FILINVEST LAND, INC.

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

19 November 2021

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

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

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

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

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

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

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

Gentlemen/Ladies:

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

Thank you.

Very truly yours,

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

COVER SHEET

SEC Registration Number

170957

COMPANY NAME

FILINVEST LAND, INC. AND SUBSIDIARIES

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

79 EDSA, Brgy. Highway Hills, Mandaluyong City

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

COMPANY INFORMATION

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

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

CONTACT PERSON INFORMATION

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

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

CONTACT PERSON's ADDRESS

79 EDSA, Brgy. Highway Hills, Mandaluyong City

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

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

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

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

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

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

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

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

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

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

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

	In Php thousands
Amount of Debt Outstanding	67,461,193

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

12. Indicate by check mark whether the issuer:

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

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

TABLE OF CONTENTS

PART 1 – FINANCIAL INFORMATION

FILINVEST LAND, INC. AND SUBSIDIARIES

Unaudited Interim Condensed Consolidated Financial Statements

As at September 30, 2021
and
For the Nine months ended September 30, 2021 and 2020

FILINVEST LAND, INC. AND SUBSIDIARIES

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

	Notes	**September 30, 2021 (Unaudited)**	December 31, 2020 (Audited)
ASSETS			
Current Assets			
Cash And Cash Equivalents	6	**₱12,169,278**	₱6,693,557
Contracts Receivable	7	**5,261,623**	4,156,939
Contract Assets	5	**3,706,883**	5,400,329
Other Receivables	8	**2,921,573**	3,362,183
Real Estate Inventories	9	**69,541,693**	65,544,567
Other Current Assets	10	**5,250,351**	4,637,141
Total Current Assets		**98,851,401**	89,794,716
Noncurrent Assets			
Contract Asset - Net Of Current Portion	5	**₱3,835,414**	₱3,533,733
Investment In Associates	11	**4,836,972**	4,787,787
Investment Properties	13	**71,218,182**	69,264,957
Property And Equipment	14	**4,647,796**	3,348,145
Deferred Income Tax Assets		**148,655**	82,405
Goodwill	3	**4,567,242**	4,567,242
Other Noncurrent Assets	15	**5,656,127**	5,626,161
Total Noncurrent Assets		**94,910,389**	91,210,430
TOTAL ASSETS		**₱193,761,791**	₱181,005,146
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts Payable And Accrued Expenses	16	**₱12,231,949**	₱13,117,027
Contract Liabilities		**1,373,221**	1,249,050
Lease Liabilities - Current Portion	12	**248,590**	328,796
Due To Related Parties	26	**1,593,107**	112,021
Income Tax Payable		**130,145**	29,022
Loans Payable - Current Portion	17	**8,903,416**	8,866,369
Bonds Payable - Current Portion	18	**12,276,344**	5,294,517
Total Current Liabilities		**36,756,772**	28,996,802
Noncurrent Liabilities			
Loans Payable - Net Of Current Portion	17	**₱26,862,867**	₱29,238,654
Bonds Payable - Net Of Current Portion	18	**19,418,566**	26,369,011
Contract Liabilities - Net Of Current Portion		**654,072**	767,219
Lease Liabilities - Net Of Current Portion	12	**5,970,125**	5,824,164
Net Retirement Liabilities		**601,035**	580,119
Deferred Income Tax Liabilities - Net	23	**5,658,208**	6,513,036
Accounts Payable And Accrued Expenses - Net Of Current Portion	16	**8,652,492**	8,337,198
Total Noncurrent Liabilities		**67,817,365**	77,629,401
Total Liabilities		**₱104,574,136**	₱106,626,203

(Forward)

	Notes	**September 30, 2021 (Unaudited)**	December 31, 2020 (Audited)
Equity			
Common Stock	19	**₱24,470,708**	₱24,470,708
Preferred Stock	19	**80,000**	80,000
Additional Paid-In Capital		**5,612,321**	5,612,321
Treasury Stock	19	**(221,041)**	(221,041)
Retained Earnings	19	**55,987,509**	43,776,186
Revaluation Reserve On Financial Assets At Fair Value Through Other Comprehensive Income		**(2,619)**	(2,619)
Remeasurement Losses On Retirement Plan		**(6,789)**	(15,136)
Share In Other Components Of Equity Of An Associate		**372,449**	372,449
Equity attributable to equity holders of the parent		**86,292,540**	74,072,868
Noncontrolling Interest		**2,895,114**	306,075
Total Equity		**89,187,654**	74,378,943
TOTAL LIABILITIES AND EQUITY		**₱193,761,791**	₱181,005,146

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Profit and Loss
For the Nine months ended September 30

(Amounts in thousands; Except Earnings per share figures)

	Notes	Quarter Ended September 30		Nine Months Period Ended September 30	
		2021 (Unaudited)	2020 (as restated)	**2021** **(Unaudited)**	2020 (as restated)
REVENUE					
Real Estate Sales	4, 5	₱2,873,606	₱2,116,475	**₱8,185,304**	₱6,672,710
Rental Services	4, 5	1,415,741	1,924,918	**4,280,987**	5,841,588
Total revenue		4,289,348	4,041,393	**12,466,291**	12,514,298
EQUITY IN NET EARNINGS OF AN ASSOCIATE		12,100	12,752	**49,185**	546,174
OTHER INCOME					
Interest Income	22	113,704	99,254	**317,606**	290,260
Others		79,841	1,864	**253,321**	113,104
		4,494,993	4,155,263	**13,086,403**	13,463,837
COSTS					
Real Estate Sales	4	1,631,264	1,184,976	**4,764,300**	3,869,153
Rental Services	4	639,370	745,825	**1,927,664**	1,924,727
OPERATING EXPENSES					
Selling And Marketing Expenses	21	257,026	188,918	**739,752**	673,998
General And Administrative Expenses	20	474,975	475,369	**1,346,780**	1,339,982
INTEREST AND OTHER FINANCE CHARGES	22	578,208	1,102,761	**1,765,321**	2,518,572
		3,580,842	3,697,849	**10,543,817**	10,326,432
INCOME BEFORE INCOME TAX		914,151	457,414	**2,542,586**	3,137,405
PROVISION FOR INCOME TAX					
Current	23	23,330	43,608	**81,664**	432,248
Deferred	23	183,906	20,412	**(916,393)**	(105,241)
		207,236	64,020	**(834,728)**	327,007
NET INCOME		706,915	393,394	**₱3,377,314**	₱2,810,398
NET INCOME ATTRIBUTABLE TO:					
Equity holders of the parent		₱569,680	₱332,834	**₱3,187,413**	₱2,633,943
Noncontrolling interest		137,236	60,560	**189,901**	176,455
		706,915	393,394	**₱3,377,314**	₱2,810,398
Earnings Per Share					
Basic		₱0.02	₱0.01	₱0.13	₱0.11
Diluted		₱0.02	₱0.01	₱0.13	₱0.11

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Comprehensive Income
For the Nine months ended September 30
(Amounts in thousands)

	Nine Months Period Ended September 30	
	2021	2020
	(Unaudited)	(Unaudited)
NET INCOME FOR THE PERIOD	**₱3,377,314**	₱2,810,398
OTHER COMPREHENSIVE INCOME		
Remeasurement gain from an associates investment	**-**	-
Remeasurement gain (losses) on retirement plan, net of tax	**9,412**	-
TOTAL COMPREHENSIVE INCOME	**₱3,386,726**	₱2,810,398
Total comprehensive income attributable to:		
Equity holders of the parent	**₱3,196,825**	₱2,633,943
Noncontrolling interest	**189,901**	176,455
	₱3,386,726	₱2,810,398

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Changes in Equity
For the Nine months ended September 30, 2021
(Amounts in thousands)

	Attributable to Equity Holders of the Parent											
	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Stock	Unappropriated Retained Earnings	Appropriated Retained Earnings	Revaluation Reserve on Financial Assets at FVOCI	Remeasurement Losses on Retirement Plan	Share in Other Components of Equity of an Associate	Total	Noncontrolling Interest	Total Equity
						For the Nine Months Ended September 30, 2021						
Balances at the beginning of the year	**₱24,470,708**	**₱80,000**	**₱5,612,321**	**(₱221,041)**	**₱38,776,186**	**₱5,000,000**	**(₱2,619)**	**(₱15,136)**	**₱372,449**	**₱74,072,868**	**₱306,075**	**₱74,378,943**
Net income					**3,187,413**					**3,187,413**	**189,901**	**3,377,314**
Changes in noncontrolling interests					**9,777,069**					**9,777,069**	**2,399,139**	**12,176,208**
Other comprehensive income								**9,412**		**9,412**		**9,412**
Total comprehensive income					**12,964,483**			**9,412**		**12,973,894**	**2,589,040**	**15,562,934**
Dividends declared					**(754,223)**					**(754,223)**		**(754,223)**
Dividend distribution to noncontrolling interest												
Balances as at end of period	**₱24,470,708**	**₱80,000**	**₱5,612,321**	**(₱221,041)**	**₱50,986,446**	**₱5,000,000**	**(₱2,619)**	**(₱5,724)**	**₱372,449**	**₱86,292,540**	**₱2,895,115**	**₱89,187,654**
						For the Nine Months Ended September 30, 2020						
Balances at the beginning of the year	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱41,661,647		(₱2,619)	(₱24,285)	₱361,794	₱71,938,525	₱225,768	₱72,164,293
Net income					2,633,943					2,633,943	176,455	2,810,398
Other comprehensive income								(813)		(813)		(813)
Total comprehensive income					2,633,943			(813)		2,633,130	176,455	2,809,585
Dividends declared					(1,682,904)					(1,682,904)	(64,000)	(1,746,904)
Dividend distribution to noncontrolling interest												
Balances as at end of the period	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱42,612,686		(₱2,619)	(₱25,098)	₱361,794	₱72,888,751	₱338,223	₱73,226,974

FILINVEST LAND, INC. AND SUBSIDIARIES

Interim Condensed Consolidated Statement of Cash Flows
For the Nine months ended September 30

(Amounts in thousands)

	Nine Months Period Ended September 30	
	2021	2020
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱2,542,586**	₱3,137,405
Adjustments for:		
Interest income	**(317,606)**	(290,260)
Interest expense and amortization of transaction costs	**1,765,321**	2,511,192
Depreciation and amortization	**960,206**	1,079,188
Equity in net earnings of associates	**(49,185)**	(546,174)
Net pension expense, net of contribution and benefits paid	**36,489**	69,764
Operating income before changes in operating assets and liabilities	**4,937,811**	5,961,115
Changes in operating assets and liabilities		
Decrease (increase) in:		
Contracts receivables	**(1,104,684)**	(17,068)
Contract Assets	**1,391,765**	(813,687)
Other receivables	**440,610**	(439,867)
Real estate inventories	**(3,256,600)**	(829,960)
Other assets	**(671,773)**	(10,234)
Increase (decrease) in:		
Accounts payable and accrued expenses	**(505,338)**	1,313,846
Contracts liabilities	**11,024**	671,768
Net cash generated from operations	**1,242,815**	5,835,913
Income taxes paid, including creditable withholding taxes	**7,548**	(379,296)
Interest received	**317,606**	290,260
Net cash provided by operating activities	**1,567,969**	5,746,877
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investment properties and property and equipment	**(3,807,742)**	(4,432,514)
Decrease (increase) in BTO rights	**(116,838)**	-
Cash used in investing activities	**(3,924,580)**	(4,432,514)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availments of loans payable	**7,200,000**	9,030,000
Real Estate Investment Trust (REIT) initial public offering, net of expenses	**12,176,208**	-
Payments of:		
Loans payable	**(9,708,684)**	(6,228,538)
Bonds payable	**-**	-
Cash dividend	**(357,048)**	(807,088)
Interest and transaction costs	**(2,658,350)**	(2,905,604)
Lease liability	**(300,880)**	(232,274)
Dividends paid to noncontrolling interest	**-**	(64,000)
Net proceeds of advances from FDC	**1,500,000**	-
Decrease in amounts due to related parties	**(18,914)**	(11,212)
Net cash used in financing activities	**7,832,332**	**(1,218,716)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**5,475,721**	95,647
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	**6,693,557**	4,773,621
CASH AND CASH EQUIVALENTS, END OF PERIOD	**₱12,169,278**	₱4,869,268

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

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

Statement of Compliance
The unaudited interim consolidated financial statements of the Group for the Nine months ended September 30, 2021 have been prepared in accordance with Philippine Accounting Standards (PAS) 34, Interim Financial Reporting, as modified by the application of the following reporting reliefs issued and approved by the SEC under Memorandum Circular No. 34-2020 in response to the COVID-19 pandemic.

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

The unaudited interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2020, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), which include the availment of relief granted by the SEC under Memorandum Circular (MC)
Nos. 3-2019 and 14-2018 to defer the implementation of the following accounting pronouncements until December 31, 2020. These accounting pronouncements address the issues of PFRS 15, Revenue from Contracts with Customers affecting the real estate industry.

