

# 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

05 August 2020

## **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.**

37/F, Tower 1, The Enterprise Center  
6766 Ayala Ave. cor. 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 2020.

Thank you.

Very truly yours,



**SHARON P. PAGALING-REFUERZO**

Corporate Secretary and  
Corporate Information Officer

# COVER SHEET

SEC Registration Number

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## COMPANY NAME

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D	I	A	R	I	E	S																							

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

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Form Type

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Department requiring the report

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Secondary License Type, If Applicable

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## COMPANY INFORMATION

Company's Email Address

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Company's Telephone Number

7918-8188

Mobile Number

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No. of Stockholders

5,645

Annual Meeting (Month / Day)

Every 2nd to the last Friday  
of April Each Year

Fiscal Year (Month / Day)

06/30

## CONTACT PERSON INFORMATION

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

Name of Contact Person

Ms. Venus A. Mejia

Email Address

venus.mejia@filinvestgrou  
p.com

Telephone Number/s

7918-8188

Mobile Number

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## 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, 2020**
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

<b><u>Title of Each Class</u></b>	<b><u>Number of shares of Common Stock Outstanding</u></b>	<b><u>Amount of Debt Outstanding (in thousand)</u></b>
Common Stock, ₱1.00 par value	24,249,759,506	₱65,116,172

11. Are any or all of these securities listed on the Philippine Stock Exchange?

Yes ☒ No ☐

12. Indicate by check mark whether the issuer:

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

Yes ☒ No ☐

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

Yes ☒ No ☐

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## **PART 1 – FINANCIAL INFORMATION**

### **FILINVEST LAND, INC. AND SUBSIDIARIES**

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#### **Unaudited Interim Condensed Consolidated Financial Statements**

As at June 30, 2020

and

For the six months ended June 30, 2020 and 2019

# FILINVEST LAND, INC. AND SUBSIDIARIES

## Interim Condensed Consolidated Statement of Financial Position

As at June 30, 2020

(Amounts in thousands)

	Notes	June 30, 2020 (Unaudited)	December 31, 2019 (Audited)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	6	3,854,301	4,773,621
Contracts Receivable	7	1,724,125	1,446,192
Contract Assets		6,348,640	5,998,421
Other Receivables	8	4,000,175	3,102,300
Real Estate Inventories	9	65,758,958	63,018,436
Other Current Assets	10	3,988,205	4,461,229
Total Current Assets		85,674,404	82,800,199
<b>Noncurrent Assets</b>			
Contract Asset - Net Of Current Portion		5,966,590	7,117,321
Investment In Associates	11	4,704,104	4,170,682
Investment Properties	13	62,855,649	61,321,185
Property And Equipment	14	3,272,758	3,288,718
Right Of Use Asset	12	5,168,048	5,247,802
Deferred Income Tax Assets		113,832	52,435
Goodwill	3	4,567,242	4,567,242
Other Noncurrent Assets	15	5,338,281	5,130,847
Total Noncurrent Assets		91,986,504	90,896,232
<b>Total Assets</b>		<b>177,660,908</b>	<b>173,696,431</b>
<b>Liabilities And Equity</b>			
<b>Current Liabilities</b>			
Accounts Payable And Accrued Expenses	16	14,189,923	13,164,864
Contract Liabilities		1,413,597	972,758
Lease Liabilities - Current Portion	12	315,002	318,119
Due To Related Parties		65,581	100,779
Income Tax Payable		106,289	142,736
Loans Payable - Current Portion	17	5,055,216	6,887,481
Bonds Payable - Current Portion	18	4,299,866	4,294,644
Total Current Liabilities		25,445,474	25,881,381
<b>Noncurrent Liabilities</b>			
Loans Payable - Net Of Current Portion	17	32,154,503	28,640,752
Bonds Payable - Net Of Current Portion	18	23,606,587	23,590,043
Contract Liabilities - Net Of Current Portion		770,544	779,648
Lease Liabilities - Net Of Current Portion	12	5,647,771	5,551,945
Net Retirement Liabilities		566,395	512,442
Deferred Income Tax Liabilities - Net		6,434,549	6,512,613
Accounts Payable And Accrued Expenses - Net Of Current Portion	16	10,137,185	10,063,314
Total Noncurrent Liabilities		79,317,534	75,650,757
		<b>104,763,008</b>	<b>101,532,138</b>
<b>Equity</b>			
Common Stock		24,470,708	24,470,708
Preferred Stock		80,000	80,000
Additional Paid-In Capital		5,612,321	5,612,321
Treasury Stock		(221,041)	(221,041)
Retained Earnings		42,344,172	41,661,647

	Notes	June 30, 2020 (Unaudited)	December 31, 2019 (Audited)
Revaluation Reserve On Financial Assets At Fair Value Through Other Comprehensive Income		(2,619)	(2,619)
Remeasurement Losses On Retirement Plan		(25,098)	(24,285)
Share In Other Components Of Equity Of An Associate		361,794	361,794
Equity Attributable To Equity Holders Of The Parent		72,620,237	71,938,525
Non-Controlling Interest		277,663	225,768
Total Equity		72,897,900	72,164,293
<b>Total Liabilities And Equity</b>		<b>177,660,908</b>	<b>173,696,431</b>

# 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	Quarters Ended June 30,		Six Months Period Ended June 30,	
		2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
<b>REVENUE</b>					
Real Estate Sales	4, 5	1,462,904	3,314,582	<b>4,556,235</b>	8,426,181
Rental Services	4, 5	1,636,585	1,669,051	<b>3,421,549</b>	3,387,610
<b>EQUITY IN NET EARNINGS OF AN ASSOCIATE</b>					
		512,408	207,536	<b>533,422</b>	264,039
<b>OTHER INCOME</b>					
Interest Income		40,027	140,324	<b>191,006</b>	310,643
Others	22	12,897	89,268	<b>111,240</b>	235,417
		3,664,821	5,420,761	<b>8,813,452</b>	12,623,890
<b>COSTS</b>					
Real Estate Sales	4	856,947	2,000,811	<b>2,684,177</b>	4,964,857
Rental Services	4	312,877	404,219	<b>683,780</b>	781,998
<b>OPERATING EXPENSES</b>					
General And Administrative Expenses	19	427,806	577,736	<b>864,613</b>	1,043,460
Selling And Marketing Expenses	20	230,798	301,931	<b>485,080</b>	662,040
<b>INTEREST AND OTHER FINANCE CHARGES</b>					
	21	919,176	639,457	<b>1,415,811</b>	1,243,802
		2,747,604	3,924,154	<b>6,133,461</b>	8,696,157
<b>INCOME BEFORE INCOME TAX</b>					
		917,217	1,496,607	<b>2,679,991</b>	3,927,733
<b>PROVISION FOR INCOME TAX</b>					
Current	23	116,137	70,717	<b>388,640</b>	487,505
Deferred	23	(204,801)	125,356	<b>(125,653)</b>	295,964
		(88,664)	196,073	<b>262,987</b>	783,469
<b>NET INCOME</b>					
		1,005,881	1,300,534	<b>2,417,004</b>	3,144,264
<b>Attributable to:</b>					
Equity Holders Of The Parent				<b>2,301,109</b>	3,036,287
Noncontrolling Interest				<b>115,895</b>	107,977
				<b>2,417,004</b>	3,144,264

### Earnings per Share

Basic	0.09	0.13
Diluted	0.10	0.13



**FILINVEST LAND, INC. AND SUBSIDIARIES****Interim Condensed Consolidated Statement of Comprehensive Income****For the six months ended 30 June***(Amounts in thousands)*

	<b>Six Months Period Ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>NET INCOME FOR THE PERIOD</b>	<b>2,417,004</b>	<b>3,144,264</b>
Remeasurement Losses On Retirement Plan, Net Of Tax	(1)	119,140
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>2,417,003</b>	<b>3,263,404</b>
<b>Attributable to:</b>		
Equity Holders Of The Parent	<b>2,301,108</b>	<b>3,155,427</b>
Noncontrolling Interest	<b>115,895</b>	<b>107,977</b>
	<b>2,417,003</b>	<b>3,263,404</b>

# FILINVEST LAND, INC. AND SUBSIDIARIES

## Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2020

(Amounts in thousands)

	Six Months Period Ended June 30,	
	2020	2019
	(Unaudited)	(Unaudited)
<b>Capital Stock</b>		
Common Shares - P1 Par Value		
Authorized - 33 Billion Shares		
Issued - 24,470,708,506 Shares		
Outstanding - 24,249,759,506	<b>24,470,708</b>	24,470,708
Preferred Shares - P0.01 Par Value		
Authorized - 8 Billion Shares		
Issued And Outstanding - 8 Billion Shares	<b>80,000</b>	80,000
Treasury Shares (220,949,000 Common Shares)	<b>(221,041)</b>	(221,041)
Additional Paid-In Capital	<b>5,612,321</b>	5,612,321
Revaluation Reserve On Financial Assets At Fair Value Through		
Other Comprehensive Income	<b>(2,619)</b>	(2,619)
Share In Components Of Equity Of An Associate	<b>361,794</b>	361,794
Remeasurement Losses On Retirement Plan	<b>(25,098)</b>	37,828
Retained Earnings		
Balance At Beginning Of The Period	<b>41,661,647</b>	36,882,343
Net Income	<b>2,301,109</b>	3,101,150
Dividends	<b>(1,618,584)</b>	(1,501,060)
Share In Revaluation Increment On Land Of An Associate	-	-
Balance At End Of The Period	<b>42,344,172</b>	38,482,433
Equity Attributable To Equity Holders Of The Parent	<b>72,620,237</b>	68,821,424
Noncontrolling Interest	<b>277,663</b>	540,544
<b>Total Equity</b>	<b>72,897,900</b>	69,361,968

