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S.E.C. Registration Number

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(Company's Full Name)

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(Business Address : No. Street Company / Town / Province)

Mr. Mark Anthony M. Ramos

Contact Person

Number	
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Month

3	0
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Day

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FORM TYPE

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Month      Day

8631-3179

Company Telephone

Annual Meeting

N/A
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Secondary License Type, If Applicable

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Dept. Requiring this Doc.  
Number/Section

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## Amended Articles

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Total No. of Stockholders  
Foreign

### Total Amount of Borrowings

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Domestic

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To be accomplished by SEC Personnel concerned

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended March 31, 2024

2. Commission identification number 99905

3. BIR Tax Identification No. 000-188-233

4. Exact name of issuer as specified in its charter

PHILIPPINE REALTY AND HOLDINGS CORPORATION

5. Province, country or other jurisdiction of incorporation or organization PHILIPPINES

6. Industry Classification Code:  (SEC Use Only)

7. Address of issuer's principal office

Postal Code

One Balete, 1 Balete Drive cor. N. Domingo St., Brgy Kaunlaran, District 4, Quezon City 1111  
Satellite Office: E-1609 16<sup>th</sup> Floor East Tower, PSE Center, Exchange Rd., Ortigas Center, Pasig

8. Issuer's telephone number, including area code

(632) 8631-3179

9. The Registrant has not changed its corporate name and fiscal year. Prior to its transfer to the above satellite office address the registrant held its satellite office at 2002 East Tower, PSE Center, Exchange Rd., Ortigas Center, Pasig City.

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class

Number of shares of common  
stock outstanding and amount  
of debt outstanding

Common

9,100,102,685 shares

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

Yes ☒ No ☐

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

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(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 the registrant was required to file such reports)

Yes ☒ No ☐

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

Yes ☒ No ☐

## **PART I--FINANCIAL INFORMATION**

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

A copy of the comparative statements as of and for the quarters ended March 31, 2024 and 2023, is submitted as part of this report. The financial statements were prepared in accordance with accounting standards generally accepted in the Philippines. The accounting policies and methods of computations followed in the interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2023.

Changes affecting balance sheet and income statement items are further disclosed in the Management Discussion and Analysis. There are no material events after the end of the interim period that have not been reflected in the financial statements for the interim period. The company had reclassified accounts such as dividends, capital and foreign exchange gains, interest, and equity earnings to investment income during the period.

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

Refer to the Three months ended March 31, 2024 Analysis of Unaudited Consolidated Financial Statement attached as Exhibit I, Comparative Financial Soundness Indicators as Exhibit II, and Business Segments as Exhibit III.