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

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

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

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

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

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

Basis of Consolidation

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

Subsidiaries	Nature of Business	**September 30, 2021**	December 31, 2020
Filinvest AII Philippines, Inc. (FAPI)	Real estate developer	**100%**	100%
Filinvest BCDA Clark, Inc. (FBCI) [1]	Real estate developer	**55%**	55%
FCGC Corporation (FCGCC)	Real estate developer	**100%**	100%
Gintong Parisukat Realty and Development Inc. (GPRDI)	Real estate developer	**100%**	100%
Homepro Realty Marketing, Inc. (Homepro)	Real estate developer	**100%**	100%
Filinvest REIT Corp. *(formerly Cyberzone Properties, Inc.)* [6]	Leasing	**63%**	100%
Filinvest Asia Corporation (FAC)	Leasing	**60%**	60%
Filinvest Cyberparks, Inc. (FCI)	Leasing	**100%**	100%
Filinvest Cyberzone Mimosa, Inc. (FCMI) [4]	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%
ProOffice Works Services, Inc. (ProOffice) [2]	Property management	**100%**	100%
Property Specialist Resources, Inc. (Prosper)	Property management	**100%**	100%
FSM Cinemas, Inc. (FSM Cinemas) [3]	Theater operator	**60%**	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	**60%**	60%
Timberland Sports and Nature Club, Inc. (TSNC)	Recreational Sports and Natures Club	**98%**	98%
Leisurepro, Inc. (Leisurepro)	Marketing	**100%**	100%
Proleads Philippines, Inc. (PPI)	Marketing	**100%**	100%
Property Leaders International Limited (PLIL)	Marketing	**100%**	100%
Property Maximizer Professional Corp. (Promax)	Marketing	**100%**	100%
Realpros Philippines, Inc. (RPI)	Marketing	**100%**	100%
Nature Specialists, Inc. (NSI)	Recreational Sports and Natures Club	**75%**	75%
FREIT Fund Managers, Inc. (FFMI) [5]	Fund Management Services	**100%**	-

Notes:
1. *FBCI is owned indirectly through FCGCC.*
2. *40% interest is owned by FCI. Effectively, FLI owns 100% of ProOffice.*
3. *FSM Cinemas is owned indirectly through FSI.*
4. *Filinvest Cyberzone Mimosa, Inc. (FCMI) was renamed Filinvest Clark Mimosa Inc. on February 15, 2021.*
5. *FFMI was incorporated on April 13, 2021 to engage in business of providing fund management services to real estate investment trusts ("REIT") companies. FFMI has not started its commercial operations as of September 30, 2021.*
6. *On August 12, 2021, Filinvest REIT Corp. or FILRT (formerly "Cyberzone Properties Inc." or "CPI") shares were listed at the PSE. FLI previously owned 100% of FILRT and sold 36.7% or 1,797.61 million shares in its initial public offering.*

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

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

Changes in Accounting Policies and Disclosures

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

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

- Amendments to PFRS 9, *Financial Instruments*, PFRS 7, *Financial Instruments: Disclosures*, PFRS 4, *Insurance Contracts*, and PFRS 16, *Leases*, *Interest Rate Benchmark Reform - Phase 2*

  The amendments provide the following temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR):
  - Practical expedient for changes in the basis for determining the contractual cash flows as a result of IBOR reform
  - Relief from discontinuing hedging relationships
  - Relief from the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

  The Group shall also disclose information about:
  - The about the nature and extent of risks to which the entity is exposed arising from financial instruments subject to IBOR reform, and how the entity manages those risks; and
  - Their progress in completing the transition to alternative benchmark rates, and how the entity is managing that transition

  The amendments are effective for annual reporting periods beginning on or after January 1, 2021 and apply retrospectively. These amendments had no impact on the unaudited interim condensed consolidated financial statements of the Group.

- *Adoption of PIC Q&A 2018-12-H, PFRS 15 - Accounting for Common Usage Service (CUSA) Charges*

  On February 14, 2018, PIC Q&A 2018-12-H was issued providing guidance on accounting for common usage service which concludes that real estate developers are generally acting as principal for CUSA charges. Under SEC MC No. 3-2019, the adoption of PIC Q&A No. 2018-12-H was deferred until December 31, 2020. After the deferral period, real estate companies will adopt PIC Q&A No. 2018-12-H and any subsequent amendments thereto retrospectively or as the SEC will later prescribe.

The Group previously availed of the reliefs provided by the SEC and have accounted for the related revenue net of costs and expenses. As at January 1, 2021, the Group adopted PIC Q&A 2018-12-H retrospectively. The Group assessed itself as principal for CUSA and air-conditioning charges, and as an agent for electricity and water usage. Accordingly, the Group presented the revenue from provision of CUSA and air conditioning services and its related costs on a gross basis as part of "Revenue from rental and related services" and "Cost of rental and related services", respectively.

The adoption did not impact the unaudited interim consolidated statements of financial position and unaudited interim consolidated statements of cash flows.

Statement of comprehensive income for the nine months ended September 30, 2021

	Amounts prepared under		**Increase**
	PFRS 15	**Previous PFRS**	**(Decrease)**
Revenues from Rental and related services	**₱4,280,987**	**₱3,167,061**	**₱1,113,926**
Cost of Rental and related services	**1,927,664**	**813,738**	**1,113,926**

Statement of comprehensive income for the nine months ended September 30, 2020

	Amounts prepared under		Increase
	PFRS 15	Previous PFRS	(Decrease)
Revenues from Rental and related services	₱5,841,588	₱4,319,877	₱1,521,711
Cost of Rental and related services	1,924,727	403,015	₱1,521,711

- *Adoption of Q&A 2018-12-E (as amended by PIC Q&A 2020-02) - Treatment of Uninstalled Materials in the Calculation of the POC*

  PIC Q&A 2020-02 was issued by the PIC on October 29. 2020. The latter aims to provide conclusion on the treatment of materials delivered on site but not yet installed in measuring performance obligation in accordance with PFRS 15, *Revenue from Contracts with Customers* in the real estate industry.

  The adoption of this PIC Q&A did not impact the unaudited interim condensed consolidated financial statements of the Group since it does not engage in supply contracts with suppliers for the provision and installation of materials.

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

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

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

  The adoption of this PIC Q&A did not impact the unaudited interim condensed consolidated financial statements of the Group as it records the repossessed inventory at an amount equal to the outstanding balance of the contract receivables at the date of repossession. As the Group has been reporting repossessed inventories at as allowed under approach 3, there is no change in accounting upon adoption of the PIC Q&A.

Deferred Effectivity

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

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

  A summary of the PIC Q&A provisions covered by the SEC deferral and the related deferral period follows:

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

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

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

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

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

After the deferral period, real estate companies have an accounting policy option of applying either the full retrospective approach or modified retrospective approach as provided under SEC MC 8-2021. The Group availed of the SEC relief to defer the above specific provision of PIC Q&A No. 2018-12 on determining whether the transaction price includes a significant financing component. Had this provision been adopted, the mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments provided for in the contract to sell might constitute a significant financing component. In case of the presence of significant financing component, the guidance should have been applied retrospectively and would have resulted in restatement of prior year financial statements in case a full retrospective approach is applied. Depending on the approach of adoption, the adoption of this guidance would have impacted interest income, interest expense, revenue from real estate sales, contract assets, provision for deferred income tax, deferred tax asset or liability for all years presented (full retrospective approach), and the opening balance of retained earnings (full retrospective approach and modified retrospective approach). The Group has yet to assess if the mismatch constitutes a significant financing component for its contracts to sell. The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented in case of a full retrospective approach. The Group has yet to decide on whether the adoption will be using a full retrospective or modified retrospective approach.

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

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

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

  On February 21, 2020, the Philippine SEC issued Memorandum Circular No. 4, Series of 2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above IFRIC Agenda Decision until December 31, 2020. Further, on December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the Real Estate Industry until December 31, 2023. Effective January 1, 2024, the Real Estate Industry will adopt the IFRIC agenda decision and any subsequent amendments thereto retrospectively or as the SEC will later prescribe. A real estate company may opt not to avail of the deferral and instead comply in full of the requirements of the IFRIC agenda decision.

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

  The Group opted to avail of the relief as provided by the SEC. Had the Group adopted the IFRIC agenda decision, borrowing costs capitalized to real estate inventories related to projects with pre-selling activities should have been expensed out in the period incurred. This adjustment should have been applied retrospectively and would have resulted in restatement of prior year financial statements in case a full retrospective approach is applied. A restatement would have impacted interest expense, cost of sales, provision for deferred income tax, real estate inventories, deferred tax liability and opening balance of retained earnings. The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented in case of a full retrospective approach. The Group has yet to decide on whether the adoption will be using a full retrospective or modified retrospective approach.

  On October 26, 2021, the Board of Directors approved and authorized the release of the accompanying unaudited interim condensed consolidated financial statements of Filinvest Land, Inc., and Subsidiaries.

3. Goodwill

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

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

As of September 30, 2021 and December 31, 2020, the recoverable value of the cash generating units to which the goodwill pertains is in excess of the carrying value of the cash generating units, thus, no impairment has been recognized. There are no events that have occurred and circumstances that have changed since December 31, 2020 which would indicate that an impairment indicator exists as of September 30, 2021.

4. Segment Reporting

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

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

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

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

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

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

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

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

	September 30, 2021 (Unaudited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of associates:					
External	₱8,185,304	₱4,280,987	₱12,466,291	₱0	₱12,466,291
Inter-segment	258,279		258,279	(258,279)	
	8,443,583	4,280,987	12,724,569	(258,279)	12,466,291
Equity in net earnings of associates	49,185		49,185		49,185
Other income	8,541,691	660,227	9,201,918	(8,630,991)	570,927
	8,590,876	660,227	9,251,103	(8,630,991)	620,112
Net income	10,609,424	1,154,284	11,763,708	(8,386,394)	3,377,314
Adjusted EBITDA	10,718,655	2,906,852	13,625,508	(8,406,580)	5,218,928
Segment assets	137,591,338	74,718,803	212,310,141	(18,548,351)	193,761,791
Less net deferred income tax assets		148,655	148,655		148,655
Net segment assets	₱137,591,338	₱74,570,148	₱212,161,486	(18,548,351)	₱193,613,136
Segment liabilities	76,165,415	41,227,464	117,392,879	(12,818,742)	104,574,136
Less net deferred income tax liabilities	5,473,490	40,805	5,514,295	143,913	5,658,208
Net segment liabilities	₱70,691,925	₱41,186,658	₱111,878,584	(12,962,655)	₱98,915,928
Cash flows provided by (used in):					
Operating activities	₱1,005,148	₱1,824,524	₱2,829,672	(1,261,703)	₱1,567,969
Investing activities		(3,924,580)	(3,924,580)		(3,924,580)
Financing activities	(3,504,939)	11,702,608	8,197,669	(365,337)	7,832,332

	December 31, 2020 (Audited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Segment Assets	127,394,893	63,510,274	190,905,167	(9,900,021)	181,005,146
Less net deferred tax assets		82,405	82,405		82,405
Net segment assets	127,394,893	63,427,869	190,822,762	(9,900,021)	180,922,741
Segment Liabilities	53,922,142	55,825,136	109,747,278	(3,121,075)	106,626,203
Less net deferred tax liabilities	6,339,213	(20,489)	6,318,724	194,312	6,513,036
Net segment liabilities	47,582,929	55,845,625	103,428,554	(3,315,387)	100,113,167

	September 30, 2020 (Unaudited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of associates:					
External	₱6,672,710	₱5,841,588	₱12,514,298	₱-	₱12,514,298
Inter-segment	45,448		45,448	(45,448)	
	6,718,158	5,841,588	12,559,746	(45,448)	12,514,298
Equity in net earnings of associates	543,520	2,654	546,174		546,174
Other income	520,169	1,221,600	1,741,769	(1,338,405)	403,364
	₱7,781,847	₱7,065,842	₱14,847,689	(₱1,383,853	₱13,463,836
Net income	₱1,347,283	₱2,447,552	₱3,794,835	(₱984,437	₱2,810,398
Adjusted EBITDA	₱1,977,228	₱5,086,331	₱7,063,559	(₱874,568	₱6,188,991
Cash flows provided by (used in):					
Operating activities	(₱8,808,653	₱8,012,013	(₱796,640	₱6,543,517	₱5,746,877
Investing activities	(152,444)	(4,280,070)	(4,432,514)		(4,432,514)
Financing activities	720,627	(2,054,894)	(1,334,267)	115,551	(1,218,716)

Seasonality

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

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:

	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
	(In Thousands)	
Adjusted EBITDA	**₱5,218,928**	₱6,188,991
Depreciation and amortization	**(960,206)**	(1,079,188)
Operating profit	**4,258,722**	5,109,803
Interest and other finance charges	**(1,765,321)**	(2,518,572)
Equity in net earnings of associates	**49,185**	546,174
Income before income tax	**₱2,542,586**	₱3,137,405

5. Revenue from Contracts with Customers

Disaggregated Revenue Information

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

	September 30, 2021 (Unaudited)	September 30, 2020 (As restated, see Note 2) (Unaudited)
	(In Thousands)	
Real estate sales by market segment		
Medium income	**₱5,427,697**	₱4,965,170
High-end	**673,367**	557,384
Low affordable	**1,108,562**	587,144
Affordable	**715,391**	488,244
Socialized	**260,287**	74,769
	8,185,304	6,672,710
Cinema operations by type of goods or services (included as part of rental and related services)		
Theater and parking sales	**37,925**	62,493
Snack bar sales	**-**	-
	37,925	62,493
Total revenue from contracts with customers	**8,223,229**	6,735,203
Rental and related services		
Office leasing	**3,587,791**	5,037,999
Mall operations	**655,270**	741,097
	4,243,061	5,779,096
Total Revenue	**₱12,466,291**	₱12,514,298

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. Market segments classification of projects in 2020 were updated to conform with the 2021 presentation.

As of September 30, 2021 contract balances are as follows:

	Current	**Noncurrent**	**Total**
		(In Thousands)	
Contract receivable	**₱5,261,623**	**₱-**	**₱5,261,623**
Contract assets	**3,706,883**	**3,835,414**	**7,542,297**
Contract liabilities	**1,373,221**	**654,072**	**2,027,293**
	₱10,341,727	**₱4,489,486**	**₱14,831,213**

As of December 31, 2020 contract balances are as follows:

	Current	Noncurrent	Total
		(In Thousands)	
Contract receivable	₱4,156,939	₱-	₱4,156,939
Contract assets	₱5,400,329	₱3,533,733	8,934,062
Contract liabilities	1,249,050	767,219	2,016,269
	₱10,806,318	₱4,300,952	₱15,107,270

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

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

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

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

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

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

6. Cash and Cash Equivalents

This account consists of:

	September 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Cash	**₱9,025,669**	₱3,886,911
Cash equivalents	**3,143,609**	2,806,646
	₱12,169,278	₱6,693,557

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

Interest income earned on the Group's cash and cash equivalents amounted to ₱46.73 million and ₱24.31 million as at September 30, 2021 and 2020, respectively (see Note 22).

There is no restriction on the Group's cash and cash equivalents as at September 30, 2021 and December 31, 2020.

7. Contracts Receivable

This account consists of:

	September 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Contracts receivable	**₱5,059,860**	₱3,963,551
Receivables from government and financial institutions	**201,763**	193,388
	₱5,261,623	₱4,156,939

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

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

Interest income recognized on contracts receivable amounted to ₱260.41 million and ₱251.76 million for the nine months ended September 30, 2021 and 2020, respectively (see Note 22). Interest rates per annum on contracts receivable range from 11.5% to 19.0% for these periods.