# 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,	
	2020	2019
	(Unaudited)	(Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income Before Income Tax	2,679,991	3,927,733
Adjustments For:		
Interest Income	(191,006)	(310,643)
Interest Expense And Amortization Of Transaction Costs	1,415,811	1,150,798
Depreciation And Amortization	594,119	738,870
Equity In Net Earnings Of Associates	(533,422)	(264,039)
Net Pension Expense, Net Of Contribution And Benefits Paid	53,140	(396)
Operating Income Before Changes In Operating Assets And Liabilities	4,018,633	5,242,323
Changes In Operating Assets And Liabilities		
Decrease (Increase) In:		
Contracts Receivables	(277,933)	(300,473)
Contract Assets	800,513	945,342
Other Receivables	(897,875)	(72,325)
Real Estate Inventories	1,716,645	(3,507,107)
Other Assets	401,205	(698,412)
Increase (Decrease) In:		
Accounts Payable And Accrued Expenses	(4,908,042)	1,657,300
Contracts Liabilities	431,735	313,649
Net Cash Generated From Operations	1,284,881	3,580,297
Income Taxes Paid, Including Creditable Withholding Taxes	(613,224)	(513,328)
Interest Received	191,006	310,643
Net Cash Provided By Operating Activities	862,663	3,377,612
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment Properties And Property And Equipment	(1,531,134)	(3,814,334)
Payment Of Lease Liability	(109,125)	0
Cash Used In Investing Activities	(1,640,259)	(3,814,334)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds From Loan drawdowns	5,257,730	10,000,000
Payments Of:		
Loans Payable	(3,661,498)	(1,108,985)
Bonds Payable		(7,000,000)
Cash Dividend		(1,501,060)
Interest And Transaction Costs	(1,638,758)	(1,521,378)
Dividends Paid To Noncontrolling Interest	(64,000)	(34,000)
Increase (Decrease) In Amounts Due To Related Parties	(35,198)	(86,050)
Net Cash Provided By (Used In) Financing Activities	(141,724)	(1,251,473)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(919,320)</b>	<b>(1,688,195)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	<b>4,773,621</b>	<b>6,419,560</b>
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<b>3,854,301</b>	<b>4,731,365</b>

## **FILINVEST LAND, INC. AND SUBSIDIARIES**

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

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#### **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.

#### *Changes on the Group’s Business*

On March 18, 2019, ProOffice Works Services, Inc. (ProOffice), a wholly owned subsidiary of the Parent Company through Cyberzone Properties, Inc. (CPI) and Filinvest Cyberparks, Inc. (FCI), subsidiaries of the Parent Company, was incorporated. The primary purpose of ProOffice is to engage in the business of administration, maintenance and management of real estate developments, controlled development projects, commercial buildings, mixed-used or residential condominium projects, estates, townships and any form of subdivision projects, including buildings and other vertical structures, and their appurtenant utilities, facilities and services such as but not limited to waterworks, sewerage, garbage collection and services necessary or useful under the premises. ProOffice has not started commercial operations as of June 30, 2020.

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#### **2. Summary of Significant Accounting Policies**

##### Basis of Preparation

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.

##### Statement of Compliance

The consolidated financial statements of the Group for the six months ended June 30, 2020 have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

The 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, 2019, which have been

prepared in accordance with Philippine Financial Reporting Standards (PFRS), which include the availment of the relief granted by the SEC under Memorandum Circular Nos. 4-2020, 3-2019 and 14-2018 as discussed in the section below under Changes in Accounting Policies and Disclosures and Significant Accounting Policies. PFRSs include Philippine Financial Reporting Standards, Philippine Accounting Standards (PAS) and Interpretations issued by the Philippine Interpretations Committee (PIC).

#### 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 at June 30, 2020 and December 31, 2019 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, 2020	December 31, 2019
Filinvest AII Philippines, Inc. (FAPI)	Real estate developer	100%	100%
Filinvest BCDA Clark, Inc. (FBCI) <sup>1</sup>	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) <sup>2</sup>	Property management	33%	33%
ProOffice Works Services, Inc. (ProOffice) <sup>3</sup>	Property management	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property management	100%	100%
FSM Cinemas, Inc. (FSM Cinemas) <sup>4</sup>	Theater operator	60%	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	60%	60%
Timberland Sports and Nature Club, Inc. (TSNC)	Recreational Sports and Natures Club	98%	98%
Dreambuilders Pro, Inc. (DPI)	Construction	100%	100%
ProMixers Aggregates Corp. (PMAC) <sup>5</sup>	Construction	100%	100%
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%

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. ProOffice is owned indirectly through CPI and FCI.

4. FSM Cinemas is owned indirectly through FSI.

5. PMAC is owned indirectly through DPI.

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.

### 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, 2019, except for the adoption of the following new and amended PFRSs which became effective January 1, 2020.

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 2020, 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.

An entity applies those amendments prospectively for annual reporting periods beginning on or after January 1, 2020, with earlier application permitted.

These amendments will apply on future business combinations of the Group.

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

The amendments refine the definition of material in PAS 1 and align the definitions used across PFRSs and other pronouncements. They are intended to improve the understanding of the existing requirements rather than to significantly impact an entity's materiality judgments.

An entity applies those amendments prospectively for annual reporting periods beginning on or after January 1, 2020, with earlier application permitted.

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### 3. Goodwill

Goodwill arising from business combinations in the Group's consolidated statements of financial position as of June 30, 2020 and December 31, 2019 consists of:

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
Festival Supermall, Inc.	<b>3,745,945</b>	3,745,945
FAC	<b>494,744</b>	494,744
CPI	<b>326,553</b>	326,553
	<b>4,567,242</b>	4,567,242

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, 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.

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#### **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, Bacoar 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 into with third parties.

For the period ended June 30, 2020 and 2019, 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, 2020 and 2019 are summarized below (amounts in thousands).

June 30, 2020 (Unaudited)					
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
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)	0
	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	(257,010)	8,813,453
Net income	550,048	1,814,889	2,364,937	52,067	2,417,004
Adjusted EBITDA	1,100,264	3,052,317	4,146,353	8,412	4,154,766
Segment Assets	122,908,204	61,065,048	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	122,906,845	60,952,728	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)

June 30, 2019 (Unaudited)					
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity					
in net earnings of associates:					
External	9,314,994	3,406,203	12,721,197	(361,346)	12,359,851
Inter-segment	1,154	-	1,154	(1,154)	-
	9,316,148	3,406,203	12,722,351	(362,500)	12,359,851
Equity in net earnings of associates	264,039	-	264,039		264,039
	9,580,187	3,406,203	12,986,390	(362,500)	12,623,890
Net income	1,548,339	1,568,608	3,116,947	92,180	3,209,127
Adjusted EBITDA	2,689,393	2,755,641	5,445,034	205,942	5,650,976
Segment Assets	125,020,721	43,822,508	168,843,229	1,819,505	170,662,734
Less net deferred tax assets	-	66,395	66,395	-	66,395
Net segment assets	125,020,721	43,756,113	168,776,834	1,819,505	170,596,339
Segment Liabilities	71,106,007	30,467,979	101,573,986	(273,220)	101,300,766
Less net deferred tax liabilities	6,092,632	248,258	6,340,890	88,351	6,429,241
Net segment liabilities	65,013,375	30,219,721	95,233,096	(361,571)	94,871,525
Cash flows provided by (used in):					
Operating activities	877,698	2,471,270	3,348,968	(110,539)	3,238,429
Investing activities	(762,934)	(3,051,400)	(3,814,334)	-	(3,814,334)
Financing activities	376,266	(1,376,866)	(1,000,600)	(21,004)	(1,021,604)

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:



	30-June 2020 (Unaudited)	30-June 2019 (Unaudited)
	(In Thousands)	
Adjusted EBITDA	4,160,993	5,650,976
Depreciation and amortization	-598,612	-738,870
Operating profit	3,562,381	4,912,106
Interest and other finance charges	-1,415,811	-1,157,726
Equity in net earnings of associates	533,422	264,039
Income before income tax	2,679,992	4,018,419

## 5. Revenue from Contracts with Customers

### Disaggregated Revenue Information

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

	30-June 2020 (Unaudited)	30-June 2019 (Unaudited)
	(In Thousands)	
<b>Real estate sales by market segment</b>		
Medium income	2,554,799	4,905,503
Affordable	982,775	1,453,919
High-end	427,380	1,081,904
Low affordable	565,459	878,800
Socialized	25,822	106,055
	4,556,235	8,426,181
<b>Cinema operations by type of goods or services</b> (included as part of rental and related services)		
Theater sales	15,911	71,498
Snack bar sales	1,907	13,429
	17,818	84,927
<b>Total revenue from contracts with customers</b>	4,574,053	8,511,108
<b>Rental and related services</b>		
Office leasing	2,970,893	2,433,719
Mall operations	432,838	868,963
	3,403,731	3,302,683
<b>Total Revenue</b>	7,977,784	11,813,791

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:

	30-June 2020 (Unaudited)	31-December 2019 (Audited)
	(In Thousands)	
Cash	2,118,377	3,079,022
Cash equivalents	1,735,924	1,694,599
	3,854,301	4,773,621

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:

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
Contracts receivable	<b>1,530,207</b>	1,253,612
Receivables from government and financial institutions	<b>193,918</b>	192,580
	<b>1,724,125</b>	1,446,192
Noncurrent portion of contracts receivable	-	-
	<b>1,724,125</b>	1,446,192

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:

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
Receivables from tenants	<b>2,696,237</b>	1,780,976
Due from related parties	<b>585,064</b>	687,667
Advances to officers and employees	<b>339,658</b>	378,727
Receivables from homeowners' associations	<b>174,328</b>	155,226
Receivables from buyers	<b>162,228</b>	139,875
Others	<b>83,653</b>	822
	<b>4,041,168</b>	3,143,293
Less: Allowance for expected credit losses	<b>40,993</b>	40,993
	<b>4,000,175</b>	3,102,300

"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:

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
Lots, condominium and residential units for sale	<b>42,912,949</b>	38,851,977
Land and land development	<b>22,846,009</b>	24,166,459
	<b>65,758,958</b>	63,018,436

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

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
Balance at beginning of year as previously stated	<b>38,851,977</b>	42,244,626
Land costs transferred from land and land development	<b>1,423,293</b>	1,510,868
Construction/development costs incurred	<b>4,990,015</b>	4,079,159
Capitalized borrowing costs	<b>331,841</b>	871,195
Cost of real estate sales	<b>(2,684,177)</b>	(9,853,871)
	<b>42,912,949</b>	38,851,977

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

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
Balance at beginning of year	<b>24,166,459</b>	25,608,402
Land acquisitions	<b>236,647</b>	1,955,859
Land costs transferred to real estate inventories	<b>(1,183,688)</b>	(1,510,868)
Transfers	<b>(504,553)</b>	(1,965,794)
Site development and incidental costs	<b>131,144</b>	78,860
	<b>22,846,009</b>	24,166,459