## **SIGNATURES**

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



**EDMUNDO C. MEDRANO**  
Director and President

May 10, 2024



**MARISSA S. BONTOGON**  
Vice President and Treasurer and  
Risk Officer

May 10, 2024



**MARK ANTHONY M. RAMOS**  
Vice President and Controller, and  
Compliance Officer

May 10, 2024

**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF MARCH 31, 2024 AND DECEMBER 31, 2023**

		Unaudited March 31 2024		Audited December 31 2023
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	P	61,856,396	P	283,145,676
Financial assets at fair value through profit or loss (FVPL)		6,750,000		6,750,000
Trade and other receivables - current portion		387,324,777		355,309,445
Real estate inventories		2,073,869,009		2,073,624,267
Prepayments and other assets - net		652,417,289		463,159,351
Investment in finance lease - current portion		11,776,146		15,606,638
<b>Total Current Assets</b>		<b>3,193,993,617</b>		<b>3,197,595,377</b>
<b>Non-current Assets</b>				
Financial assets at fair value through other comprehensive income (FVOCI)		37,824,268		35,197,203
Trade and other receivables - non-current portion		207,967,647		207,967,647
Investments in and advances to associates - net		55,842,191		56,436,750
Investment properties - net		5,162,459,388		5,163,547,388
Property and equipment - net		91,595,521		91,481,034
Right-of-use asset - net		171,970,892		87,619,912
Investment in finance Lease - net of current portion		84,976,895		171,970,892
Other non-current assets		63,386		53,386
<b>Total Non-current Assets</b>		<b>5,812,700,188</b>		<b>5,814,274,212</b>
	P	<b>9,006,693,805</b>	P	<b>9,011,869,589</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade and other payables - current portion	P	17,045,410	P	63,237,619
Loans and notes payable - current portion		901,596,763		829,668,150
Lease liability - current		11,747,296		15,570,165
<b>Total Current Liabilities</b>		<b>930,389,469</b>		<b>908,475,934</b>
<b>Non-current Liabilities</b>				
Trade and other payables - net of current portion		94,250,360		76,059,054
Loans and note payable - net of current portion		372,510,834		372,351,579
Retirement benefit obligation		90,008,368		85,635,684
Deferred tax liabilities - net		753,633,681		753,432,863
Other non-current liabilities		40,088,421		43,608,343
Lease liability - non-current		143,092,814		143,092,814
<b>Total Non-current Liabilities</b>		<b>1,493,584,478</b>		<b>1,474,180,337</b>
		<b>2,423,973,947</b>		<b>2,382,656,271</b>
<b>Equity Attributable to Equity Holders of the Parent Company</b>				
Capital stock		4,275,721,448		4,275,721,448
Additional paid-in capital		780,630,029		780,630,029
Reserves		58,442,026		56,177,322
Retained earnings		1,619,537,074		1,668,286,406
Treasury stock		(110,049,633)		(110,049,633)
		<b>6,624,280,944</b>		<b>6,670,765,572</b>
Equity Attributable to Non-Controlling Interest		(41,561,086)		(41,552,254)
		<b>6,582,719,858</b>		<b>6,629,213,318</b>
	P	<b>9,006,693,805</b>	P	<b>9,011,869,589</b>

**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

	2024	2023
<b>INCOME</b>		
Sales of real estate	P 30,299,232	P 54,087,390
Rent	18,421,750	16,366,623
Management fees	11,172,769	9,616,957
Interest income	2,873,965	6,819,092
Commission income	3,062,108	1,505,293
Other income	1,226,290	-
	<b>67,056,114</b>	<b>88,395,355</b>
<b>COSTS AND EXPENSES</b>		
Cost of real estate sold	10,780,528	22,540,777
Cost of services	17,581,605	16,940,429
General and administrative expenses	63,167,226	33,565,961
Finance cost	22,882,640	12,909,440
Other expenses	-	31,661,474
Equity in net loss of associate	594,560	776,311
	<b>115,006,559</b>	<b>118,394,392</b>
<b>LOSS BEFORE INCOME TAX</b>	<b>(47,950,445)</b>	<b>(29,999,037)</b>
<b>INCOME TAX EXPENSE</b>	<b>798,887</b>	<b>743,260</b>
<b>NET LOSS</b>	<b>(P48,749,332)</b>	<b>(P30,742,297)</b>
<b>ATTRIBUTABLE TO:</b>		
Equity holders of the parent	(P48,744,916)	(P30,739,692)
Non-controlling interest	(4,416)	(2,605)
	<b>(P48,749,332)</b>	<b>(P30,742,297)</b>
<b>OTHER COMPREHENSIVE INCOME:</b>		
Unrealized holding gain on AFS investments	2,627,065	1,544,921
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(P46,122,267)</b>	<b>(P29,197,376)</b>
<b>Loss per share</b>		
Basic	(0.005357)	(0.003378)
Diluted	(0.005357)	(0.003378)
<b>Number of shares outstanding</b>		
Basic	9,099,309,288	9,099,309,288
Diluted	9,099,309,288	9,099,309,288

**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

	2024	2023
<b>Capital Stock</b>		
Authorized 8,000,000,000 common shares		
Issued and outstanding 7,866,647,523 shares in 2023; 7,866,647,523 shares in 2022		
Capital stock	P 3,933,323,762	P 3,933,323,762
Subscribed capital stock 1,314,711,262 shares in 2023; 1,314,711,262 shares in 2022	657,355,632	657,355,632
Less: Subscription receivable - Capital Stock	157,478,973	157,478,973
Subscription receivable - APIC	157,478,973	157,478,973
	342,397,686	342,397,686
Capital stock	4,275,721,448	4,275,721,448
Additional paid-in capital	780,630,029	780,630,029
Total Capital stock	5,056,351,477	5,056,351,477
<b>Reserves</b>		
Appropriated retained earnings for Treasury stock acquisition	109,712,439	109,712,439
Revaluation on FVOCI		
Balance, beginning	(26,485,605)	(25,606,702)
Unrealized holding gain (loss) on financial assets at FVOCI	(2,854,772)	1,725,815
Balance, end	(23,630,833)	(23,880,887)
Accumulated Remeasurement Losses	(27,639,579)	(18,755,971)
	58,442,026	67,075,582
<b>Retained earnings</b>		
Balance, beginning	1,668,286,406	1,535,184,216
Net loss	(48,749,332)	(30,742,297)
Balance, end	1,619,537,074	1,504,441,919
	6,734,330,577	6,627,868,978
Treasury Stock	(110,049,633)	(110,049,632)
	6,624,280,944	6,517,819,347
<b>Minority Interest</b>		
Balance, beginning	(41,552,254)	(41,540,458)
Adjustment	(8,832)	9,630
	(41,561,086)	(41,530,828)
	P 6,582,719,858	P 6,476,288,519