The Group has a mortgage insurance contract with Philippine Guarantee Corporation (then, Home Guaranty Corporation), a government insurance company for a retail guaranty line. As of September 30, 2021 and December 31, 2020, the contracts (comprise of both contract receivables and contract assets) covered by the guaranty line amounted to ₱796.7 million and ₱460.3 million, respectively. As of September 30, 2021 and December 31, 2020, the remaining unutilized guaranty line amounted to ₱1.57 billion and ₱2.04 billion, respectively.

As of September 30, 2021 and December 31, 2020, no impairment losses were recognized from contracts receivables.

8. Other Receivables

This account consists of:

	September 30 2021 (Unaudited)	December 31 2020 (Audited)
		(In Thousands)
Receivables from tenants	**₱1,349,644**	**₱2,456,106**
Due from related parties	**1,001,904**	**347,121**
Receivables from homeowners' associations	**280,511**	**230,189**
Advances to officers and employees	**232,237**	**303,460**
Receivables from buyers	**3,470**	**43,174**
Others	**152,231**	**23,126**
	3,019,996	**3,403,176**
Less: Allowance for expected credit losses	**98,423**	40,993
	₱2,921,573	₱3,362,183

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

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

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

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

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

9. Real Estate Inventories

This account consists of:

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In Thousands)	
Real estate inventories - at cost		
Lots, condominium and residential units for sale	**₱44,301,813**	₱41,659,064
Land and land development	**25,239,881**	23,885,503
	₱69,541,693	₱65,544,567

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

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In Thousands)	
Balance at beginning of year	**₱41,659,064**	₱38,851,977
Land costs transferred from land and land development	**3,893**	1,194,483
Net transfer to investment properties and property and equipment	-	(40,831)
Construction/development costs incurred	**7,003,923**	6,576,586
Capitalized borrowing costs	**399,233**	663,683
Cost of real estate sales	**(4,764,300)**	(5,586,834)
	₱44,301,813	₱41,659,064

Capitalization rate for the capitalized borrowing costs is 0.5% and 1.0% for the nine months ended September 30, 2021 and for the year ended December 31, 2020, respectively.

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

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In Thousands)	
Balance at beginning of year	**₱23,885,503**	₱24,166,459
Land acquisitions	**650,488**	450,018
Land costs transferred to lots, condominium and residential units for sale	**(3,893)**	(1,194,483)
Net transfers and others	-	(222,994)
Site development and incidental costs	**707,783**	686,503
	₱25,239,881	₱23,885,503

As of September 30, 2021 and December 31, 2020, on account additions to land and land development during the period which remain outstanding amounted to nil and ₱2.90 million, respectively, and these are recognized as part of "Accounts payable and accrued expense" (see Note 16).

10. Other Current Assets

This account consists of:

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In Thousands)	
Input taxes	**₱2,738,303**	₱2,054,956
Creditable withholding taxes	**1,456,832**	928,110
Cost to obtain contract	**479,041**	776,795
Prepaid expenses	**187,111**	570,337
Construction materials and supplies	**179,431**	105,591
Advances to contractors and suppliers	**156,377**	191,397
Short-term deposits	**53,256**	9,955
	₱5,250,351	₱4,637,141

11. Investments in Associates

This account consists of:

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In Thousands)	
At equity:		
Balance at the beginning of period	**₱996,619**	₱906,619
Additions to DPI	**-**	90,000
Balance at end of period	**996,619**	996,619
Accumulated equity in net earnings:		
Balance at the beginning of year	**₱1,542,297**	₱1,025,847
Equity in net earnings for the period	**49,185**	516,450
Balance at end of period	**1,591,482**	1,542,297
Share in revaluation increment on land at deemed cost*	**1,876,422**	1,876,422
Share in other components of equity	**372,449**	372,449
	₱4,836,972	₱4,787,787

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

The equity in net earnings for the year ended December 31, 2020 included the Group's share in FAI's gain on sale of a subsidiary to a third party in June 2020.

As of September 30, 2021, the carrying value of the Group's investments in associates follows:

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In Thousands)	
FAI	₱4,599,307	₱4,551,615
DPI	84,051	87,702
FMI	74,381	74,022
CTI	53,166	52,146
Pro-excel	26,067	22,302
	₱4,836,972	₱4,787,787

12. Leases

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

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

	September 30, 2021 (Unaudited)		
	Investment Properties	**Other Noncurrent assets**	**Total**
		(In Thousands)	
Cost			
Beginning balance	**₱5,376,136**	**₱112,424**	**₱5,488,560**
Additions	**45,305**	**-**	**45,305**
Transfers and Others	**-**	**(3,965)**	**(3,965)**
At end of period	**5,421,441**	**108,459**	**5,529,900**
Accumulated Depreciation			
Beginning balance	**288,122**	**8,994**	**297,116**
Depreciation	**102,256**	**3,373**	**105,629**
Transfers and Others	**-**	**(8,040)**	**(8,040)**
Balance at end of period	**390,378**	**4,327**	**394,705**
Net Book Value	**₱5,031,062**	**₱104,132**	**₱5,135,195**

	December 31, 2020 (Audited)		
	Investment Properties	Other Noncurrent assets	Total
		(In Thousands)	
Cost			
Beginning balance	₱5,279,966	₱112,424	₱5,392,390
Additions	96,170	-	96,170
At end of period	5,376,136	112,424	5,488,560
Accumulated Depreciation			
Beginning balance	140,091	4,497	144,588
Depreciation	148,031	4,497	152,528
Balance at end of period	288,122	8,994	297,116
Net Book Value	₱5,088,014	₱103,430	₱5,191,444

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

	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
	(In Thousands)	
Amortization expense of right-of-use assets (included in general and administrative expenses)	**₱70,911**	₱152,528
Interest expense on lease liabilities (included in interest and other finance charges)	**198,740**	203,597
	₱269,651	₱356,125

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

	September 30 2021 (Unaudited)	**September 30 2021 (Unaudited)**
	(In Thousands)	
Amortization expense of right-of-use assets (included in general and administrative expenses)	**₱105,629**	₱152,528
Interest expense on lease liabilities (included in interest and other finance charges)	**321,329**	379,575
	₱426,958	₱532,103

The rollforward analysis of lease liabilities follows:

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In Thousands)	
Beginning balance	**₱6,152,960**	₱5,870,064
Additions	**45,306**	96,170
Interest expense	**321,329**	504,674
Payments	**(300,880)**	(317,948)
At end of period	**6,218,715**	6,152,960
Lease Liabilities - current portion	**248,590**	328,796
Lease liabilities - net of current portion	**₱5,970,125**	₱5,824,164

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

13. Investment Properties

The rollforward analysis of this account are as follows:

	September 30, 2021 (Unaudited)					
	Land	**Buildings and Improvements**	**Machinery and Equipment**	**Construction in Progress**	**Right-of-use assets**	**Total**
			(In Thousands)			
Cost						
Beginning balance	**₱14,798,900**	**₱29,160,153**	**₱216,420**	**₱26,840,127**	**₱5,376,136**	**₱76,391,736**
Additions	**15,066**	**151,761**	**137,975**	**2,668,766**	**45,305**	**3,018,872**
Transfers (Note 14)	**(352,788)**	**(1,143,209)**	**-**	**776,648**	**-**	**(719,345)**
Balances at end of period	**14,461,182**	**28,168,705**	**354,395**	**30,285,540**	**5,421,441**	**78,691,263**
Accumulated Depreciation						
Beginning balance	**-**	**6,623,937**	**214,720**	**-**	**288,122**	**7,126,779**
Depreciation	**-**	**576,696**	**117,894**	**-**	**102,256**	**796,846**
Transfers (Note 14)	**-**	**(450,544)**	**-**	**-**	**-**	**(450,544)**
Balances at end of period	**-**	**6,750,089**	**332,614**	**-**	**390,378**	**7,473,081**
Net Book Value	**₱14,461,182**	**₱21,418,617**	**₱21,781**	**₱30,285,540**	**₱5,031,062**	**₱71,218,182**

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

Borrowing costs capitalized as part of investment properties amounted to ₱675.2 million and ₱645.27 million as of September 30, 2021 and December 31, 2020, respectively. Capitalization rate used is 0.61% to 0.87% for the nine months ended September 30, 2021 and 1.00% to 6.14% for the year ended December 31, 2020.

Investment properties in San Mateo, Rizal were reclassified to property and equipment due to change in use in 2021.

As of September 30, 2021 and December 31, 2020, on account additions to investment properties which remain outstanding amounted to ₱981.0 million and ₱2.72 billion, respectively, and these are recognized as part of "Accounts payable and accrued expense" (see Note 16).

The aggregate fair value of the Group's investment properties amounted to ₱205.06 billion based on third party appraisals performed for certain assets in 2021 by an SEC accredited independent appraiser and management appraisal updated using current and period-end values and assumptions. The fair value of investment properties was determined using the Income Approach based on discounted cash flow analysis for completed buildings, Residual Approach for buildings under construction and Market Approach for land.

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

Market data approach provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. This approach was used for the land as it is commonly used in the property market since inputs and data for this approach are available. For market data approach, the higher the rise per sqm., the higher the fair value. The significant unobservable inputs to valuation of the land is the price per square meter ranging from ₱46,000 to ₱275,000.

The Group has contractual commitments and obligations for the construction and development costs to be incurred for investment properties and property and equipment items aggregating ₱2,789.34 million and ₱5,765.02 million as of September 30, 2021 and December 31, 2020, respectively. These will be recognized as liabilities in the Group's consolidated financial statements when the related services are received.

14. Property & Equipment

The rollforward analysis of this account are as follows:

	September 30, 2021 (Unaudited)						
	Land and Buildings	**Machinery and Equipment**	**Transportation Equipment**	**Furniture and Fixtures**	**Leasehold Improvements**	**Construction in Progress**	**Total**
				(In Thousands)			
Cost							
Beginning balance	**₱2,160,594**	**₱1,804,016**	**₱167,788**	**₱112,523**	**₱191,736**	**₱183,444**	**₱4,620,101**
Additions	**85,681**	**253,448**	**7,551**	**19,451**	**2,224**	**50,659**	**419,014**
Transfers (Note 13)	**1,274,094**	**-**	-	-	-	-	**1,274,094**
Balances at end of period	**3,520,369**	**2,057,464**	**175,339**	**131,974**	**193,960**	**234,103**	**6,313,209**
Accumulated Depreciation and Amortization							
Beginning balance	**327,981**	**619,901**	**128,440**	**76,289**	**119,345**	-	**1,271,956**
Depreciation and amortization	**43,089**	**122,093**	**12,900**	**4,270**	**4,477**	-	**186,829**
Transfers (Note 13)	**206,627**	**-**	-	-	-	-	**206,627**
Balances at end of period	**577,697**	**741,994**	**141,340**	**80,559**	**123,822**	-	**1,665,413**
Net Book Value	**₱2,942,672**	**₱1,315,470**	**₱33,998**	**₱51,415**	**₱70,138**	**₱234,103**	**₱4,647,796**

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

As of September 30, 2021 and December 31, 2020, on account additions to property and equipment which remain outstanding amounted to nil and ₱110.21 million, respectively, and these are recognized as part of "Accounts payable and accrued expenses" (see Note 16).

15. Other Noncurrent Assets

This account consists of:

	September 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
BTO rights	**₱3,693,107**	₱3,576,269
Advances to contractors and suppliers	**1,503,769**	1,579,205
Advances to joint venture partners	**392,802**	401,890
Deposits	**160,829**	15,200
Right-of-Use	**108,459**	112,424
Financial assets at FVTOCI	**15,622**	15,622
Other assets	**62,822**	205,418
	5,937,410	5,906,028
Less accumulated amortization	**281,283**	279,867
	₱5,656,127	₱5,626,161

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

The rollforward analysis of BTO rights is as follows:

	September 30, 2021 (Unaudited)		
	BTO Rights	**Right-of-Use Assets**	**Total**
	(In Thousands)		
Cost			
Balance at beginning of period	**₱3,576,269**	**₱112,424**	**₱3,688,693**
Additions	**116,838**	**-**	**116,838**
Others	**-**	**(3,965)**	**(3,965)**
	₱3,693,107	**₱108,459**	**₱3,801,566**
Accumulated Amortization			
Balance at beginning of period	**₱270,873**	**₱8,994**	**₱279,867**
Amortization	**6,084**	**-**	**6,084**
Others	**-**	**(4,667)**	**(4,667)**
Balance at end of period	**276,957**	**4,327**	**281,283**
Net Book Value	**₱3,416,150**	**₱104,132**	**₱3,520,283**

	December 31, 2020 (Audited)		
	BTO Rights	Right-of-Use Assets	Total
	(In Thousands)		
Cost			
Balance at beginning of year	₱2,858,460	₱112,424	₱2,970,884
Additions	717,809	-	717,809
	₱3,576,269	₱112,424	₱3,688,693
Accumulated Amortization			
Balance at beginning of year	₱192,945	₱4,497	₱197,442
Amortization	77,928	4,497	82,425
Balance at end of year	270,873	8,994	279,867
Net Book Value	₱3,305,396	₱103,430	₱3,408,826

For the nine months period ended September 30, 2021 and 2020, and for the period ended December 31, 2020, related amortization recognized as part of "Cost of rental and related services" amounted to ₱6.08 million, ₱58.30 million and ₱77.93 million, respectively. Rent income amounting to ₱141.43 million and ₱152.90 million for the nine months period ended September 30, 2021 and 2020, respectively, was recognized as part of "Revenue from rental and related services".