## 10. Other Current Assets

This account consists of:

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
Input taxes	<b>2,252,797</b>	2,283,008
Creditable withholding taxes	<b>434,211</b>	850,441
Prepaid expenses	<b>407,216</b>	427,695
Advances to contractors and suppliers	<b>226,786</b>	330,210
Cost to obtain contract	<b>542,242</b>	467,807
Construction materials and supplies	<b>74,584</b>	54,383
Short-term deposits	<b>50,369</b>	47,685
	<b>3,988,205</b>	4,461,229

“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 did not qualify 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:

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
At equity:		
Acquisition cost	<b>837,829</b>	837,829
Balance at the beginning and end of year		
Corporate Technologies, Inc. (CTI)	<b>51,300</b>	51,300
Pro-Excel	<b>17,490</b>	17,490
Balance at end of year	<b>906,619</b>	906,619

**30-June                      31-December**

	<b>2020</b> <b>(Unaudited)</b>	<b>2019</b> <b>(Audited)</b>
Accumulated equity in net earnings:		
Balance at the beginning of year	1,025,847	1,028,322
Equity in net earnings for the year	533,422	401,525
Dividend declaration	0	-404,000
Balance at end of year	1,559,269	1,025,847
Share in revaluation increment on land at deemed cost*	1,876,422	1,876,422
Share in other components of equity	361,794	361,794
	<b>4,704,104</b>	<b>4,170,682</b>

\*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 into 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:

	<b>30-June</b> <b>2020</b> <b>(Unaudited)</b>	<b>31-December</b> <b>2019</b> <b>(Audited)</b>
	(In Thousands)	
<b>Cost</b>		
At end of period, as previously stated	5,392,390	-
Effect of adoption of PFRS 16	-	5,392,390
At end of period, as stated, and December 31	5,392,390	5,392,390
<b>Accumulated Depreciation</b>		
At end of period	144,588	-
Depreciation	79,754	144,588
Balance at end of period	224,342	144,588
Net Book Value	5,168,048	5,247,802

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

	<b>30-June</b> <b>2020</b> <b>(Unaudited)</b>	<b>31-December</b> <b>2019</b> <b>(Audited)</b>
	(In Thousands)	
Amortization expense of right-of-use assets (included in general and administrative expenses)	79,754	144,588
Interest expense on lease liabilities (included in interest and other finance charges)	201,834	488,732
	<b>281,588</b>	<b>633,320</b>

The rollforward analysis of lease liabilities follows :

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
As at January 1, as previously reported	5,870,064	-
Effect of adoption of PFRS 16		5,677,270
At January 1, 2019, as restated	5,870,064	5,677,270
Interest expense	201,834	488,732
Payments	(109,125)	(295,937)
At June 30, 2020	5,962,773	5,870,064
Lease Liabilities - Current Portion	315,002	318,119
As at December 31, 2019	5,647,771	5,551,945

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 as of June 30 follows:

	<b>June 30, 2020 (Unaudited)</b>				
	<b>Land</b>	<b>Buildings and Improvements</b>	<b>Machinery and Equipment</b>	<b>Construction in Progress</b>	<b>Total</b>
	(In Thousands)				
<b>Cost</b>					
Balances at beginning of year	16,136,414	28,669,503	164,813	22,284,295	67,255,025
Additions	660,958	113,192	7,065	1,434,698	2,215,913
Others	-	-	-	-	-
Transfers and Others	(313,176)	-	(55,920)	-	(369,096)
Balances at end of year	16,484,196	28,782,695	115,958	23,718,993	69,101,842
<b>Accumulated Depreciation</b>					
Balances at beginning of year	-	5,786,880	146,961	-	5,933,841
Depreciation	-	348,998	15,278	-	364,276
Transfers	-	-	(51,924)	-	(51,924)
Balances at end of year	-	6,135,878	110,315	-	6,246,193
<b>Net Book Value</b>	<b>16,484,196</b>	<b>22,646,817</b>	<b>5,643</b>	<b>23,718,993</b>	<b>62,855,649</b>

	<b>December 31, 2019 (Audited)</b>				
	<b>Land</b>	<b>Buildings and Improvements</b>	<b>Machinery and Equipment</b>	<b>Construction in Progress</b>	<b>Total</b>
	(In Thousands)				
<b>Cost</b>					
Balances at beginning of year	13,613,660	27,084,861	98,061	14,122,172	54,918,754
Additions	231,000	984,853	10,832	8,162,123	9,388,808
Transfers	2,291,754	599,789	55,920	-	2,947,463
Balances at end of year	16,136,414	28,669,503	164,813	22,284,295	67,255,025
<b>Accumulated Depreciation</b>					
Balances at beginning of year	-	4,839,921	60,462	-	4,900,383
Restatement - PFRS 16	-	31,518	-	-	31,518
Depreciation	-	767,316	34,575	-	801,891
Transfers	-	148,125	51,924	-	200,049
Balances at end of year	-	5,786,880	146,961	-	5,933,841
<b>Net Book Value</b>	<b>16,136,414</b>	<b>22,882,623</b>	<b>17,852</b>	<b>22,284,295</b>	<b>61,321,184</b>

## 14. Property & Equipment

The rollforward analysis of this account as of June 30 follows:

June 30, 2020 (Unaudited)							
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Constructi on in Progress	Total
(In Thousands)							
<b>Cost</b>							
Balances at beginning of year	2,118,313	1,227,672	153,222	102,306	92,761	453,675	4,147,949
Additions	5,233	106,743	8,208	24,603	17,701	1,903	164,390
Disposals/transfers	(24,448)	55,920	-	-	-	-	31,472
Balances at June 30, 2020	2,099,098	1,390,335	161,430	126,909	110,462	455,578	4,343,811
<b>Accumulated Depreciation and Amortization</b>							
Balances at beginning of year	278,285	336,137	102,659	63,123	79,027	-	859,231
Depreciation and amortization	35,235	86,282	13,439	19,118	5,824	-	159,898
Disposals		51,924	-			-	51,924
Balances at June 30, 2020	313,520	474,343	116,098	82,241	84,851	-	1,071,053
<b>Net Book Value</b>	<b>1,785,577</b>	<b>915,992</b>	<b>45,331</b>	<b>44,668</b>	<b>25,611</b>	<b>455,578</b>	<b>3,272,758</b>

December 31, 2019 (Audited)							
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Constructi on in Progress	Total
(In Thousands)							
<b>Cost</b>							
Balances at beginning of year	2,974,591	878,418	140,859	112,224	91,610	474,345	4,672,047
Additions	69,471	421,463	17,581	5,947	1,151	26,171	541,784
Disposals/transfers	(925,749)	(72,209)	(5,218)	(15,865)	-	(46,841)	(1,065,882)
Balances at December 31, 2020	2,118,313	1,227,672	153,222	102,306	92,761	453,675	4,147,949
<b>Accumulated Depreciation and Amortization</b>							
Balances at beginning of year	290,582	326,718	82,479	71,193	67,955	-	838,927
Depreciation and amortization	188,373	77,632	22,980	4,164	11,416	-	304,565
Disposals	(200,670)	(68,213)	(2,800)	(12,234)	(344)	-	(284,261)
<b>Balances at December 31, 2020</b>	<b>278,285</b>	<b>336,137</b>	<b>102,659</b>	<b>63,123</b>	<b>79,027</b>	<b>-</b>	<b>859,231</b>
<b>Net Book Value</b>	<b>1,840,028</b>	<b>891,535</b>	<b>50,563</b>	<b>39,183</b>	<b>13,734</b>	<b>453,675</b>	<b>3,288,718</b>

## 15. Other Noncurrent Assets

This account consists of:

	30-June 2020 (Unaudited)	31-December 2019 (Audited)
(In Thousands)		
BTO rights	3,211,465	2,858,460
Advances to contractors and suppliers	1,474,432	1,467,249
Deposits	459,429	325,544
Advances to joint venture partners	352,225	408,833
Financial assets at FVTOCI	15,622	15,622
Other assets (Note 31)	56,767	248,084
	5,569,940	5,323,792
Less accumulated amortization	231,659	192,945
	5,338,281	5,130,847

“BTO rights” pertain to the cost related to the Build, Transfer and Operate agreement with The Province of Cebu (Cebu Province) entered into on March 26, 2012. The BTO project relates to the development, construction and operation of 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:

	30-June 2020 (Unaudited)	31-December 2019 (Audited)
(In Thousands)		
<b>Cost</b>		
Balance at beginning of year	2,858,460	2,609,370
Additions	353,005	249,090
Balance at end of year	3,211,465	2,858,460
<b>Accumulated Amortization</b>		
Balance at beginning of year	192,945	123,392
Amortization	38,714	69,553
Balance at end of year	231,659	192,945
<b>Net Book Value</b>	<b>2,979,806</b>	<b>2,665,515</b>

“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” includes 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:

	30-June 2020 (Unaudited)			31-December 2019 (Audited)		
	Current	Noncurrent	Total	Current	Noncurrent	Total
	(In Thousands)					
Accounts payable	7,503,397	5,068,397	12,571,794	8,076,588	5,455,570	13,532,158
Deposits for registration and insurance	163,396	1,177,009	1,340,405	157,179	1,132,224	1,289,403
Retention fees payable	1,521,570	917,966	2,439,536	1,512,275	912,358	2,424,633
Deposits from tenants	1,140,500	3,103,756	4,244,256	1,296,905	3,529,397	4,826,301
Accrued expenses	1,132,184	-	1,132,184	263,346	-	263,346
Accrued interest on bonds and loans	453,335	-	453,335	358,754	-	358,754
Dividends Payable	1,637,239	-	1,637,239	-	-	-
Other payables	508,359	-	508,359	533,583	-	533,583
	14,059,980	10,267,128	24,327,108	12,198,629	11,029,549	23,228,178

“Accounts payable” includes the outstanding balance of the costs of land and stocks 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 deferred rental income.

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## 17. Loans Payable

This account consists of:

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
Developmental loans from local banks	<b>37,336,557</b>	35,646,167
Less unamortized transaction costs	<b>126,838</b>	117,934
	<b>37,209,719</b>	35,528,233
Less current portion of loans payable	<b>5,055,216</b>	6,887,481
Long-term portion of loans payable	<b>32,154,503</b>	28,640,752

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, 2020 and December 31, 2019, the Group complied with these contractual agreements and has not been cited in default on its outstanding loan obligations.

