

FILINVEST LAND, INC.

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

21 May 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 31 March 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

--

Company's Telephone Number

7918-8188

Mobile Number

--

No. of Stockholders

5,670

Annual Meeting (Month / Day)

Every 2nd to the last Friday
of April Each Year

Fiscal Year (Month / Day)

03/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Ms. Venus A. Mejia

Email Address

venus.mejia@filinvestgrou
p.com

Telephone Number/s

7918-8188

Mobile Number

--

CONTACT PERSON'S ADDRESS

79 EDSA, Brgy. Highway Hills, Mandaluyong City

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

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

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

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

1. For the quarterly period ended **March 31, 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

<u>Title of Each Class</u>	<u>Number of shares of Common Stock Outstanding</u>	<u>Amount of Debt Outstanding (in thousand)</u>
Common Stock, P1.00 par value	24,249,759,506	P64,954,931

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 ☐

TABLE OF CONTENTS

Part 1 – FINANCIAL INFORMATION

Item 1. Financial Statements	Page
Notes to Consolidated Financial Statements	
1. Corporate Information	1
2. Summary of Significant Accounting Policies	1
3. Segment Reporting	3
4. Revenue from Contracts with Customers	5
5. Cash and Cash Equivalents	6
6. Contracts Receivable	6
7. Other Receivables	7
8. Other Current Assets	7
9. Investments in Associates	8
10. Leases	9
11. Other Noncurrent Assets	10
12. Accounts Payable and Accrued Expenses	11
13. Loans Payable	12
14. Bonds Payable	12
15. General and Administrative Expenses	13
16. Selling and Marketing Expenses	13
17. Financial Risk Exposures	14
Item 2. Management Discussion and Analyses of Financial Condition and Results of Operations	17

Part II – OTHER INFORMATION

Item 3. Business Development / New Projects	19
Item 4. Other Disclosures	27

Annex A – FINANCIAL STATEMENTS

Annex B – AGING OF RECEIVABLES

PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements

Please refer to Annex A for the Consolidated Financial Statements of Filinvest Land, Inc. and Subsidiaries covering the three months ended March 31, 2020 and 2019, and year ended December 31, 2019. The Aging Schedule for the Company's receivables as of March 31, 2020 is also presented in Annex B. Also attached are Supplementary Information and Disclosures required on SRC rules 68 and 68.1 as amended for the three months ended March 31, 2020.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

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

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

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

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 three months ended March 31, 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 March 31, 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	March 31, 2020	December 31, 2019
Filinvest AII Philippines, Inc. (FAPI)	Real estate developer	100%	100%
Filinvest BCDA Clark, Inc. (FBCI) ¹	Real estate developer	55%	55%
FCGC Corporation (FCGCC)	Real estate developer	100%	100%
Gintong Parisukat Realty and Development Inc. (GPRDI)	Real estate developer	100%	100%
Homepro Realty Marketing, Inc. (Homepro)	Real estate developer	100%	100%
Cyberzone Properties, Inc. (CPI)	Leasing	100%	100%
Filinvest Asia Corporation (FAC)	Leasing	60%	60%
Filinvest Cyberparks, Inc. (FCI)	Leasing	100%	100%
Filinvest Cyberzone Mimosa, Inc. (FCMI)	Leasing	100%	100%
Festival Supermall, Inc. (FSI)	Property management	100%	100%
Filinvest Lifemalls Corporation (FLC)	Property management	100%	100%
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Property management	100%	100%
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Property management	100%	100%
Pro-Excel Property Managers, Inc. (Pro-Excel) ²	Property management	33%	33%
ProOffice Works Services, Inc. (ProOffice) ³	Property management	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property management	100%	100%
FSM Cinemas, Inc. (FSM Cinemas) ⁴	Theater operator	60%	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	60%	60%
Timberland Sports and Nature Club, Inc. (TSNC)	Recreational Sports and Natures Club	98%	98%
Dreambuilders Pro, Inc. (DPI)	Construction	100%	100%
ProMixers Aggregates Corp. (PMAC) ⁵	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.

3. 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 March 31, 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 March 31, 2020 and 2019 are summarized below (amounts in thousands).

	March 31, 2020 (Unaudited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of associates:					
External	P3,481,195	P1,784,964	P5,266,159	(P138,542)	P5,127,617
Inter-segment	13,501	–	13,501	(13,501)	–
	3,494,696	1,784,964	5,279,660	(152,043)	5,127,617
Equity in net earnings of associates	21,014	–	21,014	–	21,014
	P3,515,710	P1,784,964	P5,300,674	(P152,043)	P5,148,631
Net income	P735,232	P672,638	P1,407,870	P3,253	P1,411,123
Adjusted EBITDA	P2,007,516	P1,335,045	P3,342,561	(P15,413)	P3,327,148
Segment assets	P99,838,286	P83,611,255	P183,449,541	(P6,334,168)	P177,115,373
Less net deferred income tax assets	3,019	87,911	90,930	–	90,930
Net segment assets	P99,835,267	P83,523,344	P183,358,611	(P6,334,168)	P177,024,443
Segment liabilities	P60,365,801	P43,728,336	P104,094,137	(P554,180)	P103,539,957
Less net deferred income tax liabilities	6,202,330	444,291	6,646,621	94,042	6,740,663
Net segment liabilities	P54,163,471	P43,284,045	P97,447,516	(P648,222)	P96,799,294
Cash flows provided by (used in):					
Operating activities	(P656,708)	P1,351,233	P694,525	P652,573	P1,347,098
Investing activities	(2,112,214)	(1,443,997)	(3,556,211)	2,234,034	(1,322,177)
Financing activities	(551,556)	1,091,126	539,570	–	539,570

	March 31, 2019 (Unaudited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of associates:					
External	P5,608,252	P1,718,559	P7,326,811	(P180,185)	P7,146,626
Inter-segment	(23,666)	–	(23,666)	23,666	–
	5,584,586	1,718,559	7,303,145	(156,519)	7,146,626
Equity in net earnings of associates	56,503	–	56,503	–	56,503
	P5,641,089	P1,718,559	P7,359,648	(P156,519)	P7,203,129
Net income	P1,106,673	P809,238	P1,915,911	(P72,181)	P1,843,730
Adjusted EBITDA	P1,901,905	P1,395,042	P3,296,947	P30,201	P3,327,148
Segment assets	P127,117,331	P47,074,619	P174,191,950	(P4,634,647)	P169,557,303
Less net deferred income tax assets	–	91,554	91,554	–	91,554
Net segment assets	P127,117,331	P46,983,065	P174,100,396	(P4,634,647)	P169,465,749
Segment liabilities	P70,423,283	P30,129,401	P100,552,684	(P471,599)	P100,081,085
Less net deferred income tax liabilities	5,937,061	233,206	6,170,267	90,619	6,260,886
Net segment liabilities	P64,486,222	P29,896,195	P94,382,417	(P562,218)	P93,820,199

	March 31, 2019 (Unaudited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Cash flows provided by (used in):					
Operating activities	P471,130	P958,890	P1,430,020	(P212,259)	P1,217,761
Investing activities	(160,830)	(1,087,932)	(1,248,762)	—	(1,248,762)
Financing activities	(62,466)	(821,268)	(883,734)	(45,191)	(928,925)

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:

	March 31, 2020 (Unaudited)	March 31, 2019 (Unaudited)
		(In Thousands)
Adjusted EBITDA	P2,552,666	P3,327,148
Depreciation and amortization	(314,271)	(348,180)
Operating profit	2,238,395	2,978,968
Interest and other finance charges	(496,635)	(604,345)
Equity in net earnings of associates	21,014	56,503
Income before income tax	P1,762,774	P2,431,126

4. Revenue from Contracts with Customers

Disaggregated Revenue Information

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

	March 31, 2020 (Unaudited)	March 31, 2019 (Unaudited)
		(In Thousands)
Real estate sales by market segment		
Medium income	P1,778,935	P3,357,660
Affordable	666,282	812,599
High-end	350,401	543,581
Low affordable	274,576	348,326
Socialized	23,137	49,433
	3,093,331	5,111,599
Cinema operations by type of goods or services (included as part of rental and related services)		
Theater sales	17,818	34,547
Snack bar sales	1,907	3,461
	19,725	38,008
Total revenue from contracts with customers	3,113,056	5,149,607
Rental and related services		
Office leasing	1,453,455	1,316,937
Mall operations	311,784	363,614
	1,765,239	1,680,551
Total Revenue	P4,878,295	P6,830,158

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.

