FILINVEST LAND, INC.

79 EDSA, Highway Hills
Mandaluyong City, Metro Manila
Trunk line: (632) 918-8188
Customer hotline: (632) 588-1688
Fax number: (632) 918-8189
www.filinvestland.com

16 August 2021

SECURITIES AND EXCHANGE COMMISSION
Ground Floor, North Wing Hall
Secretariat Building, PICC Complex
Vicente Sotto Street, Pasay City

Attention: **MR. VICENTE GRACIANO P. FELIZMENIO, JR.**
Director, Markets and Securities Regulation Department

Attention: **ATTY. RACHEL ESTHER J. GUMTANG-REMALANTE**
OIC, Corporate Governance and Finance Department

THE PHILIPPINE STOCK EXCHANGE
6th to 10th Floors, PSE Tower
5th Avenue corner 28th Street, Bonifacio Global City
Taguig City

Attention: **MS. JANET A. ENCARNACION**
Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.
29/F, BDO Equitable Tower
8751 Paseo de Roxas, Makati City

Attention: **ATTY. MARIE ROSE M. MAGALLEN-LIRIO**
Head - Issuer Compliance and Disclosure Department (ICDD)

Gentlemen/Ladies:

Please find attached Quarterly Report of Filinvest Land, Inc. for the period ended 30 June 2021.

Thank you.

Very truly yours,

SHARON P. PAGALING-REFUERZO
Corporate Secretary and
Corporate Information Officer

COVER SHEET

SEC Registration Number

170957

COMPANY NAME

FILINVEST LAND, INC. AND SUBSIDIARIES

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

79 EDSA, Brgy. Highway Hills, Mandaluyong City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q		

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
	7918-8188	

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
5,649	Every 2nd to the last Friday of April Each Year	2021 (03/31)

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Venus A. Mejia	venus.mejia@filinvestgroup.com	7918-8188	

CONTACT PERSON's ADDRESS

79 EDSA, Brgy. Highway Hills, Mandaluyong City

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **June 30, 2021**

2. SEC Identification Number **170957** 3.BIR Tax ID **000-533-224**

4. Exact name of issuer as specified in its charter **FILINVEST LAND, INC.**

5. Province, Country or other jurisdiction of incorporation or organization **Philippines**

6. Industry Classification Code: _______ (SEC Use Only)

Filinvest Building, #79 EDSA, Brgy. Highway Hills, Mandaluyong City **1550**
7. Address of issuer's principal office Postal Code

8. Issuer's telephone number, including area code **02-7918-8188 / 02-7588-1678**

Not Applicable
9. Former name, former address, and former fiscal year, if changed since last report

10. Securities registered pursuant to Section 8 and 12 of the SRC

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

	In Php thousands
Amount of Debt Outstanding	70,663,609

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

12. Indicate by check mark whether the issuer:

(a) has filed reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA Rule 1(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);
Yes [x] No [ ]

(b) has been subject to such filing requirements for the past 90 days.
Yes [x] No [ ]

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PART 1 – FINANCIAL INFORMATION

FILINVEST LAND, INC. AND SUBSIDIARIES

Unaudited Interim Condensed Consolidated Financial Statements

As at June 30, 2021
and
For the Six Months ended June 30, 2021 and 2020

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Financial Position
As at June 30, 2021
(Amounts in thousands)

	Notes	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
ASSETS			
Current Assets			
Cash And Cash Equivalents	6	**₱4,590,372**	₱6,693,557
Contracts Receivable	7	**5,433,207**	4,156,939
Contract Assets		**4,074,024**	5,400,329
Other Receivables	8	**2,547,909**	3,362,183
Real Estate Inventories	9	**67,240,831**	65,544,567
Other Current Assets	10	**5,132,709**	4,637,141
Total Current Assets		**89,019,051**	89,794,716
Noncurrent Assets			
Contract Asset - Net Of Current Portion		**₱3,474,727**	₱3,533,733
Investment In Associates	11	**4,824,872**	4,787,787
Investment Properties	13	**71,076,818**	69,264,957
Property And Equipment	14	**3,486,485**	3,348,145
Deferred Income Tax Assets		**26,876**	82,405
Goodwill	3	**4,567,242**	4,567,242
Other Noncurrent Assets	15	**5,504,906**	5,626,161
Total Noncurrent Assets		**92,961,926**	91,210,430
TOTAL ASSETS		**₱181,980,977**	₱181,005,146

	Notes	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts Payable And Accrued Expenses	16	**₱11,503,076**	₱13,117,027
Contract Liabilities		**1,338,755**	1,249,050
Lease Liabilities - Current Portion	12	**248,590**	328,796
Due To Related Parties		**88,673**	112,021
Income Tax Payable		**20,936**	29,022
Loans Payable - Current Portion	17	**8,210,508**	8,866,369
Bonds Payable - Current Portion	18	**5,289,755**	5,294,517
Total Current Liabilities		**26,700,293**	28,996,802
Noncurrent Liabilities			
Loans Payable - Net Of Current Portion	17	**₱30,761,429**	₱29,238,654
Bonds Payable - Net Of Current Portion	18	**26,401,916**	26,369,011
Contract Liabilities - Net Of Current Portion		**1,340,267**	767,219
Lease Liabilities - Net Of Current Portion	12	**5,923,490**	5,824,164
Net Retirement Liabilities		**584,611**	580,119
Deferred Income Tax Liabilities - Net		**6,033,424**	6,513,036
Accounts Payable And Accrued Expenses - Net Of Current Portion	16	**8,724,562**	8,337,198
Total Noncurrent Liabilities		**79,769,700**	77,629,401
Total Liabilities		**₱106,469,993**	₱106,626,203

(Forward)

	Notes	June 30, 2021	December 31, 2020
		(Unaudited)	(Audited)
Equity			
Common Stock	19	**₱24,470,708**	₱24,470,708
Preferred Stock	19	**80,000**	80,000
Additional Paid-In Capital		**5,612,321**	5,612,321
Treasury Stock	19	**(221,041)**	(221,041)
Retained Earnings	19	**44,846,149**	43,776,186
Revaluation Reserve On Financial Assets At Fair Value Through Other Comprehensive Income		**(2,619)**	(2,619)
Remeasurement Losses On Retirement Plan		**(5,724)**	(15,136)
Share In Other Components Of Equity Of An Associate		**372,449**	372,449
Equity attributable to equity holders of the parent		**75,152,244**	74,072,868
Noncontrolling Interest		**358,740**	306,075
Total Equity		**75,510,984**	74,378,943
TOTAL LIABILITIES AND EQUITY		**₱181,980,977**	₱181,005,146

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Profit and Loss
For the Six Months ended 30 June

(Amounts in thousands; Except Earnings per share figures)

	Notes	Quarter Ended June 30 2021 (Unaudited)	Quarter Ended June 30 2020	Six Months Period Ended June 30 2021 (Unaudited)	Six Months Period Ended June 30 2020
REVENUE					
Real Estate Sales	4, 5	₱2,570,574	₱1,462,904	**₱5,035,452**	₱4,556,235
Rental Services	4, 5	1,171,820	1,881,567	**2,865,245**	3,916,670
Total revenue		3,742,394	3,344,471	**7,900,697**	8,472,905
EQUITY IN NET EARNINGS OF AN ASSOCIATE		24,988	512,408	**37,085**	533,422
OTHER INCOME					
Interest Income	22	98,008	40,027	**203,222**	191,006
Others		102,786	12,897	**172,235**	111,240
		3,968,176	3,909,803	**8,313,239**	9,308,573
COSTS					
Real Estate Sales	4	1,520,623	856,947	**2,967,186**	2,684,177
Rental Services	4	687,462	557,859	**1,288,293**	1,178,901
OPERATING EXPENSES					
Selling And Marketing Expenses	21	228,879	230,798	**482,726**	485,080
General And Administrative Expenses	20	434,728	427,806	**871,807**	864,613
INTEREST AND OTHER FINANCE CHARGES	22	460,661	919,176	**1,187,106**	1,415,811
		3,332,353	2,992,586	**6,797,119**	6,628,582
INCOME BEFORE INCOME TAX		635,823	917,217	**1,516,121**	2,679,991
PROVISION FOR INCOME TAX					
Current	23	10,908	116,137	**30,251**	388,640
Deferred	23	(480,357)	(204,801)	**(390,981)**	(125,653)
		(469,449)	(88,664)	**(360,730)**	262,987
NET INCOME		₱1,105,272	₱1,005,881	**₱1,876,851**	₱2,417,004
NET INCOME ATTRIBUTABLE TO:					
Equity holders of the parent		₱1,087,871	₱952,220	**₱1,824,186**	₱2,301,109
Noncontrolling interest		17,401	53,661	**52,665**	115,895
		₱1,105,272	₱1,005,881	**₱1,876,851**	₱2,417,004
Earnings Per Share					
Basic		₱0.04	₱0.04	₱0.08	₱0.09
Diluted		₱0.04	₱0.04	₱0.08	₱0.09

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Comprehensive Income
For the Six Months ended 30 June
(Amounts in thousands)

	Six Months Period Ended June 30	
	2021	2020
	(Unaudited)	(Unaudited)
NET INCOME FOR THE PERIOD	**₱1,876,851**	₱2,417,004
OTHER COMPREHENSIVE INCOME		
Remeasurement gain from an associates investment	**-**	-
Remeasurement gain (losses) on retirement plan, net of tax	**9,412**	-
TOTAL COMPREHENSIVE INCOME	**₱1,886,262**	₱2,417,004
Total comprehensive income attributable to:		
Equity holders of the parent	**₱1,833,597**	₱2,301,109
Noncontrolling interest	**52,665**	115,895
	₱1,886,262	₱2,417,004

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Changes in Equity
For the Six Months ended 30 June 2021
(Amounts in thousands)

	Six Months Period Ended June 30	
	2021	2020
	(Unaudited)	(Unaudited)
Capital Stock		
Common Shares - P1 Par Value		
Authorized - 33 Billion Shares		
Issued - 24,470,708,506 Shares		
Outstanding - 24,249,759,506	**₱24,470,708**	₱24,470,708
Preferred Shares - P0.01 Par Value		
Authorized - 8 Billion Shares		
Issued And Outstanding - 8 Billion Shares	**80,000**	80,000
Treasury Shares (220,949,000 Common Shares)	**(221,041)**	(221,041)
Additional Paid-In Capital	**5,612,321**	5,612,321
Revaluation Reserve On Financial Assets At Fair Value Through Other Comprehensive Income	**(2,619)**	(2,619)
Share In Components Of Equity Of An Associate	**372,449**	361,794
Remeasurement Losses On Retirement Plan	**(5,724)**	(25,098)
Retained Earnings		
Balance At Beginning Of The Period	**43,776,186**	41,661,647
Net Income	**1,824,186**	2,301,109
Dividends	**(754,223)**	(1,618,584)
Balance At End Of The Period	**44,846,149**	42,344,172
Equity Attributable To Equity Holders Of The Parent	**75,152,243**	72,620,237
Noncontrolling Interest	**358,741**	277,663
Total Equity	**₱75,510,984**	₱72,897,900

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Cash Flows
For the Six Months ended 30 June
(Amounts in thousands)

	Six Months Period Ended June 30	
	2021 (Unaudited)	2020 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱1,516,121**	₱2,679,991
Adjustments for:		
Interest income	**(203,222)**	(191,006)
Interest expense and amortization of transaction costs	**1,187,106**	1,415,811
Depreciation and amortization	**697,278**	594,119
Equity in net earnings of associates	**(37,085)**	(533,422)
Net pension expense, net of contribution and benefits paid	**24,938**	53,140
Operating income before changes in operating assets and liabilities	**3,185,136**	4,018,633
Changes in operating assets and liabilities		
Decrease (increase) in:		
Contracts receivables	**(1,276,268)**	(277,933)
Contract Assets	**1,385,312**	800,513
Other receivables	**814,274**	(897,875)
Real estate inventories	**(1,272,633)**	1,716,645
Other assets	**(414,121)**	401,205
Increase (decrease) in:		
Accounts payable and accrued expenses	**662,753**	(4,908,042)
Contracts liabilities	**(734,895)**	431,735
Net cash generated from operations	**2,349,558**	1,284,881
Income taxes paid, including creditable withholding taxes	**(82,474)**	(613,224)
Interest received	**203,222**	191,006
Net cash provided by operating activities	**2,470,306**	862,663
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment properties and property and equipment	**(3,065,426)**	(1,531,134)
Cash used in investing activities	**(3,065,426)**	(1,640,259)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availments of loans payable	**4,125,000**	5,257,730
Payments of:		
Loans payable	**(3,304,121)**	(3,661,498)
Cash dividend	**(356,871)**	-
Interest and transaction costs	**(1,769,107)**	(1,638,758)
Lease liability	**(179,618)**	-
Dividends paid to noncontrolling interest	-	(64,000)
Decrease in amounts due to related parties	**(23,348)**	(35,198)
Net cash used in financing activities	**(1,508,065)**	**(141,724)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(2,103,185)**	(919,320)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	**6,693,557**	4,773,621
CASH AND CASH EQUIVALENTS, END OF PERIOD	**₱4,590,372**	₱3,854,301

1. Corporate Information

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

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

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

2. Summary of Significant Accounting Policies

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

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

<u>Statement of Compliance</u>
The unaudited interim consolidated financial statements of the Group for the Six Months ended June 30, 2021 have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting.*

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, 2020, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), which include the availment of relief granted by the SEC under Memorandum Circular (MC) Nos. 3-2019 and 14-2018 to defer the implementation of the following accounting pronouncements until December 31, 2020. These accounting pronouncements address the issues of PFRS 15, *Revenue from Contracts with Customers* affecting the real estate industry.

Deferral of the following provisions of Philippine Interpretations Committee (PIC) Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry:

a. Assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04);
b. Treatment of uninstalled materials in the determination of the POC (as amended by PIC Q&A 2020-02); and
c. Accounting for Common Usage Service Area (CUSA) charges

Deferral of the adoption of PIC Q&A 2018-14: Accounting for Cancellation of Real Estate Sales (as amended by PIC Q&A 2020-05)

The consolidated financial statements also include the availment of relief under SEC MC No. 4-2020 to defer the adoption of *IFRIC Agenda Decision on Over Time Transfers of Constructed Goods under PAS 23, Borrowing Cost* (the IFRIC Agenda Decision on Borrowing Cost) until December 31, 2020.

In December 2020, the SEC issued MC No. 34-2020, allowing the further deferral of the adoption of provisions (a) and (b) above of *PIC Q&A 2018-12* and the IFRIC Agenda Decision on Borrowing Cost, for another 3 years or until December 31, 2023.

The details and the impact of the adoption of the above financial reporting reliefs are discussed in the section below under Changes in Accounting Policies and Disclosures and Significant Accounting Policies.

Basis of Consolidation

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries. The nature of business and the corresponding percentages of ownership over these entities as of June 30, 2021 and December 31, 2020 are as follows. The voting rights held by the Group in these subsidiaries are in proportion to its ownership interest.

Subsidiaries	Nature of Business	**June 30, 2021**	**December 31, 2020**
Filinvest AII Philippines, Inc. (FAPI)	Real estate developer	100%	100%
Filinvest BCDA Clark, Inc. (FBCI) [1]	Real estate developer	55%	55%
FCGC Corporation (FCGCC)	Real estate developer	100%	100%
Gintong Parisukat Realty and Development Inc. (GPRDI)	Real estate developer	100%	100%
Homepro Realty Marketing, Inc. (Homepro)	Real estate developer	100%	100%
Cyberzone Properties, Inc. (CPI)	Leasing	100%	100%
Filinvest Asia Corporation (FAC)	Leasing	60%	60%
Filinvest Cyberparks, Inc. (FCI)	Leasing	100%	100%
Filinvest Cyberzone Mimosa, Inc. (FCMI)	Leasing	100%	100%
Festival Supermall, Inc. (FSI)	Property management	100%	100%
Filinvest Lifemalls Corporation (FLC)	Property management	100%	100%
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Property management	100%	100%
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Property management	100%	100%
Pro-Excel Property Managers, Inc. (Pro-Excel) [2]	Property management	33%	33%
ProOffice Works Services, Inc. (ProOffice)[3]	Property management	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property management	100%	100%
FSM Cinemas, Inc. (FSM Cinemas) [4]	Theater operator	60%	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	60%	60%
Timberland Sports and Nature Club, Inc. (TSNC) 5	Recreational Sports and Natures Club	98%	98%
Dreambuilders Pro, Inc. (DPI) [6]	Construction	45%	45%
ProMixers Aggregates Corp. (PMAC) [7]	Construction	45%	45%
Leisurepro, Inc. (Leisurepro)	Marketing	100%	100%
Proleads Philippines, Inc. (PPI)	Marketing	100%	100%
Property Leaders International Limited (PLIL)	Marketing	100%	100%
Property Maximizer Professional Corp. (Promax)	Marketing	100%	100%
Realpros Philippines, Inc. (RPI)	Marketing	100%	100%
Nature Specialists, Inc. (NSI)	Recreational Sports and Natures Club	75%	75%
FREIT Fund Managers, Inc.	Fund Management Services	100%	-

Notes:
1. *FBCI is owned indirectly through FCGCC.*
2. *Deconsolidated in 2019. CPI and FCI sold its ownership in Pro-Excel to FAI. The effective ownership interest of the Parent Company was reduced to 33%.*
3. *CPI assigned its 60% interest in ProOffice to FLI. 40% remaining interest is owned by FCI. Effectively, FLI owns 100% of*

ProOffice.

