabilities (Note 32)	7,759,462	7,759,462	–	–	7,759,462
Long-term and short-term debt (Note 24)	136,457,166	136,457,166	–	–	136,457,166
	<b>₱144,216,628</b>	<b>₱144,216,628</b>	<b>₱–</b>	<b>₱–</b>	<b>₱144,216,628</b>

December 31, 2023 (Audited)					
	Carrying Value	Fair Value			
		Total	Quoted Prices in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(In Thousands)					
Assets measured at fair value					
Financial assets					
Financial assets at FVPL (Note 12)					
Government securities	₱4,058,236	₱4,058,236	₱4,058,236	₱-	₱-
Private bonds	43,707	43,707	43,707	-	-
Equity securities	10,379	10,379	10,379	-	-
	4,112,322	4,112,322	4,112,322	-	-
Derivative assets (Note 20)	21,812	21,812	-	21,812	-
Financial assets at FVOCI (Note 12)					
Government debt securities	11,731,843	11,731,843	11,731,843	-	-
Private bonds	6,737,050	6,737,050	6,737,050	-	-
Quoted equity securities including club shares	906,182	906,182	906,182	-	-
Unquoted equity securities	36,350	36,350	36,350	-	-
	19,411,425	19,411,425	19,411,425	-	-
Assets for which fair values are disclosed					
Financial assets					
Investment securities at amortized cost (Note 12)					
Government securities	71,825,991	71,836,021	71,836,021	-	-
Private bonds	3,575,028	3,575,706	3,575,706	-	-
	75,401,019	75,411,727	75,411,727	-	-
Loans and receivables					
Banking and financial services (Note 9)					
Corporate lending	42,342,410	44,192,824	-	-	44,192,824
Consumer lending	228,933,071	259,601,838	-	-	259,601,838
Unquoted debt securities	9,977,897	11,661,816	-	-	11,661,816
	281,253,378	315,456,478	-	-	315,456,478
Real estate operations (Note 7)					
Contracts receivable	3,582,421	3,582,421	-	-	3,582,421
Receivables from tenants	2,495,211	2,495,211	-	-	2,495,211
	6,077,632	6,077,632	-	-	6,077,632
Nonfinancial assets					
Investment properties (Note 16)	96,572,707	336,297,865	-	-	336,297,865
<b>Total assets</b>	<b>482,850,295</b>	<b>756,789,261</b>	<b>98,935,474</b>	<b>21,812</b>	<b>657,831,975</b>
Liabilities measured at fair value					
Financial liabilities					
Derivative liabilities (Note 23)	103,083	103,083	-	103,083	-
Liabilities for which fair values are disclosed					
Financial liabilities at amortized costs					
Deposit liabilities (Note 21)					
Time	64,126,014	64,126,014	-	-	64,126,014
Savings	152,641,165	152,641,165	-	-	152,641,165
Demand	122,014,133	122,014,133	-	-	122,014,133
	338,781,312	338,781,312	-	-	338,781,312
Accounts payable, accrued expenses and other liabilities (Note 23)					
Accounts payable	16,783,176	15,702,609	-	-	15,702,609
Retention fee payable	3,100,078	2,900,638	-	-	2,900,638
Deposits for registration	3,987,504	3,730,616	-	-	3,730,616
	23,870,758	22,333,863	-	-	22,333,863
Lease liabilities (Note 32)	8,454,337	10,213,638	-	-	10,213,638
Long-term and short-term debt (Note 24)	132,371,944	159,917,812	-	-	159,917,812
	<b>₱503,581,434</b>	<b>₱531,349,708</b>	<b>₱-</b>	<b>₱103,083</b>	<b>₱ 531,246,625</b>

The methods and assumptions used by the Group in estimating the fair value of the financial instruments remain the same with the methods used as of December 31, 2023 except for the discount rates used which ranged from 3.8% to 6.9% for the six months period ended June 30, 2024 and from 4.2% to 7.2% for the year ended December 31, 2023.

For six months ended June 30, 2024 and year ended December 31, 2023, 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.

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## 32. Financial Risk Management Objectives and Policies

The Group's principal financial instruments are composed of cash and cash equivalents, FVPL, derivative assets, FVOCI and investment securities at amortized cost, loans from financial institutions, mortgage and contracts receivables and other receivables. The main purpose of these financial instruments is to raise financing for the Group's operations.