**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

	2024	2023
<b>Cash flows from Operating Activities</b>		
Net Loss	(P48,744,916)	(P30,739,692)
Adjustments for:		
Financial assets at fair value through other comprehensive income (FVOCI)	(2,854,772)	1,725,815
Accumulated remeasurement loss	(590,067)	(180,896)
Decrease in minority interest	(8,832)	9,630
Prior period adjustment from subsidiary	-	5
Depreciation and amortization	6,352,885	2,649,074
Loss from operations before working capital changes	(45,845,702)	(26,536,063)
Decrease (Increase) in:		
Real estate inventories	(244,742)	(16,896,126)
Trade and other receivables - net	(32,015,332)	21,228,186
Prepayments and other current assets	(189,267,938)	(26,512,953)
Increase (Decrease) in:		
Trade and other payables	(29,350,217)	(42,038,628)
Deferred tax liability	200,818	3,424,649
Retirement benefit obligation	4,372,684	(1,537,782)
Other non-current liabilities	852,761	(427,320)
Net cash used in operating activities	(291,297,668)	(89,296,038)
<b>Cash Flows from Investing Activities</b>		
Decrease (Increase) in:		
Right of use asset	(84,350,980)	2,190,965
Investment in finance lease	90,824,489	3,360,265
Lease liability	(3,822,869)	(3,492,656)
Investments in and advances to associates - net	594,559	1,776,311
Financial assets at fair value through other comprehensive income (FVOCI)	(2,627,065)	(1,544,921)
Investment property	1,088,000	58,177,285
Net additions to property and equipment	(3,785,614)	-
Net cash used in investing activities	(2,079,480)	60,467,249
<b>Cash Flows from Financing Activities</b>		
Availment of loans payable	498,715,291	200,000,000
Payment of bank loans and notes	(426,627,423)	(278,323,445)
Net cash provided by (used in) financing activities	72,087,868	(78,323,445)
<b>Net decrease in Cash and Cash Equivalents</b>	<b>(221,289,280)</b>	<b>(107,152,234)</b>
<b>Cash and Cash Equivalents, Beginning</b>	<b>283,145,676</b>	<b>163,886,734</b>
<b>Cash and Cash Equivalents, End</b>	<b>P 61,856,396</b>	<b>P 56,734,500</b>

**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**  
**AGING OF ACCOUNTS RECEIVABLE-TRADE**  
**AS OF MARCH 31, 2024**

PARTICULARS	CURRENT	OVER DUE			TOTAL
		31-60 DAYS	61-90 DAYS	OVER 91 DAYS	
PRHC	257,562,043	179,879	165,963,130	47,565,756	471,270,808
PPMI	1,971,188	380,243	113,012	75,861	2,540,304
TIBI	2,916,867	-	-	-	2,916,867
UTC	-	-	-	-	-
SPI	-	-	-	-	-
GRAND TOTAL	262,450,098	560,122	166,076,142	47,641,617	476,727,979

Accounts Receivable - Trade	476,727,979
Accounts Receivable - Others	118,564,445
Total	<u>595,292,424</u>



## FINANCIAL INFORMATION

### Management's Discussion and Analysis of Financial Condition or Results of Operation

The financial results for the first three (3) months of 2024 of Philippine Realty and Holdings Corporation (interchangeably referred to by its PSE trading symbol “**RLT**” or “**Parent Company**” or as the “**RLT Group**” or “**Group**”) reflected a consolidated net loss of ₱49 Million. But in spite of this, the Group was still able to reflect very conservative liquidity and solvency ratios.

The Philippine economy continues to gradually improve in its quest for sustained recovery.