4. *FSM Cinemas is owned indirectly through FSI.*
5. *In 2018 and 2017, the Parent Company acquired noncontrolling interest in TSNC representing additional 1% and 5% ownership interest, respectively, for a total consideration of ₱16.09 million and ₱138.85 million, respectively.*
6. *Deconsolidated in 2020. The effective ownership interest of the Parent Company was reduced to 45%.. Likewise, The Parent Company effective ownership with PMAC was reduced to 33%.*
7. *PMAC is a wholly-owned subsidiary of DPI.*
8. *Filinvest Cyberzone Mimosa, Inc. (FCMI) was renamed Filinvest Clark Mimosa Inc. on February 15, 2021.*

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

Detailed discussion of each subsidiary follows:

- FAPI was incorporated on September 25, 2006 to develop the TSNC and Phase 2 of Timberland Heights

- FCGCC was incorporated on February 11, 2016 to undertake the development of the Clark Green City *(now New Clark City)* Project under the Joint Venture Agreement with Bases Conversion and Development Authority (BCDA). On March 16, 2016, FBCI, a joint venture company with BCDA, was incorporated to handle the development. FBCI is 55%-owned by FCGCC and 45%-owned by BCDA. As of December 31, 2020, FCGCC and FBCI have not started commercial operations.

- On January 19, 2018, FLI entered into a Share Sale and Purchase Agreement to purchase 100% of the total outstanding shares of GPRDI for a total consideration of ₱1.71 billion. The primary purpose of GPRDI is to hold, purchase, lease, contract otherwise acquire any and all real and personal properties. GPRDI has not started its commercial operations as of December 31, 2020.

- Homepro was incorporated on March 25, 1997 and started commercial operations on January 1, 2004.

- CPI was incorporated on January 14, 2000 and began commercial operations on May 1, 2001. CPI is registered with the PEZA as an Economic Zone Facilities Enterprise, which entitles CPI to certain tax benefits and non-fiscal incentives such as paying a 5% tax on its modified gross income in lieu of national and local taxes. CPI is also entitled to zero percent value-added tax on sales made to other PEZA-registered enterprises. CPI owns and operates the IT buildings in Northgate Cyberzone, located in a 10-hectare parcel of land within Filinvest City owned by the parent Company, FLI. CPI also leases a parcel of land measuring 2,831 sq.m. located in EDSA on which CPI built a 5-storey BPO building with a total GLA of 7,358 sq.m.

- FAC was incorporated on January 22, 1997 and as at date of this report is 60%-owned by FLI and 40%-owned by Reco Herrra Pte.Ltd. (RHPL). RHPL is 100% beneficially owned by the Government of Singapore Investment Corporation Pte. Ltd (GIC). FAC owns 50% of the 52-storey PBCom Tower, which is strategically located at the corner of Ayala Avenue and V. A. Rufino Streets in the Makati City Central Business District. FAC owns 36,000 sq. m. of leasable office space. The remaining 50% of PBCom Tower is owned by the Philippine Bank of Communications. The PBCom Tower is registered as an information technology building by PEZA. Consequently, tenants occupying space in PBCom Tower are entitled to avail of certain fiscal incentives, such as a 5% tax on modified gross income in lieu of the national and local taxes, income tax holidays and zero-rated vat in certain cases.

- FCI was incorporated on February 4, 2014. Its primary purpose is to acquire by purchase, lease, donate and/or to own, use, improve, develop, subdivide, sell, mortgage, exchange, hold for investment and deal with real estate of all kinds.

- FCMI was incorporated on January 23, 2017. Its primary purpose is to acquire by purchase, lease except financial leasing, donation or and hold for investment or otherwise deal in real estate of all kinds, nature, purpose and/or any interest or right therein. FCMI started its commercial operations in May 2018. FCMI is registered with Clark Development Corporation (CDC) as a Clark Freeport Enterprise enjoying the incentives like PEZA such as zero percent VAT on its revenues and 5% income tax on modified gross income, in lieu of local and national taxes.

- FSI is the property manager of Festival Supermall and other commercial centers of the Group. FSI also owns 60% equity interest in FSM Cinemas, Inc. which is engaged in theater operations. The transaction was accounted for using the pooling of interest method wherein the assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts.

- FLC, formerly Whiluc Realty & Mgt., Inc., is organized to invest in, purchase, hold, use, develop, lease, sell, assign, transfer mortgage, enjoy or otherwise dispose of, as may be permitted by law, all properties of every kind, nature and description and wherever situated, of any corporation.

- FLMI was incorporated on January 23, 2017. Its primary purpose is to acquire by purchase, lease except financial leasing, donation, or otherwise, and/or to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise deal in real estate of all kinds, nature and purpose and/or any interest or right therein. FLMI has not started its commercial operations as of December 31, 2020.

- FLTI was incorporated on November 20, 2017. Its primary purpose is to acquire by purchase, lease (except financial leasing), donation or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise deal in real estate of all kinds in order to develop, conduct, operation, lease, and maintenance of retail and commercial space for rent, restaurants, function halls, amusement centers, movie or cinema theaters within the compound to premises of the shopping centers. FLTI started its commercial operations in March 2018.

- On December 26, 2019, CPI and FCI, wholly owned subsidiaries of the Parent, entered into a Deed of Assignment to sell its ownership in Pro-Excel to FAI. The sale resulted in a loss of control in Pro-Excel and deconsolidation by the Group. The remaining ownership of the Parent Company in Pro-Excel is 33%. Subsequently after disposal, the investment in Pro-excel is accounted as investment in associate under the equity method.

- ProOffice was incorporated on March 18, 2019 to engage in the business of administration, maintenance and management of real estate developments and projects. ProOffice started commercial operations in August 2019.

- Prosper was incorporated on June 10, 2002 and started commercial operations on January 01, 2004. Prosper is engaged in the purchase, lease and management of hotel and resort properties, and is currently managing the condotel operations of a high-rise condominium (Grand Cenia) and hotel project (Quest Hotel) of the Parent Company. Prior to Prosper's condotel and hotel management business, Prosper was engaged in the business of real estate marketing.

- FSM Cinemas was incorporated on April 23, 1998 to engage in servicing, booking, and arranging of films, programs, shows, plays, and movies of all kinds, types, makes, and colors for movie houses, theaters, or cinemas and to exhibit, lease, rent, run or operate movie houses, theaters, cinemas, as well as, supply equipment, machines and accessories needed in cinemas, theaters or movie houses. FSM Cinemas is owned indirectly through FSI.

- On April 15, 2015, FLI and Engie Services Philippines (ENGIE) entered into a joint venture agreement to establish PDDC. On July 31, 2015, PDDC was registered with the SEC to engage in the business of building and operating a district cooling system within existing and future buildings at Northgate Cyberzone Area, Filinvest City, Alabang, Muntinlupa City. PDDC is 60% owned by FLI and 40% owned by ENGIE.

- On July 18, 2018, the SEC approved TSNC's application on voluntary revocation of its secondary registration which allowed TSNC to proceed with the transition to its new business model. On November 15, 2018, the Board of Directors (BOD) approved the amendment to change the primary purpose of the Club from an exclusive recreational sports club to a for profit commercial facility. On July 24, 2019, TSNC submitted its Amended Articles of Incorporation to SEC. The amendments include (a) change of the primary purpose of TSNC from that of an exclusive recreational sports club to a real estate development Company; (b) change of TSNC's principal address from No. 173 P. Gomez Street, San Juan, Metro Manila to Timberland Heights, Barangay Malanday, San Mateo Rizal; (c) converting of TSNC's capital stock from no par value club shares to par value shares; (d) removal of provisions which characterizes TSNC as an exclusive nonprofit association; and (e) removal of paragraphs which relate to the operations of an exclusive recreational sports club. On August 1, 2019, the SEC approved TSNC's application for voluntary revocation of its secondary registration. On August 18, 2019, the SEC approved TSNC's Amended

Articles of Incorporation.

- Leisurepro was incorporated on April 21, 2004 and started commercial operations on January 1, 2006. The company is inactive since 2010.

- PPI was incorporated on March 29, 2017 to provide management, organizational, and other administrative services and training. PPI started its commercial operations in November 2017.

- PLIL, a company limited by shares, was registered at the territory of the British Virgin Islands on February 7, 2017. PLIL has not started its commercial operations as of December 31, 2020.

- Promax was incorporated on October 3, 1997. It is engaged in real estate marketing business and handle the marketing and sale of socialized, affordable, middle income, high-end and farm estate property development projects of FLI.

- RPI was incorporated on August 3, 2017 to provide administrative support services and skills training primarily through the use of information technology, licensed software, and systems. RPI has started its commercial operations in November 2017.

- NSI was incorporated on August 24, 2018 to conduct real estate activities primarily focusing on hotels, inns, resorts, lodging houses and all adjunct accessories thereto, including restaurants, cafes, bars, stores, offices, etc. NSI has opened on March 14, 2021 but has not reached commercial level of operations as of June 30, 2021 due to restrictions as a result of COVID-19 pandemic.

- FFMI was incorporated on April 13, 2021 to engage in business of providing fund management services to real estate investment trusts (“REIT”) companies. FFMI has not started its commercial operations as of June 30, 2021.

- PMAC was incorporated on October 11, 2019 mainly to operate concrete batching plant, manufacture and supply of precast and construction equipment supply and rental. PMAC has not started commercial operations as of December 31, 2020.

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

Changes in Accounting Policies and Disclosures
The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements as of and for the year ended December 31, 2020, except for the adoption of the following new and amended PFRSs which became effective January 1, 2021.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The nature and effect of these changes are disclosed below. Several other amendments and interpretations apply for the first time in 2021, but do not have an impact on the consolidated financial statements of the Group.

- Amendments to PFRS 3, *Definition of a Business*

  The amendments to PFRS 3 clarify the minimum requirements to be a business, remove the assessment of a market participant’s ability to replace missing elements, and narrow the definition of outputs. The amendments also add guidance to assess whether an acquired process is substantive and add illustrative examples. An optional fair value concentration test is introduced which permits a simplified assessment of whether an acquired set of activities and assets is not a business.
- Amendments to PFRS 7, *Financial Instruments: Disclosures and* PFRS 9, *Financial Instruments, Interest Rate Benchmark Reform*

  The amendments to PFRS 9 provide a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

- Amendments to PAS 1, *Presentation of Financial Statements*, and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*

  The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

  The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

- Conceptual Framework for Financial Reporting issued on March 29, 2018

  The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the standard-setters in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards.

  The revised Conceptual Framework includes new concepts, provides updated definitions and recognition criteria for assets and liabilities, and clarifies some important concepts.

- Amendments to PFRS 16, *COVID-19-related Rent Concessions*

  The amendments provide relief to lessees from applying the PFRS 16 requirement on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. A lessee may elect not to assess whether a rent concession from a lessor is a lease modification if it meets all of the following criteria:

  - The rent concession is a direct consequence of COVID-19;
  - The change in lease payments results in a revised lease consideration that is substantially the same as, or less than, the lease consideration immediately preceding the change;
  - Any reduction in lease payments affects only payments originally due on or before June 30, 2021; and
  - There is no substantive change to other terms and conditions of the lease.

  A lessee that applies this practical expedient will account for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for a change that is not a lease modification, i.e., as a variable lease payment.

  The amendments are effective for annual reporting periods beginning on or after June 1, 2020. Early adoption is permitted.

  The Group adopted the amendments beginning January 1, 2020. These amendments had no impact on the Group as there are no rent concessions granted to the Group as a lessee.

Any future changes in PFRS and PAS may affect the financial reporting of the Company's business.

PFRS and PAS continue to evolve, and certain newly promulgated standards and interpretations taking effect at the beginning of a relevant year may affect the financial reporting of the Company's business.

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*

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (IASB) completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

The Group is currently assessing the impact of adopting these amendments.

- *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 SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023. A summary of the PIC Q&A provisions covered by the SEC deferral and the related deferral period follows:

		Deferral Period
a.	Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)	Until December 31, 2023
b.	Treatment of land in the determination of the POC discussed in PIC Q&A 2018-12-E	Until December 31, 2023
c.	Treatment of uninstalled materials in the determination of the POC discussed in PIC Q&A 2018-12-E (as amended by PIC Q&A 2020-02)	Until December 31, 2020
d.	Accounting for CUSA Charges discussed in PIC Q&A No. 2018-12-H	Until December 31, 2020

The SEC Memorandum Circulars also provided the mandatory disclosure requirements should an entity decide to avail of any relief. Disclosures should include:

a. The accounting policies applied.
b. Discussion of the deferral of the subject implementation issues in the PIC Q&A.
c. Qualitative discussion of the impact on the financial statements had the concerned application guidelines in the PIC Q&A been adopted.
d. Should any of the deferral options result into a change in accounting policy (e.g., when an entity excludes land and/or uninstalled materials in the POC calculation under the previous standard but opted to include such components under the relief provided by the circular), such accounting change will have to be accounted for under PAS 8, i.e., retrospectively, together with the corresponding required quantitative disclosures.

In November 2020, the PIC issued the following Q&As which provide additional guidance on the real estate industry issues covered by the above SEC deferrals:

- PIC Q&A 2020-04, which provides additional guidance on determining whether the transaction price includes a significant financing component
- PIC Q&A 2020-02, which provides additional guidance on determining which uninstalled materials should not be included in calculating the POC

After the deferral period, real estate companies would have to adopt PIC Q&A No. 2018-12 and any subsequent amendments thereto retrospectively or as the SEC will later prescribe.
The Group availed of the SEC reliefs to defer the above specific provisions of PIC Q&A No. 2018-12. Had these provisions been adopted, the Group assessed that the impact would have been as follows:

a. 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 and would have resulted in restatement of prior year financial statements. Adoption of this guidance would have impacted interest income, interest expense, revenue from real estate sales, contract assets, provision for deferred income tax, deferred tax asset or liability for all years presented, and the opening balance of retained earnings. The Group has yet to assess if the mismatch constitutes a significant financing component for its contracts to sell.

b. Had the Group accounted for the revenue from air-conditioning services, CUSA and handling services as principal, this would have resulted in the gross presentation of the related revenue, costs and expenses. Currently, the related revenue is presented net of costs and expenses. There is no impact on opening retained earnings, income and expense and the related balance sheet accounts.

The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

- Deferment 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. 35(c) 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. Effective January 1, 2024, the Real Estate Industry will adopt the IFRIC agenda decision and any subsequent amendments thereto retrospectively or as the SEC will later prescribe. A real estate company may opt not to avail of the deferral and instead comply in full of the requirements of the IFRIC agenda decision.

  For real estate companies that avail of the deferral, the SEC requires disclosure in the Notes to the Financial Statements of the accounting policies applied, a discussion of the deferral of the subject implementation issues, and a qualitative discussion of the impact in the financial statements had the IFRIC agenda decision been adopted.

  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. This adjustment should have been applied retrospectively and would have resulted to restatement of prior year financial statements A restatement would have impacted interest expense, cost of sales, provision for deferred income tax, real estate inventories, deferred tax liability and opening balance of retained earnings. The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

As prescribed by SEC MC No. 34-2020, for financial reporting periods beginning on or after January 1, 2021, the availment of the above deferrals will impact the Group's financial reporting during the period of deferral as follows:

a. The financial statements as not considered to be in accordance with PFRS and should specify in the "Basis of Preparation of the Financial Statements" section of the financial statements that the accounting framework is *PFRS, as modified by the application of the following financial reporting reliefs issued and approved by the Securities and Exchange Commission in response to the COVID-19 pandemic*:

    1. Assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04)
    2. Application of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods under PAS 23

b. The Auditor's report will:

    1. Reflect in the Opinion paragraph that the financial statements are prepared in accordance with the compliance framework described in the notes to the financial statements; and
    2. Include an Emphasis of Matter paragraph to draw attention to the basis of accounting that has been used in the preparation of the financial statements.

Upon full adoption of the above deferred guidance, the accounting policies will have to be applied using full retrospective approach following the guidance under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

The Group intends to adopt the additional deferrals of the adoption of the PIC Q&A's above as allowed under SEC MC No. 34-2020.