16. Accounts Payable and Accrued Expenses

This account consists of:

	September 30, 2021 (Unaudited)			December 31, 2020 (Audited)		
	Current	**Noncurrent**	**Total**	Current	Noncurrent	Total
			(In Thousands)			
Accounts payable (Note 26)	**₱6,715,431**	**₱5,479,947**	**₱12,195,378**	₱7,298,675	₱4,930,111	₱12,228,786
Retention fees payable	**2,081,275**	**550,160**	**2,631,435**	1,495,682	902,347	2,398,029
Deposits from tenants	**1,112,103**	**1,423,460**	**2,535,563**	1,981,658	1,381,945	3,363,603
Deposits for registration	**165,971**	**1,198,925**	**1,364,896**	155,870	1,122,795	1,278,665
Accrued expenses	**1,035,894**	**-**	**1,035,894**	1,009,473	-	1,009,473
Accrued interest on bonds and loans	**443,027**	**-**	**443,027**	674,060	-	674,060
Other payables	**678,248**	**-**	**678,248**	501,609	-	501,609
	₱12,231,949	**₱8,652,492**	**₱20,884,441**	₱13,117,027	₱8,337,198	₱21,454,225

Accrued expenses account consists of:

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In thousands)	
Suppliers and contractors	**₱988,342**	₱937,183
Professional fees	**39,516**	40,848
Utilities	**4,482**	4,423
Payroll	**3,198**	12,721
Interest	**-**	12,131
Other accruals	**356**	2,167
	₱1,035,894	₱1,009,473

17. Loans Payable

This account consists of:

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In Thousands)	
Developmental loans from local banks	**₱35,855,208**	₱38,233,885
Less unamortized transaction costs	**88,925**	128,862
	35,766,283	38,105,023
Less current portion of loans payable	**8,903,416**	8,866,369
Long-term portion of loans payable	**₱26,862,867**	₱29,238,654

Developmental loans from local banks have floating or fixed interest rates at different terms and repayment periods. Additional bank loans availed by the Group in 2021 amounted to ₱4.54 billion net of debt issuance cost amounting to ₱13.27 million. Principal payments made in 2021 amounted to ₱7.05 billion.

As of September 30, 2021, short-term loans payable, presented under current portion of loans payable amounted to ₱8.90 billion.

Interest incurred on these loans (gross of related capitalized borrowing costs) amounted to ₱1.24 billion and ₱2.04 million for the nine months ended September 30, 2021 and 2020, respectively.

Amortization of transaction costs amounted to ₱194.51 million and ₱87.35 million for the nine months ended September 30, 2021 and 2020, respectively, and included under "Interest and other financing charges" (see Note 22). The Group's loans payable are unsecured and no assets are held as collateral for these debts. The agreements covering the abovementioned bank loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.1x 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.

As of September 30, 2021 and December 31, 2020, the Group complied with these contractual agreements and has not been cited in default on its outstanding loan obligations.

18. Bonds Payable

This account consists of:

	September 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Current portion	**₱12,276,344**	₱5,294,517
Noncurrent portion	**19,418,566**	26,369,011
	₱31,694,910	₱31,663,528

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

19. Equity

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

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

There was no issuance of additional common shares for the nine months period ended September 30, 2021.

Retained Earnings
Retained earnings include undistributed earnings amounting to ₱4.66 billion and ₱10.56 billion as of September 30, 2021 and December 31, 2020, respectively, representing accumulated equity in net earnings of subsidiaries and associates, which are not available for dividend declaration until declared as dividends by the subsidiaries and associates.

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

As at September 30, 2021, the amount of retained earnings appropriated for business expansions for construction of residential, leasing and mixed-use projects amounted to ₱5.0 billion. The appropriation will be fully utilized to cover part of the capital expenditure requirements of the Company which are expected to be completed in 2024.

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

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

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

Tranche 2
To all common stockholders of record as of November 15, 2021 in the amount of ₱0.0155 per share a Regular Cash Dividend. Payment date was set on December 9, 2021.

To all preferred stockholders of record as of November 15, 2021 in the amount of ₱0.000155 per share Regular Cash Dividend. Payment date was set on December 9, 2021.

Total dividends declared to common shareholders and preferred shareholders for the nine months ended September 30, 2021 amounted to ₱751.74 million and ₱2.48 million, respectively. The Group has remaining unpaid cash dividend amounting to ₱397.4 million as of September 30, 2021.

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

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value and ensure compliance with debt covenants. No changes were made in capital management objectives, policies or processes for the periods ended September 30, 2021 and December 31, 2020.

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

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	(In Thousands)	
Loans Payable (Note 17)	**₱35,766,283**	₱38,105,023
Bonds Payable (Note 18)	**31,694,910**	31,663,528,
	67,461,193	69,768,551
Total Equity	**89,187,654**	74,378,943
Debt-to-equity ratio	**0.76 :1.00**	0.94 :1.00

On August 12, 2021, Filinvest REIT Corp., the real estate investment trust (REIT) of Filinvest Land, Inc., was listed on the PSE with an offer price of ₱7.00 per share. At the offer price, the projected dividend yield as stated in the REIT Plan is 6.3% for FY2021 and 6.6% for FY2022. The base offer of the IPO was 1,634,187,850 common shares, with an overallotment option of up to 163,418,785 common shares.

FLI previously owned 100% of FILRT and sold 36.7% or 1,797.61 million shares in its initial public offering (IPO). The net proceeds from the IPO amounted to ₱12.18 billion. The cost of 36.7% public float was at P2.40 billion.

20. General and Administrative Expenses

The account consists of:

	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
	(In Thousands)	
Salaries, wages and employee benefits	**₱337,475**	₱439,304
Taxes and licenses	**214,562**	237,624
Repairs and maintenance	**217,143**	158,849
Outside services	**130,254**	113,616
Electronic data processing charges	**62,351**	75,697
Entertainment, amusement and recreation	**60,553**	58,284
Depreciation and amortization	**52,431**	42,241
Transportation and travel	**49,755**	56,199
Retirement costs	**36,489**	20,781
Communications, light and water	**30,413**	18,960
Insurance	**29,807**	21,294
Dues and subscriptions	**27,317**	26,696
Office supplies	**9,397**	8,782
Rent	**8,910**	9,486
Postage and Freight Charges	**4,783**	2,241
Others	**75,139**	49,928
	₱1,346,780	₱1,339,982

"Others" mainly consists of provision for doubtful accounts and other miscellaneous expenses.

21. Selling and Marketing Expenses

The account consists of:

	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
	(In Thousands)	
Brokers' commissions	**₱466,521**	₱402,337
Selling, advertising and promotions	**134,855**	143,724
Service fees	**101,882**	65,318
Sales office direct costs	**32,518**	56,641
Salaries and wages	**3,253**	3,787
Others	**724**	2,192
	₱739,752	₱673,998

22. Interest and Other Finance Charges

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

	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
	(In Thousands)	
Interest income on:		
Contracts receivable	**₱260,407**	₱251,764
Cash and cash equivalents	**46,728**	24,307
Others	**10,471**	14,189
	₱317,606	₱290,260
Interest and other finance charges:		
Interest expense on loans and bonds payable, net of interest capitalized	**₱1,242,666**	₱2,044,266
Interest expense on lease liabilities, net of interest capitalized	**321,329**	379,575
Amortization of transaction costs of loans and bonds	**194,507**	87,351
Other finance charges	**6,818**	7,380
	₱1,765,321	₱2,518,572

23. Income Tax

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

	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
	(In Thousands)	
Current	**₱81,664**	₱432,248
Deferred	**(916,393)**	(105,241)
	(₱834,728)	**₱327,007**

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

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

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30% to 25% for domestic and resident foreign corporations. For domestic corporations with net taxable income not exceeding ₱5 million and with total assets not exceeding ₱100 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%.
- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2020 to September 30, 2023.
- For investments prior to effectivity of CREATE:
  i. Registered business enterprises (RBEs) granted only an ITH – can continue with the availment of the ITH for the remaining period of the ITH.

ii. RBEs granted an ITH followed 5% GIT or are currently enjoying 5% GIT – allowed to avail of the 5% GIT for 10 years.

As a result of reduction in RCIT rate, the provision for current income tax for the year ended December 31, 2020 and income tax payable as of December 31, 2020 decreased by ₱8.1 million. In addition, the provision for deferred tax for the year then ended December 31, 2020 decreased by ₱55.5 million and deferred tax liabilities decreased by ₱1.13 billion as of December 31, 2020. For financial reporting purposes, these changes are recognized in the interim condensed consolidated financial statements as of and for the nine months ended September 30, 2021 in accordance with PIC Q&A 2020-07, Accounting for the Proposed Changes in Income Tax Rates under the CREATE bill dated January 27, 2021.

As of September 30, 2021, provision for current income tax and deferred tax are recognized based on the effective income tax rate of 25%.

24. Financial Risk Exposures

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

The main objectives of the Group's financial risk management are as follows:
- To identify and monitor such risks on an ongoing basis.
- To minimize and mitigate such risks; and,
- To provide a degree of certainty about costs.

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

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

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

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

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

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

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

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

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

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

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

		September 30, 2021 (Unaudited)				
	Total	**Socialized**	**Low Affordable**	**Affordable**	**Middle Income**	**High-end**
				(In Thousands)		
Expected credit loss rate	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Estimated total gross carrying amount at default	**12,803,920**	**573,841**	**1,879,074**	**3,276,098**	**5,954,378**	**1,120,528**

		December 31, 2020 (Audited)				
	Total	Socialized	Low Affordable	Affordable	Middle Income	High-end
				(In Thousands)		
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	13,091,001	442,089	1,800,133	2,688,198	6,770,394	1,390,188

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

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

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

As at September 30, 2021 and December 31, 2020, the analysis of contracts receivable that were past due but not impaired is as follows:

	Past due but not impaired					
	Less than 30 days	30 to 60 days	61 days to 90 days	91 days to 120 days	Over 120 days	Total
			(In Thousands)			
September 30, 2021	**474,799**	**420,225**	**304,848**	**394,684**	**3,529,119**	**5,123,675**
December 31, 2020	440,937	397,852	370,753	255,163	2,498,846	3,963,551

Interest Rate Risk

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

Of the total ₱38.97 billion loans outstanding as of September 30, 2021, ₱5.08 billion are on floating rate basis. The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, or the Group's annualized profit before tax through the impact on floating rate borrowings.

	Increase (decrease) in basis points	Effect on annualized income before income tax (In Thousands)
September 30, 2021	+200	₱77,283
	-200	(77,283)

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)

		September 30, 2021 (Unaudited)		December 31, 2020 (Audited)
	Carrying Values	**Fair Values**	Carrying Values	Fair Values
		(In Thousands)		
Cash and cash equivalents	**₱12,169,278**	**₱12,169,278**	₱6,693,557	₱6,693,557
Contracts receivables	**5,261,623**	**5,261,623**	4,156,939	4,156,939
Other receivables	**2,921,573**	**2,921,573**	3,362,183	3,362,183
Accounts payable and other accrued expenses	**20,884,440**	**20,083,726**	21,454,225	20,774,166
Long-term debt	**67,461,193**	**63,470,584**	69,768,551	73,454,654

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

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

Accounts payable and accrued expenses: On accounts due within one year, the fair value of accounts payable and accrued expenses approximates the carrying amounts. On accounts due for more than a year, estimated fair value is based on the discounted value of future cash flows using the prevailing interest rates on loans and similar types of payables as of the reporting date. Interest rates used was 4.28% as of September 30, 2021 and December 31, 2020.

Long-term debt (lease liabilities, loans payable and bonds payable): The estimated fair value of long-term debts with fixed interest and not subjected to quarterly re-pricing is based on the discounted value of future cash flows using the applicable risk-free rates for similar type of loans adjusted for credit risk. Long-term debt subjected to quarterly re-pricing is not discounted since its carrying value approximates fair value. The discount rates used range from 2.88% to 6.51% and 3.80% to 6.50% as of September 30, 2021 and December 31, 2020, respectively.

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

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements for the nine months ended September 30, 2021 and the year ended December 31, 2020.

25. EPS Computation

Basic/diluted EPS is computed as follows:

	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
	(In Thousands, Except per Share Data)	
Net income attributable to equity holders of the parent* (a)	**₱3,184,933**	₱2,628,823
Common shares issued	**24,470,709**	24,470,709
Less weighted average number of treasury stock	**220,949**	220,949
Weighted average number of common shares outstanding (b)	**24,249,760**	24,249,760
Earnings Per Share (a/b)	₱0.13	₱0.11

**After deducting dividends for preferred shareholder of ₱2.48 million (Note 19).*

There were no potential dilutive shares for the nine months ended September 30, 2021 and 2020.

26. Related Party Transactions

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

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

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

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

Outstanding balances at year-end are unsecured, interest free and require settlement in cash, unless otherwise stated. The transactions are made at terms and prices agreed upon by the parties. As of September 30, 2021 and December 31, 2020, the Group has not made any provision for impairment loss relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Composition of amounts due/to from related parties follow:

	September 30, 2021	December 31, 2020
	(In Thousands)	
Due from related parties:		
Ultimate parent (b)	**₱487,212**	₱128
Associates (d, h)	**371,514**	225,125
Other affiliates (e, g)	**143,178**	121,868
	₱1,001,904	₱347,121
Due to related parties:		
Parent (c)	**₱1,549,834**	₱60,484
Associates (d, h)	**21,264**	46,571
Other affiliates (e, g)	**22,009**	4,966
	₱1,593,107	₱112,021

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

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

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

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

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

In this transaction, the risk of default and non-payment of buyers of contracts receivable is assumed by EW and the Group has no liability to EW for such events. Due to this, the Group derecognized the contracts receivables sold and did not recognize any liability in its consolidated financial statements. There was no sale of contracts receivable for the nine months ended September 30, 2021 and year ended December 31, 2020

The Group's plan assets in the form of cash equivalents amounting to ₱26.25 million as of September 30, 2021 and ₱38.29 million as of December 31, 2020 are maintained with EW. The Group also maintains cash and cash equivalents with EW. As of September 30, 2021 and December 31 2020, cash and cash equivalents with EW amounted to ₱3.03 billion and ₱3.26 billion, respectively. As of September 30, 2021 and December 31, 2020, amounts payable to EW related the purchase of land in 2018 amounted to ₱2.38 billion and ₱2.37 billion, respectively, and presented as part of Accounts Payable (see Note 16).

b. *Transactions with Ultimate Parent (ALG)*
Transactions with the Group's ultimate parent company relates to sharing of common expenses.

c. *Transactions with Parent Company (FDC)*
The Parent Company charged FDC certain common expenses paid by the Parent Company on its behalf.