The Philippine economy measured in terms of Gross Domestic Product (**GDP**) grew by 5.7% in the first quarter of 2024 from 5.5% in the previous quarter. But it was lower compared to the 6.4% growth recorded a year ago.

The Philippines’ GDP growth continues to be among the fastest in Asia.

As of end-March, the outstanding debt of the National Government (**NG**) slid by 1.67% to P14.93 trillion from the record-high P15.18 trillion at end-February, mainly due to the net redemption of government securities. Of the total NG debt stock, 70%, was sourced domestically, while 30% came from external borrowings.

NG’s debt as a share of GDP stood at 60.2% as of the first quarter, as reported by the Bureau of the Treasury (**BTr**). This was below 61.1% a year ago but higher than 60.1% at the end of last year, the BTr said in a statement.

This year, the government’s debt-to-GDP ratio target was set at 60.3%. It seeks to bring this down further to 55.9% by 2028. The threshold considered by multilateral lenders to be manageable for developing economies is 60%.

The Treasury said the deficit-to-GDP ratio stood at 4.46% at end-March, from 4.82% a year ago and 6.2% at the end of 2023. It was also well below the 5.6% deficit ceiling set by the government this year.

The country’s budget deficit narrowed by 6.82% to P195.9 billion in March from a year earlier. In the first quarter, the fiscal gap widened by 0.65% to P272.6 billion.

The below-target debt and deficit ratios were due to the continued recovery of the economy helped greatly by improved tax collection, disciplined government spending and tax and fiscal reform measures. These are factors that could help support the country’s favorable credit ratings.

**I. Review of Consolidated Statement of Income for the Period Ending 31 March 2024 vs. 31 March 2023**

For the period ended March 31 (In millions)				
	2024 (Unaudited)	2023 (Unaudited)	Change in Peso	Change in Percentage
<b>REVENUES</b>				
Sales of real estate	₱30	₱54	(₱24)	(44%)
Rent	19	16	3	19%
Management fees	11	10	1	10%
Interest income	3	7	(4)	(57%)
Commission	3	1	2	200%
Other income	1	-	1	100%
<b>TOTAL</b>	<b>67</b>	<b>88</b>	<b>(21)</b>	<b>(24%)</b>
<b>COSTS AND EXPENSES</b>				
Cost of real estate sold	11	23	(12)	(52%)
Cost of services	17	16	1	6%
General and administrative expenses	63	34	29	85%
Finance cost	23	13	10	77%
Other expenses	-	31	(31)	(100%)
Equity in net loss of associate	1	1	-	-
<b>TOTAL</b>	<b>115</b>	<b>118</b>	<b>(3)</b>	<b>(3%)</b>
LOSS BEFORE INCOME TAX	(48)	(30)	(18)	(60%)
INCOME TAX EXPENSE	1	1	-	-
<b>NET LOSS</b>	<b>(₱49)</b>	<b>(₱31)</b>	<b>(₱18)</b>	<b>(58%)</b>
OTHER COMPREHENSIVE INCOME (LOSS)	3	2	1	70%
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(₱46)</b>	<b>(₱29)</b>	<b>(₱17)</b>	<b>(58%)</b>

- 1. Consolidated net loss after tax.** The RLT Group posted a net loss of **₱49 Million** for the three (3) months ended 31 March 2024.

The increase in the RLT Group's net loss was due to higher general and administrative expenses and lower total revenue in the first three (3) months of 2024 compared to the same period last year.

**a. Income**

- 1) **Sales of Real Estate.** Sales of Real Estate at ₱30 Million decreased by ₱24 Million or by 44% for the first three (3) months of 2024 compared to the sales of real estate for the same period last year.

Sales of Real Estate pertains to units sold by the Parent Company at Skyline and SkyVillas Towers located in Quezon City, and at the Icon Plaza located in Bonifacio Global City (BGC).

- 2) **Rent.** Rental Income increased by ₱3 Million or 19% due to the origination of new lease contracts.
- 3) **Management Fee.** This account increased by ₱1 Million or by 10% due to the generation of an additional client.

- 4) **Interest Income.** Interest Income decreased by 57% due to lower Interest Income collected from buyers arising from late payments.
- 5) **Commission.** Commission increased by ₱2 Million due to higher insurance business generated for the first three (3) months of 2024.
- 6) **Other income.** This account increased by ₱1 Million due to insurance claims and rental income generated by the parent company's property management subsidiary.