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

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

The condensed consolidated interim financial statements do not include all the financial risk management information and disclosures required in the annual consolidated financial statements; hence, they should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2023. There have been no significant changes in risk management structure of the Group or in any risk management policies since the previous annual period.

### Banking and Financial Operations

The risk exposure of EW in credit, market, interest rate, and liquidity remain contained within its risk limits and adequately covered by its available capital.

Specifically, notable risk exposures, where most emanate from EW, as of the end of first quarter of 2024 in the following areas are summarized below.

- Credit risk: Potential risk is well within regulatory capital as gleaned from the following indicators.
  - Credit quality of portfolio remains at a composite rating of 'Satisfactory' for its corporate portfolio, 'Standard' grade for most of its consumer portfolio, and its non-tradable investment portfolio at 'BBB' composite rating.
  - Loan portfolio security profile is less than 50% secured given the proportion of consumer lending business. For the portfolio of products that normally require collateral, the Bank remains healthy at more than 70% secured.
  - No credit concentration in size, borrower, and industry as defined by BSP and internal risk policies.
- Market risk: A little over 0.50% of the Parent Company's Qualifying Capital or around 2.50% of the market value of the trading position is the potential loss on the Parent Company's trading book on account of potential adverse movements in interest rate and foreign exchange rate. Meanwhile, around 1.50% of the Parent Company's Qualifying Capital or around 3.25% of the market value

of the banking book fixed income positions is the potential loss in view of the potential adverse movements in interest rates.

- Interest rate risk: The potential reduction in the Group's interest income and net income arising from movements in interest rates remains compliant with the internal Earnings-at-Risk (EaR) limit. At the consolidated level of the banking book which was driven by the normalizing volatility of interest rates as of report date, the budgeted Net Interest Income and Net Income for 2024 will be reduced by around 5% and 20%, respectively.

With interest rate movements back to the observed movements during the pre-pandemic period, the Group's Change in Economic Value of Equity shows that the capital will be reduced by 9% given the Group's balance sheet structure.

- Liquidity risk: There is no imminent liquidity risk as the Group remains to be generally liquid, particularly in the near term or within the one-year horizon, with sufficient sources of funding as and when the need arises. Regulatory and internal risk limits are duly complied with. EW's Qualifying Capital level remains strong, standing around P58 billion and compliant with the regulatory minimum, in accordance with the supervisor's prescriptions, as well as cover for the above approximated risk exposures.

Thus, the EW's risk management policies remain generally the same as in 2023. EW's 2023 audited financial statements discuss in detail its risk exposures and its related policies.

#### The Group (Excluding EW)

##### *Interest Rate Risk*

The Group's exposure to the risk for changes in market interest rates relates primarily to the Group's long-term debt obligations with a floating interest rate. The Group's interest rate exposure management policy centers on reducing the Group's overall interest expense and exposure to changes in interest rates. The Group's policy is to manage its interest cost using a mix of fixed and floating interest-rate debts. The Group regularly monitors available loans in the market which is of cheaper interest rate and substitutes high-rate debts of the Group.

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.

##### *Liquidity Risk*

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 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. Accordingly, its loan maturity profile is regularly reviewed to ensure availability of funding through an adequate amount of credit facilities with financial institutions.

Overall, the Group's funding arrangements are designed to keep an appropriate balance between equity and debt, to give financing flexibility while continuously enhancing the Group's businesses.

##### *Credit Risk*

It is the Group's policy that buyers who wish to avail the in-house financing scheme are subject to credit verification procedures. Receivable balances are being monitored on a regular basis and subjected to appropriate actions to manage credit risk.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and financial assets at amortized costs, 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.