During the year, FDC made short-term interest-bearing advances to the Group amounting to ₱1,035.5 million. These loans bear interest ranging from 2.76% to 4.0% and have maturity of 3 to 5 months.

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

d. *Transactions with Associates*

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

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

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

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

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

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

Filinvest REIT Corp. *(FRC, formerly CPI)* entered into a service agreement with FDC Retail Electricity Sales whereby CPI shall engage and pay the services rendered by the latter to provide the electricity requirements of its facilities.

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

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

f. The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱27.04 million and ₱25.52 million for the nine months ended September 30, 2021 and 2020, respectively. Post-employment benefits of key management personnel amounted to ₱12.86 million and ₱ 14.99 million for the nine months ended September 30, 2021 and 2020, respectively.

g. *Leases with related parties - Group as lessor*
Chroma Hospitality, Inc. (CHI) office lease with FRC. CHI leases the office space from FRC. The lease term is 10 years, renewable by another 5 years upon mutual agreement by the parties.

h. *Leases with related parties - Group as lessee*
The Group has several land lease transactions with related parties:

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

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

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

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

   As of September 30, 2021 and December 31, 2020, the amount included in lease liability payable to related parties is ₱5,640.4 and ₱5,566.3 million, respectively (see Note 12).

27. Events after the Reporting Date

On September 22, 2021, the Board of Directors of the Parent Company approved the offer and issuance of up to ₱8,000,000,000 worth of fixed-rate peso denominated retail bonds with an over-subscription option of up to ₱2,000,000,000 for a maximum aggregate total of ₱10,000,000,000.00, with maturity periods ranging from 4 years and up to 6 years (the "Second Tranche Bonds"). The bond issuance will be the second tranche out of its ₱30,000,000,000.00 bonds registered in 2020 under the shelf-registered program of the SEC.

On June 25, 2021, the shareholders of CPI, approved the following amendments to its Articles of Incorporation: (i) change of name of the Company from "Cyberzone Properties, Inc." to "Filinvest REIT Corp.", (ii) reduction of the par value of its Shares from ₱1.00 per common share to ₱0.50 per common share, and (iii) increase of the Company's authorized capital stock from ₱2,000,000,000 to ₱7,131,849,000 divided into 14,263,698,000 Shares with a par value of ₱0.50 per Share. The change in name of CPI, the reduction in the par value of its Shares, and the increase in its authorized capital stock were approved by the Philippine SEC on July 2, 2021.

On August 12, 2021, Filinvest REIT Corp. was listed and traded in the Philippine Stock Exchange under the PSE ticker symbol FILRT. As a result of the listing, FLI's interest in Filinvest REIT Corp. decreased to 63.26%. This transaction resulted in changes to the Group's Cash, Equity attributable to equity holders of the parent and Non-controlling interest.

The Group considers the events above as non-adjusting subsequent events, accordingly, no adjustments have been made to the consolidated financial statements as of and for the nine months ended September 30, 2021.

28. Significant Accounting Judgments, Estimates and Assumptions

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

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

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

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

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

Results of operations for the nine months ended September 30, 2021 compared to nine months ended September 30, 2020

For the nine months ended September 30, 2021, FLI's net income from its business segments registered an increase of ₱566.92 million or 20.17%, from ₱2,810.40 million in 2020 to ₱3,377.31 million in 2021 primarily due to lower income tax as a result of newly enacted CREATE law.

Revenues and other income
Total consolidated revenues went down by ₱377.44 million or 2.80%, from ₱13,463.84 million in 2020 to ₱13,086.40 million in 2021 due to lower revenues generated from leasing business tempered by increased real estate sales revenues from residential business.

Real estate sales increased by ₱1,512.59 million or by 22.67%, from ₱6,672.71 million in 2020 to ₱8,185.30 million in 2020 primarily attributable to higher construction percentage of completion achieved since easing up of restrictions in certain periods during the period. Real estate sales recognized during the current period broken down by product type are as follows: Middle Income 66% (inclusive of MRB and HRB); Affordable and low affordable 22%; High-End and others 8% and Socialized 3%.

Rental and related services decreased by ₱1,560.60 million or by 26.72%, from ₱5,841.59 million in 2020 to ₱4,280.99 million in 2021 primarily due to decline in mall and office revenues as a result of lower occupancy and rental concessions provided primarily to mall and retail tenants. Reduced occupancy in office was caused by the pre-termination of leases by POGO tenants. The Group expects new BPO tenants to lease out the vacated office spaces in the remainder of the year. To add, prior year rental revenues include pre-covid quarantine period for 2.5 months (From January 01, 2020 to March 15, 2020).

Equity in net earnings of an associate decreased by ₱496.99 million or by 90.99%, from ₱546.17 million in 2020 to ₱49.19 million in 2021 due to lower net income reported by FAI. Last year's income included FAI's gain on sale of Spectrum Alabang Properties, Inc. (SAPI) shares to its joint venture partner, Mitsubishi.

Interest income increased by ₱27.35 million or by 9.42%, from ₱290.26 million in 2020 to ₱317.61 million in 2021 due to higher interest income derived from contract receivables for in-house financing schemes.

Other income increased by ₱140.22 million or by 123.97% from ₱113.10 million in 2020 to ₱253.32 million in 2021 due to higher income generated from fees e.g., service, processing, management, and other related fees.

Costs and Expenses

Cost of real estate sales increased by ₱895.15 million or by 23.14%, from ₱3,869.15 million in 2020 to ₱4,764.30 million in 2021 due to higher real estate revenues realized during the period.

Cost of rental services increased by ₱2.94 million or by 0.15%, from ₱1,924.73 million in 2020 to ₱1,927.66 million in 2021 due to higher direct expenses for the period.

Selling & marketing expenses was up by ₱65.75 million or by 9.76%, from ₱674.00 million in 2020 to ₱739.75 million in 2021 due to increased sales commissions and sales-related advertisement and promotional expenses for the period brought about by increasing options sales and easing up of restrictions during the period.

General and administrative expenses increased by ₱6.80 million or by 0.51%, from ₱1,339.98 million in 2020 to ₱1,346.78 million in 2021 as some of the expenses (e.g. repairs and maintenance, outside services depreciation and utilities) rose tempered by lower salaries and wages, taxes and licenses and electronic data processing charges during the period.

Interest and other finance charges
Interest and other finance charges decreased by ₱753.25 million or by 29.91%, from ₱2,518.57 million in 2020 to ₱1,765.32 million in 2021 due to higher capitalized interest during the period compared to prior year.

Provision for Income Tax

Total provision for income tax decreased by ₱1,161.74 million from a tax expense of ₱327.01 million in 2020 to a tax benefit of ₱834.73 million in 2021 primarily due to lower taxable income, lower tax rate (from 30% to 25%) coupled with necessary adjustments made for prior year's deferred tax assets and deferred tax liabilities as a result of newly enacted CREATE law.

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

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

As of September 30, 2021, FLI's total consolidated assets stood at ₱193.76 billion from the ₱181.00 billion balance as of December 31, 2020, increased by ₱12.76 billion or by 7.05%. The following are the material changes in account balances:

81.81% Increase in Cash and cash equivalents

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

13.10% Decrease in Other receivables

Mainly due to increase in receivables from mall and office tenants.

6.10% Increase in Real Estate Inventories

Due to lower cost of real estate sales as a result of lower sales revenues recognized during the period, and additional spending for project development costs

38.82% Increase in Property and Equipment

Due to transfers of hotel-related assets of TSNC and The Leaf from investment properties to property and equipment

80.40% Decrease in Deferred Tax Assets

Mainly due adjustments made the as of December 31, 2020 balance as a result of CREATE Act.

9.94% Increase in Contract Liabilities

Principally due to the increased contracts with buyers whose purchased units had lower percentage-of-completion.

1,322.15% Increase in Due to related parties

Mostly due to short-term advances from FDC (Parent company) coupled with unpaid shared expenses among related parties which includes shared operational expenses.

348.44% Increase in Income tax payable

Primarily due to the increased current provision for income tax.

13.12% Decrease in Deferred Tax Liabilities

Mainly due adjustments made the as of December 31, 2020 balance as a result of CREATE Act.

16.50% Increase in Total equity attributable to equity holders

Mainly due to the increase in retained earnings as a result of net income during the year and net proceeds from FILREIT *(formerly CPI)* IPO last August 2021.

845.88% Increase in Non-controlling interests

Largely due to sale of 36.74% stake in FILREIT *(formerly CPI)* to the public and net income after tax share of minority interests.

Material Changes in Liquidity and Cash Reserves for the nine-month period ended September 30, 2021 versus September 30, 2020

FLI Group registered a net cash inflow of ₱5.48 billion for the nine months ended September 30, 2021 mainly from net cash inflows from financing activities mainly coming from REIT IPO proceeds netted by payments of cash dividends, interests and net debt repayments. This was coupled by net cash inflows from operating activities tempered by net cash used from investing activities,

Operating activities for the period ended at ₱1.57 billion net cash inflow from ₱5.75 billion net inflow in the same period last year due to lower changes in working capital, and higher net interest expense and income taxes.

Investing activities used ₱3.92 billion cash during the period versus a ₱4.43 billion in the same period last year mainly from investment properties and property and equipment.

Financing activities provided ₱7.83 billion net cash primarily due to net REIT IPO proceeds of P12.18 billion mitigated by increased net loan and interest repayments.

Net increase in cash and cash equivalents as of September 30, 2021 resulted to ₱5.48 billion which is ₱5.38 billion higher than ₱0.96 billion for the nine months ended September 30, 2020.

Performance Indicators

		September 30 2021	September 30 2020	December 31 2020
		(Unaudited)	(Unaudited)	(Audited)
a	Earnings per Share (Basic/Diluted)	**0.13**	0.11	0.15
b	Earnings per Share - Basic/Diluted (Annualized)	**0.18**	0.14	0.15
c	Debt to Equity Ratio	**0.76**	0.91	0.94
d	Debt Ratio	**0.54**	0.59	0.59
e	EBITDA to Total Interest Paid	**2.00**	2.32	2.34
f	Price Earnings Ratio *(on Annualized EPS)*	**6.28**	6.28	7.47

a *Basic and Diluted - Not annualized*

b *Basic and Diluted - Annualized*

c *Interest-bearing Debt over Total Stockholder's Equity*

d *Total Liabilities over Total Assets*

e *EBITDA (not annualized) over Total Interest Paid*

f *Closing Price of Share[3] over Earnings Per share*

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

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

Item 3. Business Development / New Projects

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

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

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

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

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

FLI Land Bank as of September 30, 2021
In Hectares

Location	Company Owned	Under Joint Venture	Total	% to Total
Luzon				
Metro Manila	34.4	-	34.4	1.84%
Rizal	714.0	9.2	723.2	38.60%
Bulacan	252.1	-	252.1	13.45%
Bataan	12.3	-	12.3	0.65%
Pampanga	-	24.9	24.9	1.33%
Camarines Sur	1.9	-	1.9	0.10%
Pangasinan	3.5	-	3.5	0.19%
Cavite	299.5	58.8	358.3	19.12%
Laguna	226.7	0.7	227.4	12.14%
Batangas	45.6	42.1	87.7	4.68%
	1,589.9	**135.7**	**1,725.6**	**92.10%**
Visayas				
Cebu	1.5	35.7	37.2	1.99%
Negro Occidental	4.7	-	4.7	0.25%
	6.2	**35.7**	**41.9**	**2.24%**
Mindanao				
Davao	6.4	29.5	35.9	1.92%
South Cotabato	70.3	-	70.3	3.75%
	76.7	**29.5**	**106.2**	5.67%
Total	**1,672.7**	**201.0**	**1,873.7**	**100.00%**

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

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

City di Mare

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

SRP 2

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

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

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

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

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

On October 7, 2020, Filinvest Consortium sold a portion of its property by reducing the area to 16.2 hectares. Prior to sale, Filinvest Consortium have secured a Letter of No Objection (“LONO”) from the Executive Department of the City for the sale of the property

Pampanga

Filinvest Clark Mimosa, Inc., the new company formed by the consortium of Filinvest Development Corporation (FDC) and Filinvest Land, Inc. (FLI) as the winning bidder in the privatization of the former

Mimosa Leisure Estate, has signed the lease agreement with Clark Development Corporation for a term of 50 years, renewable for another 25 years. Over this period, Filinvest Clark Mimosa, Inc. of Filinvest Land, Inc. and Mimosa Cityscapes, Inc. of Filinvest Development Corporation will develop, manage, and operate the estate.

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

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

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

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

Manna East, a 60-hectare modern Filipino themed affordable and middle-income community in Theresa Rizal. Housing construction is on-going for New Fields Phase 1 (launched Jan 2018). The construction of all amenity areas for New Fields Phase 1 is also expected to be completed by 3Q 2021. Land development has also commenced in Futura Plains (launched July 2019). FLI is currently planning the expansion for New Fields and is projecting to launch Phase 2 in 2022.

Negros Occidental
Palm Estates, 51-hectare township development designed to be a city within Talisay City. The first residential project was launched in the last quarter of 2016. Land Development for the first phase is complete and house construction is already on-going land development for the next phase will commence on Q4 2021.

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

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

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

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

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

Residential Development

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

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

The Levels

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

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

Studio N

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

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

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

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. This is fully completed.

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. This is fully completed.

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. This is fully completed.

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. This is under construction and about 90% complete.

Activa

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

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

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

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

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

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

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

Leasing Segment

The Company has a significant leasing portfolio comprising mostly commercial office and retail developments, including thirty-one (31) offices and BPO buildings, its flagship mall, the Festival Supermall in Filinvest City, and three (3) other community malls. The Company was a pioneer among the Philippine landlords with the longest histories of focusing on the BPO industry as tenants. As of July 31, 2021, the Company has a portfolio of 524,188 sq.m. of leased office space comprising major international BPO tenants and 256,830 sq.m. of retail space. The Company believes this history and track record is a competitive advantage in gaining the continued confidence of BPO locators.