- *Deferral of PIC Q&A 2018-14, Accounting for Cancellation of Real Estate Sales (as amended by PIC Q&A 2020-05)*

On June 27, 2018, PIC Q&A 2018-14 was issued providing guidance on accounting for cancellation of real estate sales. Under SEC MC No. 3-2019, the adoption of PIC Q&A No. 2018-14 was deferred until December 31, 2020. After the deferral period, real estate companies will adopt PIC Q&A No. 2018-14 and any subsequent amendments thereto retrospectively or as the SEC will later prescribe.

On November 11, 2020, PIC Q&A 2020-05 was issued which supersedes PIC Q&A 2018-14. This PIC Q&A adds a new approach where the cancellation is accounted for as a modification of the contract (i.e., from non-cancellable to being cancellable). Under this approach, revenues, and related costs previously recognized shall be reversed in the period of cancellation and the inventory shall be reinstated at cost. PIC Q&A 2020-05 will have to be applied prospectively from approval date of the Financial Reporting Standards Council which was November 11, 2020.

The Group availed of the SEC relief to defer the adoption of this PIC Q&A until December 31, 2020. Currently, the Group records the repossessed inventory at an amount equal to the outstanding balance of the contract receivables at the date of repossession. The Group is still evaluating the approach to be availed among the existing options. Had the relief not been adopted and the current practice would be different from the approach to be implemented, this could have impacted the recording of revenue, cost of sales, valuation of repossessed inventory and gain or loss from repossession in 2020.

Refer to the 2020 and 2018 audited consolidated financial statements of the Company for the detailed discussion of the deferral.

On July 21, 2021, the Board of Directors approved and authorized the release of the accompanying unaudited interim condensed consolidated financial statements of Filinvest Land, Inc., and Subsidiaries.

3. Goodwill

Goodwill arising from business combinations in the Group's consolidated statements of financial position amounted to ₱4,567,242 as of June 30, 2021 and December 31, 2020.
In September 2006, the Group entered into a series of transactions pursuant to which it acquired: (1) 60% ownership interest in FAC from FDC; (2) 60% ownership interest in CPI from FAI; and, (3) Festival Supermall structure from FAI. In exchange for acquiring these assets, the Group issued a total of 5.64 billion common shares to FDC and FAI and assumed ₱2.50 billion outstanding debts of FDC and FAI. The business combinations resulted in the recognition of goodwill amounting to ₱4.24 billion, which comprises the fair value of expected synergies arising from the acquisitions.

Subsequently in February 2010, the Parent Company acquired the remaining 40% interests in CPI from Africa-Israel Properties (Phils.), Inc. to obtain full control of the then joint venture. The acquisition resulted in CPI becoming wholly-owned subsidiary of the Parent Company. The acquisition of the joint venture partner's interests was accounted for as business combination and resulted to recognition of goodwill amounting to ₱326.55 million.

As of June 30, 2021 and December 31, 2020, the recoverable value of the cash generating units to which the goodwill pertains is in excess of the carrying value of the cash generating units, thus, no impairment has been recognized.

4. Segment Reporting

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

Real Estate
This involves the acquisition of land, planning and development of large-scale, fully integrated residential communities, as well as the development and sale of residential lots, housing units, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, a private membership club and condominium buildings.

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

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

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

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

For the period ended June 30, 2021 and 2020, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

The information about the financial position and result of operations of these business segments for the period ended June 30, 2021 and 2020 are summarized below.

	June 30, 2021 (Unaudited)				
	Real Estate Operations	**Leasing Operations**	**Combined**	**Adjustments and Eliminations**	**Consolidated**
Revenue and other income except equity in net earnings of associates:					
External	₱5,035,452	₱2,865,245	₱7,900,697	-	₱7,900,697
Inter-segment	161,941		161,941	(161,941)	-
	5,197,393	2,865,245	8,062,638	(161,941)	7,900,697
Equity in net earnings of associates	37,085		37,085		37,085
Other income	2,052,639	382,904	2,435,543	(2,060,086)	375,457
	7,287,117	3,248,149	10,535,266	(2,222,027)	8,313,239
Net income	3,088,311	559,110	3,647,421	(1,770,570)	1,876,851
Adjusted EBITDA	3,298,563	1,956,951	5,255,514	(1,892,094)	3,363,420
Segment Assets	103,609,784	92,690,777	196,300,561	(14,319,584)	181,980,977
Less net deferred tax assets	-	26,876	26,876	-	26,876
Net segment assets	103,609,784	92,663,901	196,273,685	(14,319,584)	181,954,101
Segment Liabilities	75,963,343	39,437,261	115,400,604	(8,930,611)	106,469,993
Less net deferred tax liabilities	5,873,850	118,927	5,992,777	40,646	6,033,424
Net segment liabilities	₱70,089,493	₱39,318,334	₱109,407,827	₱ (8,971,257)	₱100,436,569
Cash flows provided by (used in):					
Operating activities	946,109	1,524,286	2,470,395	(120,838)	2,349,558
Investing activities	(88,750)	(2,976,676)	(3,065,426)		(3,065,426)
Financing activities	(1,981,260)	788,678	(1,192,582)	(315,483)	(1,508,065)

	June 30, 2020 (Unaudited)				
	Real Estate Operations	**Leasing Operations**	**Combined**	**Adjustments and Eliminations**	**Consolidated**
			(In Thousands)		
Revenue and other income except equity in net earnings of associates:					
External	₱4,547,152	₱3,430,632	₱7,977,784	-	₱7,977,784
Inter-segment	35,322	-	35,322	(35,322)	-
	4,582,474	3,430,632	8,013,106	(35,322)	7,977,784
Equity in net earnings of associates	533,422	-	533,422	-	533,422
Other income	323,504	200,431	523,935	(221,689)	302,246
	5,439,400	3,631,063	9,070,463	(257,011)	8,813,452
Net income	550,048	1,814,889	2,364,937	52,067	2,417,004
Adjusted EBITDA	1,100,264	3,052,317	4,152,581	8,412	4,160,993
Segment Assets	97,620,850	86,352,402	183,973,252	(6,312,344)	177,660,908
Less net deferred tax assets	1,359	112,320	113,679	153	113,832
Net segment assets	97,619,491	86,240,082	183,859,573	(6,312,497)	177,547,076
Segment Liabilities	51,864,113	54,402,625	106,266,738	(1,503,730)	104,763,008
Less net deferred tax liabilities	5,941,421	399,086	6,340,507	94,042	6,434,549
Net segment liabilities	₱45,922,692	₱54,003,539	₱99,926,231	₱ (1,597,772)	₱98,328,459
Cash flows provided by (used in):					
Operating activities	(150,147)	1,218,328	1,068,181	(205,518)	862,663
Investing activities	346,162	(1,986,421)	(1,640,259)	-	(1,640,259)
Financing activities	345,180	(435,824)	(90,644)	(51,080)	(141,724)

The following table shows a reconciliation of the adjusted earnings before interest and other finance charges, income taxes, depreciation, and amortization (EBITDA) to income before income tax in the consolidated statement of income. Adjusted EBITDA is the Group's EBITDA adjusted by the equity in net earnings from associates for the period:

	June 30 2021 (Unaudited)	June 30 2020 (Unaudited)
	(In Thousands)	
Adjusted EBITDA	**₱3,363,420**	₱4,160,993
Depreciation and amortization	**(697,278)**	(598,612)
Operating profit	**2,666,142**	3,562,381
Interest and other finance charges	**(1,187,106)**	(1,415,811)
Equity in net earnings of associates	**37,085**	533,422
Income before income tax	**₱1,516,121**	₱2,679,991

5. Revenue from Contracts with Customers

Disaggregated Revenue Information

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

	June 30 2021 (Unaudited)	June 30 2020 (Unaudited)
	(In Thousands)	
Real estate sales by market segment		
Medium income	**₱3,298,315**	₱2,554,799
High-end	**364,315**	565,459
Low affordable	**697,618**	427,380
Affordable	**468,542**	982,775
Socialized	**206,662**	25,822
	5,035,452	**4,556,235**
Cinema operations by type of goods or services (included as part of rental and related services)		
Theater sales	**27,694**	46,350
Snack bar sales	**-**	-
	27,694	**46,350**
Total revenue from contracts with customers	**5,063,146**	**4,602,585**
Rental and related services		
Office leasing	**2,406,666**	3,343,516
Mall operations	**430,886**	526,804
	2,837,551	**3,870,320**
Total Revenue	**₱7,900,697**	**₱8,472,905**

The Group's real estate sales and theater sales are revenue from contracts with customers which are recognized over time while revenue from snack bar sales is recognized at a point in time.

6. Cash and Cash Equivalents

This account consists of:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Cash	**₱3,055,863**	₱3,886,911
Cash equivalents	**1,534,509**	2,806,646
	₱4,590,372	₱6,693,557

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

7. Contracts Receivable

This account consists of:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Contracts receivable	**₱5,235,231**	₱3,963,551
Receivables from government and financial institutions	**197,975**	193,388
	₱5,433,207	₱4,156,940

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

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

8. Other Receivables

This account consists of:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Receivables from tenants	**₱1,471,323**	₱2,456,106
Due from related parties	**473,150**	347,121
Advances to officers and employees	**304,870**	303,460
Receivables from homeowners' associations	**276,705**	230,189
Receivables from buyers	**7,031**	43,174
Others	**97,794**	23,126
	2,630,872	3,403,176
Less: Allowance for expected credit losses	**82,964**	40,993
	₱2,547,909	₱3,362,183

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

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

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

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

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

9. Real Estate Inventories

This account consists of:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Lots, condominium, and residential units for sale	**₱42,688,401**	₱41,659,064
Land and land development	**24,552,430**	23,885,503
	₱67,240,831	₱65,544,567

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

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Balance at beginning of year as previously stated	**₱41,659,064**	₱38,851,977
Land costs transferred from land and land development	**3,893**	1,194,483
Net transfer to investment properties and property and equipment	**-**	(40,831)
Construction/development costs incurred	**3,784,830**	6,576,586
Capitalized borrowing costs	**207,801**	663,683
Cost of real estate sales	**(2,967,186)**	(5,586,834)
	₱42,688,403	₱41,659,064

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

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Balance at beginning of year	**₱23,885,503**	₱24,166,459
Land acquisitions	**341,236**	450,018
Land costs transferred to real estate inventories	**(3,893)**	(1,194,483)
Net transfers and others	**-**	(222,994)
Site development and incidental costs	**329,583**	686,503
	₱24,552,428	₱23,885,503

10. Other Current Assets

This account consists of:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Input taxes	**₱2,194,612**	₱2,054,956
Creditable withholding taxes	**1,202,755**	928,110
Prepaid expenses	**502,260**	570,337
Advances to contractors and suppliers	**170,458**	191,397
Cost to obtain contract	**811,628**	776,795
Construction materials and supplies	**164,536**	105,591
Short-term deposits	**86,460**	9,955
	₱5,132,709	₱4,637,141

Input taxes pertains to VAT passed on from purchases of goods or services which is applied against output VAT.

Creditable withholding taxes are the taxes withheld by the withholding agents from payments to the sellers which is creditable against the income tax payable.

Cost to obtain contract includes commissions paid to brokers relating to the sale of real estate inventories which have not qualified yet for revenue recognition.

Prepaid expenses consist of prepayments for commissions, marketing fees, advertising and promotions, taxes and licenses, rentals and insurance.

Advances to contractors and suppliers pertain to down payments made by the Group which are applied against future billings for development and construction contracts of real estate inventories.

Construction materials and supplies pertain to inventories to be used in the construction and maintenance of projects.

11. Investments in Associates

This account consists of:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
At equity:		
Balance at the beginning of year	**₱996,619**	₱906,619
Additions:		
DPI	**-**	90,000
Balance at end of year	**₱996,619**	₱996,619
Accumulated equity in net earnings:		
Balance at the beginning of year	**₱1,542,297**	₱1,025,847
Equity in net earnings for the year	**37,085**	516,450
Balance at end of year	**1,579,382**	1,542,297
Share in revaluation increment on land at deemed cost*	**1,876,422**	1,876,422
Share in other components of equity	**372,449**	372,449
	₱4,824,872	₱4,787,787

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

12. Leases

Group as lessee

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

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

	2021		
	Investment Properties	**Other Noncurrent assets**	**Total**
			(In Thousands)
Cost			
Beginning balance	**₱5,376,136**	**₱112,424**	**₱5,488,560**
Additions	**51,797**	**-**	**51,797**
Transfers, Adjustments	**-**	**(3,965)**	**(3,965)**
At end of period	**5,427,933**	**108,459**	**5,536,392**
Accumulated Depreciation			
Beginning balance	**288,122**	**8,994**	**297,116**
Depreciation	**70,912**	**-**	**70,912**
Transfers, Adjustments	**-**	**(5,837)**	**(5,837)**
Balance at end of period	**359,034**	**3,157**	**362,192**
Net Book Value	**₱5,068,898**	**₱105,302**	**₱5,174,200**

	2020		
	Investment Properties	Other Noncurrent assets	Total
		(In Thousands)	
Cost			
Beginning balance	₱5,279,966	₱112,424	₱5,392,390
Additions	96,170	-	96,170
At end of period	5,376,136	112,424	5,488,560
Accumulated Depreciation			
Beginning balance	140,091	4,497	144,588
Depreciation	148,031	4,497	152,528
Balance at end of period	288,122	8,994	297,116
Net Book Value	₱5,088,014	₱103,430	₱5,191,444

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

	June 30 2021 (Unaudited)	**June 30 2021 (Unaudited)**
	(In Thousands)	
Amortization expense of right-of-use assets (included in general and administrative expenses)	**₱70,912**	₱152,528
Interest expense on lease liabilities (included in interest and other finance charges)	**198,740**	203,597
	₱269,652	₱356,125

The rollforward analysis of lease liabilities follows:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Beginning balance	**₱6,152,960**	₱5,870,064
Additions	**-**	96,170
Interest expense	**198,740**	504,674
Payments	**(179,618)**	(317,948)
At June 30, 2020	**6,172,081**	6,152,960
Lease Liabilities - Current Portion	**248,591**	328,796
Ending balance	**₱5,923,490**	₱5,824,164

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

13. Investment Properties

The rollforward analysis of this account are as follows:

	June 30, 2021 (Unaudited)					
	Land	**Buildings and Improvements**	**Machinery and Equipment**	**Construction in Progress**	**Right-of-use assets**	**Total**
			(In Thousands)			
Cost						
Beginning balance	**₱14,798,900**	**₱29,160,153**	**₱216,420**	**₱26,840,127**	**₱5,376,136**	**₱76,391,736**
Additions	**14,889**	**154,471**	**125,414**	**1,999,207**	**51,797**	**2,345,779**
Transfers and Others	-	-	-	-	-	-
Balances at end of period	**14,813,789**	**29,314,624**	**341,834**	**28,839,334**	**5,427,933**	**78,737,515**
Accumulated Depreciation						
Beginning balance	-	**6,623,937**	**214,720**	-	**288,122**	**7,126,779**
Depreciation	-	**356,707**	**106,299**	-	**70,912**	**533,918**
Transfers	-	-	-	-	-	-
Balances at end of period	-	**6,980,644**	**321,019**	-	**359,034**	**7,660,697**
Net Book Value	**₱14,813,789**	**₱22,333,980**	**₱20,815**	**₱28,839,334**	**₱5,068,899**	**₱71,076,818**

	December 31, 2020 (Audited)					
	Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Right-of-use assets	Total
			(In Thousands)			
Cost						
Beginning balance	₱15,771,312	₱28,669,503	₱164,814	₱22,649,397	₱5,279,966	₱72,534,992
Additions	12,270	205,738	91,320	4,225,885	96,170	4,631,383
Disposals	(672,802)	-	-	-	-	(672,802)
Transfers and Others	(311,880)	284,912	(39,714)	(35,155)	-	(101,837)
Balances at end of period	14,798,900	29,160,153	216,420	26,840,127	5,376,136	76,391,736
Accumulated Depreciation						
Beginning balance	-	5,786,881	146,960	-	140,091	6,073,932
Depreciation	-	837,056	103,517	-	148,031	1,088,604
Transfers	-	-	(35,757)	-	-	(35,757)
Balances at end of period	-	6,623,937	214,720	-	288,122	7,126,779
Net Book Value	₱14,798,900	₱22,536,216	₱1,700	₱26,840,127	₱5,088,014	₱69,264,957

Capital Commitments and Obligations

The Group has contractual commitments and obligations for the construction and development costs to be incurred for investment properties and property and equipment items aggregating ₱4,933.52 million and ₱5,765.02 million as of June 30, 2021 and December 31, 2020, respectively. These will be recognized as liabilities in the Group's consolidated financial statements when the related services are received.