5. Cash and Cash Equivalents

This account consists of:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
Cash	P3,118,923	P2,321,835
Cash equivalents	2,219,189	2,451,786
	P5,338,112	P4,773,621

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.

6. Contracts Receivable

This account consists of:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
Contracts receivable	P810,004	P1,253,612
Receivables from government and financial institutions	193,551	192,580
	P1,003,555	P1,446,192

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.

7. Other Receivables

This account consists of:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
Receivables from tenants	₱1,785,981	₱1,742,836
Advances to officers and employees	339,965	378,727
Due from related parties (Notes 12 and 20)	517,441	687,667
Receivables from homeowners' associations	152,179	155,226
Receivables from buyers	188,955	139,875
Others	67,279	38,962
	3,051,800	3,143,293
Less: Allowance for expected credit losses	40,993	40,993
	₱3,010,807	₱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.

8. Other Current Assets

This account consists of:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
Input taxes	₱2,286,928	₱2,283,008
Creditable withholding taxes	488,212	850,441
Cost to obtain contract	542,242	467,807
Prepaid expenses	529,613	427,695
Advances to contractors and suppliers	326,278	330,210
Construction materials and supplies	64,324	54,383
Short-term deposits	66,326	47,685
	₱4,303,923	₱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.

9. Investments in Associates

This account consists of:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
At equity:		
Acquisition cost		
Balance at the beginning and end of year	P906,619	P837,829
Corporate Technologies, Inc. (CTI)	–	51,300
Pro-Excel	–	17,490
Balance at end of year	906,619	906,619
Accumulated equity in net earnings:		
Balance at the beginning of year	1,025,847	1,028,322
Equity in net earnings for the year	21,014	401,525
Dividend declaration	–	(404,000)
Balance at end of year	1,046,861	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
	P4,191,696	P4,170,682

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

10. 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 on land follows (amounts in thousands):

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
Cost		
At January 1 and end of the period	P5,392,390	P5,392,390
Accumulated Depreciation		
At January	144,588	–
Depreciation	43,675	144,588
Balance at end of period	188,263	144,588
Net Book Value	P5,204,127	P5,247,802

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

	March 31, 2020 (Unaudited)	March 31, 2019 (Unaudited)
	(In Thousands)	
Depreciation expense of right-of-use assets (included in general and administrative expenses)	P43,675	P40,022
Interest expense on lease liabilities (included in interest and other finance charges)	115,796	121,701
Total amount recognized in statement of income	P159,471	P161,723

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

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
At January 1	P5,870,064	P5,677,269
Interest expense	115,796	488,732
Payments	(82,859)	(295,937)
As at the end of the period	5,903,001	5,870,064
Lease liabilities - current portion	322,861	318,119
Lease liabilities - net of current portion	P5,580,140	P5,551,945

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.

11. Other Noncurrent Assets

This account consists of:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
BTO rights	₱3,170,330	₱2,858,460
Advances to contractors and suppliers	1,449,777	1,467,249
Advances to joint venture partners	351,051	408,833
Deposits	340,320	325,544
Financial assets at FVOCI	15,622	15,622
Other assets	209,036	248,084
	5,536,136	5,323,792
Less accumulated amortization	212,300	192,945
	₱5,323,836	₱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:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
Cost		
Balance at beginning of year	₱2,858,460	₱2,609,370
Additions	311,870	249,090
Balance at end of year	3,170,330	2,858,460
Accumulated Amortization		
Balance at beginning of year	192,945	123,392
Amortization	19,355	69,553
Balance at end of year	212,300	192,945
Net Book Value	₱2,958,030	₱2,665,515

“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 (see Note 31).

12. Accounts Payable and Accrued Expenses

This account consists of:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
Accounts payable	₱13,054,766	₱13,532,158
Deposits from tenants	4,173,053	4,208,604
Retention fees payable	2,409,586	2,424,633
Deposits for registration	1,304,885	1,289,403
Accrued expenses	1,173,603	881,043
Accrued interest on bonds and loans	334,507	358,754
Other payables	440,536	533,583
	₱22,890,936	₱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.

13. Loans Payable

This account consists of:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
Developmental loans from local banks	P37,188,739	P35,646,167
Less unamortized transaction costs	132,443	117,934
	37,056,296	35,528,233
Less current portion of loans payable	5,311,451	6,887,481
Long-term portion of loans payable	P31,744,845	P28,640,752

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

14. Bonds

This account consists of:

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
	(In Thousands)	
Current portion	P4,299,866	P4,294,644
Noncurrent portion	23,595,638	23,590,043
	P27,895,504	P27,884,687

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

15. General and Administrative Expenses

	March 31, 2020 (Unaudited)	March 31, 2019 (Unaudited)
	(In Thousands)	
Salaries, wages and employee benefits	₱178,505	₱201,223
Taxes and licenses	89,641	81,319
Repairs and maintenance	60,527	54,629
Outside services	38,540	37,406
Depreciation and amortization	13,337	20,895
Communications, light and water	7,316	10,873
Retirement costs	6,920	7,748
Transportation and travel	6,913	9,362
Rent	5,188	4,939
Dues and subscriptions	4,598	6,450
Insurance	3,496	3,138
Electronic data processing charges	2,574	2,430
Office supplies	2,380	4,104
Postage and freight charges	1,403	1,867
Entertainment, amusement and recreation	621	1,714
Parking operations	107	3,350
Others	14,741	14,277
	₱436,807	₱465,724

16. Selling and Marketing Expenses

	March 31, 2020 (Unaudited)	March 31, 2019 (Unaudited)
	(In Thousands)	
Brokers' commissions	₱152,382	₱252,204
Selling, advertising and promotions	59,599	66,497
Service fees	21,129	16,622
Sales office direct costs	18,009	21,182
Salaries and wages	1,428	1,493
Others	1,735	2,111
	₱254,282	₱360,109

17. 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 ₱37.06 billion loans outstanding as of March 31, 2020, ₱2.49 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)
March 31, 2020	+200	₱12,438
	-200	(12,438)

Financial Instruments

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

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

	March 31, 2020 (Unaudited)		December 31, 2019 (Audited)	
	Carrying Values	Fair Values	Carrying Values	Fair Values
Cash and cash equivalents	₱5,338,112	₱5,338,112	₱4,773,621	₱4,773,621
Contracts receivables	1,003,555	1,003,555	1,446,192	1,446,192
Other receivables	3,010,807	3,010,807	3,102,300	3,102,300
Long-term debt	64,951,800	64,462,454	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 three months ended March 31, 2020 compared to three months ended March 31, 2019

For the three months ended March 31, 2020, FLI's net income from its business segments registered a decline of 23.46% or ₱432.61 million from ₱1,843.73 million in 2019 to ₱1,411.12 million in 2020. The decline is generally due to the impact of the unprecedented Enhanced Community Quarantine (ECQ) effective March 17, 2020 in Luzon and the Taal volcano eruption in January.