FLI has the following investment properties for lease:

Commercial Retail Leasing Properties

Festival Supermall Alabang

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

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

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

Fora Mall

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

Main Square

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

Il Corso

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

Other Filinvest Lifemalls

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

Mall	Location	GLA (sq.m.)	Features
Fora Mall	Taytay Rotonda	26,000	• 24-hour super metro anchor store • Four (4) digital cinemas • Open air amphitheater and forest feature • Beside Quest Hotel
Main Square	Princeton Heights, Bacoor, Cavite	18,000	• Robinson Supermarket • Watsons, Ace Hardware, DIY • Anytime Fitness • Starbucks, Coffee Bean & Tea Leaf • Beside Bacoor City Hall
Il Corso	City di Mare, Cebu	34,000	• Seaside waterfront boardwalk with al fresco dining • Central piazza with dancing fountain • Fully-functional lighthouse and battleship playground for children • Cebuano Home-Grown Food Concepts (Laguna Café Group, Chikaan, Fishes, etc)

Retail Space Projects in the Pipeline

As of September 30, 2021,, the Company has no plans to acquire any additional shopping malls, but intends to undertake commercial and retail projects to complement its residential developments in selected areas.

Mall Locators

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

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

Mall Leasing Policies

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

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

Commercial Office Properties

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

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

Location	Number of Buildings	GLA (sq. m.)
Northgate Cyberzone, Filinvest City	19	327,553
Metro Manila outside of Filinvest City	7	122,668
Outside Metro Manila	5	73,967
Total	**31**	**524,188**

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

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

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

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

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

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

Ongoing Construction

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

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

Lease Profiles

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

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

Leases with POGO tenants, which account for approximately 7% of total office space in aggregate, are usually for terms of minimum three (3) to five (5) years with six (6) months deposit and six (6) months advance rent (to be applied at the end of the lease term but these are payable upfront upon handover) for such tenants.

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

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

Real Estate Investment Trust (REIT)

In preparation for the FILRT's transition to a REIT company, FLI and FILRT identified and selected the properties of FILRT that will comprise the initial REIT portfolio based on the requirements of the REIT Law as well the Company's investment criteria. As such, FLI and FILRT determined that certain of FILRT's assets (as enumerated below) will be transferred from FILRT to FLI in the form of property dividends or through assignment of rights. On December 4, 2020, the FILRT Board approved the declaration of property dividends consisting of one building (which has been operational for less than three years) in Northgate Cyberzone (Axis Tower 2), two (2) buildings under construction in Northgate Cyberzone (Axis Tower 3 and Axis Tower 4), and a parcel of land in South Road Properties, Cebu City to stockholders of record as of November 30, 2020. On February 11, 2021, the FILRT Board also approved the declaration of property dividends to stockholders of record as of February 15, 2021, consisting of four (4) existing buildings, (i) Concentrix Building in Northgate Cyberzone, (ii) IT School in Northgate Cyberzone, (iii) the Filinvest Building at EDSA, Wack, Mandaluyong City, all of which have been identified for redevelopment, and (iv) Cebu Tower 2 in Filinvest Cyberzone Cebu, which has been operating for less than three (3) years. On February 11, 2021, the FILRT Board also approved the transfer of its rights under its "build-transfer-operate" ("BTO") arrangement with the Cebu Provincial Government relating to two buildings under construction (Cebu Tower 3 and Cebu Tower 4) in Filinvest Cyberzone Cebu, to FLI. These transactions do not affect the consolidated financial statements of FLI and its subsidiaries.

On August 12, 2021, Filinvest REIT Corp., the real estate investment trust (REIT) of Filinvest Land, Inc., was listed on the PSE with an offer price of ₱7.00 per share. At the offer price, the projected dividend yield as stated in the REIT Plan is 6.3% for FY2021 and 6.6% for FY2022. The base offer of the IPO was 1,634,187,850 common shares, with an overallotment option of up to 163,418,785 common shares.

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

Reinvestment Plan

As sponsor of FILRT, the REIT Law requires the Company to reinvest (a) any proceeds realized by it from the sale of FILRT shares or other securities issued in exchange for income-generating real estate transferred to the FILRT and (b) any money raised by the Company from the sale of any of its income generating real estate to

FILRT, in any real estate, including any redevelopment thereof, and/or infrastructure projects in the Philippines within one (1) year of receipt of the proceeds.

Following current regulations, Filinvest Land intends to invest its net proceeds in the construction and development of its various office, retail and residential projects. Filinvest Land plans to invest the net proceeds in nine (9) office buildings, three (3) retail projects, five (5) mid-rise residential buildings as well as industrial lots. It also plans to use the funds for the purchase of land parcels for residential and commercial purposes and to expand the capacity of the District Cooling System in the Northgate Cyberzone. All disbursements for such projects are intended to be distributed within one year upon receipt of the proceeds from the secondary offer of FILRT shares. All of the projects for which the proceeds will be spent are located within the Philippines and none are to be spent outside of the Philippines. Filinvest Land does not intend to reinvest the net proceeds from the Offer Shares in any infrastructure project.

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

As of September 30, 2021, the remaining balance of proceeds from FILRT IPO amounts to Php 10,564,689,072.26 out of the Php 12,583,246,445.00 proceeds from the IPO. Php 2,281,799.73 was disbursed for price stabilization activities, Php 316,945,305.82 was disbursed for IPO-related fees, Php 132,542,600.57 was disbursed for IPO transactions costs and Php1,566,787,666.62 was disbursed and reinvested to real estate projects identified in the Reinvestment Plan from August 13 to September 30, 2021.

Registration with the Board of Investments (BOI)

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

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

Item 4. Other Disclosures

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

2. The Company's unaudited interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated annual financial statements as of and for the year ended December 31, 2020 (PAS 34, par 15).

3. The accounting policies and methods of computation adopted in the preparation of the unaudited interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements as of and for the year ended December 31, 2020.

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

COVID-19 Pandemic

Impact of COVID-19

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

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

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

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

Screening and minimizing contacts

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16. Other information

    On September 22, 2021, the Board of Directors of the Parent Company approved the offer and issuance of up to ₱8,000,000,000 worth of fixed-rate peso denominated retail bonds with an over-subscription option of up to ₱2,000,000,000 for a maximum aggregate total of ₱10,000,000,000.00, with maturity periods ranging from 4 years and up to 6 years (the "Second Tranche Bonds"). The bond issuance will be the second tranche out of its ₱30,000,000,000.00 bonds registered in 2020 under the shelf-registered program of the SEC.

    On August 12, 2021, Filinvest REIT Corp. was listed and traded in the Philippine Stock Exchange under the PSE ticker symbol FILRT. As a result of the listing, FLI's interest in Filinvest REIT Corp. decreased to 63.26%. This transaction resulted in changes to the Group's Cash, Equity attributable to equity holders of the parent and non-controlling interest.

    On June 25, 2021, the shareholders of CPI, approved the following amendments to its Articles of Incorporation: (i) change of name of the Company from "Cyberzone Properties, Inc." to "Filinvest REIT Corp.", (ii) reduction of the par value of its Shares from ₱1.00 per common share to ₱0.50 per common share, and (iii) increase of the Company's authorized capital stock from ₱2,000,000,000 to ₱7,131,849,000 divided into 14,263,698,000 Shares with a par value of ₱0.50 per Share. The change in name of CPI, the reduction in the par value of its Shares, and the increase in its authorized capital stock were approved by the Philippine SEC on July 2, 2021.

The impact of the above in the books, if any, have been recorded in the consolidated financial statements as of and for the nine months ended September 30, 2021.

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

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

ANNEX A

FILINVEST LAND, INC. AND SUBSIDIARIES

Aging of Receivables

(Amounts in thousands)

As of September 30, 2021

	Neither past due nor impaired	Past Due but not impaired				Impaired
		Less than 30 days	31-90 days	91-120 days	Over 120 days	
Type of Account Receivable						
a) Mortgage, Notes & Installment Contract Receivable						
Installment Contracts Receivable and Contract Assets	₱7,478,482	₱474,799	₱725,073	₱394,684	₱3,529,119	₱-
Receivable from Financing Institutions	201,763	-	-	-	-	-
Sub-total	7,680,245	474,799	725,073	394,684	3,529,119	-
b) Other Receivables	3,019,996	-	-	-	-	98,423
Receivables from tenants	1,349,644	-	-	-	-	41,971
Due from related parties	1,001,904	-	-	-	-	-
Advances to officers and employees	280,511	-	-	-	-	56,452
Receivables from homeowners' associations	232,237	-	-	-	-	-
Receivables from buyers	3,470	-	-	-	-	-
Others	152,231	-	-	-	-	-
	₱10,700,241	**₱474,799**	**₱725,073**	**₱394,684**	**₱3,529,119**	**₱98,423**

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

Normal Operating Cycle: 12 calendar months

ANNEX B

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

Supplementary Schedules

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

Schedule A

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Financial Assets
September 30, 2021

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

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

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

Schedule B

FILINVEST LAND, INC. AND SUBSIDIARIES

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

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

Related Party Transactions

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

	Relationship	**Nature**	**September 30, 2021**	**December 31, 2020**
			(In Thousands)	
Filinvest Development Corporation (FDC)	Parent		**₱487,082**	-
Dreambuilders Pro, Inc. (DPI)	Associate	A	**211,254**	71,034
FORA Services, Inc. (FOSI)	Affiliate	A	**90,548**	90,314
Pro-Excel Property Managers, Inc. (Pro-Excel)	Associate	A	**76,883**	80,823
Filinvest Mimosa, Inc.(FMI)	Associate	A, C	**64,336**	73,268
EastWest Banking Corporation	Affiliate	A	**21,350**	20,714
Filinvest Alabang, Inc.(FAI)	Associate	A	**18,878**	-
Countrywide Water Services, Inc. (CWSI)	Affiliate	A	**14,468**	1,766
Quest Restaurant, Inc.	Affiliate	A	**8,962**	1,246
Davao Sugar CC (DSCC)	Affiliate	A	**5,797**	5,802
Filinvest Hospitality, Inc.(FHI)	Affiliate	A	**1,044**	991
AG Foundation	Affiliate	A	**574**	572
GCK Realty	Affiliate	C	**235**	235
ALG Holdings, Inc.	Ultimate Parent	A	**130**	128
Mimosa Cityscapes, Inc.	Affiliate	A	**130**	63
Corporate Technologies, Inc. (CTI)	Associate		**125**	-
ProMixers Aggregates Corp. (PMAC)	Associate		**37**	-
FDC - Misamis Power Corp.	Affiliate	A	**21**	13
Chroma Hospitality, Inc.	Affiliate	A	**16**	-
Filinvest Corporate City (FCC)	Affiliate	A	**11**	-
Boracay Seascapes Resort Inc.	Affiliate	A	**7**	4
FDC - Forex, Inc.	Affiliate	A	**6**	6
Duawon Seascapes Resort Inc.	Affiliate	A	**3**	3
Princesa Seascapes, Inc.	Affiliate	A	**2**	1
Dumaguete Cityscapes, Inc.	Affiliate	A	**1**	1
Dauin Seascapes, Inc.	Affiliate	A	**1**	1
Propel Realty	Affiliate	A	-	29
FDC - Utilities, Inc.	Affiliate	A	-	102
Seascapes Resort, Inc.	Affiliate	A	-	5
			₱1,001,904	**₱347,121**

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

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

Schedule C

FILINVEST LAND, INC. AND SUBSIDIARIES

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

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

		Volume of Transactions	Receivable (Payable)
			(In Thousands)
Filinvest REIT Corp. *(formerly Cyberzone Properties, Inc.)*	Share in Expenses	(1,188,405)	₱8,531,457
Filinvest Cyberzone Mimosa, Inc. (FCMI)	Share in expenses	910,028	3,787,464
Homepro Realty Marketing, Inc. (Homepro)	Share in expenses	3,243	798,597
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Share in expenses	(18,913)	523,834
Filinvest Clark Green City (FCGC)	Share in expenses	25,346	283,218
Filinvest Cyberparks, Inc. (FCI)	Share in expenses	142,594	156,418
Property Maximizer Professional Corp. (Promax)	Share in Expenses	50,719	109,892
Nature Specialists, Inc.	Share in expenses	3,482	32,989
Proleads Philippines, Inc. (PPI)	Share in expenses	590	26,547
Timberland Sports and Nature Club, Inc. (TSNC)	Share in expenses	16,599	19,474
Gintong Parisukat Realty and Development Inc. (GPRDI)	Share in expenses	3,507	15,754
Realpros Philippines, Inc. (RPI)	Share in expenses	147	15,056
Filinvest BCDA Clark, Inc. (FBCI)	Share in expenses	479	12,055
Property Specialist Resources, Inc. (Prosper)	Share in expenses	(54,745)	7,865
Leisurepro, Inc. (Leisurepro)	Share in expenses	46	6,501
FREIT Fund Managers, Inc. (FFMI)	Share in expenses	808	808
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Share in expenses	-	210
Philippine DCS Development Corporation (PDDC)	Share in expenses	-	118
Property Leaders International Limited (PLIL)	Share in expenses	-	111
ProOffice Works Services, Inc. (ProOffice)	Share in expenses	9	11
FSM Cinemas, Inc.	Share in expenses	(232)	8
Filinvest Asia Corporation (FAC)	Share in expenses	3	(2)
Festival Supermall, Inc. (FSI)	Share in expenses	2,980	(630)
Filinvest AII Philippines, Inc. (FAPI)	Share in expenses	5,851	(28,483)
Filinvest Lifemalls Corporation (FLC)	Share in expenses	1	(49,992)
Filinvest REIT Corp. *(formerly Cyberzone Properties, Inc.)*	Rental Income	225,997	-
Property Maximizer Professional Corp. (Promax)	Marketing Fee Expenses	50,719	-
Filinvest AII Philippines, Inc. (FAPI)	Advances	(50,000)	-
		₱130,854	₱14,249,278