14. Property & Equipment

The rollforward analysis of this account are as follows:

	June 30, 2021 (Unaudited)						
	Land and Buildings	**Machinery and Equipment**	**Transportation Equipment**	**Furniture and Fixtures**	**Leasehold Improvements**	**Construction in Progress**	**Total**
				(In Thousands)			
Cost							
Beginning balance	**₱2,160,594**	**₱1,804,015**	**₱167,788**	**₱112,523**	**₱191,736**	**₱183,444**	**₱4,620,101**
Additions	**174,820**	**-**	**-**	**46,921**	**-**	**40,152**	**261,893**
Disposals/transfers	**278,736**	**(202,829)**	**(2,029)**	**-**	**(73,878)**	**-**	**-**
Balances at end of period	**2,614,150**	**1,601,187**	**165,759**	**159,444**	**117,858**	**223,596**	**4,881,994**
Accumulated Depreciation and Amortization							
Beginning balance	**327,981**	**619,901**	**128,440**	**76,289**	**119,345**	**-**	**1,271,955**
Depreciation and amortization	**29,350**	**85,772**	**8,432**	**-**	**-**	**-**	**123,554**
Disposals	**17,017**	**22,271**	**-**	**(22,271)**	**(17,017)**	**-**	**-**
Balances at end of period	**374,347**	**727,945**	**136,872**	**54,017**	**102,328**	**-**	**1,395,509**
Net Book Value	**₱2,239,803**	**₱873,242**	**₱28,887**	**₱105,427**	**₱15,531**	**₱223,596**	**₱3,486,485**

	December 31, 2021 (Audited)						
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
				(In Thousands)			
Cost							
Balances at beginning of year	₱2,118,313	₱1,227,672	₱153,222	₱102,306	₱92,761	₱453,675	₱4,147,949
Additions	42,281	341,846	21,354	11,464	106,703	9,549	533,197
Disposals/transfers	-	263,844	-	-	-	(279,780)	(15,936)
Deconsolidation	-	(29,346)	(6,788)	(1,247)	(7,728)	-	(45,109)
Balances at December 31, 2020	2,160,594	1,804,016	167,788	112,523	191,736	183,444	4,620,101
Accumulated Depreciation and Amortization							
Beginning balance	278,285	336,137	102,659	63,123	79,027	-	859,231
Depreciation and amortization	49,696	288,860	27,703	13,670	43,409	-	423,338
Disposals	-	(5,096)	(1,922)	(504)	(3,091)	-	(10,613)
Balances at end of period	327,981	619,901	128,440	76,289	119,345	-	1,271,956
Net Book Value	₱1,832,613	₱1,184,115	₱39,348	₱36,234	₱72,391	₱183,444	₱3,348,145

15. Other Noncurrent Assets

This account consists of:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
BTO rights	**₱3,643,879**	₱3,576,269
Advances to contractors and suppliers	**1,567,105**	1,579,205
Advances to joint venture partners	**108,459**	401,890
Right-of-Use	**32,804**	112,424
Deposits	**397,401**	15,200
Financial assets at FVTOCI	**15,622**	15,622
Other assets	**53,473**	205,418
	5,818,742	**5,906,028**
Less accumulated amortization	**313,836**	279,867
	₱5,504,906	**₱5,626,161**

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

The rollforward analysis of BTO rights is as follows:

	2021		
	BTO Rights	**Right-of-Use Assets**	**Total**
	(In Thousands)		
Cost			
Balance at beginning of year	**₱3,576,269**	**₱112,424**	**₱3,688,693**
Additions	**67,610**	**-**	**67,610**
Disposals/transfers	**-**	**(3,965)**	**(3,965)**
	₱3,643,879	**₱108,459**	**₱3,752,338**
Accumulated Amortization			
Balance at beginning of year	**₱270,873**	**₱8,994**	**₱279,867**
Amortization	**39,805**	**-**	**39,805**
Disposals/transfers	**-**	**(5,837)**	**(5,837)**
Balance at end of year	**310,679**	**3,157**	**313,836**
Net Book Value	**₱3,333,199**	**₱105,302**	**₱3,438,501**

	2020		
	BTO Rights	Right-of-Use Assets	Total
	(In Thousands)		
Cost			
Balance at beginning of year	₱2,858,460	₱112,424	₱2,970,884
Additions	717,809	-	717,809
	₱3,576,269	₱112,424	₱3,688,693
Accumulated Amortization			
Balance at beginning of year	₱192,945	₱4,497	₱197,442
Amortization	77,928	4,497	82,425
Balance at end of year	270,873	8,994	279,867
Net Book Value	₱3,305,396	₱103,430	₱3,408,826

Advances to contractors and suppliers pertain to down payments made by the Group which are applied against future billings for development and construction contracts of investment properties and property and equipment.
Deposits include utility and security deposits.

Advances to joint venture partners are advances (e.g., property taxes and permits) which are normally applied against the share of the joint venture partners from sale of the joint venture properties reported under "Other receivables" in consolidated statements of financial position.

Financial assets at FVOCI consist of quoted and unquoted shares of stock.
Unquoted investments in shares of stock include unlisted preferred shares in a public utility company which the Group will continue to carry as part of the infrastructure that it provides for its real estate development projects.

Other assets include the fee paid by the Parent Company to a third party for the assignment of the developmental rights for another BTO project in Cebu.

16. Accounts Payable and Accrued Expenses

This account consists of:

	June 30, 2021 (Unaudited)			December 31, 2020 (Audited)		
	Current	Noncurrent	**Total**	**Current**	**Noncurrent**	**Total**
			(In Thousands)			
Accounts payable	**₱6,104,737**	**₱5,149,020**	**₱11,253,757**	₱7,298,675	₱4,930,111	₱12,228,786
Deposits from tenants	**1,356,938**	**1,439,014**	**2,795,952**	1,981,658	1,381,945	3,363,603
Retention fees payable	**1,599,764**	**965,194**	**2,564,958**	1,495,682	902,347	2,398,029
Accrued expenses	**1,034,963**	**0**	**1,034,963**	1,009,473	-	1,009,473
Accrued interest on bonds and loans	**665,903**	**0**	**665,903**	674,060	-	674,060
Deposits for registration	**162,152**	**1,171,334**	**1,333,486**	155,870	1,122,795	1,278,665
Other payables	**578,619**	**0**	**578,619**	501,609	-	501,609
	₱11,503,076	**₱8,724,562**	**₱20,227,638**	₱13,117,027	₱8,337,198	₱21,454,225

Accounts payable includes the outstanding balance of the costs of land acquired by the Group and is payable on scheduled due dates or upon completion of certain requirements. This account also includes amount payable to contractors and suppliers for the construction and development costs and operating expenses incurred by the Group.
Deposits from tenants are advance payments received for rentals, utilities and other fees. These are applied against rental obligations of tenants once due.

Retention fees payable pertains to the amount withheld from the progress billings of the contractors and is released generally one year from the completion of the construction agreement.

Deposits for registration pertain to amounts collected from buyers for payment of registration of real estate properties.

Accrued expenses pertain to various operating expenses incurred by the Group in the course of business such as salaries and wages, professional fees, unbilled construction cost related to ongoing projects, and utilities expense, among others.

Other payables pertain mainly to withholding taxes, output VAT payables and other payables not classified above.

17. Loans Payable

This account consists of:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Developmental loans from local banks	**₱39,087,976**	₱38,233,885
Less unamortized transaction costs	**116,039**	128,862
	38,971,938	38,105,023
Less current portion of loans payable	**8,210,508**	8,866,369
Long-term portion of loans payable	**₱30,761,429**	₱29,238,654

Development loans from local banks has floating or fixed interest rates at different terms and repayment periods.

The Group's loans payable is unsecured, and no assets are held as collateral for these debts. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.1x and minimum interest coverage ratio of 1.0x.

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

The Group's loans payables are unsecured, and no assets are held as collateral for these debts. As of June 30, 2021 and December 31, 2020, the Group complied with these contractual agreements and has not been cited in default on its outstanding loan obligations.

18. Bonds Payable

This account consists of:

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Current portion	**₱5,289,755**	₱5,294,517
Noncurrent portion	**26,401,916**	26,369,011
	₱31,691,671	₱31,663,528

The Group's bonds payable is unsecured, and no assets are held as collateral for these debts. These bonds require the Group to maintain certain financial ratios which include maximum debt-to-equity ratio of 2.0x; minimum current ratio of 2.0x; and minimum debt service coverage ratio (DSCR) of 1.0x (except for CPI bonds which requires maximum debt-to-equity ratio of 2.33x and DSCR of 1.1x). As of June 30, 2021 and December 31, 2020, the Group is not in breach of these covenants and has not been cited in default on any of its outstanding obligations.

19. Equity

The details of the Parent Company's common and preferred shares as of June 30, 2021 and December 31, 2020 follow:

	Common	Preferred
	(In Thousands, Except Par Value figures)	
Authorized shares	33,000,000	8,000,000
Par value per share	1.00	0.01
Issued and outstanding shares	24,470,709	8,000,000
Treasury shares	220,949	-

In 2021 and 2020, there was no issuance of additional common shares.

Treasury Shares

On December 20, 2007, the Parent Company's BOD approved the buy-back of some of the issued shares of stock of the Parent Company over a period of twelve (12) months up to an aggregate amount of ₱1.50 billion, in view of the strong financial performance of the Parent Company and the very large discrepancy that existed between the current share price and the net asset value of the Parent Company.

The Parent Company had acquired 220.95 million shares at total cost of ₱221.04 million in 2008. There were no additional acquisitions in 2021 and 2020. The retained earnings is restricted from dividend distribution to the extent of the cost of treasury shares.

Retained Earnings

Retained earnings include undistributed earnings amounting to ₱11.62 billion and ₱10.56 billion as of June 30, 2021 and December 31, 2020, respectively, representing accumulated equity in net earnings of subsidiaries and associates, which are not available for dividend declaration until declared as dividends by the subsidiaries and associates.

Retained earnings are further restricted for the payment of dividends to the extent of the cost of the shares held in treasury and deferred tax asset recognized in profit or loss as of June 30, 2021 and December 31, 2020.

After reconciling items, the Parent Company's retained earnings available for dividend declaration as of June 30, 2021 and December 31, 2020 amounted to ₱28.45 billion and ₱31.82 billion, respectively.

As at June 30, 2021, the amount of retained earnings appropriated for business expansions for construction of residential, leasing and mixed-use projects amounted to P5,000 million. The appropriation will be fully utilized to cover part of the capital expenditure requirements of the Company.

Dividend Declarations

On April 23, 2021, the Board of Directors approved the declaration of dividends as follows:

Tranche 1
To all common stockholders of record as of 21 May 2021 in the amount of ₱0.0155 per share a Regular Cash Dividend. Payment date was set on 15 June 2021.

To all preferred stockholders of record as of 21 May 2021 in the amount of ₱0.000155 per share Regular Cash Dividend. Payment date was set on 15 June 2021.

Tranche 2
To all common stockholders of record as of 15 November 2021 in the amount of ₱0.0155 per share a Regular Cash Dividend. Payment date was set on 09 December 2021.

To all preferred stockholders of record as of 15 November 2021 in the amount of ₱0.000155 per share Regular Cash Dividend. Payment date was set on 09 December 2021.

20. General and Administrative Expenses

The account consists of:

	June 30 2021 (Unaudited)	June 30 2020 (Unaudited)
	(In Thousands)	
Salaries, wages, and employee benefits	**₱214,698**	₱249,420
Repairs and maintenance	**153,279**	142,529
Taxes and licenses	**134,535**	148,454
Outside services	**84,463**	81,983
Entertainment, amusement, and recreation	**40,668**	40,761
Transportation and travel	**36,933**	36,220
Electronic data processing charges	**33,396**	36,406
Depreciation and amortization	**33,024**	31,336
Retirement costs	**24,938**	13,840
Insurance	**22,955**	10,057
Communications, light, and water	**21,048**	12,864
Dues and subscriptions	**15,664**	16,363
Office supplies	**6,255**	3,662
Rent	**4,328**	1,319
Postage and Freight Charges	**3,713**	1,639
Others	**41,909**	37,760
	₱871,807	₱864,613

21. Selling and Marketing Expenses

The account consists of:

	June 30 2021 (Unaudited)	June 30 2020 (Unaudited)
	(In Thousands)	
Brokers' commissions	**₱309,961**	₱302,533
Selling, advertising and promotions	**80,260**	93,851
Service fees	**64,089**	45,166
Sales office direct costs	**25,542**	38,351
Salaries and wages	**2,249**	**2,738**
Others	**626**	**2,441**
	₱482,726	**₱485,080**

22. Interest and Other Finance Charges

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

	June 30 2021 (Unaudited)	June 30 2020 (Unaudited)
	(In Thousands)	
Interest income on:		
Contracts receivable	**₱176,402**	₱156,815
Cash and cash equivalents	**10,079**	26,518
Others	**16,741**	7,673
	₱203,222	₱191,006

Interest and other finance charges:		
Interest expense on loans and bonds payable, net of interest capitalized	**₱914,188**	₱1,155,357
Interest expense on lease liabilities, net of interest capitalized	**198,740**	203,597
Amortization of transaction costs of loans and bonds	**72,653**	**55,731**
Other finance charges	**1,527**	**1,126**
	₱1,187,106	**₱1,415,811**

23. Income Tax

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

	June 30 2021 (Unaudited)	June 30 2020 (Unaudited)
	(In Thousands)	
Current Income Tax Expense	**₱30,251**	₱388,640
Deferred Income Tax Expense	**(390,981)**	(125,653)
Income tax expense recognized in statement of profit or loss	**(₱360,730)**	₱262,987

On March 26, 2021, President Rodrigo Duterte signed into law the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act to attract more investments and maintain fiscal prudence and stability in the Philippines. Republic Act (RA) 11534 or the CREATE Act introduces reforms to the corporate income tax and incentives systems. It takes effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation or April 11, 2021.

The following are the key changes to the Philippine tax law pursuant to the CREATE Act which have an impact on the Company:

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30% to 25% for domestic and resident foreign corporations. For domestic corporations with net taxable income not exceeding P=5 million and with total assets not exceeding P=100 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%.
- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2020 to June 30, 2023.
- Effective January 1, 2021, income tax rate for nonresident foreign corporation is reduced from 30% to 25%.
- Imposition of improperly accumulated earnings tax (IAET) is repealed.
- Foreign-sourced dividends received by domestic corporations are exempt from income tax subject to the following conditions:
  i. The funds from such dividends received or remitted into the Philippines are reinvested in the business operations of the domestic corporation in the Philippines within the next taxable year from the time the foreign-sourced dividends were received.
  ii. Shall be limited to funding the working capital requirements, capital expenditures, dividend payments, investment in domestic subsidiaries, and infrastructure project; and
  iii. The domestic corporation holds directly at least 20% of the outstanding shares of the foreign corporation and has held the shareholdings for a minimum of 2 years at the time of the dividend distribution.
- Qualified domestic market enterprises shall be entitled to 4 to 7 years ITH to be followed by 5 years ED.
- For investments prior to effectivity of CREATE:

i. Registered business enterprises (RBEs) granted only an ITH – can continue with the availment of the ITH for the remaining period of the ITH.
ii. RBEs granted an ITH followed 5% GIT or are currently enjoying 5% GIT – allowed to avail of the 5% GIT for 10 years.

As clarified by the Philippine Financial Reporting Standards Council in its Philippine Interpretations Committee Q&A No. 2020-07, the CREATE Act was not considered substantively enacted as of December 31, 2020 even though some of the provisions have retroactive effect to July 1, 2020. The passage of the CREATE Act into law on March 26, 2011 is considered as a non-adjusting subsequent event. Accordingly, current and deferred taxes as of and for the year ended December 31, 2020 continued to be computed and measured using the applicable income tax rates as of December 31, 2020 (i.e., 30% RCIT / 2% MCIT) for financial reporting purposes.

Applying the provisions of the CREATE Act, the Company would have been subjected to lower regular corporate income tax rate of 21% to 25% effective July 1, 2020.

This will result in lower provision for current income tax for the year ended December 31, 2020 and lower income tax payable as of December 31, 2020, which will be reflected in the Company's 2020 annual income tax return but will only be recognized for financial reporting purposes in its 2021 financial statements. Pending clarification from the tax authorities on how the taxable income for the period beginning July 1, 2020 will be computed, the Company has not quantified the impact of the lower corporate income tax rate on the 2020 current income tax.

The CREATE Act reduced the Group's deferred tax assets and deferred tax liabilities recognized as of December 31, 2020. These reductions were recognized in the 2021 interim financial statements.