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## 18. Bonds

This account consists of:

	<b>30-June 2020 (Unaudited)</b>	<b>31-December 2019 (Audited)</b>
	(In Thousands)	
Current portion	<b>4,299,866</b>	4,294,644
Noncurrent portion	<b>23,606,587</b>	23,590,043
	<b>27,906,453</b>	27,884,687

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, 2020 and December 31, 2019, the Group is not in breach of any of these debt covenant.

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**19. General and Administrative Expenses**

The account consists of:

	<b>30-June 2020 (Unaudited)</b>	<b>30-June 2019 (Unaudited)</b>
	(In Thousands)	
Salaries, wages and employee benefits	249,420	378,231
Taxes and licenses	148,454	150,109
Depreciation and amortization	31,336	93,464
Outside services	81,983	85,300
Repairs and maintenance	142,529	102,881
Transportation and travel	36,220	42,537
Entertainment, amusement and recreation	40,761	41,099
Rent	1,319	5,523
Electronic data processing charges	36,406	26,909
Communications, light and water	12,864	20,029
Retirement costs	13,840	20,096
Parking operations	1,367	7,830
Dues and subscriptions	16,363	12,482
Office supplies	3,662	5,834
Insurance	10,057	9,972
Postage and Freight Charges	1,639	3,681
Others	36,393	37,483
	<b>864,613</b>	<b>1,043,460</b>

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**20. Selling and Marketing Expenses**

The account consists of:

	<b>30-June 2020 (Unaudited)</b>	<b>30-June 2019 (Unaudited)</b>
	(In Thousands)	
Brokers' commissions	302,533	438,104
Selling, advertising and promotions	93,851	131,341
Service fees	45,166	32,516
Sales office direct costs	38,351	37,571
Salaries and wages	2,738	3,142
Others	2,441	2,028
	<b>485,080</b>	<b>644,702</b>

## 21. 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:

	<b>30-June 2020 (Unaudited)</b>	<b>30-June 2019 (Unaudited)</b>
	(In Thousands)	
Interest income on:		
Contracts receivable	<b>156,815</b>	230,503
Cash and cash equivalents	<b>34,193</b>	80,140
	<b>191,008</b>	310,643
Interest and other finance charges:		
Interest expense on loans and bonds payable, net of interest capitalized	<b>1,359,617</b>	1,200,073
Amortization of transaction costs of loans and bonds	<b>45,385</b>	36,801
Other finance charges	<b>10,809</b>	6,928
	<b>1,415,811</b>	1,243,802

## 22. Other Income

The account consists of:

	<b>30-June 2020 (Unaudited)</b>	<b>30-June 2019 (Unaudited)</b>
	(In Thousands)	
Forfeited reservations and collections	70,471	56,328
Service fees	16,154	114,744
Management, leasing and other fees	4,722	32,106
Processing fees	6,565	24,353
Foreign currency exchange gain (loss) - net	183	2,277
Others	13,145	5,610
	<b>111,240</b>	<b>235,417</b>

## 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:

	<b>30-June 2020 (Unaudited)</b>	<b>30-June 2019 (Unaudited)</b>
	(In Thousands)	
Current Income Tax Expense	<b>388,640</b>	487,505
Deferred Income Tax Expense	<b>(125,653)</b>	295,964
Income tax expense recognized in statement of profit or loss	<b>262,987</b>	<b>783,469</b>

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## 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 P37.21 billion loans outstanding as of June 30, 2020, P2.49 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, 2020	+200	P49,767
	-200	(49,767)

#### *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)**

	<b>30-June 2020 (Unaudited)</b>		<b>31-December 2019 (Audited)</b>	
	<b>Carrying Values</b>	<b>Fair Values</b>	<b>Carrying Values</b>	<b>Fair Values</b>
	(In Thousands)			
Cash and cash equivalents	<b>3,859,368</b>	<b>3,859,368</b>	4,773,621	4,773,621
Contracts receivables	<b>1,530,207</b>	<b>1,558,772</b>	1,446,192	1,446,192
Other receivables	<b>4,000,175</b>	<b>4,000,175</b>	3,102,300	3,102,300
Long-term debt	<b>65,116,172</b>	<b>63,469,548</b>	63,412,920	59,027,722

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.

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

### **Results of operations for the six months ended June 30, 2020 compared to six months ended June 30, 2019**

For the six months ended June 30, 2020, FLI's net income from its business segments registered a decline of 23.13% or ₱727.26 million from ₱3,144.26 million in 2019 to ₱2,417.00 million in 2020. The decline is generally due to the impacts of Taal volcano eruption in January and quarantines (ECQ, MECQ, GCQ) imposed due to Covid-19 pandemic beginning March 17, 2020 in several regions of the country.

#### ***Revenues***

Total consolidated revenues is lower by 30.18% or ₱3,810.44 million, from ₱12,623.89 million in 2019 to ₱8,813.45 billion in 2020. The said decline is attributed mainly to the 45.93% or ₱3,869.95 million decline in real estate sales, from ₱8,426.18 million in 2019 to ₱4,556.23 million in 2020.

Rental and related services increased by 1.00% or ₱33.94 million from ₱3,387.61 million to ₱3,421.55 million. This higher rental revenue is attributed to the increase in occupancy of office spaces, mainly in Filinvest Axis Tower 1 and Tower 2, Cebu Cyberzone and Vector 2. The renewal of contracts at escalated rates is contributed to the increase mitigated by the decrease in rental income from malls and other commercial centers due to their closure during quarantine periods.

Interest income for the six months ended June 30, 2020 decreased by 38.51% or ₱119.64 million, from ₱310.64 million in 2019 to ₱191.01 million in 2020. The decrease was due to lower interest income generated from in house installment contracts receivable and lower collections attributable to buyers' payment extension. Other income also decreased by 52.75% or ₱124.18 million, from ₱235.42 million in 2019 to ₱111.24 million in 2020 mainly due to the deconsolidation of Pro-Excel Property Managers, Inc. (Pro-Excel; a then subsidiary) effective on December 26, 2019. Pro-Excel was deconsolidated from the buy-out of ownership in Pro-Excel by Filinvest Alabang, Inc. (FAI) from CPI and FCI.

The Group's equity in net earnings of associates increased by 102.02% or ₱269.38 million, from ₱264.04 million in 2019 to ₱533.42 million in 2020 due to higher net income reported by FAI.

#### ***Costs***

Cost of real estate sales decreased by 45.94% or by ₱2,280.68 million, from ₱4,964.86 million in 2019 to ₱2,684.18 million in 2020. The lower cost was due to lower real estate sales booked in 2020.

Cost of rental and related services also decreased by 12.56% or ₱98.22 million, from ₱782.00 million in 2019 to ₱683.78 million in 2020. This is mainly due to lower costs of operations from the interruption of mall operations.

#### ***Gross Profit***

Gross profit margin for real estate sales is at 41.09% in 2020 and 41.08% in 2019 while gross profit margin on rental and related services is at 80.02% in 2020 and 76.92% in 2019.

#### ***Expenses***

General and Administrative expenses decreased by 17.14% or ₱178.85 million, from ₱1,043.46 million in 2019 to ₱864.61 million in 2020 mainly due to lower salaries expenses as a result of lower manpower this year compared to last year.

Selling and marketing expenses went down by 26.73% or ₱176.96 million, from ₱662.04 million in 2019 to ₱485.08 million in 2020 primarily due to lower commissions and marketing and sales-related activities as a result lower sales relative to quarantine restrictions imposed throughout the country.



Interest and other finance charges increased by 13.83% or ₱172.09 million, from ₱1,243.80 million in 2019 to ₱1,415.81 million due to lower interest capitalized as part of land development and real estate projects under construction. These capitalized interest will be charged to net income once sold.

Provision for income tax decreased by 66.43% or ₱520.48 million, from ₱783.47 million in 2019 to ₱262.99 million in 2020 as a result of lower taxable income.

*Financial Condition as of June 30, 2020 compared to as of December 31, 2019*

As of June 30, 2020, FLI's total consolidated assets stood at ₱177,660.91 million, higher by 2.28% or ₱3,964.48 million than the ₱173,696.43 million total consolidated assets as of December 31, 2019. The following are the material changes in account balances:

***19.26% Decrease in Cash and cash equivalents***

The decrease is mainly due to capital outlays amounting to ₱1,531.13 million. Repayments of principal loans and interest were negated by loan drawdowns.

***3.59% Decrease in Contracts assets and receivables***

Decrease in contracts receivables is due to collections from customers mitigated by additional receivables recognized thru realized real estate sales.

***28.94% Increase in Other Receivables***

The increase is due to the receivables mainly from CPI tenants amounting to ₱900.00 million.

***4.35% Increase in Real Estate Inventories***

The increase is primarily due to lower realized cost of real estate sales for the period.

***0.49% Decrease in Property and Equipment***

The decrease was mainly due to higher depreciation for the period mitigated by additions during the year.

***24.64% Increase in Contract Liabilities***

The increase in this account is due to high customer reservations received during the period June 30, 2020 and collection on contracts not yet qualified for revenue recognition.

***34.93% Decrease in Due to Related Parties***

The decrease in due to related party transactions is due to regular settlement of charges between the parent and subsidiaries.

***25.43% Decrease in Income Tax Payable***

The decrease in income tax payable is due to lower provision for income tax for the period.

***4.73% Increase in Loans Payable***

The increase is due to new loan drawdowns amounting to ₱5,257.73 million mitigated by principal loan repayments of ₱3,661.50 million.

### **Performance Indicators**

<b>Financial Ratios</b>	<b>Particulars</b>	<b>As of and for the six months ended June 30, 2020</b>	<b>As of and for the six months ended June 30, 2019</b>
Earnings per Share	Basic <sup>1</sup> (not annualized)	<b>0.09</b>	0.13
Earnings per Share	Basic <sup>1</sup> (annualized)	<b>0.19</b>	0.26
Debt to Equity Ratio	<u>Notes Payable &amp; Long-term Debt</u> Total Stockholder's Equity	<b>0.88</b>	0.89
Debt Ratio	<u>Total Liabilities</u> Total Assets	<b>0.59</b>	0.59
EBITDA to Total	<u>EBITDA (not annualized)</u> Total Interest Paid	<b>2.86</b>	3.71
Price Earnings Ratio	<u>Closing Price of Share</u> <sup>2</sup> Earnings Per share (annualized)	<b>5.22</b>	7.35

<sup>1</sup>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.