Schedule C

FILINVEST LAND, INC. AND SUBSIDIARIES

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

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

	December 31, 2020	Additions	Collections	September 30, 2021
		(In Thousands)		
Filinvest REIT Corp. *(formerly Cyberzone Properties, Inc.)*	₱9,493,865	₱2,173,649	(3,136,058)	₱8,531,457
Filinvest Cyberzone Mimosa, Inc. (FCMI)	2,877,436	910,028	-	3,787,464
Homepro Realty Marketing, Inc. (Homepro)	795,354	3,243	-	798,597
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	542,747	(18,913)	-	523,834
Filinvest Clark Green City (FCGC)	257,872	25,346	-	283,218
Filinvest Cyberparks, Inc. (FCI)	13,824	142,594	-	156,418
Property Maximizer Professional Corp. (Promax)	113,917	50,719	(54,745)	109,892
Nature Specialists, Inc.	29,508	3,482	-	32,989
Proleads Philippines, Inc. (PPI)	25,958	590	-	26,547
Timberland Sports and Nature Club, Inc. (TSNC)	2,875	16,599	-	19,474
Gintong Parisukat Realty and Development Inc. (GPRDI)	12,247	3,507	-	15,754
Realpros Philippines, Inc. (RPI)	14,908	147	-	15,056
Filinvest BCDA Clark, Inc. (FBCI)	11,576	479	-	12,055
Property Specialist Resources, Inc. (Prosper)	7,865	(0)	-	7,865
Leisurepro, Inc. (Leisurepro)	6,454	46	-	6,501
FREIT Fund Managers, Inc. (FFMI)	0	808	-	808
Filinvest Lifemalls Mimosa, Inc. (FLMI)	210	-	-	210
Philippine DCS Development Corporation (PDDC)	118	-	-	118
Property Leaders International Limited (PLIL)	111	-	-	111
ProOffice Works Services, Inc. (ProOffice)	2	9	-	11
FSM Cinemas, Inc.	239	(232)	-	8
Filinvest Asia Corporation (FAC)	(5)	3	-	(2)
Festival Supermall, Inc. (FSI)	(3,610)	2,980	-	(630)
Filinvest AII Philippines, Inc. (FAPI)	15,665	(44,149)	-	(28,483)
Filinvest Lifemalls Corporation (FLC)	(49,993)	1	-	(49,992)
	₱14,169,143	**₱3,270,938**	**(3,190,803)**	**₱14,249,278**

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

Schedule D

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Intangible Assets – Other Assets
September 30, 2021

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

	September 30 2021 (Unaudited)	December 31 2020 (Audited)
	(In Thousands)	
Goodwill	**₱4,567,242**	₱4,567,242
BTO Rights	**3,416,150**	3,305,396
Total	**₱7,983,393**	₱7,872,638

Schedule E

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Long-term Debt
September 30, 2021

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

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
Developmental loans			
Unsecured loan obtained in October 2020 with interest rate equal to 4.75% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in January 2023 and 50% is payable at maturity in October 2025.	695,791	-	695,791
Unsecured loan obtained in July 2020 with interest rate equal 5.4121% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal installments starting October 2022 and the remaining 50% balance is payable in July 2025.	198,789	-	198,789
Unsecured loan obtained in July 2020 with interest rate equal 5.4898% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal installments starting October 2022 and the remaining 50% balance is payable in July 2025.	993,954	-	993,954
Unsecured loan obtained in July 2020 with interest rate equal 5.4101% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal installments starting October 2022 and the remaining 50% balance is payable in July 2025.	993,974	-	993,974
Unsecured loan obtained in May 2020 with interest rate equal to 4.75% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in May 2025.	278,327	-	278,327
Unsecured loan obtained in April 2020 with interest rate equal to 4.23% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in July 2022 and 50% is payable at maturity in April 2025.	300,000	12,500	287,500
Unsecured loan obtained in April 2020 with interest rate equal to 4.23% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in April 2025.	200,000	-	200,000
Unsecured loan obtained in April 2020 with interest rate equal to 4.91% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in April 2025.	500,000	-	500,000
Unsecured loan obtained in February 2020 with interest rate equal to 5.02% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in February 2025.	300,000	-	300,000
Unsecured loan obtained in January 2020 with interest rate equal to 5.2540% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in April 2022 and 50% is payable at maturity in January 2025.	373,042	31,087	341,955
Unsecured loan obtained in January 2020 with interpolated rate of 5.08% per annum (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 11 equal quarterly amortizations to commence in April 2022 and 50% is payable at maturity in October 23 2024.	1,000,000	90,909	909,091
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.	425,000	35,417	389,583

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
Unsecured loan obtained in January 2020 with interest rate equal to 5.32% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% principal is payable in 12 equal installments starting April 2022 and the remaining 50% balance is payable in January 2025.	500,000	41,667	458,333
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	37,500	262,500
Unsecured loan obtained in November 2019 with interest rate equal to 5.01% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in November 2024.	1,000,000	-	1,000,000
Unsecured loan obtained in October 2019 with interest rate equal to 4.98% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in October 2024.	497,403	-	497,403
Unsecured loan obtained in October 2019 with interest rate equal to 5.18% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% principal is payable in 12 equal installments starting January 2022 and the remaining 50% balance is payable in October 2024.	500,000	62,500	437,500
Unsecured loan obtained in September 2019 with interest rate equal to 5.30% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable upon maturity in September 2024.	994,914	-	994,914
Unsecured loan obtained in September 2019 with interest rate equal to 5.11% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable upon maturity in September 2024.	994,947	-	994,947
Unsecured loan obtained in September 2019 with interest rate equal to 5.21% per annum (fixed rate for 5 years), payable quarterly in arrears. The 50% principal is payable in 12 equal installments starting December 2021 and the remaining 50% balance is payable in September 2024.	300,000	50,000	250,000
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.	479,167	83,333	395,833
Unsecured loan obtained in June 2019 with interpolated rate of 5.0513%, payable quarterly in arrears. The principal is payable at maturity on June 2024.	1,990,631	-	1,990,631
Unsecured loan obtained in June 2019 with interpolated rate of 4.99% per annum (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 12 equal quarterly amortizations to commence in September 2021 and 50% is payable at maturity in June 2024.	1,908,442	331,903	1,576,539
Unsecured loan obtained in June 2019 with interpolated rate of 4.84% per annum (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 12 equal quarterly amortizations to commence in September 2021 and 50% is payable at maturity in June 2024.	2,862,721	497,864	2,364,856
Unsecured loan obtained in June 2019 with interpolated rate of 5.21% per annum (fixed rate for 5 years), payable quarterly in arrears. 50% of principal is payable in 12 equal quarterly amortizations to commence in September 2021 and 50% is payable at maturity in June 2024.	1,908,418	331,899	1,576,519
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.	1,237,945	247,589	990,356
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.	486,344	9,976	476,367

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
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.	282,883	66,561	216,323
Unsecured loan obtained in July 2017 with interest rate equal to 4.78% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in October 2019 and 50% is payable at maturity in July 2022.	116,557	116,557	0
Unsecured loan obtained in June 2017 with interest rate equal to 5.07% per annum (fixed rate for 5 years), payable quarterly in arrears. The 3% principal is payable in three (3) annual amortizations to commence in June 2019 and 97% is payable at maturity in June 2022.	968,958	968,958	0
Unsecured loan obtained in March 2017 with interest rate equal to 5.00% per annum (fixed rate for 5 years). The 50% principal is payable in 12 equal amortizations to commence in June 2019 and 50% is payable at maturity in March 2022.	291,479	291,479	0
Unsecured loan obtained in March 2017 with interest rate equal to 4.86% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in June 2019 and 50% is payable at maturity in March 2022.	145,760	145,760	0
Unsecured loan obtained in February 2017 with interest rate equal to 4.65% per annum (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortizations to commence in May 2019 and 50% is payable at maturity in February 2022.	58,275	58,275	0
Unsecured loan obtained in December 2016 with interest rate equal to 5.23% per annum (fixed rate for 7 years), payable quarterly in arrears. The 50% principal is payable in 16 equal amortizations to commence in March 2020 and 50% is payable at maturity in December 2023.	155,994	24,959	131,035
Unsecured loan obtained in December 2016 with interest rate equal to 4.94% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in December 2021.	499,729	499,729	0
Unsecured loan obtained in December 2016 with interest rate equal to 4.94% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in December 2021.	149,923	149,923	0
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.	390,503	62,480	328,023
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.	312,500	50,000	262,500
Unsecured loan obtained in October 2016 with interest rate equal to 4.25% per annum (fixed rate for 5 years), payable quarterly in arrears. The principal is payable at maturity in October 2021.	999,702	999,702	0
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.	507,327	69,976	437,350
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.	942,103	129,945	812,158

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
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.	129,782	19,966	109,816
Short term loan obtained in June 2021 with interest rate equal to 3.3250% per annum, payable quarterly in arrears. The principal is payable at maturity in December 2021.	380,000	380,000	-
Short term loan obtained in April 2021 with interest rate equal to 3.0875% per annum, payable quarterly in arrears. The principal is payable at maturity in October 2021.	100,000	100,000	-
Short term loan obtained in May 2021 with interest rate equal to 3.3250% per annum, payable quarterly in arrears. The principal is payable at maturity in November 2021.	1,000,000	1,000,000	-
Short term loan obtained in June 2021 with interest rate equal to 3.3250% per annum, payable quarterly in arrears. The principal is payable at maturity in December 2021.	1,000,000	1,000,000	-
Short term loan obtained in September 2021 with interest rate equal to 3.090% per annum, payable quarterly in arrears. The principal is payable at maturity in February 2022.	600,000	600,000	-
Unsecured loan obtained in September 2021 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 September 2026.	1,000,000	-	1,000,000
Unsecured loan obtained in September 2021 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 September 2026.	1,000,000	-	1,000,000
Unsecured loan obtained in September 2021 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 September 2026.	650,000	-	650,000
Unsecured loan obtained in September 2021 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 September 2026.	700,000	-	700,000
Short term loan obtained in July 2021 with interest rate equal to 3.33% per annum, payable quarterly in arrears. The principal is payable at maturity in January 2022.	100,000	100,000	-
Unsecured loan obtained in August 2021 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 August 2026.	860,000	-	860,000
Short term loan obtained in September 2021 with interest rate equal to 3.33% per annum, payable quarterly in arrears. The principal is payable at maturity in March 2022.	205,000	205,000	-
	35,766,283	**8,903,416**	**26,862,867**
Bonds			
Fixed rate bonds with aggregate principal amount of P8.1 billion issued by the Group on November 18, 2020. This comprised of P6.3 billion 3-year fixed rate bonds due in November 2023 with a fixed interest rate of 3.34% per annum, and P1.8 billion 5.5-year fixed rate bonds due in May 2026 with a fixed interest rate of 4.18% per annum.	8,045,319	-	8,045,319
Fixed rate bonds with principal amount of P6.00 billion and term of 5.5 years from the issue date was issued by the Company on July 7, 2017 to mature in January 2023 with fixed interest rate is 5.05% per annum.	5,983,806	-	5,983,806
Fixed rate bonds with aggregate principal amount of P8.00 billion issued by the Group on August 20, 2015. This comprised of P7.00 billion, 7-year fixed rate bonds due in August 2022 with a fixed interest rate of 5.36% per annum, and P1.00 billion, 10-year fixed rate bonds due in August 2025 with a fixed interest rate of 5.71% per annum.	7,980,187	6,982,664	997,523

Type of Obligation	Amount	Current	Noncurrent
	(In Thousands)		
Fixed rate bonds with aggregate principal amount of P7.0 billion issued by the Group on December 4, 2014. This comprised of P5.30 billion, 7-year fixed rate bonds due in December 2021 with a fixed interest rate of 5.40% per annum, and P1.70 billion, 10-year fixed rate bonds due in December 2024 with a fixed interest rate of 5.64% per annum.	6,991,653	5,293,680	1,697,973
Fixed rate bonds with aggregate principal amount of P7.0 billion issued by the Group on November 8, 2013. This comprised of P4.30 billion 7-year fixed rate bonds due in November 2020 with a fixed interest rate of 4.86% per annum, and P2.70 billion 10-year fixed rate bonds due in November 2023 with a fixed interest rate of 5.43% per annum.	2,693,945	-	2,693,945
	31,694,910	**12,276,344**	**19,418,566**
	67,461,193	**21,179,759**	**46,281,433**

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

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

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

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

Schedule F

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Indebtedness to Related Parties
September 30, 2021

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

	Relationship	**Nature**	**September 30, 2021**	December 31, 2020
				(In Thousands)
Filinvest Development Corporation (FDC)	Parent Company	A,C	**₱1,549,834**	₱60,484
Corporate Technologies, Inc. (CTI)	Associate	A	**21,212**	42,810
Countrywide Water Services, Inc. (CWSI)	Affiliate	A	**19,100**	-
Entrata Hotel Services, Inc.	Affiliate	A	**2,423**	2,757
Palms Country	Affiliate	A	**385**	355
Filinvest Corporate City (FCC)	Affiliate	A	**77**	66
Filinvest Alabang, Inc.(FAI)	Associate	A,C	**53**	3,760
Pacific Sugar Holdings Corp.	Affiliate	A	**15**	15
Mactan Seascapes Services, Inc.	Affiliate	A	**8**	9
Proplus, Inc.	Affiliate	A	**-**	-
Chroma Hospitality, Inc.	Affiliate	A	**-**	1,491
Crimson Mactan	Affiliate	A	**-**	193
Crimson Alabang	Affiliate	A	**-**	61
Manila Waldorf School	Affiliate	A	**-**	12
Seascapes Resort, Inc.	Affiliate	A	**-**	5
Quest Pampanga	Affiliate	A	**-**	3
			₱1,593,107	₱112,021

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

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

Schedule G

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Guarantees of Securities of Other Issuers
September 30, 2021

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

Schedule H

FILINVEST LAND, INC. AND SUBSIDIARIES

Supplementary Schedule of Guarantees of Capital Stock
September 30, 2021

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, Officers and Employees	Others
			(In Thousands)			
Common Shares	33,000,000	24,249,760	–	16,147,682	51,071	8,051,007
Preferred Shares	8,000,000	8,000,000	–	8,000,000	–	--