24. Financial Risk Exposures

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

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

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

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

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

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

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

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

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

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

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

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

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

The Group has outstanding purchase agreements with financial institutions whereby the Group sold its contracts receivable with a provision that the Group should buy back these receivables in case these become overdue for two to three consecutive months or when the contract to sell has been cancelled.
Based on the Group's experience, the said assets are highly collectible or collectible on demand. The Group holds as collaterals the corresponding properties which the third parties had bought on credit. In few cases of buyer defaults, the Group can repossess the collateralized properties and resell them at the prevailing market price.

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

Interest Rate Risk
The Group's exposure to market risk for changes in interest rates relates primarily to the Group's loans from various financial institutions which carry floating interest rates. The Group regularly keeps track of the movements in interest rates and the factors influencing them.

Of the total ₱38.38 billion loans outstanding as of June 30, 2021, ₱5.28 million are on floating rate basis. The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, or the Group's annualized profit before tax through the impact on floating rate borrowings.

	Increase (decrease) in basis points	Effect on annualized income before income tax (In Thousands)
June 30, 2021	+200	₱99,702
	-200	(99,702)

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

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

	June 30 2021 (Unaudited)		**December 31 2020 (Audited)**	
	Carrying Values	Fair Values	**Carrying Values**	Fair Values
	(In Thousands)			
Cash and cash equivalents	**₱4,590,372**	**₱4,590,372**	₱6,693,557	₱6,693,557
Contracts receivables	**5,433,207**	**5,433,207**	4,156,939	4,156,939
Other receivables	**2,611,790**	**2,611,790**	3,362,183	3,362,183
Long-term debt	**70,663,609**	**72,387,164**	69,768,551	73,454,654

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

The estimated fair value of contracts receivables is based on the discounted value of future cash flows from these receivables.

The estimated fair value of long-term debts with fixed interest and not subjected to quarterly re-pricing is based on the discounted value of future cash flows using the applicable risk-free rates for similar type of loans adjusted for credit risk. Long-term debt subjected to quarterly re-pricing is not discounted since its carrying value approximates fair value.

Investment in foreign securities
The Group does not have any investment in foreign securities.

25. EPS Computation

Basic/diluted EPS is computed as follows:

	June 30, 2021 (Unaudited)	June 30, 2020 (Unaudited)
	(In Thousands, Except per Share Data)	
Net income attributable to equity holders of the parent (a)	**₱1,824,186**	₱2,301,109
Common shares issued	**₱24,470,709**	₱24,470,709
Less weighted average number of treasury stock	**₱220,949**	₱220,949
Weighted average number of common shares outstanding (b)	**₱24,249,760**	₱24,249,760
Earnings Per Share (a/b)	₱0.08	₱0.09

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

Results of operations for the Six Months ended June 30, 2021 compared to Six Months ended June 30, 2020

For the Six Months ended June 30, 2021, FLI's net income from its business segments registered a decline of ₱540.15 million or 22.35%, from ₱2,417.00 million in 2020 to ₱1,876.85 million in 2021.

Revenues and other income
Total consolidated revenues went down by ₱995.33 million or 10.69%, from ₱9,308.57 million in 2020 to ₱8,313.24 million in 2021 due to lower revenues generated from leasing business tempered by increased real estate sales revenues from residential business.

Real estate sales increased by ₱479.22 million or by 10.52%, from ₱4,556.24 million in 2020 to ₱5,035.45 million in 2020 primarily attributable to higher construction percentage of completion achieved during the second quarter. Real estate sales booked during the current period broken down by product type are as follows: Middle Income 66% (inclusive of MRB and HRB); Affordable and low affordable 23%; High-End 7%; Socialized and others 4%.

Rental and related services decreased by ₱1,051.43 million or by 26.84%, from ₱3,916.67 million in 2020 to ₱2,865.25 million in 2021 primarily due to decline in mall and office revenues as a result of lower occupancy and rental concessions provided primarily to mall and retail tenants. Reduced occupancy was caused by the pre-termination of leases by POGO tenants. The Group expects new BPO tenants to lease out the vacated office spaces in the remainder of the year. To add, prior year rental revenues include pre-covid quarantine period for 2.5 months (From January 01, 2020 to March 15, 2020).

Equity in net earnings of an associate decreased by ₱496.34 million or by 93.05%, from ₱533.42 million in 2020 to ₱37.09 million in 2021 due to lower net income reported by FAI. Last year's income included FAI's gain on sale of Spectrum Alabang Properties, Inc. (SAPI) shares to its joint venture partner, Mitsubishi.

Interest income increased by ₱12.22 million or by 6.40%, from ₱191.01 million in 2020 to ₱203.22 million in 2021 due to higher interest income derived from contract receivables for in-house financing schemes.

Other income increased by ₱60.99 million or by 54.83% from ₱111.24 million in 2020 to ₱172.24 million in 2021 due to higher income generated from fees e.g., service, processing, management, and other related fees.

Costs and Expenses

Cost of real estate sales increased by ₱283.01 million or by 10.54%, from ₱2,684.18 million in 2020 to ₱2,967.19 million in 2021 due to higher real estate revenues realized during the period.

Cost of rental services increased by ₱109.39 million or by 9.28%, from ₱1,178.90 million in 2020 to ₱1,288.29 million in 2021 due to higher direct expenses for the period.

Total operating expenses i.e. general & administrative and selling & marketing expenses, were almost flat vs. last year at ₱1,349.69 million.

Interest and other finance charges
Interest and other finance charges decreased by ₱228.71 million or by 16.15%, from ₱1,415.81 million in 2020 to ₱1,187.11 million in 2021 due to higher capitalized interest during the period compared to prior year.

Provision for Income Tax
Total provision for income tax decreased by ₱623.72 million from a tax expense of ₱262.99 million in 2020 to a tax benefit of ₱360.73 million in 2021 primarily due to lower taxable income, lower tax rate (from 30% to 25%) coupled with necessary adjustments made for prior year's deferred tax assets and deferred tax liabilities as a result of newly enacted CREATE law.

Note: Pursuant to effectivity of PIC Q&A 2018-12, the prior year figures were restated for comparability to current period where chargeable collections / reimbursements i.e. CAMC/CUSA and aircon charges are presented as part of the rental services revenues while chargeable expenses are presented as part of the cost of rental services (where reimbursable utilities are netted against expenses).

Financial Condition as of June 30, 2021 compared to as of December 31, 2020

As of December 31, 2020, FLI's total consolidated assets stood at ₱181.98 billion from the ₱181.00 billion balance as of December 31, 2020, increased by ₱975.83 million or by 0.54%. The following are the material changes in account balances:

31.42% Decrease in Cash and cash equivalents
Primarily due to higher net cash used in investing activities due to accelerated resumption of construction activities, lower net cash provided by financing activities due to principal and interests payments tempered by increased net cash provided by operating activities on account of increased collections.

24.22% Decrease in Other receivables
Mainly due to decline in receivables from mall and office tenants.

10.69% Increase in Other current assets
Primarily due to higher input and creditable withholding taxes, prepayments, and cost to obtain contract.

67.39% Decrease in Deferred Tax Assets
Mainly due adjustments made the as of December 31, 2020 balance as a result of CREATE Act.

5.72% Decrease in Accounts Payable And Accrued Expenses
Primarily due to payments made during the period.

21.19% Decrease in Due to related parties
Mostly due to decrease in unpaid shared expenses among related parties which includes shared operational expenses.

27.86% Decrease in Income tax payable
Primarily due to the lower taxable income for the year and lower tax rate due to CREATE law.

7.36% Decrease in Deferred Tax Liabilities
Mainly due adjustments made the as of December 31, 2020 balance as a result of CREATE Act.

Performance Indicators

		June 30 2021	June 30 2020	December 31 2020
		(Unaudited)	(Unaudited)	(Audited)
a	Earnings per Share (Basic/Diluted)	**0.08**	0.09	0.15
b	Earnings per Share - Basic/Diluted (Annualized)	**0.15**	0.19	0.15
c	Debt to Equity Ratio	**0.94**	0.88	0.94
d	Debt Ratio	**0.59**	0.59	0.59
e	EBITDA to Total Interest Paid	**1.91**	2.86	2.34
f	Price Earnings Ratio *(on Annualized EPS)*	**7.31**	5.22	7.47

a *Basic and Diluted - Not annualized*
b *Basic and Diluted - Annualized*
c *Interest-bearing Debt over Total Stockholder's Equity*
d *Total Liabilities over Total Assets*
e *EBITDA (not annualized) over Total Interest Paid*
f *Closing Price of Share[3] over Earnings Per share*

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

[2] Closing price as of June 30, 2021, June 30, 2020 and December 31, 2020 is 1.10, 0.99 and 1.12, respectively.

Item 3. Business Development / New Projects

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

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

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

As of June 30, 2021, the Parent Company had a land bank of approximately 1,851 hectares of raw land for the development of its various projects, including approximately 201 hectares of land under joint venture agreements, which the Parent Company's management believes is sufficient to sustain several years of development and sales.

Details of the Parent Company's raw land inventory for its residential business as of June 30, 2021 are set out in the table below:

FLI Land Bank as of June 30, 2021
In Hectares

Location	Company Owned	Under Joint Venture	Total	% to Total
Luzon				
Metro Manila	35.7	-	35.7	1.9%
Rizal	693.5	9.2	702.7	37.9%
Bulacan	252.1	-	252.1	13.6%
Bataan	12.3	-	12.3	0.7%
Pampanga	-	24.9	24.9	1.3%
Camarines Sur	1.9	-	1.9	0.1%
Pangasinan	3.5	-	3.5	0.2%
Cavite	299.5	58.8	358.3	19.3%
Laguna	226.7	0.7	227.4	12.3%
Batangas	45.6	42.1	87.7	4.7%
	1,570.7	**135.7**	**1,706.4**	**92.0%**
Visayas				
Cebu	1.5	35.7	37.2	2.0%
Negro Occidental	4.7	-	4.7	0.3%
	6.2	**35.7**	**41.9**	**2.3%**
Mindanao				
Davao	6.4	29.5	35.9	1.9%
South Cotabato	70.3	-	70.3	3.8%
	76.7	**29.5**	**106.2**	5.7%
Total	**1,653.5**	**201.0**	**1,854.5**	**100.0%**

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

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

City di Mare

In August 2010, FLI launched City di Mare, a 50.6-hectare property located at the South Road Properties in Cebu City. The 10.6-hectare portion of the property includes retail, office and leisure buildings and a public promenade which is a one-kilometer-long waterfront lifestyle strip that will offer a range of seaside leisure activities. The remaining forty (40) hectares will be developed into four (4) phases of residential clusters over a 20-year period.

SRP 2

In July 2015, FLI, CPI and FAI (collectively referred to as "Filinvest Consortium") won the bidding for a 19.20-hectare lot in Cebu's SRP. Thereafter, on August 7, 2015, Filinvest Consortium entered a Deed of Sale on Installment (DSI) with the Cebu City Government. In a letter dated January 6, 2017, the Cebu City Mayor questioned the validity of the sale and gave the buyers the option to withdraw from the sale at buyer's discretion. In a letter to the Cebu City Mayor dated February 7, 2017 (the Letter), Filinvest Consortium expressed its intention to rescind the DSI. Under the DSI, Cebu City undertook to comply with several covenants, undertakings, and obligations no later than February 7, 2016 (or 180 days from execution of the DSI). The Letter pointed out that as of February 7, 2017, the said covenants, undertakings, and obligations have not been complied with and it does not appear that these will be complied with within a foreseeable reasonable period.

The rescission of the DSI shall only take effect upon return by Cebu City of the down payment and installment payments made to Cebu City by Filinvest Consortium, plus interests, within ninety (90) days from receipt of the Letter in accordance with Section 5.7 of the DSI. Pending receipt of such payments, the DSI shall remain valid and subsisting by and among the parties.

The 19.2-hectare property mentioned above is a separate property from the other two (2) properties within the SRP which were acquired from Cebu City: a) the 40-hectare property under a joint venture undertaking with Cebu City; and b) the 10-hectare property which was already paid in full by FLI to Cebu City.

On August 2, 2020, Filinvest Consortium informed Cebu City that the payments will be judicially consigned in accordance with law considering that to date, Cebu City has not yet returned the payments with interest, thus, the conditional rescission has already expired. In response, Cebu City issued a letter dated October 4, 2020 to FLI Consortium and insisted that the latter has no longer any debt to Filinvest Consortium as the DSI was effectively rescinded. Cebu City reiterates its willingness to restitute the Filinvest Consortium of the amount it has already paid prior the rescission.

The Cebu City Government and Filinvest Consortium came to a resolution on January 8, 2021 with the full payment and the signing of the Deed of Absolute Sale. The Filinvest Consortium paid on December 17, 2020 the full amount of the purchase price of the lot plus the accumulated interest for the unpaid installments since 2017. Accordingly, the matter has been resolved.

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

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

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

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

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

Manna East, a 60-hectare modern Filipino themed affordable and middle-income community in Theresa Rizal. Housing construction is on-going for New Fields Phase 1 (launched Jan 2018). The construction of all amenity areas for New Fields Phase 1 is also expected to be completed by 3Q 2021. Land development has also commenced in Futura Plains (launched July 2020). FLI is currently planning the expansion for New Fields and is projecting to launch Phase 2 in 2021.

Negros Occidental
Palm Estates, 51-hectare township development designed to be a city within Talisay City. The first residential project was launched in the last quarter of 2016. Land Development works will be completed by mid-September 2021 and construction of housing units is expected to commence in the third quarter 2021.

Recent Land Acquisitions
In 2017, FLI acquired from various third-party sellers parcels of land in Alabang Muntinlupa City, Cubao, Quezon City, Teresa, Cainta and Taytay, Rizal, Balanga, Bataan and Zamboanga City.

In 2018, FLI acquired from various third-party sellers parcels of land in Quezon City, Parañaque City, Dagupan City, Pangasinan, Bacoor City, Cavite, Calamba City, Laguna, Mandaluyong City, Dumaguete City and Zamboanga City.

In 2019, FLI acquired from various third-party sellers parcels of land in San Rafael, Bulacan, Cainta, Rizal, Bacoor City, Cavite, Dagupan City, Pangasinan, Naga City, Bicol, Davao City, Dumaguete City, General Santos City and Negros Oriental.

In 2020, FLI acquired from various third-party sellers parcels of land in Dagupan City, Pangasinan and Bacoor City, Cavite.

In 2021, FLI acquired from various third-party sellers parcels of land in Davao City, Dumaguete, Rizal and Taguig.

Residential Development

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

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

The Levels

Located at one of the highest points of Filinvest City at around 23 meters above sea level, The Levels is a one-block, four (4)-tower residential condominium development that features laidback suburban living inside a fast-paced business district. The residential development is set in a tropical landscape, with four (4) towers uniquely designed with terracing levels, giving it a castle-effect look. The high-rise sections will be set in lush greenery, providing residents with views of the gardens. The second tower is currently under construction.

Studio City
Studio City is a community composed of a five-tower residential condominium complex within the Filinvest City to serve the demand for housing of the growing number of professionals working within Filinvest City and in the nearby Madrigal Business Park. The development consists of eighteen (18) storeys per building with commercial units at the ground floor. All residential floors will have twenty-five (25) studio units per floor. Studio Tower 5 is under construction.

Studio N

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

The Levels, Studio City and Studio N are located within the Filinvest City, residents will enjoy proximity to Festival Supermall, Westgate Center, Northgate Cyberzone, Asian Hospital and Medical Center, and other commercial, educational, and medical institutions.

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

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

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

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

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

Activa

Activa is a mixed-use development with residential, office, and retail components. It is entrenched in the heart of Quezon City's busiest and liveliest district, Cubao. Situated at the crossroads of two (2) of the metro's most vital thoroughfares. Activa connects to the north and south via EDSA, and to the east and west via Aurora Boulevard. It also has direct access to the MRT and LRT lines, and accessible by various modes of transportation like buses and jeepneys.

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

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

PROJECT	LOCATION
MRB	
One Oasis Cebu	Cebu
One Oasis Cagayan de Oro	Cagayan de Oro
Panglao Oasis	Taguig
One Spatial	Pasig
San Remo	Cebu
Centro Spatial	Davao
One Spatial Iloilo	Iloilo
Marina Spatial	Dumaguete
8 Spatial	Davao
Maui Oasis	Manila
Alta Spatial	Valenzuela City
Bali Oasis	Pasig
Maldives Oasis	Davao
Sorrento Oasis	Pasig
Veranda	Davao
Futura East	Cainta
Centro Spatial	Manila
Belize	Muntinlupa
Futura Vinta	Zamboanga
HRB	
Activa	Quezon City
Levels	Alabang
Studio City	Alabang
Studio N (Block 50)	Alabang

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

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

In 2021, FLI intends to retain its dominant position as the leader in MRB projects by launching seven (7) new projects nationwide and nineteen (19) additional buildings of existing projects. Aside from the MRBs, FLI has pipelined twelve (12) horizontal residential projects and two (2) HRB projects.