<sup>2</sup>Closing price of share used is the latest closing stock rate per PSE Edge as at June 30, 2020 and 2019 of ₱0.99 per share and ₱1.88 per share, 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 into 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 a number of 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, 2020, the Parent Company had a land bank of approximately 1,897 hectares of raw land for the development of its various projects, including approximately 199 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 as of June 30, 2020 are set out in the table below:

<b>FLI Land Bank as of June 30, 2020</b>				
<b>In Hectares</b>				
<b>Location</b>	<b>Company Owned</b>	<b>Under Joint Venture</b>	<b>Total</b>	<b>% to Total</b>
<b>Luzon</b>				
Metro Manila	32.7	-	32.7	1.7%
Rizal	689.6	9.2	698.8	36.8%
Bulacan	252.1	-	252.1	13.3%
Bataan	12.3	-	12.3	0.6%
Pampanga	-	23.3	23.3	1.2%
Camarines Sur	1.9	-	1.9	0.1%
Pangasinan	3.5	-	3.5	0.2%
Cavite	299.5	58.8	358.3	18.9%
Laguna	227.1	0.7	227.8	12.0%
Batangas	45.6	42.1	87.7	4.6%
	<b>1,564.3</b>	<b>134.1</b>	<b>1,698.5</b>	<b>89.6%</b>
<b>Visayas</b>				
Cebu	21.9	35.5	57.4	3.0%
Negro Occidental	4.7	-	4.7	0.2%
	<b>26.5</b>	<b>35.5</b>	<b>62.1</b>	<b>3.3%</b>
<b>Mindanao</b>				
Davao	5.2	29.6	34.8	1.8%
South Cotabato	101.3	-	101.3	5.3%
	<b>106.5</b>	<b>29.6</b>	<b>136.1</b>	<b>7.2%</b>
<b>Total</b>	<b>1,697.3</b>	<b>199.3</b>	<b>1,896.6</b>	<b>100.0%</b>

### 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 is to be developed into a modern urban center consisting of residential, office, commercial, hotel and leisure buildings and a public promenade which is one kilometer long waterfront lifestyle strip that will offer a range of seaside leisure activities. The remaining 40-hectares will be developed into 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 into 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 of time.

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.

As of February 27, 2019, such payment has not been received and no formal and definitive legal proceeding has been undertaken by the parties on this matter. Consequently, as of said date, the DSI remains valid and Filinvest Consortium has the sole and rightful claim over the property.

The 19.2-hectare property mentioned above is a separate property from the other two 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, 2019, 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, 2019 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 reconstitute 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, 2020 with the full payment and the signing of the Deed of Absolute Sale. The Filinvest Consortium paid on December 17, 2019 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.

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 and Mandaluyong City.

In 2019, FLI acquired from various third-party sellers parcels of land in Taguig City, Cainta, Rizal, San Rafael, Bulacan, Dagupan City, Pangasinan, Naga City, Camarines Sur, Dumaguete City, Negros Oriental, Davao City, General Santos City, South Cotabato.

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

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 on-going high-rise condominiums projects:

### **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 on-going high-rise condominium projects:

#### *The Linear*

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

#### *Studio City*

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

Since it is located within 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. The development consists of 18-storeys per building with commercial units at the ground floor. All residential floors will have 25 studio units per floor. Studio Tower 5 is under construction.

#### *The Levels*

Located at one of the highest points of Filinvest City at around 23 meters above sea level, *The Levels* is a one-block, four-tower residential condominium development that features laidback suburban living inside a fast-paced business district. The residential development is set in a tropical landscape, with four towers uniquely designed with terracing levels, giving it a castle-effect look. The high-rise sections will be set in lush greenery, providing residents with views of the gardens. The second tower was launched in 2018.

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

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

PROJECT	LOCATION
<b>HORIZONTAL</b>	
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

PROJECT	LOCATION
Enclave	Muntinlupa
New Leaf	Cavite
Mira Valley	Rizal
Hampton Orchard	Pampanga
Futura Mira	Calamba
Futura Plains	Rizal
Tropics 4	Cainta
<b>MRB</b>	
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
<b>HRB</b>	
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, both from debt financing and 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 2020, FLI intends to retain its dominant position as the leader in MRB projects by launching 7 new projects nationwide and 19 additional buildings of existing projects. Aside from the MRBs, FLI has pipelined 12 horizontal residential projects and 2 HRB projects.

FLI has the following investment properties for lease:

## **Commercial Retail Leasing Properties**

### *Festival Mall Alabang*

The landmark project, Festival Mall Alabang, 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 altered the retail experience in the south. It is one of the country's largest shopping malls with more than 1,500 shops.

As the existing mall continued to have major improvements undertaken for its facilities, architectural works that gave the mall a refreshed look and modernized ambiance complementing the opening of its expansion. Festival Mall opened its doors for Decathlon, a French sporting goods retailer with approximately 5,000 sq. m of leasable space, which added to the roster of anchors pulling in a drove of shoppers from catchments all over Luzon.

Simultaneously, the tenants of the mall expansion with over 46,000 sq. m of gross leasable area have gradually opened beginning 2017 bringing in a mix of fashion and food concepts. Another French sports retail giant opened the first ever Go Sport store in Southeast Asia 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 markets and strengthening traffic of its core target market. Festival Mall Expansion's new supermarket and department store partner anchor, Landmark, occupying around 50,000 sq. m of floor area, opened during the second half of 2017, further made the mall and Filinvest City's traffic more dynamic. Festival patrons are also enjoying the Water Garden, a distinctly refreshing outdoor amenity and convergence zone.

Before end of 2017, two new additional malls, Fora in Tagaytay and Main Square in Bacoar, have opened which contributed more than 50,000 sq. m of leasable space.

### *Fora Mall*

Conveniently located right by the city's landmark, Tagaytay Rotunda is Fora Mall, the first regional mall in the area fronting a mixed-use leisure development consisting of a condotel and residential buildings. This prime retail destination provides about 31,000 sq. m of leasable space amidst nature, open spaces, and a beautifully-landscaped amphitheater, primarily serving the strengthening local market and burgeoning tourist influx from the city and neighboring towns. A number of local and popular food concepts, coupled with national brands, have initially opened. A strong wellness category is also in place and junior anchors such as Ace Hardware, Abenson and La Sedia. Super Metro, its anchor, opened in June 2017 with the first hypermarket format operating for 24 hours. The four digital cinemas launched last November 2017 is now the locals' go to place 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 Bacoar Blvd, close to Bacoar City Hall and fronting Princeton Heights. Positioned as the reliable one-stop hub for neighboring gated villages of Bacoar, 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 supermarket anchor for this development is Robinsons Supermarket, which has become the most convenient basic shopping destination in the area.

### *Il Corso*

Il Corso is a planned retail development with an estimated 35,000 sq. m of leasable area when fully completed. It currently has four operating restaurants and one bank. The cinema has also opened. Other areas are expected to be operational within the year.

## **Commercial Office Properties**



As of March 31, 2020, the Group owns commercial office spaces for lease to several BPO and other office locators. Primarily, they are located in Northgate Cyberzone in Filinvest City, Alabang, Muntinlupa. Northgate is an 18-hectare PEZA zone that enjoys developer incentives. Among the Group's portfolio is the PBCom tower where FLI owns 60.0% through a 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 on Ayala Avenue, Makati City with a GLA of 35,148 sq.m.

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

<b>Location</b>	<b>Number of Buildings</b>	<b>GLA (sq. m.)</b>
Northgate Cyberzone, Filinvest City	19	327,553
Metro Manila outside of Filinvest City	7	122,668
Outside Metro Manila	4	73,697
<b>Total</b>	<b>31</b>	<b>523,918</b>

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 located in a major business park allow the tenants assurance of expansion options within close 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.
- Cebu Cyberzone and Filinvest IT Park are two distinct developments on two separate BTO arrangements with the Cebu Province. The two parcels of land totaling 2.9 hectares are in close proximity to the city center located along Banilad and Salinas Avenue in Cebu. Together they comprise seven office towers, a mall and a hotel development. The office and mall portions are pre-certified LEED Gold rating.
- Filinvest Cyberzone Bay City, a four-tower office complex in the bustling section of the Bay Area. Its four towers are already completed and operating, and fully leased by POGOs. The complex is also certified LEED Silver rating.

Buildings under construction:

- Studio 7 is a two-tower mixed-use complex comprising of residential and office buildings on a retail podium. Located along major thoroughfare EDSA in Quezon City, it is strategically located close to the GMA Kamuning Metro Rail Transit 3 Station. Expected completion of this project is at the end of 2020.
- One Filinvest Ortigas is envisioned to be the preferred premium office accommodation in Ortigas Center for discriminating corporate and outsourcing space takers. Rising as a prominent structure in the heart of Ortigas CBD, along ADB and Ortigas Avenues, this new intelligent LEED Gold-certified building will cater to both traditional and business process outsourcing offices.
- Activa is a 1.3 hectare mixed use development at the corner of EDSA and Aurora Boulevard and lies in close proximity to the Cubao LRT and Cubao MRT Stations. The development will have

the following: BPO office tower, a traditional office tower, residential tower, hotel and a retail mall. The designs for the BPO office and mall portions are pre-certified with LEED Gold rating. Expected completion of this project is in 2024.