### 33. Maturity Analysis of Assets and Liabilities

The following tables show an analysis of assets and liabilities analyzed according to whether they are expected to be recovered or settled within one year and beyond one year from the statement of financial position date:

	June 30, 2024 (Unaudited)			December 31, 2023 (Audited)		
	Less than 12 months*	Over 12 months	Total	Less than 12 months**	Over 12 months	Total
(In Thousands)						
<b>Assets</b>						
Cash and other cash items	<b>₱46,949,191</b>	<b>₱–</b>	<b>₱46,949,191</b>	₱48,962,146	–	₱48,962,146
Loans and receivables - net						
Real estate operations	11,216,733	–	11,216,733	9,285,775	–	9,285,775
Hospitality operations	243,085	–	243,085	247,570	–	247,570
Banking and financial services	102,355,597	199,498,354	301,853,951	142,245,138	139,008,240	281,253,378
Power operations	6,438,278	–	6,438,278	4,861,962	–	4,861,962
Sugar operations	152,510	–	152,510	134,639	–	134,639
Financial assets at FVPL	9,315,494	–	9,315,494	4,112,322	–	4,112,322
Financial assets at FVOCI	27,774,321	–	27,774,321	19,411,425	–	19,411,425
Investment securities at amortized cost	245,400	76,691,602	76,937,002	520,066	74,880,953	75,401,019
Contract assets	5,697,275	3,159,233	8,856,508	4,748,130	5,119,512	9,867,642
Real estate inventories	71,282,334	–	71,282,334	81,004,413	–	81,004,413
Coal, spare parts and other inventories	3,218,337	–	3,218,337	1,665,772	–	1,665,772
Investment properties – net	–	98,073,204	98,073,204	–	98,240,278	98,240,278
Property and equipment - net	–	45,632,578	45,632,578	–	45,103,226	45,103,226
Investment in joint ventures	–	2,108,035	2,108,035	–	1,907,136	1,907,136
Deferred tax assets - net	–	5,820,628	5,820,628	–	5,628,946	5,628,946
ROU assets	–	4,748,404	4,748,404	–	4,150,658	4,150,658
Goodwill	–	10,381,152	10,381,152	–	10,381,152	10,381,152
Other assets	28,103,327	7,669,764	35,773,091	23,316,940	9,997,634	33,314,574
	<b>₱312,991,882</b>	<b>₱453,782,954</b>	<b>₱766,774,836</b>	<b>₱340,516,298</b>	<b>₱394,417,735</b>	<b>₱734,934,033</b>
<b>Liabilities</b>						
Deposit liabilities	<b>₱351,951,055</b>	<b>₱573,619</b>	<b>₱352,524,674</b>	₱338,185,349	₱595,963	₱338,781,312
Bills and acceptances payable	32,762,143	–	32,762,143	15,403,706	–	15,403,706
Accounts payable and accrued expenses	37,735,519	12,846,811	50,582,330	37,393,107	9,495,839	46,888,946
Contract liabilities	2,176,210	728,461	2,904,671	2,786,400	210,452	2,996,852
Long-term debt	48,429,548	88,027,618	136,457,166	29,528,806	102,843,138	132,371,944
Income tax payable	567,826	–	567,826	488,470	–	488,470
Retirement liabilities	–	1,717,549	1,717,549	–	1,575,028	1,575,028
Lease liabilities	1,216,150	6,543,312	7,759,462	1,325,059	7,129,278	8,454,337
Deferred tax liabilities - net	–	7,621,032	7,621,032	–	10,281,563	10,281,563
	<b>₱474,838,451</b>	<b>₱118,058,402</b>	<b>₱592,896,853</b>	<b>₱425,110,897</b>	<b>₱132,131,261</b>	<b>₱557,242,158</b>

\*Includes current assets and current liabilities of EW amounting to ₱165,060,508 and ₱401,171,474 as of June 30, 2024, respectively.

\*\*Includes current assets and current liabilities of EW amounting to ₱194,266,208 and ₱370,944,909 as of December 31, 2023, respectively.

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#### 34. Notes to Statement of Cash Flows

##### Changes in Liabilities Arising from Financing Activities

For Six Months Ended June 30, 2024

	January 1	Cashflows	Noncash Movement	June 30
		(In Thousands)		
Long-term and short-term debt	<b>₱132,371,944</b>	<b>(₱19,603,440)</b>	<b>₱23,688,662</b>	<b>₱136,457,166</b>
Bills and acceptance payable	<b>15,403,706</b>	<b>17,358,437</b>	<b>–</b>	<b>32,762,143</b>
Lease liabilities	<b>8,454,337</b>	<b>(802,449)</b>	<b>107,574</b>	<b>7,759,462</b>
Accrued interest	<b>1,793,825</b>	<b>–</b>	<b>555,254</b>	<b>2,349,079</b>
Dividends payable	<b>–</b>	<b>(1,434,525)</b>	<b>1,434,525</b>	<b>–</b>
	<b>₱158,087,191</b>	<b>₱4,481,977</b>	<b>₱25,786,015</b>	<b>₱179,327,850</b>

Noncash movements include the effects of declaration of dividends, amortization of debt issuance costs, and accretion of lease liabilities.