FLI has the following investment properties for lease:

Commercial Retail Leasing Properties

Festival Mall Alabang

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

Major improvements have been undertaken and continue to be undertaken for the existing mall and its facilities. New interiors give the mall a refreshed look and modern ambiance, complementing the recently completed 46,000 sq.m. expansion wing. Decathlon, a French sporting goods retailer, opened a 5,000 sq.m. store in the original mall. New lifestyle and food tenants continue to open in the expansion wing. French sports retail giant, Go Sport, opened its first ever store in Southeast Asia in the expansion with an area close to 1,000 sq.m.

The introduction of new and unique food establishments has made Festival a gastronomic destination ushering in new traffic and strengthening its appeal to its core target market. The Water Garden, a new distinctly refreshing outdoor amenity and convergence zone in the expansion wing, continues to be favorite among mall patrons. Uniqlo opened its first ever roadside store in the country in Westgate, Festival's affiliated lifestyle development in Filinvest City.

Fora Mall

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

Main Square

With a smaller format of over 18,000 sq. m leasable area, Main Square is the first and only mall along Bacoor Blvd, close to Bacoor City Hall and fronting Princeton Heights. Positioned as the reliable one-stop hub for neighboring gated villages of Bacoor, it provides basic shopping, wellness, service, and convenience offerings from partner brands such as Anytime Fitness, Watson's, Ace Hardware, Western Appliances, Japan Home, and DIY. The mall's anchor for this development is Robinsons Supermarket, which has become the most convenient essentials shopping option in the area.

Il Corso

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

Other Filinvest Lifemalls

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

Mall	**Location**	**GLA (sq.m.)**	**Features**
Fora Mall	Taytay Rotonda	26,000	• 24-hour super metro anchor store • Four (4) digital cinemas • Open air amphitheater and forest feature • Beside Quest Hotel
Main Square.....	Princeton Heights, Bacoor, Cavite	18,000	• Robinson Supermarket • Watsons, Ace Hardware, DIY • Anytime Fitness • Starbucks, Coffee Bean & Tea Leaf • Beside Bacoor City Hall
Il Corso	City di Mare,	34,000	• Seaside waterfront boardwalk with al fresco dining

Cebu	• Central piazza with dancing fountain • Fully-functional lighthouse and battleship playground for children • Cebuano Home-Grown Food Concepts (Laguna Café Group, Chikaan, Fishes, etc)

Commercial Office Properties

As of June 30, 2021, the Group owns commercial office spaces for lease to several BPO and other office locators with total gross leasable space of 524,188 sq.m. Primarily, they are in Northgate Cyberzone in Filinvest City, Alabang, Muntinlupa. Northgate is an 18.7- hectare PEZA zone that enjoys developer incentives. Among the Group's portfolio is the PBCom tower where FLI owns 60.0% through FAC, which owns 50.0% of the 52-storey PBCom Tower in the Makati CBD. PBCom Tower is a Grade A, PEZA-registered, IT/office building located along Ayala Avenue, Makati City with a GLA of 35,148 sq.m.

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

Location	**Number of Buildings**	**GLA (sq. m.)**
Northgate Cyberzone, Filinvest City	19	334,912
Metro Manila outside of Filinvest City	7	116,070
Outside Metro Manila	4	72,922
Total	**31**	**523,904**

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

- Northgate Cyberzone, an 18-hectare, PEZA-registered IT park located in Filinvest City in Alabang. The office buildings of the Group sit within the 10-hectare parcel of land in the Northgate district owned by FLI.

- Mimosa Workplus, an office village that is comprised of eight buildings set amidst the lush natural environment of the Filinvest Mimosa+ Leisure City.

- Cyberzone Cebu and Filinvest IT Park are two distinct developments on two separate Build-Transfer-Operate (BTO) arrangements with the Cebu Province. The two parcels of land totaling 2.9 hectares are near the city center located along Banilad and Salinas Avenue in Cebu. Together these comprise 7 office towers, a mall, and a hotel development. The office and mall portions are pre-certified LEED Gold rating.

- Filinvest Cyberzone Bay City, a 4-tower office complex in the bustling section of the Bay Area. Its four towers are already completed and operating. The complex is also certified LEED Silver rating.

- 100 West is part of a mixed used building in the Makati Central Business District. Office space allocated is approximately 14,333 sq. m.

Ongoing Construction

- Activa is a 1.37-hectare mixed use development at the corner of EDSA and Aurora Boulevard and lies near the Cubao LRT and Cubao MRT Stations. The development will have the following: BPO office tower, a traditional office tower, residential tower, hotel and a retail mall. The designs for the BPO office and mall portions are pre-certified with LEED Gold rating.

- Studio 7 is a two (2)-tower mixed-use complex comprising of residential and office buildings on a retail and parking podium. Located along major thoroughfare EDSA in Quezon City, it is strategically located close to the GMA Kamuning Metro Rail Transit 3 Station and is a pre-certified LEED Silver rating.

Registration with the Board of Investments (BOI)

As of June 30, 2021, FLI has registered the following projects with the BOI under the Omnibus Investments Code of 1987 (Executive order No. 226) and are unexpired as of the report date:

No.	Name of Housing Project	BOI Certificate of Registration No.	Registration Date	Expiry Date
1	Ventura Real	2017-298	08-Nov-17	08-Nov-21
2	New Fields	2018-016	22-Jan-18	22-Jan-22
3	Futura Homes Palm Estates	2018-156	20-Jul-18	20-Jul-22
4	Futura Homes Zamboanga	2018-200	24-Sep-18	24-Sep-22
5	New Leaf Phase 1A and 1B	2019-054	20-Mar-19	19-Mar-23
6	Sandia homes phase 2	2019-136	25-Jul-19	24-Jul-22
7	8 Spatial Davao Bldg. 5	2019-182	26-Sep-19	25-Sep-22
8	Marina Spatial - Marina Town Bldg. B	2019-259	02-Dec-19	01-Dec-22

Item 4. Other Disclosures

1. Except as disclosed in the Notes to Unaudited Interim Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations, there are no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.

2. The Company's unaudited interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated annual financial statements as of and for the year ended December 31, 2020 (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, 2020.

4. On known trends, events or uncertainties that have had or are reasonably expected to have favorable or unfavorable impact on net sales or revenues or income from continuing operations of FLI, the Covid-19 global pandemic.

   COVID-19 Pandemic

   Impact of COVID-19

   The COVID-19 outbreak which commenced in January 2020 and accelerated beyond the first quarter of 2020 has caused disruptions in the Group's operations. The various quarantine measures imposed by the Government from March 2020 resulted in (i) delays in the construction of pipeline buildings due to the mandatory stoppage of construction activities, and (ii) ceasing of tenant operations at the Properties during the imposition of enhanced community quarantine ("ECQ") measures in the areas where the Properties are located. During the ECQ period, the Group's tenants were not allowed to operate at the Properties, and such tenants had to set-up work-from-home arrangements for their employees. When the ECQ measures were eased and transitioned to a modified enhance community quarantine ("MECQ"), certain tenants of the Group had to reduce their manpower at the Properties by 50%, and certain tenants sought temporary additional workspace to address the 50% density and social distancing requirements under MECQ.

   While the Properties continued to be in operation in 2020 and in 2021, as a result of such quarantine measures imposed by the Government (including areas placed under general community quarantine ("GCQ") (which was less restrictive than MECQ), the Group believes that Occupancy Rate of certain buildings will be lower than expected in 2021 as a result of the downsizing of certain smaller traditional tenants and the pre-terminations of some POGO leases and that lease negotiations for either new spaces or expansions would potentially be postponed due to internal business decisions of its tenants.

   Nonetheless, the Group anticipates that its rental revenues for 2021 will remain stable as most of its lease contracts to top multinational global firms including BPO, IT, and traditional companies and headquarters of companies have fixed rates and have lease terms ranging from three to five years. Despite the challenging business environment brought about by the COVID-19 pandemic, the Group does not expect any going concern issue affecting its business operations, and considers the events surrounding the COVID-19 outbreak to not have any material impact on its financial position and performance

   To continuously ensure the health and safety of its stakeholders, the Group has implemented various measures for the safety of its customers, tenants, suppliers, service providers and employees in compliance with the World Health Organization's and the Department of Health's guidelines on COVID-19. The Group has instituted the following measures to ensure safe operation of its properties:

   Screening and minimizing contacts
   - Screening of all entrants to its facilities and buildings through temperature scanning. Persons with low-grade fever and up (including employees who must take a sick leave) will be politely refused entry.

- The Group requires any employee with fever and similar symptoms to be tested for COVID-19 subject to the Department of Health's protocols and official advisories.
- Visitors from outside the Philippines are screened in accordance with the protocols applicable to the jurisdiction of origin.
- Limiting face-to-face contact through online service desks, call center and e-payments for suppliers.
- Use of online platforms for customer and supplier transactions.
- Provision of shuttle services to employees from designated pick-up points to the Group's offices, and from the Group's offices to designated pick-up points to minimize external contacts.
- Keeping Office Safe – Reducing Office Density
- Implementation of alternative work arrangements to minimize face-to-face encounters and reduce density within workspaces.
- Cutting work force density to 50% through alternate shifting schedules.
- Developing more work-from-home facilities.
- Strict adherence to self-quarantine protocols for employees who travelled.
- Sanitation of all areas and provision of hygiene supplies in all areas such as alcohol, hand sanitizers, hand soap and facemasks. Disinfection of high traffic areas is done every hour.
- Employee education on COVID-19 through circulars on the disease and protocols to be followed. Nurses are onsite to aid.
- Implementation of "No ID, No Face Mask and Face Shield, No Entry" policy.
- Installation of foot baths at the entrances of its properties, with disinfectant bleach with water poured over nonslip foot mats.
- Installation of isolation booths per Department of Health requirements

There can be no assurance that the Philippine property market will continue to do well. Reduced levels of economic growth, adverse changes in the country's political or security conditions, or weaker performance of, or slowdown in, the national and local property markets may still adversely affect the demand and prices for the Group's commercial office space. In particular, the global economic downturn resulting from the COVID-19 pandemic has resulted in an economic slowdown and negative business sentiment, which may have an adverse effect on the outlook on the Philippine property market and lead to an adverse change in the Philippines' macroeconomic situation generally, which could materially and adversely affect the Group's results of operations. The Group cannot foresee when the disruptions of business activities caused by the outbreak of COVID-19 will cease.

The business and operations of the Group have been and will continue to be adversely affected by the global outbreak of COVID-19.

To manage these risks, pursuant to the Group's investment strategy, properties forming part of the Group's portfolio are expected to (1) be located in a prime location in either Metro Manila or other key provinces in the Philippines, such as Cebu, (2) be primarily (but not exclusively) focused on commercial properties , but may be other types of real estate properties available in the market, and (3) have stable occupancy, tenancy, and income operations.

The company expects that these developments are unfavorable to the Group's overall financial performance as follows:

a. Decline in pre-sales for both the domestic and OFW markets
b. Decline in revenues from our retail operations due to decline in foot traffic and temporary suspension of mall operations except for outlets offering basic services like supermarkets, banks and healthcare centers, as mandated by the government.
c. Delay in the completion of housing, office, and retail buildings
d. Pre-leasing and occupancy of new buildings will be lower than expected
e. Some tenants might reduce or in worst case, pre-terminate space to adopt a work-from-home scheme or other flexible working arrangements
f. Possible cancellation of lease negotiations for either new space or expansion due to internal business decision of the client

As of the reporting date, FLI's malls have reopened, and construction works have resumed for office and residential projects while observing safety and health protocols within the properties. FLI Offices remained open during the duration of the quarantine.

5. Aside from any probable material increase in interest rates on the outstanding long-term debt with floating rates, there are no known trends, events or uncertainties or any material commitments that may result to any cash flow or liquidity problems of the Group within the next 12 months.

6. There are no changes in estimates of amounts reported in prior year (2020) that have material effects in the current interim period.

7. Except for those discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operations, there are no other issuances, repurchases and repayments of debt and equity securities.

8. Except as discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operations, and Financial Risk Exposures, there are no material events subsequent to June 30, 2021 up to the date of this report that have not been reflected in the financial statements for the interim period.

9. There are no changes in contingent liabilities or contingent assets since December 31, 2020.

10. There are no material contingencies and any other events or transactions affecting the current interim period.

11. The Group is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments, or any significant amount of the Group's payables that have not been paid within the stated trade terms.

12. There are no significant elements of income that did not arise from the Group's continuing operations.

13. There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Group.

14. Except for those discussed above, there are no material changes in the financial statements of the Group from December 31, 2020 to June 30, 2021.

15. There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period other than those that were previously reported.

16. Events after the reporting date

a) <u>Filinvest REIT IPO</u>

Filinvest REIT Corp. (FRC, formerly Cyberzone Properties, Inc.), the real estate investment trust (REIT) of Filinvest Land, Inc., has received a Permit to Sell from the Securities and Exchange Commission (SEC) for its initial public offering of up to ₱12.6 billion. The base offer of the IPO is 1,634,187,850 common shares, with an overallotment option of up to 163,418,785 common shares at an offer price of ₱7.00 per share. At the current price, the projected dividend yields as stated in the REIT Plan is 6.3% for FY2021 and 6.6% for FY20221. The change of name from CPI to Filinvest Reit Corp. was approved by the SEC on July 02, 2021.

Filinvest REIT is listed and traded in the Philippine Stock Exchange on August 12, 2021 under the PSE ticker symbol FILRT.

The property portfolio of FILREIT consists of 17 Grade A office buildings on prime property totaling over 300,000 square meters of gross leasable area (GLA). The 16 buildings are in Northgate Cyberzone within Filinvest City in Alabang while one is in the gateway of Cebu IT Park in Lahug, Cebu City. FILREIT has access to inorganic growth opportunities from the Sponsor's pipeline of what the Group believes are high quality income-producing commercial assets.

b) <u>Property Dividends from CPI to its Parent Company (FLI)</u>

- On July 15, 2021, SEC approved the CPI's dividend declaration consisting of property amounting to P6,611,906,765 payable to its stockholders of record as of November 30, 2020. The assets are the Axis Towers 2, 3 and 4 which are not yet qualified as REIT assets.

- On July 15, 2021, SEC approved the CPI's dividend declaration consisting of properties amounting to P1,690,426,790 payable to its stockholders of record as of February 15, 2021. The assets are the IT school, Concentrix building, Filinvest EDSA WackWack Building, SRP lot, which have redevelopment plans and do not qualify as REIT assets.

17. Please refer to Annex A for the Aging Schedule for the Group's receivables as of June 30, 2021. Annex B are Supplementary Information and Disclosures required on SRC rules 68 and 68.1 as amended for the Six Months ended June 30, 2021.

18. There is no other information required to be reported that have not been previously reported in SEC Form 17-C.

ANNEX A

FILINVEST LAND, INC. AND SUBSIDIARIES

Aging of Receivables

(Amounts in thousands)

As of June 30, 2021

	Neither past due nor impaired	Past Due but not impaired: Less than 30 days	31-90 days	91-120 days	Over 120 days	Impaired
Type of Account Receivable						
a) Mortgage, Notes & Installment Contract Receivable						
Installment Contracts Receivable and Contract Assets	₱7,548,750	₱570,379	₱677,696	₱460,974	₱3,526,182	₱0
Receivable from Financing Institutions	197,975	-	-	-	-	-
Sub-total	7,746,726	640,192	1,084,994	93,112	88,722	-
b) Other Receivables	2,694,754	-	-	-	-	82,964
Receivables from tenants	1,535,204	-	-	-	-	41,971
Due from related parties	473,180	-	-	-	-	-
Advances to officers and employees	297,690	-	-	-	-	-
Receivables from homeowners' associations	276,705	-	-	-	-	40,993
Receivables from buyers	14,211	-	-	-	-	-
Others	97,764	-	-	-	-	-
	₱10,441,479	**₱570,379**	**₱677,696**	**₱460,974**	**₱3,526,182**	**₱82,964**

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

Normal Operating Cycle: 12 calendar months

ANNEX B

FILINVEST LAND, INC. AND SUBSIDIARIES
Index to Consolidated Financial Statements and Supplementary Schedules

Supplementary Schedules

Schedule	Contents
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (other than related parties)
C	Amounts Receivables (Payables) from Related Parties which are Eliminated during the Consolidation of Financial Statements
D	Intangible Asset - Other Assets
E	Long-term debt
F	Indebtedness to Related Parties
G	Guarantees of Securities of Other Issuers
H	Capital Stock
I	Schedule of Bond Issuances - Securities Offered to the Public
J	Retained Earnings Available for Dividend Distribution
K	Map Showing the Relationships Between and Among the Companies in the Group, its Ultimate Parent Company and Co-subsidiaries

Schedule A

FILINVEST LAND, INC. AND SUBSIDIARIES
Supplementary Schedule of Financial Assets
30 June 2021

Below is the detailed schedule of the Group's financial assets in equity securities as of June 30, 2021:

Name of Issuing entity and association of each issue	Number of Shares	Amount Shown in the Financial Position	Value Based on Market Quotation at end of year	Income Received and Accrued
	(In Thousands Except Number of Shares)			
Financial assets at FVTOCI				
Quoted:				
The Palms Country Club	1,000	3,060	3,060	-
Philippine Long Distance Telephone Company	26,100	348	348	-
Cebu Country Club	1	6,017	6,017	-
		9,425	9,425	-
Unquoted:				
Manila Electric Company (MERALCO)	619,694	6,197	6,197	-
		6,197	6,197	-
		15,622	**15,622**	**-**

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

Schedule B

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
30 June 2021

The Group does not have advances to employees with balances above ₱1,000,000 as of June 30, 2021.