### **Registration with the Board of Investments (BOI)**

As of the date of this report, FLI has registered the following projects with the BOI under the Omnibus Investments Code of 1987 (Executive order No. 226):

<b>Name</b>	<b>Reg. No.</b>	<b>Date Registered</b>	<b>Type of Registration</b>
Studio A	2016-008	08-Jan-2016	New Developer of Low-Cost Mass Housing Project
Meridian Place	2016-030	05-Feb-2016	New Developer of Low-Cost Mass Housing Project
Bali Oasis (Banjar)	2016-031	05-Feb-2016	New Developer of Low-Cost Mass Housing Project
Anila Park Townhomes	2016-052	07-Mar-2016	New Developer of Low-Cost Mass Housing Project
Futura Homes, San Pedro	2016-053	07-Mar-2016	New Developer of Low-Cost Mass Housing Project
One Spatial (Richmond)	2016-244	01-Dec-2016	New Developer of Low-Cost Mass Housing Project
One Spatial Iloilo	2016-243	01-Dec-2016	New Developer of Low-Cost Mass Housing Project
Futura Homes Mactan Subdivision	2016-270	27-Dec-2016	New Developer of Low-Cost Mass Housing Project
One Spatial Victoria	2017-030	27-Jan-2017	New Developer of Low-Cost Mass Housing Project
Studio 7	2017-031	27-Jan-2017	New Developer of Low-Cost Mass Housing Project
8 Spatial Davao Bldgs. 1&2	2017-047	28-Feb-2017	New Developer of Low-Cost Mass Housing Project
8 Spatial Davao Bldg. 3	2017-130	23-May-2017	Expanding Developer of Economic and Low-Cost Housing Project
8 Spatial Davao Bldg. 4	2017-131	23-May-2017	Expanding Developer of Economic and Low-Cost Housing Project
Marina Spatial Marina Town Bldg. A	2017-129	23-May-2017	New Developer of Low-Cost Mass Housing Project
One Oasis CDO Bldg. 2	2017-184	23-May-2017	Expanding Developer of Economic and Low-Cost Housing Project
Ventura Real	2017-298	08-Nov-2017	New Developer of Economic and Low-Cost Housing Project
Meridian Place Phase 2	2017-354	22-Dec-2017	Expanding Developer of Economic and Low-Cost Housing Project
Savannah Fields 1	2017-355	22-Dec-2017	New Developer of Economic and Low-Cost Housing Project
Savannah Fields 4A	2017-357	27-Dec-2017	Expanding Developer of Economic and Low-Cost Housing Project
Valle Dulce Phase 2	2017-356	27-Dec-2017	Expanding Developer of Economic and Low-Cost Housing Project
New Fields	2018-016	22-Jan-2018	New Developer of Economic and Low-Cost Housing Project

<b>Name</b>	<b>Reg. No.</b>	<b>Date Registered</b>	<b>Type of Registration</b>
Futura Homes Palm Estates	2018-156	20-Jul-2018	New Developer of Economic and Low-Cost Housing Project
Futura Homes Zamboanga	2018-200	24-Sep-2018	New Developer of Economic and Low-Cost Housing Project
New Leaf	2019-054	20-Mar-2019	New Developer of Economic and Low-Cost Housing Project
Sandia Homes 2	2019-136	27-Jul-2019	Expanding Developer of Economic and Low-Cost Housing Project
8 Spatial Davao Bldg. 5	2019-182	26-Sep-2019	Expanding Developer of Economic and Low-Cost Housing Project
Marina Spatial Bldg. 2	2019-259	02-Dec-2019	Expanding Developer of Economic and Low-Cost Housing Project

#### Item 4. Other Disclosures

1. Except as disclosed in the Notes to 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 were prepared in accordance with PAS 34 (PAS 34, par. 19).
3. The Company's unaudited interim consolidated financial statements do not include all of the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated annual financial statements as of and for the year ended December 31, 2019 (PAS 34, par 15).
4. 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, 2019.
5. 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 which started to occur in the Philippines in January of 2020 and accelerated by March has caused disruptions in the Company's operations. On March 15, the Philippine government implemented a "Community Quarantine" in Metro Manila. On March 17, 2020, the government expanded the scope with an "Enhanced Community Quarantine (ECQ)" "Modified Enhanced Community Quarantine (MECQ)" and "General Community Quarantine (GCQ)", in several regions of the country which effectively restricted movement and mandated the temporary closure of non-essential shops and businesses. The company expects that these developments are unfavorable to the company'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 as a result of 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
6. 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 Company within the next 12 months.
7. There are no changes in estimates of amounts reported in prior year (2019) that have material effects in the current interim period.
8. 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.

9. 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, 2020 up to the date of this report that have not been reflected in the financial statements for the interim period.
10. There are no changes in contingent liabilities or contingent assets since December 31, 2019.
11. There are no material contingencies and any other events or transactions affecting the current interim period.
12. The Company 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 Company's payables that have not been paid within the stated trade terms.
13. There are no significant elements of income that did not arise from the Company's continuing operations.
14. There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Company.
15. Except for those discussed above, there are no material changes in the financial statements of the Company from December 31, 2019 to June 30, 2020.

- a) On 11 June 2020, the Board of Directors approved the Declaration of Cash Dividends as follows:

	<u>Common Shares</u>		<u>Preferred Shares</u>	
	<u>Tranche 1</u>	<u>Tranche 2</u>	<u>Tranche 1</u>	<u>Tranche 2</u>
	(In Php per share)		(In Php per share)	
Regular Cash Dividends	0.02590	0.02590	0.00032	0.00032
Special Cash Dividends	0.00650	0.00650	-	-
Record Date	10-Jul-2020	16-Nov-2020	10-Jul-2020	16-Nov-2020
Payment Date	05-Aug-2020	11-Dec-2020	05-Aug-2020	11-Dec-2020

16. 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.
17. Events after the reporting date
  - a) Plan Bond Offerings  
On 15 July 2020, the Board of Directors authorized the Company to file with the Securities and Exchange Commission (SEC) for the shelf registration of the planned issuance of fixed-rate peso denominated retail bonds.
18. Please refer to Annex A for the Aging Schedule for the Company's receivables as of June 30, 2020. Annex B are Supplementary Information and Disclosures required on SRC rules 68 and 68.1 as amended for the six months ended June 30, 2020.
19. There are 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, 2020

	Current	1-30 days	31-60 days	61-90 days	91-120 days	>120 days	Total
<b>Type of Account Receivable</b>							
a) Mortgage, Notes & Installment Contract Receivable							
1. Installment Contracts Receivable	1,530,207	-	-	-	-	-	1,530,207
2. Receivable from Financing Institutions	193,918	-	-	-	-	-	193,918
Sub-total	1,724,125	-	-	-	-	-	1,724,125
b) Other Receivables	4,000,447	-	-	-	-	-	4,000,447
Net Receivables	5,724,572	-	-	-	-	-	5,724,572

#### Account Receivable Description

##### Type of Receivables

Installment contracts receivables

#### Nature/Description

This is the Company'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.

#### Collection Period

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 advances for expenses/accommodations made by the Company in favor of officers and employees.

1 to 2 years

Normal Operating Cycle: 12 calendar months

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

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**Supplementary Schedules**

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

## Schedule A

### **FILINVEST LAND, INC. AND SUBSIDIARIES**

#### **Supplementary Schedule of Financial Assets 30 June 2020**

Below is the detailed schedule of the Group's financial assets in equity securities as of June 30, 2020:

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)				
<b>Financial assets at FVTOCI</b>				
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	-
		<b>15,622</b>	<b>15,622</b>	-

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 2020**

The Group does not have advances to employees with balances above ₱1,000,000 as of June 30, 2020.

#### 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, 2020:

	Relationship	Nature	30-June 2020	31-December 2019
(In Thousands)				
Filinvest Alabang, Inc	Associate	A, C, D	229,643	340,119
FOR A Services, Inc.	Affiliate	A	90,314	90,363
AG Foundation, Inc.			572	0
Pro-excel Property Management, Inc.	Associate	A	79,707	79,529
Filinvest Mimosa, Inc.	Associate	A, C	83,506	68,103
Nature Specialists, Inc.	Associate	A	76,774	76,028
East West Banking Corporation	Affiliate	A	12,357	21,183
Davao Sugar Central Corp.	Affiliate	A	5,794	5,853
Chroma Hospitality, Inc.	Affiliate	A	5,144	5,692
GCK Realty	Affiliate	C, D	235	235
FDC Utilities, Inc.	Affiliate	A	160	155
Mimosa Cityscapes, Inc.	Affiliate	A	91	153
FDC – Misamis Power Corp.	Affiliate	A	112	105
ALG Holdings, Corp.	Ultimate Parent	A	118	93
Propel Realty Corp	Affiliate	A	29	29
Filinvest Corporate City	Affiliate	A	11	11
Boracay Seascapes Resort, Inc.	Affiliate	A	2	9
Duawon Seascapes Resort Inc.	Affiliate	A	3	3
Dumaguete Cityscapes, Inc.	Affiliate	A	3	3
Filinvest Hospitality Corporation	Affiliate	A	488	0
FDC Forex Corp.	Affiliate	A	1	1
			585,064	687,667

#### *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 2020**

Below is the schedule of receivables (payables) with related parties which are eliminated in the consolidated financial statements as of June 30, 2020. All are noninterest-bearing and to be settled within the year:

		Volume of Transactions	Receivable (Payable)
		(In Thousands)	
Property Maximizer Professional Corporation	Share in Expenses	7,009	124,332
	Marketing Fee Expenses	21,084	
Filinvest All Philippines, Inc.	Share in expenses	(12,477)	(96,095)
Homepro Realty Marketing, Inc.	Share in expenses	1,575	792,916
Leisurepro, Inc.	Share in expenses	1,996	8,419
Property Leaders International, Ltd.	Share in expenses	-	111
Proleads Philippines, Inc.	Share in expenses	3,262	21,359
Realpros Philippines, Inc.	Share in expenses	2,373	12,795
Dreambuilders Pro, Inc.	Share in expenses	69,760	176,602
Property Specialist Resources, Inc.	Share in expenses	7,820	7,843
Festival Supermall, Inc. (Management)	Share in expenses	(5,345)	(15,846)
FSM Cinemas, Inc.	Share in expenses	12,703	9
Filinvest Lifemalls Corporation	Share in expenses	(2)	1
Filinvest Lifemalls Tagaytay, Inc.	Share in expenses	(6,826)	1,272,663
Timberland Sports and Nature Club	Share in expenses	145	16,646
Cyberzone Properties, Inc.	Share in Expenses	28,239	441,052
	Rental Income	152,794	
Filinvest Cyberparks, Inc.	Share in expenses	227,561	(734,879)
Filinvest Clark Green City Corporation	Share in expenses	169,615	188,125
Filinvest BCDA Clark, Inc.	Share in expenses	5	3,169
Filinvest Lifemalls Mimosa, Inc.	Share in expenses	-	210
Filinvest Cyberzone Mimosa, Inc.	Share in expenses	60,709	2,753,346
Filinvest Asia Corporation	Share in expenses	4	(9)
Philippined DCS Development Corporation	Share in expenses	(1,014)	1,009
Gintong Parisukat Realty & Devt Corp.	Share in expenses	926	8,147
		741,917	4,981,923