Revenues

Total consolidated revenues is lower by 28.52% or ₱2,054.50 million, from ₱7,203.13 million in 2019 to ₱5,148.63 billion in 2020. The said decline is attributed mainly to the 39.48% or ₱2,018.27 million decline in real estate sales, from ₱5,111.60 million in 2019 to ₱3,093.33 million in 2020.

Rental and related services increased by 3.86% or ₱66.41 million from ₱1,718.56 million to ₱1,784.96 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 an additional factor to the increase. The increase in office leasing revenue is offset by the decrease in rental income from malls and other commercial centers due to their closure during ECQ

Interest income for the three months ended March 31, 2020 decreased by 11.36% or ₱19.34 million, from ₱170.32 million in 2019 to ₱150.98 million in 2020. The decrease was due to lower interest income generated from in house installment contracts receivable. Other income also decreased by 32.71% or ₱47.81 million, from ₱146.15 million in 2019 to ₱98.34 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 decreased by 62.81% or ₱35.49 million, from ₱56.50 million in 2019 to ₱21.01 million in 2020 due to lower net income reported by FAI.

Costs

Cost of real estate sales decreased by 38.35% or by ₱1,136.82 million, from ₱2,964.05 million in 2019 to ₱1,827.23 million in 2020. The lower cost was in line with the lower real estate sales booked in 2020.

Cost of rental and related services also decreased by 1.82% or ₱6.88 million, from ₱377.78 million in 2019 to ₱370.90 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% in 2020 and 42% in 2019 while gross profit margin on rental and related services is at 79% in 2020 and 78% in 2019.

Expenses

Selling and marketing expenses went down by 29.39% or ₱105.83 million, from ₱360.11 million in 2019 to ₱254.28 million in 2020. The decline is in line with the lower sales for the period.

Interest and other finance charges decreased by 17.82% or ₱107.71 million, from ₱604.35 million in 2019 to ₱496.64 million due to higher 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 40.13% or ₱235.75 million, from ₱587.40 million in 2019 to ₱351.65 million in 2020 due to lower taxable income.

Financial Condition as of March 31, 2020 compared to as of December 31, 2019

As of March 31, 2020, FLI's total consolidated assets stood at ₱177,115.37 million, higher by 1.97% or ₱3,418.94 million than the ₱173,696.43 million total consolidated assets as of December 31, 2019. The following are the material changes in account balances:

11.83% Increase in Cash and cash equivalents

The increase is due to the new loan take outs amounting to ₱4,000.00 million, which was partly offset by loan payouts, periodic loan principal and interest disbursements and advances to related parties.

10.79% Decrease in Contracts assets and receivables

Decrease in contracts receivables is due to collections from customers and lower real estate sales.

2.95% Decrease in Other Receivables

The decrease is due to the collection of dividend receivable amounting to ₱100.00 million from FAI.

5.23% Increase in Real Estate Inventories

The increase is attributed to continued disbursement for projects under construction.

73.41% Increase in Deferred Income Tax Assets

The increase was due to the movement in the temporary difference arising from advance rentals.

34.36% Increase in Contract Liabilities

The increase in this account is due to high customer reservations received during the period March 31, 2020 and collection on contracts not yet qualified for revenue recognition.

66.20% 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.

4.05% Decrease in Income Tax Payable

The increase in income tax payable is due to additional provision for income tax recognized for the period.

4.30% Increase in Loans Payable

The increase is due to the new loan take outs amounting to ₱4,000.00 million and accretion of deferred finance charges, which was partly offset by principal payments and loan payouts.

3.50% Increase in Deferred Income Tax Liabilities

The increase is mainly attributed to the increased excess of real estate revenue based on financial accounting policy over real estate revenue based on tax rules.

Performance Indicators

<i>Financial Ratios</i>	<i>Particulars</i>	As of and for the three months ended March 31, 2020	As of and for the three months ended March 31, 2019
<i>Earnings per Share</i>	<i>Basic¹ (not annualized)</i>	0.06	0.07
<i>Earnings per Share</i>	<i>Basic¹ (annualized)</i>	0.22	0.30
<i>Debt to Equity Ratio</i>	<u><i>Notes Payable & Long-term Debt</i></u>		
	<i>Total Stockholder's Equity</i>	0.88	0.88
<i>Debt Ratio</i>	<u><i>Total Liabilities</i></u>		
	<i>Total Assets</i>	0.58	0.58
<i>EBITDA to Total Interest Paid</i>	<u><i>EBITDA (not annualized)</i></u>		
	<i>Total Interest Paid</i>	1.53	2.48
<i>Price Earnings Ratio</i>	<u><i>Closing Price of Share²</i></u>		
	<i>Earnings Per share (annualized)</i>	4.09	5.04

¹Basic 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.

²Closing price of share used is the latest closing stock rate per PSE Edge as at March 31, 2020 and 2019 of ₱0.91 per share and ₱1.49 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 March 31, 2020, the Parent Company had a land bank of approximately 1,961 hectares of raw land for the development of its various projects, including approximately 208 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 March 31, 2020 are set out in the table below:

FLI Land Bank as of March 31, 2020				
Area in Hectares				
Location	Company Owned	Under Joint Ventures	Total	% to Total
Luzon				
Metro Manila	34.04	–	34.04	1.74%
Rizal	690.16	9.20	699.36	35.83%
Bulacan	252.06	–	252.06	12.91%
Bataan	12.27	–	12.27	0.63%
Pampanga	–	23.33	23.33	1.19%
Tarlac	1.94	–	1.94	0.10%
Pangasinan	6.22	–	6.22	0.32%
Cavite	299.43	58.83	358.26	18.35%
Laguna	242.67	0.71	243.38	12.46%
Batangas	45.59	42.07	87.66	4.49%
Sub-total	1,584.38	134.14	1,718.52	88.02%
Visayas				
Cebu	6.48	35.72	42.20	2.16%
Negro Oriental	51.04	–	51.04	2.61%
Negro Occidental	4.66	–	4.66	0.24%
Sub-total	62.18	35.72	97.90	5.01%
Mindanao				
Davao	5.16	29.69	34.85	1.78%
South Cotabato	101.32	–	101.32	5.19%
Sub-total	106.48	29.69	136.17	6.97%
Total	1,753.04	199.55	1,952.59	100.00%

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 restitute the Filinvest Consortium of the amount it has already paid prior the rescission.

The Cebu City Government and Filinvest Consortium came to a resolution on January 8, 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 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 Mimosa 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, Gagupan City, Pangasinan, Bacoar City, Cavite, Calamba City, Laguna and Mandaluyong City.

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:

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 has just been launched.