Related Party Transactions

Due from related parties
Below is the list of outstanding receivables from related parties of the Group presented in the consolidated statements of financial position as of June 30, 2021:

	Relationship	Nature	June 30 2021	December 31 2020
			(In Thousands)	
Dreambuilders Pro, Inc. (DPI)	Associate	A	**₱187,193**	₱71,034
FORA Services, Inc. (FOSI)	Affiliate	A	**90,548**	90,314
Pro-Excel Property Managers, Inc. (Pro-Excel)	Associate	A	**76,777**	80,823
Filinvest Mimosa, Inc.(FMI)	Associate	A, C	**64,402**	73,268
EastWest Banking Corporation	Affiliate	A	**24,710**	20,714
Countrywide Water Services, Inc. (CWSI)	Affiliate	A	**9,201**	1,766
Quest Restaurant, Inc.	Affiliate	A	**8,962**	1,246
Davao Sugar CC (DSCC)	Affiliate	A	**5,793**	5,802
Filinvest Alabang, Inc.(FAI)	Associate	A	**3,460**	-
Filinvest Hospitality, Inc.(FHI)	Affiliate	A	**871**	991
AG Foundation	Affiliate	A	**574**	572
GCK Realty	Affiliate	C	**235**	235
ALG Holdings, Inc.	Ultimate Parent	A	**127**	128
Mimosa Cityscapes, Inc.	Affiliate	A	**125**	63
FDC - Utilities, Inc.	Affiliate	A	**103**	102
FDC - Misamis Power Corp.	Affiliate	A	**19**	13
Chroma Hospitality, Inc.	Affiliate	A	**16**	-
Filinvest Corporate City (FCC)	Affiliate	A	**11**	-
Boracay Seascapes Resort Inc.	Affiliate	A	**7**	4
FDC - Forex, Inc.	Affiliate	A	**6**	6
Duawon Seascapes Resort Inc.	Affiliate	A	**3**	3
Princesa Seascapes, Inc.	Affiliate	A	**2**	1
Dumaguete Cityscapes, Inc.	Affiliate	A	**1**	1
Dauin Seascapes, Inc.	Affiliate	A	**1**	1
Filinvest Arts Foundation, Inc. (FAFI)	Affiliate	A	**-**	-
Propel Realty	Affiliate	A	**-**	29
Seascapes Resort, Inc.	Affiliate	A	**-**	5
			₱473,150	**₱347,121**

Nature of intercompany transactions
The nature of the intercompany transactions with the related parties is described below:

A. Expenses – these pertain to the share of the related parties in various common selling and marketing and general and administrative expenses.
B. Reimbursable commission expense
C. Dividends

Schedule C

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Amounts Receivable (Payable) from Related Parties which are Eliminated during the Consolidation of Financial Statements
30 June 2021

Below is the schedule of receivables (payables) with related parties which are eliminated in the consolidated financial statements as of June 30, 2021. All are noninterest-bearing and to be settled within the year:

	Volume of Transactions		Receivable (Payable)
		(In Thousands)	
Cyberzone Properties, Inc. (CPI)	Dividend	(275,943)	₱9,338,719
Filinvest Cyberzone Mimosa, Inc. (FCMI)	Share in expenses	410,028	3,287,464
Homepro Realty Marketing, Inc. (Homepro)	Share in expenses	2,813	798,166
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Share in expenses	24,484	567,231
Filinvest Clark Green City (FCGC)	Share in expenses	23,346	281,218
Dreambuilders Pro, Inc. (DPI)	Share in expenses	116,159	187,398
Filinvest Cyberparks, Inc. (FCI)	Share in expenses	141,180	155,004
Property Maximizer Professional Corp. (Promax)	Share in Expenses	9,310	143,403
Nature Specialists, Inc.	Share in expenses	245	29,753
Proleads Philippines, Inc. (PPI)	Share in expenses	363	26,321
Filinvest AII Philippines, Inc. (FAPI)	Share in expenses	4,171	19,837
Timberland Sports and Nature Club, Inc. (TSNC)	Share in expenses	16,612	19,487
Gintong Parisukat Realty and Development Inc. (GPRDI)	Share in expenses	3,339	15,586
Realpros Philippines, Inc. (RPI)	Share in expenses	73	14,981
Filinvest BCDA Clark, Inc. (FBCI)	Share in expenses	479	12,055
Property Specialist Resources, Inc. (Prosper)	Share in expenses	(0)	7,865
Leisurepro, Inc. (Leisurepro)	Share in expenses	46	6,501
Festival Supermall, Inc. (FSI)	Share in expenses	4,003	393
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Share in expenses	-	210
Philippine DCS Development Corporation (PDDC)	Share in expenses	-	118
Property Leaders International Limited (PLIL)	Share in expenses	-	111
ProMixers Aggregates Corp. (PMAC)	Share in expenses	-	37
FSM Cinemas, Inc.	Share in expenses	(232)	8
ProOffice Works Services, Inc. (ProOffice)	Share in expenses	3	5
Cyberzone Properties, Inc. (CPI)	Rental Income	120,796	-
Property Maximizer Professional Corp. (Promax)	Marketing Fee Expenses	20,176	-
Filinvest Asia Corporation (FAC)	Share in expenses	2	(4)
Filinvest Lifemalls Corporation (FLC)	Share in expenses	-	(49,992)
		₱621,454	₱14,861,873

Schedule C

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Amounts Receivable (Payable) from Related Parties which are Eliminated during the Consolidation of Financial Statements
30 June 2021

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

	December 31 2020	Additions	Collections	June 30 2021
		(In Thousands)		
Cyberzone Properties, Inc. (CPI)	₱9,493,865	₱78,532	(233,678)	**₱9,338,719**
Filinvest Cyberzone Mimosa, Inc. (FCMI)	2,877,436	410,028	0	**3,287,464**
Homepro Realty Marketing, Inc. (Homepro)	795,354	2,813	0	**798,166**
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	542,747	24,484	0	**567,231**
Filinvest Clark Green City (FCGC)	257,872	23,346	0	**281,218**
Dreambuilders Pro, Inc. (DPI)	71,239	116,350	(191)	**187,398**
Filinvest Cyberparks, Inc. (FCI)	13,824	141,180	0	**155,004**
Property Maximizer Professional Corp. (Promax)	113,917	29,486	0	**143,403**
Nature Specialists, Inc.	29,508	245	0	**29,753**
Proleads Philippines, Inc. (PPI)	25,958	363	0	**26,321**
Filinvest AII Philippines, Inc. (FAPI)	15,665	3,671	500	**19,837**
Timberland Sports and Nature Club, Inc. (TSNC)	2,875	16,612	0	**19,487**
Gintong Parisukat Realty and Development Inc. (GPRDI)	12,247	3,339	0	**15,586**
Realpros Philippines, Inc. (RPI)	14,908	73	0	**14,981**
Filinvest BCDA Clark, Inc. (FBCI)	11,576	479	0	**12,055**
Property Specialist Resources, Inc. (Prosper)	7,865	(0)	0	**7,865**
Leisurepro, Inc. (Leisurepro)	6,454	46	0	**6,501**
Festival Supermall, Inc. (FSI)	(3,610)	4,003	0	**393**
Filinvest Lifemalls Mimosa, Inc. (FLMI)	210	0	0	**210**
Philippine DCS Development Corporation (PDDC)	118	0	0	**118**
Property Leaders International Limited (PLIL)	111	0	0	**111**
ProMixers Aggregates Corp. (PMAC)	0	37	0	**37**
FSM Cinemas, Inc.	239	0	(232)	**8**
ProOffice Works Services, Inc. (ProOffice)	2	3	0	**5**
Filinvest Asia Corporation (FAC)	(5)	2	0	**(4)**
Filinvest Lifemalls Corporation (FLC)	(49,993)	0	0	**(49,992)**
	₱14,240,382	₱855,091	(233,601)	**₱14,861,873**

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

Schedule D

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Intangible Assets – Other Assets
30 June 2021

As of June 30, 2021, the Group's intangible assets consist of Goodwill and BTO Rights. Intangible assets in the Group's consolidated statements of financial position amounted to ₱7,900.44 million.

	June 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Goodwill	**4,567,242**	4,567,242
BTO Rights	**3,333,199**	3,305,396
Total	**7,900,442**	7,872,638

Schedule E

FILINVEST LAND, INC. AND SUBSIDIARIES
Supplementary Schedule of Long-term Debt
30 June 2021

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

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
Developmental loans			
Unsecured loan obtained in October 2020 with interest rate equal to 4.75% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in January 2023 and 50% is payable at maturity in October 2025.	₱695,538	₱-	₱695,538
Unsecured loan obtained in July 2020 with interest rate equal 5.4121% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal installments starting October 2022 and the remaining 50% balance is payable in July 2025.	198,789	-	198,789
Unsecured loan obtained in July 2020 with interest rate equal 5.4898% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal installments starting October 2022 and the remaining 50% balance is payable in July 2025.	993,954	-	993,954
Unsecured loan obtained in July 2020 with interest rate equal 5.4101% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal installments starting October 2022 and the remaining 50% balance is payable in July 2025.	993,974	-	993,974
Unsecured loan obtained in May 2020 with interest rate equal to 4.75% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in May 2025.	278,327	-	278,327
Unsecured loan obtained in April 2020 with interest rate equal to 4.23% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in July 2022 and 50% is payable at maturity in April 2025.	298,313	-	298,313
Unsecured loan obtained in April 2020 with interest rate equal to 4.23% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in April 2025.	200,000	-	200,000
Unsecured loan obtained in April 2020 with interest rate equal to 4.91% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in April 2025.	500,000	-	500,000
Unsecured loan obtained in March 2020 with interest rate equal to 5.5072% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in March 2025.	497,100	-	497,100
Unsecured loan obtained in March 2020 with interest rate equal to 5.5470% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in March 2025.	497,098	-	497,098
Unsecured loan obtained in March 2020 with interest rate equal to 5.55% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in March 2025.	200,000	-	200,000
Unsecured loan obtained in March 2020 with interest rate equal to 5.5470% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in March 2025.	198,839	-	198,839
Unsecured loan obtained in February 2020 with interest rate equal to 5.02% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in February 2025.	298,304	-	298,304

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
Unsecured loan obtained in January 2020 with interest rate equal to 5.2540% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in April 2022 and 50% is payable at maturity in January 2025.	373,042	15,543	357,498
Unsecured loan obtained in January 2020 with interpolated rate of 5.08% per annum (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 11 equal quarterly amortizations to commence in April 2022 and 50% is payable at maturity on October 23 2024.	994,625	45,210	949,415
Unsecured loan obtained in January 2020 with interest rate equal to 5.2540% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in April 2022 and 50% is payable at maturity in January 2025.	422,716	17,613	405,102
Unsecured loan obtained in January 2020 with interest rate equal to 5.32% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% principal is payable in 12 equal installments starting April 2022 and the remaining 50% balance is payable in January 2025.	500,000	20,833	479,167
Unsecured loan obtained in December 2019 with interest rate equal to 5.06% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% principal is payable in 12 equal installments starting March 2022 and the remaining 50% balance is payable in December 2024.	300,000	25,000	275,000
Unsecured loan obtained in November 2019 with interest rate equal to 5.01% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in November 2024.	1,000,000	-	1,000,000
Unsecured loan obtained in October 2019 with interest rate equal to 4.98% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in October 2024.	497,403	-	497,403
Unsecured loan obtained in October 2019 with interest rate equal to 5.18% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% principal is payable in 12 equal installments starting January 2022 and the remaining 50% balance is payable in October 2024.	500,000	41,667	458,333
Unsecured loan obtained in September 2019 with interest rate equal to 5.30% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable upon maturity in September 2024.	994,914	-	994,914
Unsecured loan obtained in September 2019 with interest rate equal to 5.11% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable upon maturity in September 2024.	994,947	-	994,947
Unsecured loan obtained in September 2019 with interest rate equal to 5.21% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% principal is payable in 12 equal installments starting December 2021 and the remaining 50% balance is payable in September 2024.	300,000	37,500	262,500
Unsecured loan obtained in June 2019 with interest rate equal to 91-day Bloomberg Valuation Service Rate (BVAL Rate) plus margins, payable quarterly in arrears. The 50% principal is payable in 12 equal quarterly amortizations to commence in September 2021 and 50% payable at maturity on June 2024.	500,000	83,333	416,667
Unsecured loan obtained in June 2019 with interpolated rate of 5.0513%, payable quarterly in arrears. The principal is payable at maturity on June 2024.	1,990,631	-	1,990,631
Unsecured loan obtained in June 2019 with interpolated rate of 4.99% per annum (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 12 equal quarterly amortizations to commence in September 2021 and 50% is payable at maturity in June 2024.	1,991,776	331,963	1,659,813

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
Unsecured loan obtained in June 2019 with interpolated rate of 4.84% per annum (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 12 equal quarterly amortizations to commence in September 2021 and 50% is payable at maturity in June 2024.	2,987,721	497,953	2,489,767
Unsecured loan obtained in June 2019 with interpolated rate of 5.21% per annum (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 12 equal quarterly amortizations to commence in September 2021 and 50% is payable at maturity in June 2024.	1,991,751	331,958	1,659,792
Unsecured loan obtained in July 2018 with interest rate equal to 6.51% per annum (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 12 equal quarterly amortizations to commence in October 2020 and 50% is payable at maturity in July 2023.	1,309,227	249,377	1,059,850
Unsecured loan obtained in June 2018 with interest rate equal to 6.20% per annum (fixed rate for 5 years). The principal is payable at maturity in June 2023.	1,495,160	-	1,495,160
Unsecured loan obtained in June 2018 with interest rate equal to 6.37% per annum (fixed rate for 5 years). 6% of the principal balance is payable at 12 equal quarterly amortizations to commence on September 2020 and 94% is payable maturity on June 2023.	488,563	9,971	478,592
Unsecured loan obtained in December 2017 with interest rate equal to 5.46% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in March 2020 and 50% is payable at maturity in December 2022.	299,400	66,533	232,867
Unsecured loan obtained in July 2017 with interest rate equal to 4.78% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in October 2019 and 50% is payable at maturity in July 2022.	123,783	29,125	94,658
Unsecured loan obtained in June 2017 with interest rate equal to 5.76% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 15 equal quarterly amortizations to commence in September 2020 and 50% is payable at maturity in June 2024.	432,406	66,524	365,882
Unsecured loan obtained in June 2017 with interest rate equal to 5.07% per annum (fixed rate for 5 years), payable quarterly in arrears. The 3% principal is payable in three (3) annual amortizations to commence in June 2019 and 97% is payable at maturity in June 2022.	968,958	968,958	-
Unsecured loan obtained in March 2017 with interest rate equal to 5.00% per annum (fixed rate for 5 years). The 50% principal is payable in 12 equal amortizations to commence in June 2019 and 50% is payable at maturity in March 2022.	312,125	312,125	-
Unsecured loan obtained in March 2017 with interest rate equal to 4.86% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in June 2019 and 50% is payable at maturity in March 2022.	156,083	156,083	-
Unsecured loan obtained in February 2017 with interest rate equal to 4.65% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in May 2019 and 50% is payable at maturity in February 2022.	62,442	62,442	-
Unsecured loan obtained in December 2016 with interest rate equal to 5.23% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% principal is payable in 16 equal amortizations to commence in March 2020 and 50% is payable at maturity in December 2023.	162,190	24,952	137,238
Unsecured loan obtained in December 2016 with interest rate equal to 4.94% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in December 2021.	499,729	499,729	-