**b. Costs and Expenses**

- 1) **Cost of Real Estate Sold.** The Cost of Real Estate Sold for the three (3) months ending 31 March 2024 decreased by ₱12 Million or by 52%. Cost of Real Estate Sold moves in parallel or in tandem with the movement in revenues. In 2024, Sales of Real Estate decreased compared to 2023.

In 2024, the percentage of Cost of Real Estate Sold to Sales of Real Estate went down to 36%, compared to 42% in 2023. The decrease was due to higher sales value generated from Skyline units in 2024, unlike in 2023. Skyline units have lower standard costs compared to SkyVillas units, which explains the decrease in the percentage of Cost of Real Estate Sold to Sales of Real Estate in 2024.

- 2) **General and Administrative Expenses.** General and Administrative Expenses reported an increase of ₱29 Million or by 85% due to the one-time reversal of excess Provision for Impairment of Receivables in 2023.
- 3) **Finance Cost.** The increase in Interest Expense to ₱23 Million from ₱13 Million last year, or an increase of 77%, was due to the full charging in the meantime of Interest Expense to operations compared to the prior year where part of interest payments was capitalized to real estate projects considered as qualifying assets. In 2024, the adjustments will be made at the end of the year.
- 4) **Other Expenses.** Other expenses decreased by ₱31 million or 100%. This was due to the reversal in 2023 of fair value gains from certain real estate assets that were erroneously classified as Investment Properties in 2022 but were belatedly discovered in 2023 to be rightfully classified as Real Estate Inventories.
- 5) **Other Comprehensive income.** This account increased by ₱1 Million or 70%. This is primarily due to the market-to-market unrealized gains attributable to the Parent Company's stock investments.

**II. Review of Consolidated Statement of Financial Position for the Period Ending 31 March 2024 vs. 31 December 2023**

As of 31 March 2024 vs. 31 December 2023				
	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	Change in Peso	Change in Percentage
<b>Assets</b>				
Cash and cash equivalents	₱62	₱283	(₱221)	(78%)
Financial assets	45	42	3	7%
Trade and other receivables – net	595	563	32	6%
Real estate inventories	2,074	2,074	-	-
Prepayments and other assets – net	652	463	189	41%
Investments in and advances to associates - net	56	56	-	-
Property and equipment – net	92	92	-	-
Investment properties – net	5,162	5,164	(2)	(0%)
Other Assets	269	275	(6)	(2%)
<b>TOTAL</b>	<b>₱9,007</b>	<b>₱9,012</b>	<b>(₱5)</b>	<b>(0%)</b>
<b>Liabilities</b>				
Trade and other payables	₱111	₱139	(₱28)	(20%)
Loans and Notes Payable	1,274	1,202	72	6%
Retirement benefit obligation	90	86	4	5%
Other liabilities	949	956	(7)	(1%)
<b>Total Liabilities</b>	<b>2,424</b>	<b>2,383</b>	<b>41</b>	<b>2%</b>
<b>Equity</b>				
Capital stock	5,056	5,056	-	-
Reserves	58	56	2	4%
Retained earnings	1,620	1,668	(48)	(3%)
Treasury stock	(110)	(110)	-	-
Equity attributable to non-controlling interest	(41)	(41)	-	-
<b>Total Equity</b>	<b>₱6,583</b>	<b>₱6,629</b>	<b>(₱46)</b>	<b>(1%)</b>
<b>TOTAL</b>	<b>₱9,007</b>	<b>₱9,012</b>	<b>(₱5)</b>	<b>(0%)</b>

- 1. Total Assets.** The RLT Group's Total Assets stood at ₱9 Billion as of 31 March 2024, lower by ₱5 Million compared to the Total Assets reported by the Group as of 31 December 2023. The RLT Group's Real Estate Assets accounted for 80% of the Total Assets of the Group as of 31 March 2024.

**Cash and Cash Equivalents** decreased by ₱221 million or 78%. The decrease was mainly due to advance payments made to the contractors for the Parent Company's Casa UNICO Project in BGC and payments of trade and other payables.

**Financial Assets** increased by 7% attributable to the increase in Fair market value of the Financial Assets at Fair Value through Other Comprehensive Income.

**Trade and Other Receivables – Net** increased by ₱32 Million or by 6% due to new and additional sales generated by the Company.

**Prepayments and Other Assets** increased by 41% due to the advance payments made to contractors and taxes paid that are being amortized within the year.