## 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 2020**

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

	31-December 2019	Additions	Collections	30-June 2020
	(In Thousands)			
Property Maximizer Professional Corporation	129,764	(5,432)	-	124,332
Filinvest AII Philippines, Inc.	(83,618)	7,523	(20,000)	(96,095)
Homepro Realty Marketing, Inc.	791,341	1,575	-	792,916
Leisurepro, Inc.	6,423	1,996	(0)	8,419
Property Leaders International, Ltd.	111	-	-	111
Proleads Philippines, Inc.	18,097	3,317	(55)	21,359
Realpros Philippines, Inc.	10,422	2,373	(0)	12,795
Dreambuilders Pro, Inc.	106,842	69,760	0	176,602
Property Specialist Resources, Inc.	23	7,977	(157)	7,843
Festival Supermall, Inc. (Management)	(10,501)	(5,345)	-	(15,846)
FSM Cinemas, Inc.	(12,694)	12,705	(2)	9
Filinvest Lifemalls Corporation	2	-	(2)	1
Filinvest Lifemalls Tagaytay, Inc.	1,279,490	5	(6,831)	1,272,663
Timberland Sports and Nature Club	16,501	145	0	16,646
Cyberzone Properties, Inc.	412,813	28,240	(0)	441,052
Filinvest Cyberparks, Inc.	(970,536)	231,609	(4,048)	(734,879)
Filinvest Clark Green City Corporation	18,509	169,615	0	188,125
Filinvest BCDA Clark, Inc.	3,164	0	5	3,169
Filinvest Lifemalls Mimosa, Inc.	210	-	-	210
Filinvest Cyberzone Mimosa, Inc.	2,692,636	60,763	(53)	2,753,346
Filinvest Asia Corporation	(13)	4	(0)	(9)
Philippined DCS Development Corporation	2,023	83	(1,097)	1,009
Gintong Parisukat Realty & Devt Corp.	7,221	926	0	8,147
Proworks	1		(1)	0
	<b>4,418,230</b>	<b>587,838</b>	<b>(32,241)</b>	<b>4,981,923</b>

The intercompany transactions between FLI and the subsidiaries pertain to share in common expenses, rental charges, marketing fee and management fee. 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 2020**

As of June 30, 2020, the Group's intangible assets consist of Goodwill. Goodwill in the Group's consolidated statements of financial position arose from the acquisition of two major businesses consisting of :

	<b>30-June 2020 (Unaudited)</b>
	(In Thousands)
Festival Supermall, Inc.	<b>3,745,945</b>
FAC	<b>494,744</b>
CPI	<b>326,553</b>
	<b>4,567,242</b>

## Schedule E

### **FILINVEST LAND, INC. AND SUBSIDIARIES**

#### **Supplementary Schedule of Long-term Debt 30 June 2020**

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

<b>Type of Obligation</b>	<b>Amount</b>	<b>Current</b>	<b>Noncurrent</b>
	<b>(In Thousands)</b>		
<b><u>Developmental loans</u></b>			
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.	P277,948	P-	P
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.	199,832		
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.	297,825		297,825
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	-	
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.	300,000		300,000
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 5.5072% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in March 2025.	496,426	-	496,426
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.	496,427	-	496,427
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.	198,571	-	198,571
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.	372,434	-	372,434
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 12 equal quarterly amortizations to commence in April 2022 and 50% is payable at maturity in October 23 2024.	993,125		993,125
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.	421,604	-	421,604
Unsecured loan obtained in January 2020 with interest rate equal to 5.32% per annum (fixed rate for 5 years), payable quarterly	500,000	-	500,000

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
in arrears. The 50% principal is payable in 12 equal installments starting April 2022 and the remaining 50% balance is payable in January 2025.			
Unsecured loan obtained in June 2016 with interest rate equal 3.91% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal installments starting September 2018 and the remaining 50% balance is payable in June 2021.	333,333	333,333	0
Unsecured loan obtained in August 2013 with interest rate equal to 4.24% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% balance of principal is payable in 20 equal quarterly installments starting November 2015 and the remaining 50% balance is payable in August 2020.	262,500	262,500	-
Unsecured loan obtained in December 2013 with interest rate equal to 4.58% 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 December 2015 and 50% is payable at maturity in December 2020.	367,500	367,500	-
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 amortization to commence in October 2018 and 50% is payable at maturity in July 2021.	247,917	58,333	189,583
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.	437,500	70,000	367,500
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 on September 2021 and 50% payable at maturity on June 2024.	500,000	-	500,000
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.	375,000	50,000	325,000
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	-	300,000
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	-	500,000
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		300,000
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.	375,000	60,000	315,000
Unsecured loan obtained in February 2016 with interest rate equal to 5.10% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly	124,883	124,883	-

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
amortizations to commence in May 2018 and 50% is payable at maturity in February 2021.			
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 amortization to commence in June 2019 and 50% is payable at maturity in March 2022.	394,958	83,333	311,625
Unsecured loan obtained in May 2016 with interest rate equal to 4.35% per annum (fixed rate for 5 years). The 50% of principal is payable in 12 equal amortization to commence in August 2018 and 50% is payable at maturity in May 2021.	266,333	266,333	-
Unsecured loan obtained in August 2015 with interest rate equal to 5.11% per annum (fixed rate for 5 years). The 50% of principal is payable in 12 equal quarterly amortizations to commence in November 2017 and 50% is payable at maturity in August 2020.	27,083	27,083	-
Unsecured loan obtained in September 2015 with interest rate equal to 4.67% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in September 2020.	600,000	600,000	-
Unsecured loan obtained in December 2016 with interest rate equal to 5.45% 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.	187,048	18,750	168,298
Unsecured loan obtained in September 2015 with interest rate equal to 4.50% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in December 2017 and 50% is payable at maturity in September 2020.	270,833	270,833	-
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.	365,667	66,667	299,000
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 amortization to commence on September 2020 and 94% is payable maturity on June 2023.	497,813	10,000	487,813
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.	998,622	-	998,622
Unsecured loan obtained in June 2019 with interpolated rate of 5.05%, payable quarterly in arrears. The principal is payable at maturity on June 2024.	1,987,780	-	1,987,780
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.	594,735	69,909	524,826
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.	565,922	132,702	433,220
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	1,104,394	129,786	974,608

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
and 50% is payable at maturity in October 2023.			
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.	1,494,337	185,110	1,309,227
Unsecured loan obtained in June 2016 with interest rate equal to 3.90% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in June 2021.	998,957	-	998,957
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.	1,988,399	-	1,988,399
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.	149,761	-	149,761
Unsecured loan obtained in May 2016 with interest rate equal to 4.29% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in May 2021.	999,056	-	999,056
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.	2,982,581	-	2,982,581
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.	499,188	-	499,188
Unsecured loan obtained in October 2013 with interest rate equal to 91-day PDS Treasury Reference Rate (PDST-R2) plus margins, plus GRT, payable quarterly in arrears. The 50% of principal is payable in 19 equal quarterly amortizations to commence in January 2016 and 50% is payable at maturity on October 2020.	289,411	289,411	-
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.	498,670	66,263	432,407
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.	1,988,366	-	1,988,366
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.	468,564	62,436	406,128
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.	977,912	8,954	968,958
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.	1,492,925	-	1,492,925



Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
Unsecured loan obtained in August 2019 with interest rate equal to 91-day Bloomberg Valuation Service Rate (BVAL Rate) plus margins, payable quarterly in arrears. The principal is payable at maturity in August 2020.	496,885	496,885	-
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.	496,706	-	496,706
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.	993,535	-	993,535
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.	993,565	-	993,565
Unsecured loan obtained in April 2015 with interest rate equal to 4.13% 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 July 2017 and 50% is payable at maturity in April 2020.			
Unsecured loan obtained in August 2013 with interest rate equal to 4.24% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 20 equal quarterly installments starting November 2015 and the remaining 50% is payable in August 2020.	524,949	524,949	-
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.	154,619	19,857	134,762
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 amortization to commence in December 2018 and 50% is payable at maturity in September 2021.	53,038	12,425	40,613
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 amortization to commence in May 2019 and 50% is payable at maturity in February 2022.	79,008	16,567	62,442
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 amortization to commence in October 2019 and 50% is payable at maturity in July 2022.	152,775	28,992	123,783
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 amortization to commence in June 2019 and 50% is payable at maturity in March 2022.	197,500	41,417	156,083
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
	<b>₱37,209,719</b>	<b>₱4,755,212</b>	<b>₱31,476,727</b>
<b>Bonds</b>			
Fixed rate bonds with aggregate principal amount of P8.00 billion issued by the Group on August 20, 2015. This comprised of	7,967,145	-	7,967,145

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
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.			
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.	6,988,920	4,299,866	2,689,054
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.	6,982,602	-	6,982,602
Fixed rate bonds with principal amount of P6.00 billion and term of 5.5 years from the issue date was issued by the Company on July 7, 2017 to mature in January 2023 with fixed interest rate is 5.05% per annum.	5,967,786	-	5,967,786
	<b>₱ 27,906,453</b>	<b>₱ 4,299,866</b>	<b>₱ 23,606,587</b>
	<b>₱ 65,116,172</b>	<b>₱ 9,055,078</b>	<b>₱ 55,083,315</b>

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 into any partnership, merger, consolidation or reorganization.

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

## Schedule F

### **FILINVEST LAND, INC. AND SUBSIDIARIES**

#### **Supplementary Schedule of Indebtedness to Related Parties 30 June 2020**

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, 2020:

	<b>Relationship</b>	<b>Nature</b>	<b>30-June 2020</b>	<b>31-December 2019</b>
(In Thousands)				
Corporate Technologies, Inc.	Associate	A	42,373	28,744
Quest Restaurants Inc.	Affiliate	A	21,773	6,185
Filinvest Development Corp.	Parent Company	A, C	18,068	16,255
Pacific Sugar Holdings, Corp.	Affiliate	A	14,032	15
Entrata Hotel Services, Inc.	Affiliate	A	2,404	2,461
Mactan Seascapes Services, Inc.	Affiliate	A	873	233
Countrywide Water Services, Inc.	Affiliate	A	455	11,293
The Palms Country Club	Affiliate	A	392	390
Filinvest Hospitality Corporation	Affiliate	A	295	
AG Foundation, Inc.	Affiliate	A	56	
Crimson Hotel	Affiliate	A	47	0
ParkingPro, Inc.	Affiliate	A	10	
Proplus, Inc.	Affiliate	A	1	
Seascapes Resort, Inc.	Affiliate	A	—	5
			<b>100,779</b>	<b>65,581</b>

#### *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

**FILINVEST LAND, INC. AND SUBSIDIARIES**

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**Supplementary Schedule of Guarantees of Securities of Other Issuers**  
**30 June 2020**

The Group does not have guarantees of securities of other issuers as of June 30, 2020.