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
Unsecured loan obtained in December 2016 with interest rate equal to 4.94% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in December 2021.	149,923	149,923	-
Unsecured loan obtained in November 2016 with interest rate equal to 5.20% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 16 equal quarterly amortizations to commence in February 2020 and 50% is payable at maturity in November 2023.	406,128	62,481	343,647
Unsecured loan obtained in November 2016 with interest rate equal to 4.75% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 16 equal quarterly amortizations to commence in February 2020 and 50% is payable at maturity in November 2023.	325,000	50,000	275,000
Unsecured loan obtained in October 2016 with interest rate equal to 4.25% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in October 2021.	999,702	999,702	-
Unsecured loan obtained in October 2016 with interest rate equal to 4.47% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 20 equal quarterly amortizations to commence in January 2019 and 50% is payable at maturity in October 2023.	524,827	69,977	454,850
Unsecured loan obtained in October 2016 with interest rate equal to 4.21% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 20 equal quarterly amortizations to commence in January 2019 and 50% is payable at maturity in October 2023.	974,603	129,947	844,656
Unsecured loan obtained in September 2016 with interest rate equal to 3.87% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal quarterly amortizations to commence in December 2018 and 50% is payable at maturity in September 2021.	433,220	433,220	-
Unsecured loan obtained in September 2016 with interest rate equal to 3.80% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in December 2018 and 50% is payable at maturity in September 2021.	40,613	40,613	-
Unsecured loan obtained in July 2016 with interest rate equal to 3.81% per annum (fixed for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal quarterly amortizations to commence in October 2018 and 50% is payable at maturity in July 2021.	189,583	189,583	-
Unsecured loan obtained in March 2016 with interest rate equal to 5.74% per annum (fixed rate for 7 years). The 50% of principal balance is payable in 20 equal quarterly amortizations to commence in June 2018 and 50% is payable at maturity in March 2023.	134,762	19,965	114,797
Unsecured loan obtained in July 2014 with interest rate equal to 4.88% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 20 equal quarterly amortizations to commence in October 2016 and 50% is payable at maturity in July 2021.	367,500	367,500	-
Unsecured loan obtained in July 2014 with interest rate equal to 4.88% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 20 equal quarterly amortizations to commence in October 2016 and 50% is payable at maturity in July 2021.	315,000	315,000	-
Short term loan obtained in August 2020 with interest rate equal to 3.7050% per annum, payable quarterly in arrears. The principal is payable at maturity in August 2021.	499,520	499,520	-
Short term loan obtained in August 2020 with interest rate equal to 4.38% per annum, payable quarterly in arrears. The principal is payable at maturity in August 2021.	1,000,000	1,000,000	-

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
Short term loan obtained in June 2021 with interest rate equal to 3.3250% per annum, payable quarterly in arrears. The principal is payable at maturity in December 2021.	378,595	378,595	-
Short term loan obtained in June 2021 with interest rate equal to 3.0875% per annum, payable quarterly in arrears. The principal is payable at maturity in September 2021.	400,000	400,000	-
Short term loan obtained in June 2021 with interest rate equal to 3.3250% per annum, payable quarterly in arrears. The principal is payable at maturity in September 2021.	205,000	205,000	-
Short term loan obtained in April 2021 with interest rate equal to 3.0875% per annum, payable quarterly in arrears. The principal is payable at maturity in October 2021.	100,000	100,000	-
Short term loan obtained in May 2021 with interest rate equal to 3.3250% per annum, payable quarterly in arrears. The principal is payable at maturity in November 2021.	996,301	996,301	-
Short term loan obtained in June 2021 with interest rate equal to 3.3250% per annum, payable quarterly in arrears. The principal is payable at maturity in December 2021.	996,322	996,322	-
Short term loan obtained in April 2021 with interest rate equal to 4.0000% per annum, payable quarterly in arrears. The principal is payable at maturity in July 2021.	350,000	350,000	-
Short term loan obtained in April 2021 with interest rate equal to 4.0000% per annum, payable quarterly in arrears. The principal is payable at maturity in August 2021.	195,513	195,513	-
Short term loan obtained in May 2021 with interest rate equal to 4.0000% per annum, payable quarterly in arrears. The principal is payable at maturity in July 2021.	250,000	250,000	-
Short term loan obtained in June 2021 with interest rate equal to 2.7600% per annum, payable quarterly in arrears. The principal is payable at maturity in September 2021.	240,000	240,000	-
	₱38,971,937	**₱12,333,556**	**₱26,638,381**
Bonds			
Fixed rate bonds with aggregate principal amount of P8.1 billion issued by the Group on November 18, 2020. This comprised of P6.3 billion 3-year fixed rate bonds due in November 2023 with a fixed interest rate of 3.34% per annum, and P1.8 billion 5.5-year fixed rate bonds due in May 2026 with a fixed interest rate of 4.18% per annum.	₱8,045,319	₱0	₱8,045,319
Fixed rate bonds with principal amount of P6.00 billion and term of 5.5 years from the issue date of July 7, 2017 to mature in January 2023 with fixed interest rate is 5.05% per annum.	5,980,567	-	5,980,567
Fixed rate bonds with aggregate principal amount of P8.00 billion issued by the Group on August 20, 2015. This comprised of P7.00 billion, 7-year fixed rate bonds due in August 2022 with a fixed interest rate of 5.36% per annum, and P1.00 billion, 10-year fixed rate bonds due in August 2025 with a fixed interest rate of 5.71% per annum.	7,980,187	-	7,980,187

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
Fixed rate bonds with aggregate principal amount of P7.0 billion issued by the Group on December 4, 2014. This comprised of P5.30 billion, 7-year fixed rate bonds due in December 2021 with a fixed interest rate of 5.40% per annum, and P1.70 billion, 10-year fixed rate bonds due in December 2024 with a fixed interest rate of 5.64% per annum.	6,991,653	5,296,980	1,694,673
Fixed rate bonds with aggregate principal amount of P7.0 billion issued by the Group on November 8, 2013. This comprised of P4.30 billion 7-year fixed rate bonds due in November 2020 with a fixed interest rate of 4.86% per annum, and P2.70 billion 10-year fixed rate bonds due in November 2023 with a fixed interest rate of 5.43% per annum.	2,693,945	-	2,693,945
	₱31,691,671	**₱5,296,980**	**₱26,394,691**
	₱70,663,609	**₱17,630,537**	**₱53,033,072**

Each loan balance is presented net of unamortized deferred costs. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.1x and minimum interest coverage ratio of 1.0x.

Each bond balance is presented net of unamortized deferred costs. The agreements covering the abovementioned bonds require maintaining certain financial ratios including maximum debt-to-equity ratio of 2.0x; minimum current ratio of 2.0x; and minimum debt service coverage ratio (DSCR) of 1.0x (except for CPI bonds which requires maximum debt-to-equity ratio of 2.33x and DSCR of 1.1x).

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

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

Schedule F

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Indebtedness to Related Parties
30 June 2021

Below is the list of outstanding payables to related parties of the Group presented in the consolidated statements of financial position as of June 30, 2021:

	Relationship	Nature	June 30 2021	December 31 2020
			(In Thousands)	
Filinvest Development Corporation (FDC)	Parent Company	A,C	**₱45,418**	₱60,484
Corporate Technologies, Inc. (CTI)	Associate	A	**21,212**	42,810
Countrywide Water Services, Inc. (CWSI)	Affiliate	A	**19,100**	-
Entrata Hotel Services, Inc.	Affiliate	A	**2,399**	2,757
Palms Country	Affiliate	A	**391**	355
Filinvest Corporate City (FCC)	Affiliate	A	**77**	66
Filinvest Alabang, Inc.(FAI)	Associate	A,C	**53**	3,760
Pacific Sugar Holdings Corp.	Affiliate	A	**15**	15
Mactan Seascapes Services, Inc.	Affiliate	A	**8**	9
Proplus, Inc.	Affiliate	A	-	-
Chroma Hospitality, Inc.	Affiliate	A	-	1,491
Crimson Mactan	Affiliate	A	-	193
Crimson Alabang	Affiliate	A	-	61
Manila Waldorf School	Affiliate	A	-	12
Seascapes Resort, Inc.	Affiliate	A	-	5
Quest Pampanga	Affiliate	A	-	3
			₱88,673	**₱112,021**

Nature of intercompany transactions
The nature of the intercompany transactions with the related parties is described below:

A. Expenses - these pertain to the share of the Group in various common selling and marketing and general and administrative expenses.
B. Management and marketing fee
C. Dividends

Schedule G

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Guarantees of Securities of Other Issuers
30 June 2021

The Group does not have guarantees of securities of other issuers as of June 30, 2021.

Schedule H

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Guarantees of Capital Stock
30 June 2021

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, Officers and Employees	Others
			(In Thousands)			
Common Shares	33,000,000	24,249,760	–	16,147,682	49,071	8,053,007
Preferred Shares	8,000,000	8,000,000	–	8,000,000	–	--

Schedule I

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Bond Issuances – Securities Offered to the Public
30 June 2021

	2013 7 Billion Bond	2014 7 Billion Bond	2015 8 Billion Bond	2017 6 Billion Bond	2020 8.1 Billion Bond
Expected gross and net proceeds as disclosed in the prospectus					
Gross Proceeds	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000	₱6,000,000,000	₱9,000,000,000
Less: Expenses	67,594,379	82,327,087	85,330,750	68,308,996	118,002.63
Net Proceeds	₱6,932,405,621	₱6,917,672,913	₱7,914,669,250	₱5,931,691,004	₱8,999,881,997
Actual gross and net proceeds	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000	₱6,000,000,000	₱8,100,000,000
Less: Expenses	82,906,997	77,906,937	86,811,468	96,582,653	165,450,548
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452
Expenditure items where the proceeds were used					
Land Acquisition	₱2,965,648,318	₱-	₱88,961,000	₱-	₱595,776,352
Project Development	1,185,554,209	2,422,093,063	2,888,760,022	-	693,494,229
Investment Property	2,765,890,476	–	4,935,467,510	5,903,417,347	2,104,200,033
Debt refinancing	-	4,500,000,000	-	-	4,356,621,959
General Corporate	-	-	-	-	184,456,880
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452
Balance of the proceeds as of December 31, 2020					
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452
Capital Expenses	6,917,093,003	2,422,093,063	7,913,188,532	5,903,417,347	3,393,470,613
Debt refinancing	-	4,500,000,000	-	-	4,356,621,959
General Corporate	-	-	-	-	184,456,880
Net Proceeds	₱-	₱-	₱-	₱-	₱-

Schedule J

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Retained Earnings Available for Dividends Declaration
30 June 2021
(Amounts in thousands)

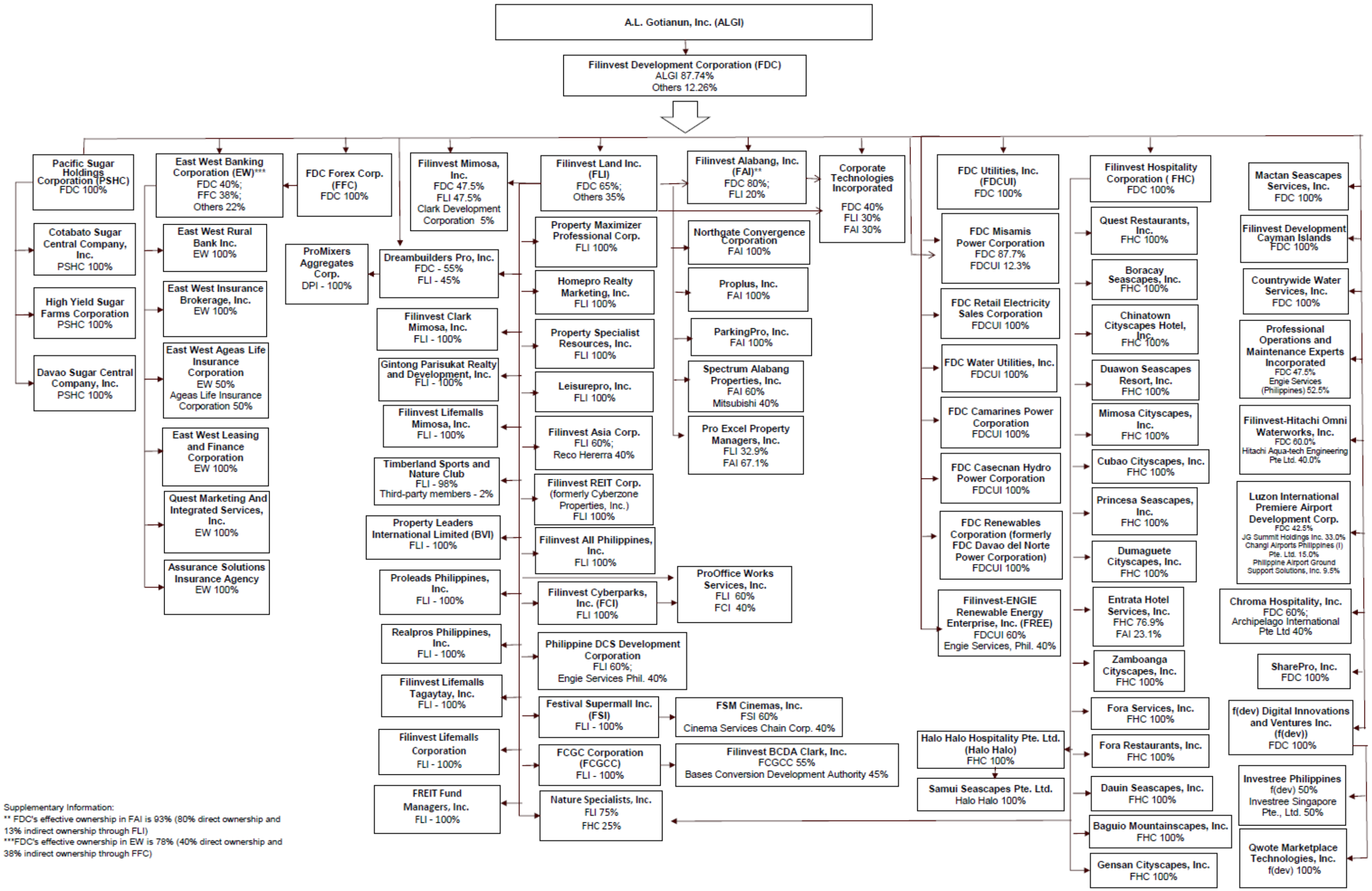
Unappropriated Retained Earnings, January 1, 2021, as restated		₱36,820,393
Adjustments:		
Equity in net earnings of subsidiaries and an associate		
Unappropriated Retained Earnings, as adjusted, January 1, 2021		36,820,393
Net income based on the face of financial statements	2,539,528	
Add: Non-actual/unrealized losses net of tax		
Movement in deferred tax assets	(55,529)	
Net income actual/realized		**(2,483,999)**
Less: Dividend declarations during the year		(754,223)
Less: Appropriations for business expansion		(5,000,000)
Unappropriated Retained Earnings, as adjusted, June 30, 2021		**₱28,582,171**

Schedule K

FILINVEST LAND, INC. AND SUBSIDIARIES

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

30 June 2021



Supplementary Information:
** FDC's effective ownership in FAI is 93% (80% direct ownership and 13% indirect ownership through FLI)
***FDC's effective ownership in EW is 78% (40% direct ownership and 38% indirect ownership through FFC)

FILINVEST LAND, INC. AND SUBSIDIARIES

Components of Financial Soundness Indicators
30 June 2021

	June 30 2021 (Unaudited)	June 30 2020 (Unaudited)	December 31 2020 (Audited)
Current Ratio[1]	**3.33**	3.37	3.10
Long-term Debt-to-Equity ratio, [2]	**0.94**	0.89	0.94
Debt Ratio[3]	**0.59**	0.59	0.59
EBITDA to Total Interest Paid[4]	**1.91**	2.86	2.34
Price Earnings Ratio[5]	**7.31**	5.22	7.47
Quick Asset Ratio[6]	**0.82**	0.78	0.84
Solvency Ratio[7]	**0.03**	0.03	0.05
Interest Coverage Ratio[8]	**2.28**	2.89	2.37
Net Profit Margin[9]	**0.23**	0.27	0.24
Return on Equity[10]	**0.05**	0.07	0.05
Asset-to-Equity Ratio[11]	**2.41**	2.44	2.43

[1]*Current Assets divided by Current Liabilities*

[2]*Long-term Debt divided by Equity*

[3]*Total Liabilities divided by Total Assets*

[4]*Earnings before Interests and Other Charges, Income Tax, Depreciation and Amortization - EBITDA (net income plus interest and other charges, income tax, depreciation, and amortization) divided by Total Interest Paid*

[5]*Closing price divided by Annualized Earnings per share*

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

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

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

[9]*Net Income divided by Revenue*

[10]*Net Income divided by Total Equity*

[11] *Total Assets divided by Total Equity*

SIGNATURES

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

FILINVEST LAND, INC.

Signature:	**TRISTANEIL D. LAS MARIAS**
Title:	Executive Vice President / Chief Strategy Officer
Date:	August 16, 2021

Signature:	**ANA VENUS A. MEJIA**
Title:	Chief Finance Officer
Date:	August 16, 2021