2. **Total Liabilities.** Total Liabilities as of 31 March 2024 increased by ₱41 Million or by 2% compared to 31 December 2023. The increase came from the new bank loans by the Parent Company for the construction and development of its Casa UNICO Residential Project in the BGC which was mitigated by the decrease in the Group's trade and other payables.

**Trade and other payables** decreased by ₱28 million or 20% due to the payments made to suppliers and contractors.

**Loans and Notes Payable** increased by 6% due to the additional loans availed by the Parent Company for the construction and development of its Casa UNICO Residential Project in the BGC during the period.

3. **Total Equity.** Total Equity as of 31 March 2024 decreased by ₱46 Million compared to 31 December 2023. This is attributable to the net comprehensive loss incurred by the Group amounting to ₱46 Million as of 31 March 2024.

### III. Performance Indicators

The table below presents the comparative performance indicators of the RLT Group as of 31 March 2024 compared to 31 December 2023.

Performance Indicators	31 March 2024 Unaudited	31 December 2023 Audited
Current ratio <sup>1</sup>	3.43:1	3.52:1
Debt-to-equity ratio <sup>2</sup>	0.37:1	0.36:1
Asset-to-equity ratio <sup>3</sup>	1.37:1	1.36:1
Book value per share <sup>4</sup>	₱0.75	₱0.75
Earnings per share <sup>5</sup>	(₱0.02)	₱0.01

<sup>1</sup> *Current assets / current liabilities*

<sup>2</sup> *Total debt / consolidated stockholders' equity*

<sup>3</sup> *Total assets / Total stockholders' equity*

<sup>4</sup> *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*

<sup>5</sup> *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

The table above reflects the continuing conservative stance of the RLT Group in terms of the Group's liquidity and solvency positions. The steady performance of the Debt-to-Equity and Asset-to-Equity Ratios of the Group for the periods under review clearly demonstrate that the Group's conservative solvency position and low debt level.

1. **Current Ratio.** The Group's Current ratio remained at a very conservative and acceptable level at 3.43:1 despite a slight deterioration from 3.52:1 as of 31 December 2023.
2. **Debt-to-Equity Ratio.** Similarly, the RLT Group's Debt-to-Equity Ratio remained very conservative at 0.37:1 for the period under review.
3. **Asset-to-Equity Ratio.** The Asset-to-Equity Ratio for the period under review reflected slight improvement at 1.37:1.
4. **Book Value per Share.** The performance of the Company's Book Value per Share has also been steady at ₱0.75 per share.

## TOP CONTRIBUTORS TO REVENUE

The table below presents the top contributors to revenue (before elimination of intercompany transactions) for the three (3) months ended 31 March 2024 and for the years ended 31 December 2023, and 31 December 2022.

(In millions)

SUBSIDIARIES	March 2024 Unaudited	December 2023 Audited	December 2022 Audited
PRHC Property Managers, Inc. (PPMI)	₱12	₱42	₱35
Tektite Insurance Brokers, Inc. (TIBI)	₱3	₱5	₱6

The contributions of the Company's subsidiaries to revenues and net income are shown below:

1. **PRHC Property Managers, Inc. (PPMI).** The RLT Group's property management company, PPMI, registered a Net income before Tax of ₱1.8 Million for the three months ended 31 March 2024. It is higher by ₱1.4 Million compared to the Net income that the Company registered for the same period last year.
2. **Tektite Insurance Brokers, Inc. (TIBI).** The RLT Group's insurance brokerage firm posted a Net Income before Tax of ₱2.0 Million for the three months ended 31 March 2024 which is higher by ₱1.6 Million compared to the ₱0.4 Million Net Income before Tax that TIBI registered for the same period last year.

## Key Financial Ratios of the Top Subsidiaries

### PRHC Property Managers, Inc. (PPMI)

Performance Indicators	31 March 2024 Unaudited	31 December 2023 Audited	31 December 2022 Audited
Current ratio <sup>1</sup>	11.94:1	9.60:1	2.82:1
Debt-to-equity ratio <sup>2</sup>	0.60:1	0.59:1	0.46:1
Asset-to-equity ratio <sup>3</sup>	1.60:1	1.59:1	1.46:1
Book value per share <sup>4</sup>	₱12.11	₱12.00	₱12.58
Earnings per share <sup>5</sup>	₱0.95	₱0.44	₱0.04