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	TYPE	LOCATION
Amarilyo Crest	Horizontal	Rizal
Pineview	Horizontal	Cavite
Sandia	Horizontal	Batangas
Tierra Vista	Horizontal	Bulacan
The Grove	Horizontal	Rizal
Savannah Place	Horizontal	Cavite

PROJECT	TYPE	LOCATION
Futura Homes Palm Estates	Horizontal	Bacolod
Futura Homes Mactan	Horizontal	Cebu
Futura Homes Iloilo	Horizontal	Iloilo
Futura Homes Koronadal	Horizontal	South Cotabato
Anila Park Residences	Horizontal	Rizal
Aria at Serra Monte	Horizontal	Rizal
The Prominence	Horizontal	Quezon City
Futura Homes Davao	Horizontal	Davao
New Fields at Manna	Horizontal	Rizal
Meridian Place	Horizontal	Cavite
Valle Dulce	Horizontal	Laguna
Ventura Real	Horizontal	Rizal
Claremont Expansion	Horizontal	Pampanga
Southwinds	Horizontal	Laguna
Futura Zamboanga	Horizontal	Zamboanga
Enclave	Horizontal	Muntinlupa
New Leaf	Horizontal	Cavite
Mira Valley	Horizontal	Rizal
Hampton Orchard	Horizontal	Pampanga
Futura Mira	Horizontal	Calamba
Futura Plains	Horizontal	Rizal
Tropics 4	Horizontal	Cainta
One Oasis Cebu	MRB	Cebu
One Oasis Cagayan de Oro	MRB	Cagayan de Oro
Panglao Oasis	MRB	Taguig
One Spatial	MRB	Pasig
San Remo	MRB	Cebu
Centro Spatial	MRB	Davao
One Spatial Iloilo	MRB	Iloilo
Marina Spatial	MRB	Dumaguete
8 Spatial	MRB	Davao
Maui Oasis	MRB	Manila
Alta Spatial	MRB	Valenzuela City
Bali Oasis	MRB	Pasig
Maldives Oasis	MRB	Davao
Sorrento Oasis	MRB	Pasig
Veranda	MRB	Davao
Futura East	MRB	Cainta
Centro Spatial	MRB	Manila
Belize	MRB	Muntinlupa
Futura Vinta	MRB	Zamboanga
Activa	HRB	Quezon City
Levels	HRB	Alabang
Studio City	HRB	Alabang
Studio N (Block 50)	HRB	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 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:

Location	Number of Buildings	GLA (sq. m.)
Northgate Cyberzone, Filinvest City	19	327,553
Metro Manila outside of Filinvest City	7	122,668
Outside Metro Manila	4	73,697
Total	30	523,918

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.
- 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.

- 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.
- 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.

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):

Name	Reg. No.	Date Registered	Type of Registration
Studio A	2016-008	8-Jan-16	New Developer of Low-Cost Mass Housing Project
Meridian Place	2016-030	5-Feb-16	New Developer of Low-Cost Mass Housing Project
Bali Oasis (Banjar)	2016-031	5-Feb-16	New Developer of Low-Cost Mass Housing Project
Anila Park Townhomes	2016-052	7-Mar-16	New Developer of Low-Cost Mass Housing Project
Futura Homes, San Pedro	2016-053	7-Mar-16	New Developer of Low-Cost Mass Housing Project
One Spatial (Richmond)	2016-244	1-Dec-16	New Developer of Low-Cost Mass Housing Project
One Spatial Iloilo	2016-243	1-Dec-16	New Developer of Low-Cost Mass Housing Project
Futura Homes Mactan Subdivision	2016-270	27-Dec-16	New Developer of Low-Cost Mass Housing Project
One Spatial Victoria	2017-030	27-Jan-17	New Developer of Low-Cost Mass Housing Project
Studio 7	2017-031	27-Jan-17	New Developer of Low-Cost Mass Housing Project
8 Spatial Davao Bldgs. 1&2	2017-047	28-Feb-17	New Developer of Low-Cost Mass Housing Project
8 Spatial Davao Bldg. 3	2017-130	23-May-17	Expanding Developer of Economic and Low-Cost Housing Project
8 Spatial Davao Bldg. 4	2017-131	23-May-17	Expanding Developer of Economic and Low-Cost Housing Project
Marina Spatial Marina Town Bldg. A	2017-129	23-May-17	New Developer of Low-Cost Mass Housing Project
One Oasis CDO Bldg. 2	2017-184	23-May-17	Expanding Developer of Economic and Low-Cost Housing Project
Ventura Real	2017-298	08-Nov-17	New Developer of Economic and Low-Cost Housing Project
Meridian Place Phase 2	2017-354	22-Dec-17	Expanding Developer of Economic and Low-Cost Housing Project
Savannah Fields 1	2017-355	22-Dec-17	New Developer of Economic and Low-Cost Housing Project
Savannah Fields 4A	2017-357	27-Dec-17	Expanding Developer of Economic and Low-Cost Housing Project
Valle Dulce Phase 2	2017-356	27-Dec-17	Expanding Developer of Economic and Low-Cost Housing Project

Name	Reg. No.	Date Registered	Type of Registration
New Fields	2018-016	22-Jan-18	New Developer of Economic and Low-Cost Housing Project
Futura Homes Palm Estates	2018-156	20-Jul-18	New Developer of Economic and Low-Cost Housing Project
Futura Homes Zamboanga	2018-200	24-Sep-18	New Developer of Economic and Low-Cost Housing Project
New Leaf	2019-054	20-Mar-19	New Developer of Economic and Low-Cost Housing Project
Sandia Homes 2	2019-136	27-July-19	Expanding Developer of Economic and Low-Cost Housing Project
8 Spatial Davao Bldg. 5	2019-182	26-Sept-19	Expanding Developer of Economic and Low-Cost Housing Project
Marina Spatial Bldg. 2	2019-259	02-Dec-19	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" in the entire Luzon 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 presales for both the domestic and the OFW market
 - 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 and 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 March 31, 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 March 31, 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. There are no other information required to be reported that have not been previously reported in SEC Form 17-C.

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:


L. JOSEPHINE GOTIANUN-YAP

Title:

President / Chief Executive Officer

Date:

May 20, 2020

Signature:


ANA VENUS A. MEJIA

Title:

Chief Finance Officer

Date:

May 20, 2020

ANNEX A**PART 1 - FINANCIAL INFORMATION****Item 1 - Financial Statements**

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands of Pesos)

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	5,338,112	4,773,621
Contracts receivable	1,003,555	1,446,192
Contract asset	6,758,612	5,998,421
Other receivables	3,010,807	3,102,300
Real estate inventories	66,316,725	63,018,436
Other current assets	4,303,923	4,461,229
Total Current Assets	86,731,734	82,800,199
Noncurrent Assets		
Contract asset - net of current portion	5,227,909	7,117,321
Investment in associates	4,191,696	4,170,682
Investment properties	62,445,302	61,321,185
Property and equipment	3,332,597	3,288,718
Right-of-use assets	5,204,127	5,247,802
Deferred income tax assets	90,930	52,435
Goodwill	4,567,242	4,567,242
Other noncurrent assets	5,323,836	5,130,847
Total Noncurrent Assets	90,383,639	90,896,232
TOTAL ASSETS	177,115,373	173,696,431
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	13,035,646	13,164,864
Contract liabilities	1,649,786	972,758
Current portion of lease liabilities	322,861	318,119
Due to related parties	34,064	100,779
Income tax payable	136,953	142,736
Current portion of loans payable	5,311,451	6,887,481
Current portion of bonds payable	4,299,866	4,294,644
Total Current Liabilities	24,790,627	25,881,381
Noncurrent Liabilities		
Loans payable - net of current portion	31,744,845	28,640,752
Bonds payable - net of current portion	23,595,638	23,590,043
Contract liabilities - net of current portion	704,759	779,648
Lease liabilities - net of current portion	5,580,140	5,551,945
Net retirement liabilities	527,995	512,442
Deferred income tax liabilities - net	6,740,663	6,512,613
Accounts payable and accrued expenses - net of current portion	9,855,290	10,063,314
Total Noncurrent Liabilities	78,749,330	75,650,757
Total Liabilities	103,539,957	101,532,138

	March 31, 2020 (Unaudited)	December 31, 2019 (Audited)
Equity		
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	43,010,536	41,661,647
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Remeasurement losses on retirement plan - net of tax	(24,285)	(24,285)
Share in other components of equity of an associates	361,794	361,794
Equity attributable to equity holders of the parent	73,287,414	71,938,525
Non-controlling interests	288,002	225,768
Total Equity	73,575,416	72,164,293
TOTAL LIABILITIES AND EQUITY	177,115,373	173,696,431