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#### 35. Events After Reporting Period

No significant events occurred after the report date.

**FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**AGING OF LOANS AND RECEIVABLES (Unaudited)**

**ATTACHMENT II**

**As of June 30, 2024**

*(Amounts in Thousands of Pesos)*

<b>Type of Receivable</b>	<b>Total</b>	<b>Current</b>	<b>1-30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>91-120 days</b>	<b>&gt;120 days</b>
<b>a) Trade Receivables</b>							
Mortgage, Notes and Installment Contracts Receivable	₱13,825,323	₱11,965,000	₱625,878	₱275,003	₱345,829	₱613,613	₱-
Receivable from Financing Institutions	243,646	243,646	-	-	-	-	-
Receivable from Customers	314,218,352	285,088,728	8,922,720	7,940,096	4,073,516	7,721,817	471,475
Receivable from Tenants and Others	3,600,562	3,541,416	-	-	-	-	59,146
	331,887,883	300,838,790	9,548,598	8,215,099	4,419,345	8,335,430	530,621
<b>b) Non-trade Receivables and Others</b>	381,075	381,075	-	-	-	-	-
<b>TOTAL</b>	332,268,958	₱301,219,865	₱9,548,598	₱8,215,099	₱4,419,345	₱8,335,430	₱530,621
<b>Less: Allowance for Probable Losses</b>	(12,364,401)						
<b>Net Receivable</b>	₱319,904,557						

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements*

# ATTACHMENT III

## **FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**

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**FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**SCHEDULE A: SUPPLEMENTARY SCHEDULE ON FINANCIAL ASSETS**  
**JUNE 30, 2024**

Below is the schedule of financial assets in equity securities of the Group as of June 30, 2024:

Name of Issuing Entity and Association of Each Issue	Number of Shares/Principal Amount of Bonds and Notes	Amount Shown in the Statement of Financial Position	Value Based on Market Quotation at End of Year	Income Received and Accrued
(In Thousands)				
<b>Financial Assets at Fair Value Through Profit or Loss</b>				
<b>Debt Securities</b>				
Fixed Rate Treasury Notes (FXTN)	₱6,394,409	₱6,315,768	₱6,315,768	₱137,779
Petroleos Mexicanos (PEMEX)	586,100	425,602	425,602	31,234
Retail Treasury Bond (RTB)	146,917	139,467	139,467	4,926
Republic of the Philippines (ROP)	2,344,400	2,393,442	2,393,442	37,832
	9,471,826	9,274,279	9,274,279	211,771
<b>Equity Securities</b>				
LGU Guarantee Corporation	10,213	10,213	10,213	–
Victoria Milling Corporation	159	159	159	–
Citibank Manila	73	30,843	30,843	–
	10,445	41,215	41,215	–
	₱9,482,271	₱9,315,494	₱9,315,494	₱211,771
<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>				
<b>Debt Securities</b>				
<b>Government Securities</b>				
ROP	₱15,070,352	₱15,038,035	₱15,038,035	₱234,202
FXTN	2,803,060	2,449,182	2,449,182	58,959
RTB	550,000	520,474	520,474	15,491
Retail Dollar Bond (RDB)	522,291	477,113	477,113	3,484
PEMEX	468,880	340,482	340,482	26,169
Republic of Indonesia (INDON)	175,830	203,609	203,609	5,313
Mexican Global Bonds (MEX)	586,100	563,002	563,002	11,360
	20,176,513	19,591,897	19,591,897	354,978
<b>Private Bonds</b>				
Ayala Corp.	1,693,653	1,355,502	1,355,502	35,783
Aboitiz Equity Ventures	1,465,250	1,363,137	1,363,137	26,231
First Pacific	1,172,200	1,131,208	1,131,208	18,500
JG Summit	1,172,200	1,086,829	1,086,829	19,200
Manila Water	938,932	878,578	878,578	17,066
Jollibee Food Corp.	585,514	558,703	558,703	12,263
Rizal Commercial Banking Corp	542,143	534,806	534,806	16,440
International Container Terminal Services, Inc.	267,965	263,951	263,951	5,050
	7,837,857	7,172,714	7,172,714	150,533