<sup>1</sup> Current assets / current liabilities

<sup>2</sup> Total debt / consolidated stockholders' equity

<sup>3</sup> Total assets / Total stockholders' equity

<sup>4</sup> Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding

<sup>5</sup> Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding

## Tektite Insurance Brokers, Inc. (TIBI)

Performance Indicators	31 March 2024 Unaudited	31 December 2023 Audited	31 December 2022 Audited
Current ratio <sup>1</sup>	3.45:1	4.03:1	35.90:1
Debt-to-equity ratio <sup>2</sup>	1.18:1	1.32:1	0.88:1
Asset-to-equity ratio <sup>3</sup>	2.18:1	2.32:1	1.88:1
Book value per share <sup>4</sup>	₱0.54	₱0.40	₱0.36
Earnings per share <sup>5</sup>	₱0.46	₱0.02	₱0.05

<sup>1</sup> Current assets / current liabilities

<sup>2</sup> Total debt / consolidated stockholders' equity

<sup>3</sup> Total assets / Total stockholders' equity

<sup>4</sup> Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding

<sup>5</sup> Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding

There was no issuance, repurchase, or payment of equity securities or dividends during the first three (3) months of the year 2024.

As of this report, there is no other known event that will trigger direct or contingent financial obligation that is material to the Company. Moreover, there is no material off-balance sheet transaction, arrangement, obligation, and other relationship of the Company with unconsolidated entities or other persons created during this period.

## IV. Financial Risk Management

The Company's activities expose it to a variety of financial risks. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group. The policies for managing specific risks are summarized below:

- 1. Foreign currency risk.** The Group undertakes certain transactions denominated in foreign currencies. Hence, exposure to exchange rate fluctuations arises with respect to transactions denominated in US Dollars. Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group's functional currency. Significant fluctuation in the exchange rates could significantly affect the Group's financial position.

Foreign exchange risk exposure of the Group is limited to its cash and cash equivalents. Currently, the Group has a policy not to incur liabilities in foreign currency. Construction and supply contracts, which may have import components, are normally denominated in Philippine peso.

- 2. Credit risk.** Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group has adopted stringent procedures in evaluating and accepting risk by setting counterparty and transaction limits. In addition, the Group has policies in place to ensure that sales are made to customers with an appropriate and acceptable credit history.

With respect to installments receivable from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Company also undertakes supplemental credit review procedures for certain installment payment structures. The Company's stringent customer requirements and policies in place contribute to lower customer default than its competitors. Customer payments are facilitated through various collection modes including the use of postdated checks.

Exposure to bad debts is not significant as title to real estate properties are not transferred to the buyers until full payment has been made and the requirement for remedial procedures is minimal given the profile of buyers.

Credit risk arising from rental income from leasing properties is primarily managed through a tenant selection process. Prospective tenants are evaluated on the basis of payment track record and other credit information. In accordance with the provisions of the lease contracts, the lessees are required to deposit with the Company security deposits and advance rentals which help reduce the Company's credit risk exposure in case of defaults by the tenants. For existing tenants, the Company has put in place a monitoring and follow-up system. Receivables are aged and analyzed on a continuous basis to minimize credit risk associated with these receivables. Regular meetings with tenants are also undertaken to provide opportunities for counseling and further assessment of paying capacity.

Other financial assets are comprised of cash and cash equivalents excluding cash on hand, financial assets at Fair Value through Profit and Loss (**FVPL**), financial assets at Fair Value through Other Comprehensive Income (**FVOCI**) and advances to subsidiaries and associates. The Company adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank investment limits are established on the basis of an internal rating system that principally covers the areas of liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail to meet their obligations. Nevertheless, the Company closely monitors developments with counterparty banks and adjusts its exposure accordingly while adhering to pre-set limits.

3. **Interest rate risk.** Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The primary source of the Group's interest rate risk relates to its cash and cash equivalents and loans payable.

Cash and cash equivalents are short-term in nature and with the current interest rate level, any variation in the interest will not have a material impact on the profit or loss of the Group.

Management is responsible for monitoring the prevailing market-based interest rate and ensures that the mark-up charged on its borrowings are optimal and benchmarked against the rates charged by other creditor banks.



4. **Price risk.** Price risk is the risk that the fair value of the financial investments particularly debt and equity instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market.

The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Group's Board of Directors reviews and approves all equity investment decisions.