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands of Pesos)

	Three Months Period Ended March 31,	
	2020 (Unaudited)	2019 (Unaudited)
REVENUE		
Real estate sales	3,093,331	5,111,599
Rental and related services	1,784,964	1,718,559
EQUITY IN NET EARNINGS OF ASSOCIATES	21,014	56,503
OTHER INCOME		
Interest income	150,979	170,319
Others - net	98,343	146,149
	5,148,631	7,203,129
COSTS		
Real estate sales	1,827,230	2,964,046
Rental and related services	370,903	377,779
OPERATING EXPENSES		
General and administrative expenses	436,807	465,724
Selling and marketing expenses	254,282	360,109
INTEREST AND OTHER FINANCE CHARGES	496,635	604,345
	3,385,857	4,772,003
INCOME BEFORE INCOME TAX	1,762,774	2,431,126
PROVISION FOR INCOME TAX		
Current	272,503	407,030
Deferred	79,148	170,608
	351,651	577,638
NET INCOME	1,411,123	1,853,488
Attributable to:		
Equity holders of the parent	1,348,889	1,793,774
Noncontrolling interest	62,234	49,956
	1,411,123	1,843,730
EARNINGS PER SHARE		
Basic/Diluted - Attributed to Equity Holders of the Parent		
1. Not Annualized		
a. Net income - attributable to equity holders of the parent	1,348,889	1,793,774
b. Weighted average number of outstanding common shares	24,249,759	24,249,759
c. Earnings per share - Basic/Diluted (a/b)	0.06	0.07
2. Annualized		
a. Net income - attributable to equity holders of the parent	5,395,556	7,175,096
b. Weighted average number of outstanding common shares	24,249,759	24,249,759
c. Earnings per share - Basic/Diluted (a/b)	0.22	0.30
Basic/Diluted - Total Net Income		
1. Not Annualized		
a. Net income	1,411,123	1,843,730
b. Weighted average number of outstanding common shares	24,249,759	24,249,759
c. Earnings per share - Basic/Diluted (a/b)	0.06	0.08
2. Annualized		
a. Net income	5,644,492	7,374,920
b. Weighted average number of outstanding common shares	24,249,759	24,249,759
c. Earnings per share - Basic/Diluted (a/b)	0.23	0.30

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands of Pesos)

	Three Months Period Ended March 31,	
	2020	2019
	(Unaudited)	(Unaudited)
NET INCOME FOR THE PERIOD	1,411,123	1,853,488
OTHER COMPREHENSIVE INCOME		
Other comprehensive income not to be reclassified to		
profit or loss		
Remeasurement losses on retirement plan,		
net of tax	-	164,103
TOTAL COMPREHENSIVE INCOME	1,411,123	2,017,591
Attributable to:		
Equity holders of the parent	1,348,889	1,957,877
Noncontrolling interest	62,234	49,956
	1,411,123	2,007,833

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands of Pesos)

	Three Months Period Ended March 31,	
	2020	2019
	(Unaudited)	(Unaudited)
Capital Stock		
Common shares - P1 par value		
Authorized - 33 billion shares		
Issued - 24,470,708,509 shares		
Outstanding - 24,249,759,509	24,470,708	24,470,708
Preferred shares - P0.01 par value		
Authorized - 8 billion shares		
Issued and outstanding - 8 billion shares	80,000	80,000
Treasury shares	(221,041)	(221,041)
Additional paid-in capital	5,612,321	5,612,321
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Share in other components of equity of an associate	361,794	361,794
Remeasurement losses on retirement plan	(24,285)	15,523
Retained earnings		
Balance at beginning of the period	41,661,647	36,882,343
Net income	1,348,889	1,793,774
Dividends	-	-
Balance at end of the period	43,010,536	38,676,117
Equity attributable to equity holders of the parent	73,287,414	68,992,803
Noncontrolling interest	288,002	483,415
Total Equity	73,575,416	69,476,218

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands of Pesos)

	Three Months Period Ended March 31,	
	2020 (Unaudited)	2019 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	1,762,774	2,431,126
Adjustments for:		
Interest income	(150,979)	(170,319)
Interest expense and amortization of transaction costs	496,635	604,345
Depreciation and amortization	314,271	348,180
Equity in net earnings of associates	(21,014)	(56,503)
Net pension expense, net of contribution and benefits paid	15,553	31,059
Operating income before changes in operating assets and liabilities	2,417,240	3,187,888
Changes in operating assets and liabilities		
Decrease (increase) in:		
Contracts receivables	442,637	69,833
Contract assets	1,129,222	(1,648,752)
Other receivables	91,493	(197,062)
Real estate inventories	1,473,971	(1,524,494)
Other assets	235,427	(1,021,813)
Increase (decrease) in:		
Accounts payable and accrued expenses	519,280	1,246,170
Contracts liabilities	(4,654,807)	1,640,410
Net cash generated from operations	1,654,463	1,752,180
Income taxes paid, including creditable withholding taxes	(458,344)	(473,792)
Interest received	150,979	170,319
Net cash provided by operating activities	1,347,098	1,448,707
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment properties and property and equipment	(1,322,177)	(1,248,762)
Payment of lease liability	-	-
Cash used in investing activities	(1,322,177)	(1,248,762)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availments of:		
Loans payable	4,000,000	300,000
Payments of:		
Loans payable	(2,576,916)	(686,784)
Interest and transaction costs	(816,799)	(726,769)
Dividends paid to noncontrolling interest	-	(34,000)
Increase in amounts due to related parties	(66,715)	(12,318)
Net cash provided by (used in) financing activities	539,570	(1,159,871)
NET INCREASE IN CASH AND CASH EQUIVALENTS	564,491	(959,926)
CASH AND CASH EQUIVALENTS, BEGINNING	4,773,621	6,419,500
CASH AND CASH EQUIVALENTS, ENDING	5,338,112	5,459,574

ANNEX B

FILINVEST LAND, INC. AND SUBSIDIARIES

AGING OF RECEIVABLES

(Amounts in Thousands of Pesos)

As of March 31, 2020

	Current	1-30 days	31-60 days	61-90 days	91-120 days	>120 days	Total
Type of Account Receivable							
a) Mortgage, Notes & Installment Contract Receivable							
1. Installment Contracts Receivable	810,004	-	-	-	-	-	810,004
2. Receivable from Financing Institutions	193,551	-	-	-	-	-	193,551
Sub-total	1,003,555	-	-	-	-	-	1,003,555
b) Other Receivables	3,010,807	-	-	-	-	-	3,010,807
Net Receivables	4,014,362	-	-	-	-	-	4,014,362

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

SUPPLEMENTARY SCHEDULES

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

SCHEDULE A

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS

MARCH 31, 2020

Below is the detailed schedule of the Group's financial assets in equity securities as of March 31, 2020:

Name of Issuing entity and association of each issue	Number of Shares	Amount Shown in the Statement of Financial Position	Value Based on Market Quotation at end of year	Income Received and Accrued
(In Thousands Except Number of Shares)				
Financial assets at FVOCI				
Quoted:				
Philippine Long Distance Telephone Company	26,100	P348	P348	P—
Manila Electric Company (MERALCO)	1,153,694	6,197	6,197	—
		6,545	6,545	—
Unquoted:				
The Palms Country Club, Inc.	1,000	P3,060	P3,060	P—
Cebu Country Club	1	6,017	6,017	—
		9,077	9,077	—
		P15,622	P15,622	P—

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) MARCH 31, 2020

Below is the schedule of advances to employees of the Group with balances above ₱100,000 as of March 31, 2020:

Name	Balance at beginning of year	Additions	Collections/ Liquidations	Balance at end of year
		(In Thousands)		
Santiago, Rochiel Macalalad	₱152	₱–	(₱18)	₱134

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 March 31, 2020 (amounts in thousands):

	Relationship	Nature	Balance as of March 31, 2020
Filinvest Alabang, Inc	Associate	A, B, C	₱150,499
FOR A Services, Inc.	Affiliate	A	90,353
Filinvest Mimosa, Inc.	Associate	A, B	87,399
Pro-excel Property Management, Inc.	Associate	A	79,550
Nature Specialists, Inc.	Associate	A	76,773
East West Banking Corporation	Affiliate	A	20,678
Davao Sugar Central Corp.	Affiliate	A	5,793
Chroma Hospitality, Inc.	Affiliate	A	4,868
AG Foundation, Inc.	Affiliate	A	572
GCK Realty	Affiliate	B, C	235
Filinvest Hospitality Corporation	Affiliate	A	202
FDC Utilities, Inc.	Affiliate	A	160
ALG Holdings, Corp.	Ultimate Parent	A	115
FDC – Misamis Power Corp.	Affiliate	A	111
Mimosa Cityscapes, Inc.	Affiliate	A	89
Property Leader Realty Corp	Affiliate	A	29
Filinvest Corporate City	Affiliate	A	11
Boracay Seascapes Resort, Inc.	Affiliate	A	2
Dumaguete Cityscapes, Inc.	Affiliate	A	1
FDC Forex Corp.	Affiliate	A	1
			₱517,441

Nature of intercompany transactions

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

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

SCHEDULE C

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE (PAYABLES) FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS MARCH 31, 2020

Below is the schedule of receivables (payables) with related parties which are eliminated in the consolidated financial statements as of March 31, 2020. All are noninterest-bearing and to be settled within the year (amounts in thousands):

		Volume of Transactions	Receivable (Payable)
Filinvest Cyberzone Mimosa, Inc.	Share in expenses	P60,709	P2,753,345
Filinvest Lifemalls Tagaytay, Inc.	Share in expenses	(9,396)	1,270,094
Homepro Realty Marketing, Inc.	Share in expenses	973	792,314
Cyberzone Properties Inc.	Share in expenses	25,801	438,613
	Rental Income	76,716	—
Filinvest Clark Green City Corporation	Share in expenses	148,116	166,625
Dreambuilders Pro, Inc.	Share in expenses	24,607	131,449
Property Maximizer Professional Corporation	Share in expenses	5,017	128,961
	Marketing fee expenses	5,045	—
Proleads Philippines, Inc.	Share in expenses	1,656	19,753
Timberland Sports and Nature Club	Share in expenses	129	16,630
Realpros Philippines, Inc.	Share in expenses	1,259	11,681
Leisurepro, Inc.	Share in expenses	1,968	8,391
Gintong Parisukat Realty & Devt Inc.	Share in expenses	779	8,000
Property Specialist Resources, Inc.	Share in expenses	7,734	7,757
Filinvest BCDA Clark, Inc.	Share in expenses	5	3,169
Philippined DCS Development Corporation	Share in expenses	(1,097)	926
Filinvest Lifemalls Mimosa, Inc.	Share in expenses	—	210
Property Leaders International, Ltd.	Share in expenses	—	111
Filinvest Lifemalls Corporation	Share in expenses	(1)	1
Filinvest Asia Corporation	Share in expenses	(112)	(125)
Festival Supermall, Inc. (Management)	Share in expenses	(190)	(10,691)
FSM Cinemas, Inc.	Share in expenses	(4)	(12,698)
Filinvest AII Philippines, Inc.	Share in expenses	(13,992)	(97,610)
Filinvest Cyberparks, Inc.	Share in expenses	(16,516)	(987,052)
		P319,206	P4,649,854

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

Name	Balance at beginning of year	Additions	Collections	Balance as of March 31, 2020
Filinvest Cyberzone Mimosa, Inc.	P2,692,636	P60,860	(P151)	P2,753,345
Filinvest Lifemalls Tagaytay, Inc.	1,279,490	4	(9,400)	1,270,094
Homepro Realty Marketing, Inc.	791,341	973	—	792,314
Cyberzone Properties, Inc.	412,813	25,800	—	438,613
Filinvest Clark Green City Corporation	18,509	148,115	—	166,625
Dreambuilders Pro, Inc.	106,842	24,607	117	131,449
Property Maximizer Professional Corporation	129,764	(803)	—	128,961
Proleads Philippines, Inc.	18,097	1,710	(54)	19,753
Timberland Sports and Nature Club	16,501	131	(2)	16,630

(Forward)

Name	Balance at beginning of year	Additions	Collections	Balance as of March 31, 2020
Realpros Philippines, Inc.	₱10,422	₱1,259	₱—	₱11,681
Leisurepro, Inc.	6,423	1,968	—	8,391
Gintong Parisukat Realty & Devt Inc.	7,221	779	—	8,000
Property Specialist Resources, Inc.	23	7,844	(110)	7,757
Filinvest BCDA Clark, Inc.	3,164	(5)	—	3,169
Philippine DCS Development Corporation	2,023	—	(1,097)	926
Filinvest Lifemalls Mimosa, Inc.	210	—	—	210
Property Leaders International, Ltd.	111	—	—	111
Filinvest Lifemalls Corporation	2	—	(1)	1
Filinvest Asia Corporation	(13)	4	(116)	(125)
Festival Supermall, Inc. (Management)	(10,501)	(190)	—	(10,691)
FSM Cinemas, Inc.	(12,694)	(2)	(2)	(12,698)
Filinvest AII Philippines, Inc.	(83,618)	(13,992)	—	(97,610)
Filinvest Cyberparks, Inc.	(970,536)	(16,516)	—	(987,052)
	<u>₱4,418,230</u>	<u>₱242,557</u>	<u>(₱10,933)</u>	<u>₱4,649,854</u>

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 MARCH 31, 2020

As of March 31, 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 assets consisting of (amounts in thousands):

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

SCHEDULE E

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT

MARCH 31, 2020

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

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
<u>Developmental loans</u>			
Unsecured loan obtained in January 2020 with interest rate equal to 5.31% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% principal is payable in 12 equal installments starting April 2022 and the remaining 50% balance is payable in January 2025.	₱500,000	₱-	₱500,000
Unsecured loan obtained in January 2020 with interest rate equal to 5.25% 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.	372,188	-	372,188
Unsecured loan obtained in March 2020 with interest rate equal to 5.51% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in March 2025.	496,250	10,744	485,506
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.	496,250	10,709	485,541
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.	198,500	1,071	197,429
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 January 2025.	1,000,000	-	1,000,000
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.	421,869	-	421,869
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.	291,844	6,298	285,546
Unsecured loan obtained in March 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 March 2025.	194,845	4,205	190,640
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.	354,167	83,333	270,834
Unsecured loan obtained in May 2015 with interest rate equal to 4.47% 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 August 2017 and 50% is payable at maturity in May 2020.	162,500	162,500	—
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.	275,000	275,000	—

Type of Obligation	Amount	Current (In Thousands)	Noncurrent
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.	₱385,000	₱385,000	₱–
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.	262,500	58,333	204,167
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.	455,000	70,000	385,000
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.	387,500	50,000	337,500
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 May 2015 with interest rate equal to 4.50% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal payable in 12 equal quarterly amortizations to commence in May 2017 and 50% is payable at maturity in May 2020.	47,500	47,500	–
Unsecured loan obtained in July 2014 with interest rate equal to 4.88% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 20 equal quarterly amortizations to commence in October 2016 and 50% is payable at maturity in July 2021.	390,000	60,000	330,000
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 amortizations to commence in May 2018 and 50% is payable at maturity in February 2021.	133,167	31,960	101,207
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.	415,667	82,903	332,764