Name of Issuing Entity and Association of Each Issue	Number of Shares/Principal Amount of Bonds and Notes	Amount Shown in the Statement of Financial Position (In Thousands)	Value Based on Market Quotation at End of Year	Income Received and Accrued
<b>Quoted</b>				
The Palms Country Club	286	542,674	542,674	—
Manila Golf	2	320,000	270,000	—
Cebu Country Club	1	6,017	6,017	—
Manila Polo Club	1	41,000	41	—
Caliraya Golf	18,401	15,491	15,491	—
Empire East Land Holdings	—	(423)	(423)	—
Sta Elena Properties Inc.	2	46,000	30,000	—
Riviera Golf	1	1,800	1,000	—
	18,694	972,559	864,800	—
<b>Unquoted</b>				
H.B. Fuller	₱1,903,767	₱19,040	₱19,040	₱—
Manila Electric Company	1,153,694	6,197	2,711	—
Cebu Country Club	1	6,017	6,017	—
The Palms Country Club	1,007	3,060	3,060	—
Alabang Country Club	1	2,200	2,200	—
Philippine Long Distance Telephone Company	59,900	629	566	—
Pilipino Telephone Corp.	1,800	8	8	—
	3,120,170	37,151	33,602	—
	₱31,153,234	₱27,774,321	₱27,663,013	₱505,511
<b>Investment Securities at Amortized Cost</b>				
ROP	₱42,139,945	₱40,490,140	₱37,005,051	₱913,333
FXTN	22,012,993	21,389,942	19,428,011	584,732
Republic of Indonesia	9,146,091	10,000,791	9,545,841	242,810
PLNJ	2,007,393	1,807,153	1,863,529	56,827
SMINVE	—	—	—	37,677
PEMEX	609,544	586,977	390,888	681
RTB	245,654	254,745	232,193	7,407
RP GPN	336,057	313,345	403,346	8,551
	76,497,677	74,843,093	68,868,859	1,852,018
Fixed Rate Treasury Notes (FXTN) - EWRB	1,881,646	2,104,238	2,114,785	45,243
Allowance for probable losses		(10,329)		
	₱78,379,323	₱76,937,002	₱70,983,644	₱1,897,261

**SCHEDULE B: SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES, AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES) JUNE 30, 2024**

There are no advances to employees with balances above ₱1.0 million as of June 30, 2024.

Related Party Transactions

*Due From Related Parties*

Below is the list of outstanding receivables from related parties of the Group presented in the unaudited interim condensed consolidated statements of financial position as at June 30, 2024 (amounts in thousands):

	Relationship	Nature	Balances at End of Period
Filinvest-Hitachi Omni Waterworks, Inc.	Joint Venture	a	₱19
Luzon International premier Airport Development Corporation	Associate	a	5
			₱24

*Nature of Intercompany Transactions*

Expenses – these pertain to the share of the Group’s related parties in various common selling and marketing and general and administrative expenses.

The outstanding balances of intercompany transactions are due and demandable as of June 30, 2024

**SCHEDULE C: SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM (PAYABLE TO) RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS  
JUNE 30, 2024**

Below is the schedule of receivables (payables) with related parties which are eliminated in the unaudited condensed consolidated financial statements as of June 30, 2024 (amounts in thousands):