Schedule I

FILINVEST LAND, INC. AND SUBSIDIARIES

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

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

Schedule J

FILINVEST LAND, INC. AND SUBSIDIARIES

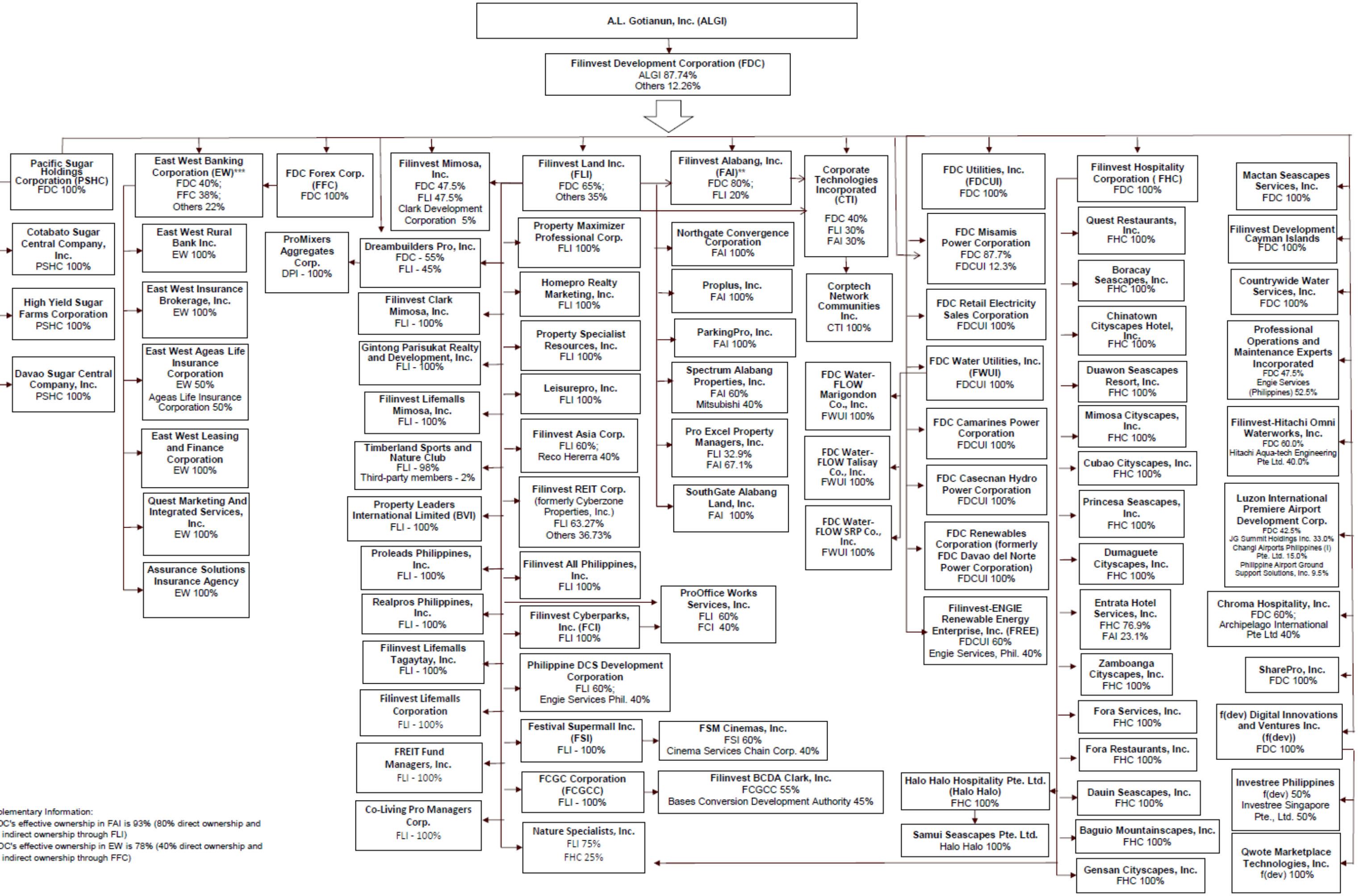
Supplementary Schedule of Retained Earnings Available for Dividends Declaration
September 30, 2021
(Amounts in thousands)

Unappropriated Retained Earnings, January 1, 2021, as restated		**₱31,820,393**
Adjustments:		
Equity in net earnings of subsidiaries and an associate		
Unappropriated Retained Earnings, as adjusted, January 1, 2021		31,820,393
Net income based on the face of financial statements	10,148,221	
Add: Non-actual/unrealized losses net of tax		
Movement in deferred tax assets	66,250	
Net income actual/realized		**(10,241,471)**
Less: Dividend declarations during the year		(754,223)
Less: Appropriations for business expansion		-
Unappropriated Retained Earnings, as adjusted, September 30, 2021		**₱20,851,700**

Schedule K

FILINVEST LAND, INC. AND SUBSIDIARIES

Map Showing the Relationship Between and Among the Companies in the Group, Its Ultimate Parent Company and Co-Subsidiaries
September 30, 2021



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

FILINVEST LAND, INC. AND SUBSIDIARIES

Components of Financial Soundness Indicators
September 30, 2021

	September 30 2021	September 30 2020	December 31 2020
	(Unaudited)	(Unaudited)	(Audited)
Current Ratio[1]	**2.69**	2.91	3.10
Interest-bearing debt-to-Equity ratio, [2]	**0.76**	0.91	0.94
Debt Ratio[3]	**0.54**	0.59	0.59
EBITDA to Total Interest Paid[4]	**2.00**	2.32	2.34
Price Earnings Ratio[5]	**6.28**	6.28	7.47
Quick Asset Ratio[6]	**0.80**	0.68	0.84
Solvency Ratio[7]	**0.04**	0.04	0.05
Interest Coverage Ratio[8]	**2.44**	2.25	2.37
Net Profit Margin[9]	**0.26**	0.22	0.24
Return on Equity[10]	**0.05**	0.05	0.05
Asset-to-Equity Ratio[11]	**2.17**	2.44	2.43

[1]*Current Assets divided by Current Liabilities*

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

[3]*Total Liabilities divided by Total Assets*

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

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

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

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

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

[9]*Net Income divided by Revenue*

[10] *Annualized Net Income divided by Total Equity*

[11] *Total Assets divided by Total Equity*

SIGNATURES

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

FILINVEST LAND, INC.

Signature: **TRISTANIEL LAS MARIAS**

Title: Executive Vice President / Chief Strategy Officer

Date: November 19, 2021

Signature: **ANA VENUS A. MEJIA**

Title: Chief Finance Officer

Date: November 19, 2021

FILINVEST
LAND, INCORPORATED

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

October 15, 2021

THE PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Plaza
6th Floor, PSE Tower
Bonifacio Global City, Taguig

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Subject: 2021 Third Quarter Progress Report on the Use of Proceeds from the Initial Public Offering ("IPO") of Filinvest REIT Corp. ("FILRT")

Dear Ms. Encarnacion,

We hereby submit our Progress Report on the Use of Proceeds for the Third Quarter of 2021, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

The IPO proceeds are fully from the Secondary offer of shares owned by Filinvest Land Inc. Please be advised that as of September 30, 2021, the remaining balance of the proceeds from the FILRT IPO amounts to Ten Billion Five Hundred Sixty Four Million Six Hundred Eighty Nine Thousand Seventy Two Pesos and Twenty Six centavos (Php 10,564,689,072.26) as indicated below:

	Philippine Pesos
Gross Proceeds from IPO	12,583,246,445.00
less:	
Purchase of shares during the stabilization period	(2,281,799.73)
Underwriters and IPO related fees deducted from proceeds	(316,945,305.82)
Net proceeds received	12,264,019,339.45
less: Disbursement for Transaction costs	(132,542,600.57)
Disbursement for Reinvestment Plan (Annex)	(1,566,787,666.62)
Net balance of IPO proceeds as of September 30 2021	10,564,689,072.26

Thank you.

Respectfully yours,

ANA VENUS A MEJIA
Chief Finance Officer

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

CITY OF MANDALUYONG) S.S.

I certify that on OCT 15 2021, before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

	Competent Evidence of Identity	Date / Place Issued
Filinvest Land, Inc. *Represented by:*	FLI TIN: 000-533-224-000	
Ana Venus Mejia	Unified Multi Purpose ID CRN – 0003-8766880-6	

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

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

JOVEN G. SEVILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-21 UNTIL DECEMBER 31, 2022
ROLL NO. 53970
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
PTR NO. 4581076; 1-4-21; MANDALUYONG
MCLE COMPLIANCE NO. VI 0017960 14 APRIL 2022
METRO MART COMPLEX, MANDALUYONG CITY

Doc. No. 307;
Page No. 63;
Book No. 34;
Series of 2021.

FILINVEST LAND, INC.

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

ANNEX A- Disbursements from August 13 to September 30, 2021

Project Name	Disbursing Entity	Amount
Axis Three	Filinvest Land, Inc.	426,856,231.03
Axis Four	Filinvest Land, Inc.	368,883,104.82
Cebu Tower 3	Filinvest Land, Inc.	89,003,459.40
Cebu Tower 4	Filinvest Land, Inc.	66,964,038.96
Columna	Filinvest Land, Inc.	22,232,993.99
387 Gil Puyat	Filinvest Cyberparks Inc	34,644,230.20
PDDC	Phil. DCS Development Corp.	370,963.32
Marina Town Mall	Filinvest Land, Inc.	14,843,258.53
Clark Lifestyle Mall	Filinvest Cyberzone Mimosa Inc	53,017,112.84
Panglao Oasis	Filinvest Land, Inc.	19,436,889.45
Alta Spatial	Filinvest Land, Inc.	61,152,633.67
Verde Spatial	Filinvest Land, Inc.	26,431,861.01
Bali Oasis	Filinvest Land, Inc.	10,232,709.20
Belize Oasis	Filinvest Land, Inc.	5,025,428.96
Raw Land	Filinvest Land, Inc.	264,575,693.71
Dreambuilders capex	Filinvest Land, Inc.	103,117,057.53
TOTAL		1,566,787,666.62

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 891 0307
Fax: (632) 819 0872
ey.com/ph

REPORT OF FACTUAL FINDINGS

Filinvest Land, Inc.
Filinvest Building, 79 EDSA, Highway Hills
Mandaluyong City 1550, Metro Manila

Attention: **Ms. Ana Venus Mejia**
Chief Finance Officer

Dear Ms. Mejia:

We have performed the procedures agreed with you and enumerated below with respect to the attached Quarterly Progress Report as at **September 30, 2021** on the use of the proceeds from the secondary offer received by **Filinvest Land, Inc.** (the "Company") from the Initial Public Offering ("IPO") of **Filinvest REIT Corp.** ("FILRT") on **August 12, 2021.** The procedures were performed solely to enable the Company to comply with the Philippine Stock Exchange, Inc.'s requirement to submit an external auditor's certification on the information being presented by the Company relating to the use of proceeds. Our engagement was undertaken in accordance with the Philippine Standard on Related Services 4400, *Engagements to PerformAgreed-Upon Procedures Regarding Financial Information*. These agreed-upon procedures and results thereof are summarized as follows:

1. Obtain the Quarterly Progress/Annual Summary Report on Use of Proceeds from IPO of FILRT for the period August 12, 2021 to September 30, 2021 (the "Progress Report") and check the mathematical accuracy of the Progress Report.
2. Compare the proceeds received in the Progress Report to the bank statement and journal voucher noting the date received and amount recorded.
3. Compare the disbursements in the Progress Report to the list of disbursements for the period August 12, 2021 to September 30, 2021 (the "Disbursements Schedule").
4. Compare the Disbursements Schedule with the schedule of planned use of IPO proceeds as documented in the Reinvestment Plan.
5. On a sample basis, trace disbursements to the supporting documents such as progress billings, invoices, check vouchers, official receipts, and bank statements.

We report our findings below:

1. We obtained the Progress Report and checked its mathematical accuracy, no exceptions noted.

2. We compared the net proceeds received in the Progress Report amounting to ₱12,264,019,339 to the bank statements and journal vouchers, and noted the following:

    i. The Company received ₱11,122,469,644 representing the proceeds from the firm offer shares on August 12, 2021 and ₱1,141,649,695 representing the proceeds from the overallotment shares on September 16, 2021.
    ii. We noted a difference of ₱100,000 which management represented pertained to the opening balance of the bank account of FILRT which was included when it transferred the funds to the Company.

3. We compared the disbursements in the Progress Report to the Disbursement Schedule for the period August 12, 2021 to September 30, 2021, no exceptions noted.

4. We compared the Disbursements Schedule with the schedule of Planned use of IPO proceeds as documented in the Reinvestment Plan and noted that the projects in the Disbursement Schedule are included in the REIT plan and disbursements for each project are within the amount allocated in the Reinvestment Plan.

5. On a sample basis, we traced disbursements to the supporting documents such as progress billings, invoices, check vouchers, official receipts, and bank statements. We noted differences in the amounts per disbursements selected as sample and supporting documents which pertain to other items not selected as samples, not part of the Reinvestment Plan or related to withholding taxes.

Because the above procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standards on Review Engagements (PSRE), respectively, we do not express any assurance on the accounts of the Company or its financial statements, taken as a whole.

Had we performed additional procedures or performed an audit or review of the financial statements in accordance with PSA or PSRE, other matters might have come to our attention that would have been reported to you.

Our report is intended solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who havenot agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's use of proceeds from the offering anditems specified above and do not extend to any financial statements of the Company taken as a whole.

SYCIP GORRES VELAYO & CO.

Wanessa G. Salvador
Partner
CPA Certificate No. 0118546
Tax Identification No. 248-679-852
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
SEC Partner Accreditation No. 118546-SEC (Group A)
SEC Firm Accreditation No. 0001-SEC (Group A)
BIR Accreditation No. 08-001998-137-2020, January 31, 2020, valid until January 30, 2023
PTR No. 8534358, January 4, 2021, Makati City

October 15, 2021

SUBSCRIBED AND SWORN to before me this 15th day of October 2021 in Mandaluyong, Metro Manila, affiant exhibiting to me her Philippine Passport No. P1622490B, as competent evidence of her identity, bearing her photograph and signature, issued by the Department of Foreign Affairs Manila on May 8, 2019.

Doc. No. 308;
Page No. 63;
Book No. 34;
Series of 2021.

JOVEN G. SEVILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-21 UNTIL DECEMBER 31, 2022
ROLL NO. 53970
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
PTR NO. 4581076; 1-4-21; MANDALUYONG
MCLE COMPLIANCE NO. VI 0017960 14 APRIL 2022
METRO MART COMPLEX, MANDALUYONG CITY