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
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.	P282,900	P66,480	P216,420
Unsecured loan obtained in May 2015 with interest rate equal to 4.52% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal payable in 12 equal quarterly amortizations to commence in August 2017 and 50% is payable at maturity in May 2020.	270,833	270,833	—
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.	29,167	29,167	—
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.	193,262	24,790	168,472
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.	291,667	291,667	—
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.	382,233	66,193	316,040
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.	497,625	6,478	491,147
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.	998,361	-	998,361
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.	1,992,739	—	1,992,739
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.	612,211	69,907	542,304
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.	599,075	132,666	466,409
Unsecured loan obtained in October 2016 with interest rate equal to 4.21% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% of principal is payable in 20 equal quarterly amortizations to commence in January 2019 and 50% is payable at maturity in October 2023.	1,136,838	129,786	1,007,052
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.	1,493,681	122,500	1,371,181

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
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.	₱998,693	-	₱998,693
Unsecured loan obtained in June 2019 with interpolated rate of 4.99% (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.	1,987,559	-	1,987,559
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.	149,721	-	149,721
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.	998,789	-	998,789
Unsecured loan obtained in June 2019 with interpolated rate of 4.84% (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 12 equal quarterly amortizations to commence in August 2021 and 50% is payable at maturity in June 2024.	2,981,363	-	2,981,363
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.	499,058	-	499,058
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.	303,828	303,828	-
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.	498,566	49,589	448,977
Unsecured loan obtained in June 2019 with interpolated rate of 5.21% (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.	1,987,101	-	1,987,101
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.	484,173	62,435	421,738
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.	987,657	8,965	978,692
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.	1,492,387	-	1,492,387
Unsecured loan obtained in August 2019 with interest rate equal to 91 day BVAL Rate payable quarterly in arrears. The principal is payable upon maturity on August 2020.	496,715	496,715	
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.	496,539	-	496,539
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 on September 2024.	993,193	-	993,193

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
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 on September 2024.	P993,223	P-	P993,223
Unsecured loan obtained in April 2015 with interest rate equal to 4.12% 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.	270,819	270,819	—
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.	549,819	549,819	—
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.	159,583	19,857	139,726
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.	56,144	12,425	43,719
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.	83,150	16,567	66,583
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.	160,023	28,992	131,031
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.	207,854	41,417	166,437
Unsecured loan obtained in November 2019 with interest rate equal to 5.01% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in November 2024.	1,000,000	—	1,000,000
Unsecured loan obtained in January 2015 with interest rate equal to 4.95% per annum (fixed rate for 3 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal quarterly amortizations to commence in January 2017 and 50% is payable at maturity in January 2020.	—	—	—
Unsecured loan obtained in April 2015 with interest rate equal to 4.32% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting July 2017 to January 2020.	—	—	—
Unsecured loan obtained in February 2015 with interest rate equal to 4.70% per annum (fixed rate for 5 years), payable quarterly in arrears. The 20% of principal is payable in 4 equal annual amortizations to commence in February 2016, and 80% is payable at maturity in January 2020.	—	—	—
Unsecured loan obtained in February 2015 with interest rate equal to 4.95% per annum (fixed rate for first 3 years), payable quarterly in arrears. The principal is payable at maturity in January 2020.	—	—	—
Unsecured loan obtained in February 2015 with interest rate equal to 4.70% per annum (fixed rate for 5 years), payable quarterly in arrears. The 20% of principal is payable in 4 equal annual amortizations to commence in February 2016, and 80% is payable at maturity in January 2020.	—	—	—
	P37,056,296	P5,311,451	P31,744,845

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
Bonds			
Fixed rate bonds with aggregate principal amount of P8.00 billion issued by the Group on August 20, 2015. This comprised of P7.00 billion, 7-year fixed rate bonds due in August 2022 with a fixed interest rate of 5.36% per annum, and P1.00 billion, 10-year fixed rate bonds due in August 2025 with a fixed interest rate of 5.71% per annum.	7,964,007	-	7,964,007
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.	6,986,633	4,299,866	2,686,767
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.	6,980,269	-	6,980,269
Fixed rate bonds with principal amount of P6.00 billion and term of 5.5 years from the issue date was issued by the Group on July 7, 2017 to mature in January 2023 with fixed interest rate is 5.05% per annum.	5,964,595	-	5,964,595
	P27,895,504	P4,299,866	P23,595,638
	P64,951,800	P9,611,317	P55,340,483

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 MARCH 31, 2020

Below is the list of outstanding payables to related parties of the Group presented in the consolidated statements of financial position as of March 31, 2020:

	Relationship	Nature	Balance at beginning of period	Balance at end of period
(In Thousands)				
Filinvest Development Corp.	Parent Company	A, C	₱18,068	₱16,389
Quest Restaurants Inc.	Affiliate	A	21,773	11,315
Countrywide Water Services, Inc.	Affiliate	A	455	3,211
Entrata Hotel Services, Inc.	Affiliate	A	2,404	2,462
The Palms Country Club	Affiliate	A	392	392
Mactan Seascapes Services, Inc.	Affiliate	A	873	233
Crimson Hotel	Affiliate	A	47	47
Pacific Sugar Holdings, Corp.	Affiliate	A	14,032	15
Corporate Technologies, Inc.	Affiliate	A	42,373	—
Filinvest Hospitality Corporation	Affiliate	A	295	—
AG Foundation, Inc.	Affiliate	A	56	—
ParkingPro, Inc.	Affiliate	A	10	—
Proplus, Inc.	Affiliate	A	1	—
			₱100,779	₱34,064

Nature of intercompany transactions

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

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

SCHEDULE G

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF OTHER ISSUERS

MARCH 31, 2020

The Group does not have guarantees of securities of other issuers as of March 31, 2020.

SCHEDULE H

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK

MARCH 31, 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	24,470,708	—	14,409,927	49,262	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

MARCH 31, 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.****SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION****MARCH 31, 2020**

(Amounts in Thousands of Pesos)

Retained Earnings, January 1, 2020		₱41,661,647
Adjustments:		
Equity in net earnings of subsidiaries and an associate		(10,559,150)
Unappropriated Retained Earnings, as adjusted, January 1, 2020		31,102,497
Net income based on the face of audited financial statements	1,305,707	
Less: Non-actual/unrealized income net of tax		
Equity in net income of subsidiaries and an associate	(822,345)	
Unrealized foreign exchange gain - net		
Unrealized actuarial gain		
Fair value adjustment (marked-to-market gains)		
Fair value adjustment of Investment Property resulting to gain		
Adjustment due to deviation from PFRS/GAAP gain		
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS		
Add: Non-actual/unrealized losses net of tax		
Depreciation on revaluation increment		
Adjustment due to deviation from PFRS/GAAP loss		
Loss on fair value adjustment of Investment Property		
Movement in deferred tax assets	38,495	
Net income actual/realized		521,857
Less: Dividend declarations during the period		—
Unappropriated Retained Earnings, as adjusted, March 31, 2020		₱31,624,354