5. **Liquidity Risk.** The Group maintains adequate highly liquid assets in the form of cash and cash equivalents to assure necessary liquidity. Free cash flows have been restricted primarily for the settlement of the Parent's Company's debt obligations.

The Company manages liquidity risk by maintaining adequate reserves, establishing banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

6. **Risks Related to COVID-19.** Many countries, including the Philippines, suffered from the scourge on health and livelihood caused by the COVID-19 global pandemic. While it has somehow abated, we still consider this to be a key risk element as this has adversely affected our Company's business.

The RLT Group continues to keenly monitor the situation as COVID-19 has been identified as a genuine risk and game changer. The RLT Group has put together its business continuity plan (**BCP**) to mitigate the risk impact to operations and to its personnel in case the pandemic surges again. The Group subscribes to, adheres to and follows national and local government directives and guidelines as well as the best practices being promoted by the Department of Health (**DOH**), the Inter-Agency Task Force for the Management of Emerging Infectious Diseases (**IATF**), Department of Trade and Industry (**DTI**), Department of Public Works and Highways (**DPWH**), Department of Labor and Employment (**DOLE**), and the local government units (**LGUs**) where the Group operates in, etc.

Experience gained from this pandemic will be used to improve the Group's handling of similar emergencies moving forward.

**PHILIPPINE REALTY AND HOLDINGS CORPORATION**  
**FINANCIAL SOUNDNESS INDICATORS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

**Exhibit II**

**2024**

**2023**

**Net Profit Margin:**

*Shows how much profit is made for every peso of revenue*

Net Income(Loss)/	<u>(48,749,332)</u>		<u>(30,742,297)</u>	
Total Revenues	<u>67,056,114</u>	-72.70%	<u>88,395,355</u>	-34.78%

**Asset Turnover:**

*Shows efficiency of asset used in operations*

Total Revenues/	<u>67,056,114</u>		<u>88,395,355</u>	
Ave. Total Assets	<u>9,009,281,697</u>	0.01	<u>8,517,122,865</u>	0.01

**Interest Rate Coverage Ratio:**

*Determine how easily a company can pay interest on outstanding debt*

EBITDA/	<u>(18,714,920)</u>		<u>(14,440,523)</u>	
Interest Expense	<u>22,882,640.00</u>	-0.82	<u>12,909,440.00</u>	-1.12

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES  
BUSINESS SEGMENTS  
AS OF MARCH 31, 2024

Exhibit III

	Sale of Real Estate and Leasing	Property Management	Insurance Brokerage	Travel Services	Other Income	Elimination	Consolidated
Revenue	48,680,782	12,137,913	3,077,108	-	-	-	63,895,803
Segment Result	(31,054,204)	1,758,736	1,990,247	(23,911)	(18,078)	-	(27,347,211)
Interest expense/Bank charges	(22,882,640)	-	-	-	-	-	(22,882,640)
Interest income	2,872,370	403	1,193	-	-	-	2,873,965
Equity in net loss of associate	-	-	-	-	-	(594,560)	(594,560)
Income taxes	(271,267)	(527,621)	-	-	-	-	(798,887)
Net Income (Loss)	(51,335,742)	1,231,518	1,991,440	(23,911)	(18,078)	(594,560)	(48,749,333)
Net income attributable to:							
Equity holders of PRHC							(48,744,916)
Non-controlling interests							(4,416)
							(48,749,332)
Other Information							
Segment assets	8,868,098,883	101,022,000	16,345,191	1,297,150	119,480	(36,031,089)	8,950,851,614
Investment at equity method	100,929,858	-	-	-	-	(45,087,667)	55,842,191
Consolidated Total Assets	8,969,028,740	101,022,000	16,345,191	1,297,150	119,480	(81,118,756)	9,006,693,805
Segment liabilities	1,624,697,858	38,067,819	8,840,068	30,249,199	79,732,219	(114,483,095)	1,667,104,069
Unallocated corporate liabilities	756,869,878	-	-	-	-	-	756,869,878
Consolidated Total Liabilities	2,381,567,736	38,067,819	8,840,068	30,249,199	79,732,219	(114,483,095)	2,423,973,947
Capital expenditure	4,873,614	-	-	-	-	-	4,873,614
Depreciation	6,312,298	20,559	20,028	-	-	-	6,352,885
Non-cash expenses other than depreciation	3,113,435	575,217	-	-	-	-	3,688,652