## Schedule H

### **FILINVEST LAND, INC. AND SUBSIDIARIES**

#### **Supplementary Schedule of Guarantees of Capital Stock 30 June 2020**

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	—	15,681,457	48,966	None
Preferred Shares	8,000,000	8,000,000	—	8,000,000	—	None

## Schedule I

### FILINVEST LAND, INC. AND SUBSIDIARIES

#### Supplementary Schedule of Bond Issuances – Securities Offered to the Public 30 June 2020

	2009 P5 Billion Bond	2011 P3 Billion Bond	2012 P7 Billion Bond	2013 P7 Billion Bond	2014 P7 Billion Bond	2015 P8 Billion Bond	2017 P6 Billion Bond
Expected gross and net proceeds as disclosed in the prospectus							
Gross Proceeds	P5,000,000,000	P3,000,000,000	P7,000,000,000	P7,000,000,000	P7,000,000,000	P8,000,000,000	P6,000,000,000
Less: Expenses	63,850,625	34,290,625	97,225,625	67,594,379	82,327,087	85,330,750	68,308,996
Net Proceeds	P4,936,149,375	P2,965,709,375	P6,902,774,375	P6,932,405,621	P6,917,672,913	P7,914,669,250	P5,931,691,004
Actual gross and net proceeds							
Gross Proceeds	P5,000,000,000	P3,000,000,000	P7,000,000,000	P7,000,000,000	P7,000,000,000	P8,000,000,000	P6,000,000,000
Less: Expenses	65,936,000	21,165,000	84,023,040	82,906,997	77,906,937	86,811,468	96,582,653
Net Proceeds	P4,934,064,000	P2,978,835,000	P6,915,976,960	P6,917,093,003	P6,922,093,063	P7,913,188,532	P5,903,417,347
Expenditure items where the proceeds were used							
Land Acquisition	P2,960,438,400	P417,036,900	P249,938,096	P2,965,648,318	P—	P88,961,000	P—
Project Development	1,973,625,600	2,561,798,100	6,666,038,864	1,185,554,209	2,422,093,063	2,888,760,022	—
Investment Property	—	—	—	2,765,890,476	—	4,935,467,510	5,903,417,347
Debt refinancing	—	—	—	—	4,500,000,000	—	—
Net Proceeds	P4,934,064,000	P2,978,835,000	P6,915,976,960	P6,917,093,003	P6,922,093,063	P7,913,188,532	P5,903,417,347
Balance of the proceeds as of December 31, 2017							
Net Proceeds	P4,934,064,000	P2,978,835,000	P6,915,976,960	P6,917,093,003	P6,922,093,063	P7,913,188,532	P5,903,417,347
Capital Expenses	4,934,064,000	2,978,835,000	6,915,976,960	6,917,093,003	2,422,093,063	7,913,188,532	5,903,417,347
Debt refinancing	—	—	—	—	4,500,000,000	—	—
Net Proceeds	P—	P—	P—	P—	P—	P—	P—

**Schedule J****FILINVEST LAND, INC. AND SUBSIDIARIES****Supplementary Schedule of Retained Earnings Available for Dividends Declaration  
30 June 2020**

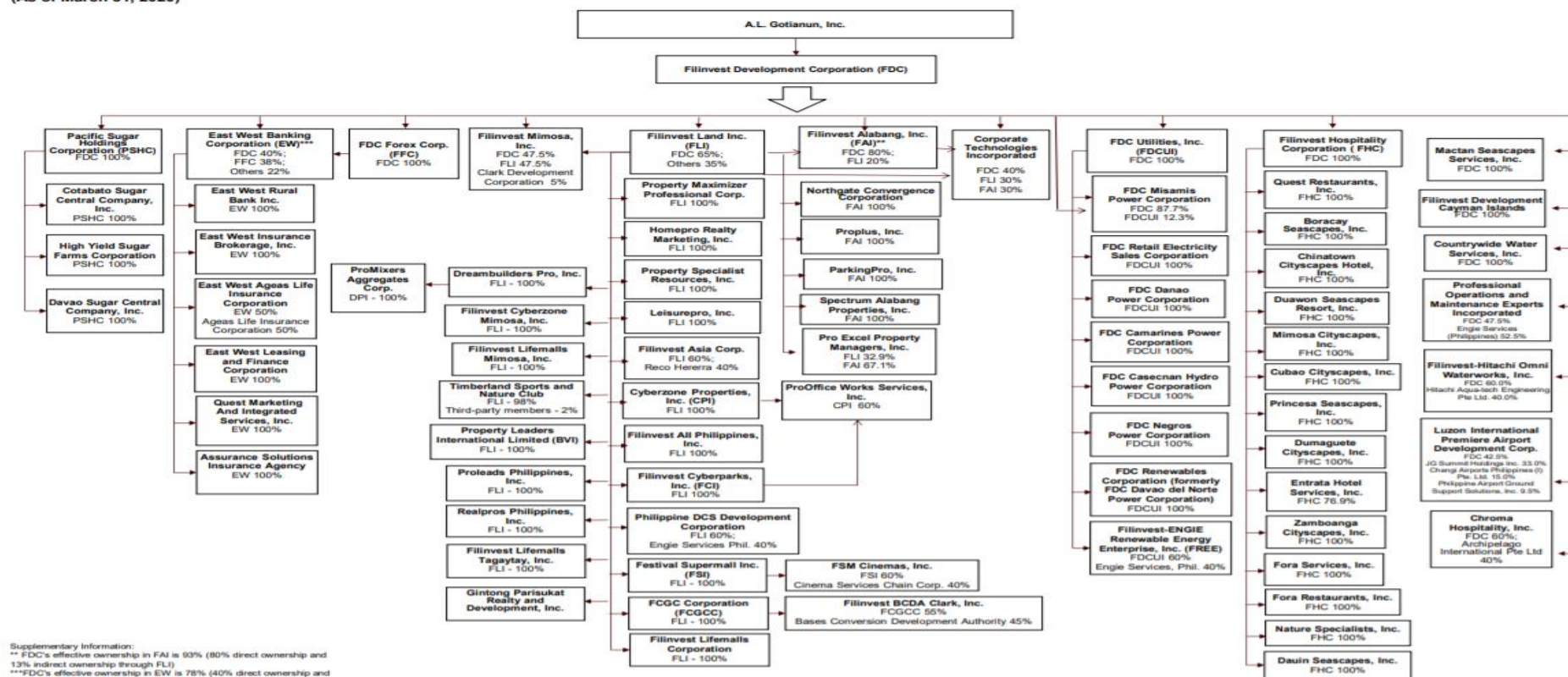
(Amounts in thousands)

<b>Retained Earnings, January 1, 2020, as restated</b>		41,661,647
Adjustments:		
Equity in net earnings of subsidiaries and an associate		(10,559,150)
<b>Unappropriated Retained Earnings, as adjusted, January 1, 2020</b>		31,102,497
<b>Net income based on the face of audited financial statements</b>	1,305,707	
Less: Non-actual/unrealized income net of tax		
Equity in net income of subsidiaries and an associate	(1,790,613)	
Add: Non-actual/unrealized losses net of tax		
Movement in deferred tax assets	61,397	
<b>Net income actual/realized</b>		<b>423,509</b>
Less: Dividend declarations during the year		(1,618,584)
<b>Unappropriated Retained Earnings, as adjusted, June 30, 2020</b>		<b>29,907,422</b>

# 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 2020

A.L. GOTIANUN, INC.  
Group Structure  
(As of March 31, 2020)



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 2020**

<b>Financial Indicators</b>	<b>30-Jun 2020</b>	30-Jun 2019	31-Dec 2019
	<b>(Unaudited)</b>	(Unaudited)	(Audited)
Current Ratio <sup>1</sup>	<b>3.37</b>	4.26	3.2
Long-term Debt-to-Equity ratio, <sup>2</sup>	<b>0.89</b>	0.89	0.88
Debt Ratio <sup>3</sup>	<b>0.59</b>	0.59	0.58
EBITDA to Total Interest Paid <sup>4</sup>	<b>2.86</b>	3.71	3.71
Price Earnings Ratio <sup>5</sup>	<b>5.22</b>	7.35	5.77
Quick Asset Ratio <sup>6</sup>	<b>0.78</b>	0.76	0.76
Solvency Ratio <sup>7</sup>	<b>0.03</b>	0.04	0.07
Interest Coverage Ratio <sup>8</sup>	<b>2.89</b>	4.47	4.32
Net Profit Margin <sup>9</sup>	<b>0.27</b>	0.26	0.25
Return on Equity <sup>10</sup>	<b>0.07</b>	0.09	0.09

<sup>1</sup>Current Assets divided by Current Liabilities<sup>2</sup>Long-term Debt divided by Equity<sup>3</sup>Total Liabilities divided by Total Assets<sup>4</sup>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<sup>5</sup>Closing price divided by Earnings per share<sup>6</sup>Quick Assets (total current assets less inventories) divided by Current Liabilities<sup>7</sup>Net Income before Depreciation (net income plus depreciation) divided by Total Liabilities<sup>8</sup>Earnings before Interest and Other Charges and Income Tax (EBIT) divided by Interest Expense<sup>9</sup>Net Income divided by Revenue<sup>10</sup>Net Income divided by Total Equity<sup>5</sup>Closing price at June 30, 2020. June 30, 2019 and December 31, 2019 is 0.99, 1.88 and 1.50, respectively.

## **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:



**TRISTAN LAS MARIAS**

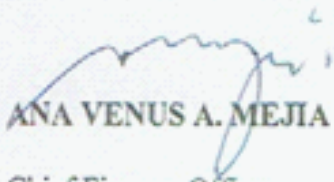
Title:

Executive Vice President / Chief Strategy Officer

Date:

August 4, 2020

Signature:



**ANA VENUS A. MEJIA**

Title:

Chief Finance Officer

Date:

August 4, 2020