		Volume of Transactions	Receivable (Payable)	Terms
				Non-interest bearing and to be settled on a quarterly basis until December 2024
Filinvest REIT Corp. (FILRT)	Sale of lot	₱6,826	₱359,215	
Pacific Sugar Holdings Corporation (PSHC)	Share in expenses	(1,982)	104,643	Non-interest bearing and to be settled within 1 year
FDC Misamis Power Corporation (FDC Misamis)	Share in expenses Dividend income Operational advances Interest on advances	–	412	Non-interest bearing and to be settled within 1 year except for loan**
Corporate Technologies, Inc. (CTI)	Share in expenses Operational advances Interest on advances	8,601	191,546	Non-interest bearing and to be settled within 1 year except for loan**
SharePro, Inc. (SPI)	Share in expenses Operational advances Interest on advances	128,475	252,233	Non-interest bearing and to be settled within 1 year except for loan**
Countrywide Water Services Inc. (CWSI)	Share in expenses Interest on advances	27,483	71,113	Non-interest bearing and to be settled within 1 year except for loan**
Mactan Seascapes Services, Inc. (MSSI)	Share in expenses Maintenance dues Rental income	(43,335)	329,728	Non-interest bearing and to be settled within 1 year
Filinvest Land, Inc. (FLI)	Share in expenses Dividend income	(323,299)	(166,970)	Non-interest bearing and to be settled within 1 year
FDC Utilities, Inc. (FDCUI)	Share in expenses Rental income Rental deposit	(214,608)	(213,059)	Non-interest bearing and to be settled within 1 year
Boracay Seascapes, Inc. (BSI)	Rental deposit Share in expenses	–	–	Non-interest bearing and to be settled within 1 year
Filinvest Hospitality Corporation (FHC)	Share in expenses	(10,427)	(3,035)	Non-interest bearing and to be settled within 1 year
FDC Water Utilities, Inc. (FWUI)	Rental income Rental deposit	–	2,392	Non-interest bearing and to be settled within 1 year
F(dev) Digital Innovations and Ventures, Inc. (FDEV)	Share in expenses	11,290	11,476	Non-interest bearing and to be settled within 1 year
Filinvest Cyberparks, Inc. (FCI)	Share in expenses	–	1,426	Non-interest bearing and to be settled within 1 year
Proexcel Property Managers, Inc. (PPMI)	Share in expenses	30,307	30,307	Non-interest bearing and to be settled within 1 year
Dreambuilders Properties, Inc. (DPI)	Share in expenses	47,595	47,595	Non-interest bearing and to be settled within 1 year

		Volume of Transactions	Receivable (Payable)	Terms
Cotabato Sugar Central Company, Inc. (CSCC)	Purchases Share in expenses	-	301	Non-interest bearing and to be settled within 1 year
Property Maximizer Professional Corp. (Promax)	Commission	-	(889)	Non-interest bearing and to be settled within 1 year
Filinvest Alabang, Inc. (FAI)	Share in expenses Purchase of shares	65,236	51,408	Non-interest bearing and to be settled within 1 year
	Share in expenses Rental expense Bank loan			Non-interest bearing and to be settled within 1 year except for loan*
East West Banking Corporation (EW)	Interest on bank loan	112,161	(2919,581)	
		(₱ 115,677)	(₱1,852,716)	

\* The operational advances, with aggregate advances of ₱ 319.0 million subject to fixed interest rates ranging from 3.7% to 7.6%, are due within 1 year.

\*\* Interest-bearing loan with interest rate per annum equivalent to 4.8% fixed payable semi-annually. Principal is due in September 2025.

	Balances at Beginning of Year	Additions/ Reclassifications	Collections/ Reclassification	Balances at End of Year
FILRT	₱352,389	₱6,826	₱-	₱359,215
PSHC	106,625		(1,982)	104,643
FDC Misamis	412			412
CTI	182,945	8,601		191,546
SPI	123,758	128,475		252,233
CWSI	43,630	27,483		71,113
MSSI	373,063		(43,335)	329,728
FLI	153,329		(323,299)	(169,970)
FDCUI	1,549	(214,608)		(213,059)
BSI	-			-
FHC	7,392		(10,427)	(3,035)
FWUI	2,392			2,392
FDEV	186	11,290		11,476
FCI	1,426			1,426
PPMI	-	30,307		30,307
DPI	23	47,595		47,618
CSCC	301			301
Promax	(889)			(889)
DSRI	-			-
FAI	(13,828)		65,236	51,408
EW	(3,031,742)		112,161	(2,919,581)
	(₱1,697,039)	₱45,969	(₱201,646)	(₱1,852,716)

The intercompany transactions between FDC and the subsidiaries pertain to share in expenses, rental charges, dividend income, sale of lots, purchase of shares, operational loan and interest charges. There were no amounts written off during the year and all amounts are expected to be settled within the year except for; (a) EW, which pertains to interest-bearing loans with interest rate per annum equivalent to 4.8% fixed payable semi-annually. Principal is due in October 2025; and (b) ₱319.0 million aggregate advances to CTI, CWSI and SPI subject to fixed interest rates ranging from 3.7% to 7.6%. These advances are due within 1 year; and (c) sale of lot to FILRT with remaining balance payable on a quarterly installment basis up to December 31, 2024.