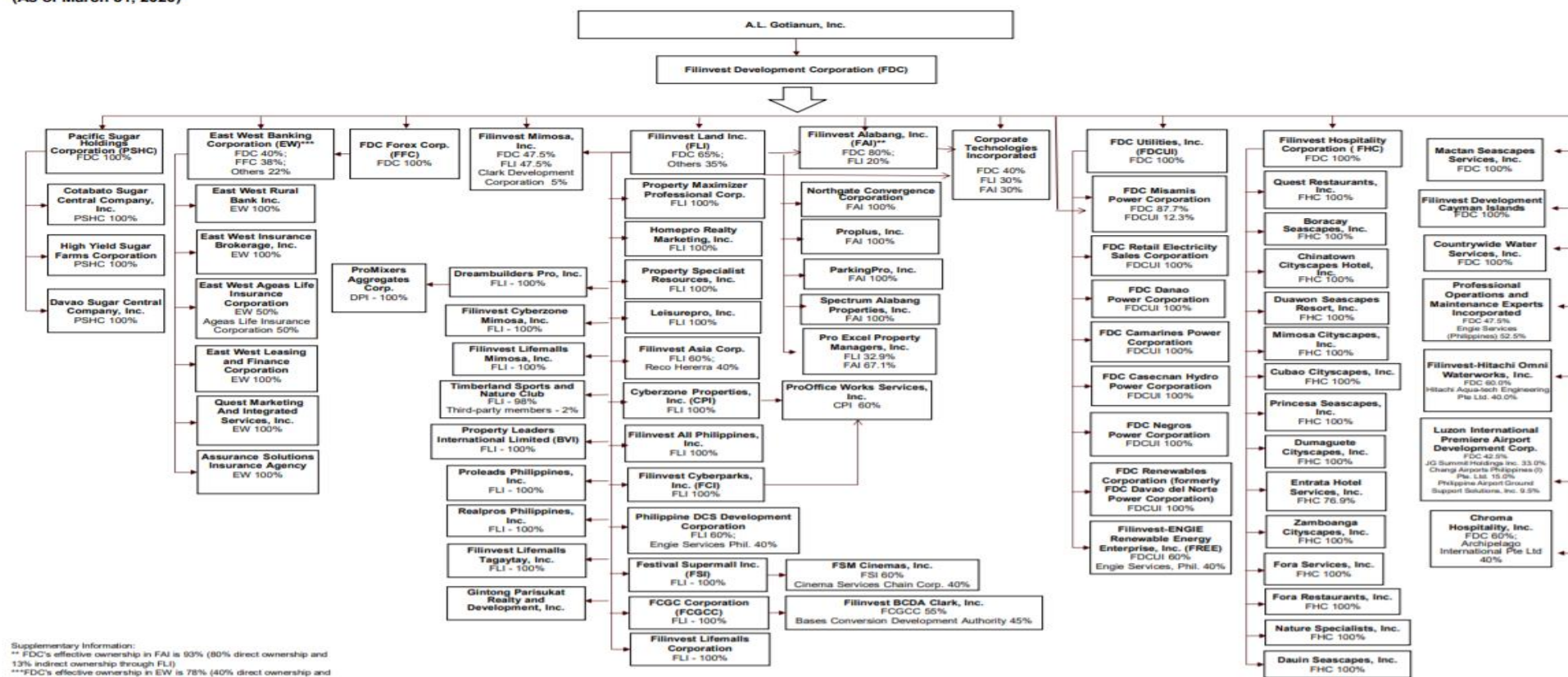
SCHEDULE K

FILINVEST LAND, INC. AND SUBSIDIARIES

MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY AND CO-SUBSIDIARIES

MARCH 31, 2020

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



FILINVEST LAND, INC. AND SUBSIDIARIES

COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

MARCH 31, 2020

(Amounts in Thousands of Pesos)

Ratio	Formula	March 31 2020 (Unaudited)	March 31 2019 (Unaudited)	December 31 2020 (Audited)
Current Ratio ⁽¹⁾	Total Current Assets divided by Total Current Liabilities <div> <div>Total Current Assets</div> <div>₱86,731,734</div> <div>Divide by: Total Current Liabilities</div> <div>24,790,627</div> <div>Current Ratio</div> <div>3.50</div> </div>	3.50	3.36	3.20
Long-term Debt-to-Equity ratio	Long-term Debt divided by Equity <div> <div>Long-term Debt</div> <div>₱64,951,800</div> <div>Divide by: Equity</div> <div>73,575,416</div> <div>Long-term Debt-to-Equity Ratio</div> <div>0.88</div> </div>	0.88	0.86	0.88
Debt Ratio	Total Liabilities divided by Total Assets <div> <div>Total Liabilities</div> <div>₱103,539,957</div> <div>Divide by: Total Assets</div> <div>177,115,373</div> <div>Debt Ratio</div> <div>0.58</div> </div>	0.58	0.59	0.58
EBITDA to Total Interest Paid	Earnings before Interests and Other Charges, Income Tax, Depreciation and Amortization - EBITDA (<i>net income plus interest and other charges, income tax, depreciation and amortization</i>) divided by Total Interest Paid <div> <div>EBITDA</div> <div>₱3,234,318</div> <div>Divide by: Total Interest Paid</div> <div>816,799</div> <div>EBITDA to Total Interest Paid</div> <div>3.15</div> </div>	3.15	4.58	3.71
Price Earnings Ratio	Closing price divided by Earnings (annualized) per share <div> <div>Closing price ⁽²⁾</div> <div>0.91</div> <div>Divide by: Earnings per share</div> <div>0.22</div> <div>Price Earnings Ratio</div> <div>4.09</div> </div>	4.09	5.14	5.77
Quick Asset Ratio	Quick Assets (<i>total current assets less inventories</i>) divided by Current Liabilities <div> <div>Total Current Assets</div> <div>₱86,731,734</div> <div>Less: Inventories</div> <div>66,316,725</div> <div>Quick Assets</div> <div>₱20,415,009</div> <div>Divide by: Total Current Liabilities</div> <div>24,790,627</div> <div>Quick Asset Ratio</div> <div>0.82</div> </div>	0.82	0.70	0.76
Solvency Ratio	Net Income before Depreciation (<i>net income plus depreciation</i>) divided by Total Liabilities <div> <div>Net Income</div> <div>₱1,411,123</div> <div>Add: Depreciation</div> <div>974,909</div> <div>Net Income before Depreciation</div> <div>2,386,032</div> <div>Divide by: Total Liabilities</div> <div>103,539,957</div> <div>Solvency Ratio</div> <div>0.02</div> </div>	0.02	0.02	0.07

Ratio	Formula	March 31 2020 (Unaudited)	March 31 2019 (Unaudited)	December 31 2020 (Audited)
Interest Coverage Ratio	Earnings before Interest and Other Charges and Income Tax (EBIT) divided by Interest Expense <div> <div>EBIT</div> <div>Divide by: Interest Expense</div> <div>Interest Coverage Ratio</div> <div> <div>₱2,259,409</div> <div>496,635</div> <div>4.55</div> </div> </div>	4.55	5.02	4.32
Net Profit Margin	Net Income divided by Revenue <div> <div>Net Income</div> <div>Divide by: Revenue</div> <div>Net Profit Margin</div> <div> <div>₱1,411,123</div> <div>5,148,631</div> <div>0.27</div> </div> </div>	0.27	0.26	0.25
Return on Equity	Net Income divided by Total Equity <div> <div>Net Income (annualized)</div> <div>Divide by: Total Equity</div> <div>Return on Equity</div> <div> <div>₱5,644,492</div> <div>73,575,416</div> <div>0.08</div> </div> </div>	0.08	0.11	0.09

⁽¹⁾ In computing for the Group's current ratio, current assets include cash and cash equivalents, contracts receivables, other receivables, real estate inventories and other current assets and current liabilities include accounts payable and accrued expenses, due to related parties, income tax payable and current portion of loans payable. Determination of current accounts is based on their maturity profile of relevant assets and liabilities.

⁽²⁾ Closing price at March 31, 2020 and December 31, 2019 is 0.91 and 1.50, respectively.