## SCHEDULE D: SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT JUNE 30, 2024

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

TITLE OF ISSUE AND TYPE OF OBLIGATION	AMOUNT AUTHORIZED BY INDENTURE	CURRENT	NON- CURRENT	TOTAL	INTEREST RATE	MATURITY DATE
<b>PARENT COMPANY:</b>						
Bank loans - Philippine Peso	Various	4,171,255	14,532,634	18,703,889	With fixed interest 2.5% to 5.4% per annum	With varying maturity dates up to 2028
Bonds due 2026	10,000,000	-	9,886,447	9,886,447	6.3%	August 7, 2026
		4,171,255	24,419,081	28,590,336		
<b>SUBSIDIARIES:</b>						
Bank loans - Philippine peso	Various	33,491,838	24,934,111	58,425,949	Various fixed/floating rates	With varying maturity dates up to 2029
Philippine peso:						
Bonds due 2024	1,700,000	1,697,477	-	1,697,477	5.6%	December 4, 2024
Bonds due 2025	8,925,000	8,871,804	-	8,871,804	5.4%	June 23, 2025
Bonds due 2025	1,000,000	-	997,083	997,083	5.7%	August 20, 2025
Bonds due 2025	5,000,000	-	4,967,834	4,967,834	4.5%	December 21, 2025
Bonds due 2026	1,764,600	-	1,757,838	1,757,838	4.2%	May 18, 2026
Bonds due 2027	11,430,800	-	11,310,727	11,310,727	7.0%	June 1, 2027
Bonds due 2027	2,975,000	-	2,950,097	2,950,097	6.4%	June 23, 2027
Bonds due 2027	5,000,000	-	4,958,264	4,958,264	5.3%	December 21, 2027
		44,061,119	51,875,954	95,937,073		
Foreign currency bonds due 2025	\$200,000	-	11,732,583	11,732,583	4.1%	September 17, 2025
		48,232,374	88,027,618	136,259,992		

Amounts are presented net of unamortized deferred costs.

## SCHEDULE E

**FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**SCHEDULE E: SUPPLEMENTARY SCHEDULE OF INDEBTEDNESS TO**  
**RELATED PARTIES (LONG-TERM LOANS FROM RELATED COMPANIES)**  
**JUNE 30, 2024**

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This schedule is not applicable as there are no noncurrent indebtedness to related parties as of June 30, 2024.

**FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**SCHEDULE F: SUPPLEMENTARY SCHEDULE OF GUARANTEES OF**  
**SECURITIES OF OTHER ISSUERS**  
**JUNE 30, 2024**

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The Group does not have guarantees of securities of other issuers as of June 30, 2024.

**SCHEDULE G: SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK  
JUNE 30, 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	15,000,000	8,648,463	–	7,653,635	66,565	928,263
Preferred Shares	2,000,000	–	–	–	–	–

**SCHEDULE H: SUPPLEMENTARY SCHEDULE OF BOND ISSUANCES –  
SECURITIES OFFERED TO THE PUBLIC  
JUNE 30, 2024**

On February 7, 2024, the Parent Company issued fixed rate 2.5-year bonds due in 2026 with principal amount of ₱10 billion. The bonds carry a fixed interest rate of 6.3206% per annum payable quarterly in arrears starting May 7, 2024.

I.	Proceeds	
	Net proceeds	₱9,876.0
II.	Utilization	
	Partial financing of debt obligations	5,000.0
	Capital expenditures for:	
	Hotel projects	281.4
	Renewable energy and water projects	34.0
	Investments in digitalization	11.5
	General corporate purposes	200.0
III.	Balance as of June 30, 2024	₱4,349.1

## FILINVEST DEVELOPMENT CORPORATION

### ANNEX 68-E - COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS JUNE 30, 2024

Below are the financial ratios that are relevant to the Group as of and for the periods ended June 30, 2024 and 2023.

Ratio	Formula	As of and for Six Months Ended June 30, 2024 (Unaudited)	As of and for Six Months Ended June 30, 2023 (Unaudited) and as of December 31, 2023 (Audited)
Earnings Per Share (EPS)	Net Income Attributable to Equity Holders divided by Weighted Average Number of Outstanding Shares  <div style="display: flex; justify-content: space-between;"> <div>Net Income Attributable to Equity Holders</div> <div>5,541,472</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Divide by: Weighted Average Number of Outstanding Shares</div> <div>8,648,463</div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div>EPS</div> <div>0.641</div> </div>	0.641	0.456
Price Earnings Ratio	Closing Price divided by EPS  <div style="display: flex; justify-content: space-between;"> <div>Closing Price <sup>(1)</sup></div> <div>5.48</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Divide by: EPS</div> <div>0.641</div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div>Price Earnings Ratio</div> <div>8.5</div> </div>	8.5	11.4
Return on Revenues	Net Income divided by Total Revenues and Other Income  <div style="display: flex; justify-content: space-between;"> <div>Net Income</div> <div>7,062,390</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Divide by:</div> <div></div> </div> <div style="display: flex; justify-content: space-between;"> <div>Total Revenues and Other Income</div> <div>55,489,483</div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div>Return on Revenues</div> <div>0.13</div> </div>	13%	13%
Return on Equity (ROE) (average)	Net Income divided by Average Equity  <div style="display: flex; justify-content: space-between;"> <div>Net Income (Annualized)</div> <div>14,124,780</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Divide by: Average Equity</div> <div>175,784,929</div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div>ROE</div> <div>0.08</div> </div>	8%	7%
Long-term and Short-Term Debt to Equity Ratio	Long-term and Short-Term Debt divided by Total Stockholders' Equity  <div style="display: flex; justify-content: space-between;"> <div>Long-term and Short-Term Debt</div> <div>136,457,166</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Divide by: Total Stockholders' Equity</div> <div>173,877,983</div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div>Long-term and Short-Term Debt to Equity Ratio</div> <div>0.78</div> </div>	0.78	0.74
Total Liabilities to Equity Ratio	Total Liabilities divided by Total Stockholders' Equity  <div style="display: flex; justify-content: space-between;"> <div>Total Liabilities <sup>(2)</sup></div> <div>199,068,982</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Divide by: Total Stockholders' Equity</div> <div>173,877,983</div> </div> <hr/> <div style="display: flex; justify-content: space-between;"> <div>Total Liabilities to Equity Ratio</div> <div>1.14</div> </div>	1.14	1.09

(Forward)

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) to Total Interest Expense	EBITDA divided by Total Interest Expense		4.55	4.49
	EBITDA	15,144,767		
	Divide by: Total Interest Expense <sup>(3)</sup>	3,326,903		
	EBITDA to Total Interest Expense		4.55	
Current Ratio	a. Including EW		0.66	0.80
	Total Current Assets divided by Total Current Liabilities			
	Total Current Assets	312,991,882		
	Divide by: Total Current Liabilities	474,838,451		
	Current Ratio		0.66	
	b. Excluding EW		2.01	2.70
	Total Current Assets divided by Total Current Liabilities			
	Total Current Assets	147,931,374		
Divide by: Total Current Liabilities	73,666,977			
Current Ratio		2.01		
Quick Ratio - Excluding EW	Current Asset less Inventories divided by Current Liabilities		1.00	1.17
	Total Current Assets	147,931,374		
	Less: Inventories	74,500,671		
		73,430,703		
	Divide by: Total Current Liabilities	73,666,977		
Quick Ratio - Excluding EW		1.00		
Asset to Equity Ratio	Total Assets divided by Total Equity		4.41	4.14
	Total Assets	766,774,836		
	Divide by: Total Equity	173,877,983		
	Solvency Ratio			

(1) Closing prices of ₱5.48 and ₱5.20 as of June 30, 2024 and 2023, respectively.

(2) Excluding deposit liabilities, bills and acceptances payable and finance lease liabilities.

(3) Excluding accretion expense on financial liability on lease contract.

**FILINVEST DEVELOPMENT CORPORATION AND SUBSIDIARIES**

**MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY, CO-SUBSIDIARIES AND ASSOCIATE**  
**JUNE 30, 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 June 30, 2024)

