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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	
0	6

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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N/A

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 June 30, 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 June 30, 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 Six months ended June 30, 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

August 13, 2024



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

August 13, 2024



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

August 13, 2024

**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2024 AND DECEMBER 31, 2023**

	Unaudited June 30 2024	Audited December 31 2023
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	₱ 143,334,305	₱ 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	295,621,161	355,309,445
Real estate inventories	2,084,978,584	2,073,624,267
Prepayments and other assets - net	716,808,904	463,159,351
Investment in finance lease - current portion	7,898,837	15,606,638
<b>Total Current Assets</b>	<b>3,255,391,791</b>	<b>3,197,595,377</b>
<b>Non-current Assets</b>		
Financial assets at fair value through other comprehensive income (FVOCI)	22,669,449	35,197,203
Trade and other receivables - non-current portion	207,967,646	207,967,647
Investments in and advances to associates - net	56,305,668	56,436,750
Investment properties - net	5,163,621,496	5,163,547,388
Property and equipment - net	88,533,968	91,481,034
Right-of-use asset - net	171,972,179	87,619,912
Investment in finance Lease - net of current portion	82,211,490	171,970,892
Other non-current assets	63,386	53,386
<b>Total Non-current Assets</b>	<b>5,793,345,282</b>	<b>5,814,274,212</b>
	<b>₱ 9,048,737,073</b>	<b>₱ 9,011,869,589</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables - current portion	₱ 16,678,222	₱ 63,237,619
Loans and notes payable - current portion	1,018,591,582	829,668,150
Lease liability - current	7,878,354	15,570,165
<b>Total Current Liabilities</b>	<b>1,043,148,158</b>	<b>908,475,934</b>
<b>Non-current Liabilities</b>		
Trade and other payables - net of current portion	92,591,047	76,059,054
Loans and note payable - net of current portion	372,351,579	372,351,579
Retirement benefit obligation	93,036,586	85,635,684
Deferred tax liabilities - net	753,432,863	753,432,863
Other non-current liabilities	37,839,944	43,608,343
Lease liability - non-current	143,092,814	143,092,814
<b>Total Non-current Liabilities</b>	<b>1,492,344,833</b>	<b>1,474,180,337</b>
	<b>2,535,492,991</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	45,596,041	56,177,322
Retained earnings	1,562,918,325	1,668,286,406
Treasury stock	(110,049,633)	(110,049,633)
	<b>6,554,816,210</b>	<b>6,670,765,572</b>
Equity Attributable to Non-Controlling Interest	(41,572,128)	(41,552,254)
	<b>6,513,244,082</b>	<b>6,629,213,318</b>
	<b>₱ 9,048,737,073</b>	<b>₱ 9,011,869,589</b>

**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
<b>INCOME</b>		
Sales of real estate	₱ 38,334,946	₱ 95,702,102
Rent	37,157,511	33,035,908
Management fees	21,974,839	20,570,793
Interest income	5,475,909	9,657,842
Commission income	5,473,456	2,825,376
Other income	3,858,813	1,052,432
	<b>112,275,474</b>	<b>162,844,453</b>
<b>COSTS AND EXPENSES</b>		
Cost of real estate sold	18,780,528	44,424,737
Cost of services	36,645,491	35,419,832
General and administrative expenses	130,529,853	128,982,873
Finance cost	37,862,456	25,151,630
Equity in net loss of associate	131,083	1,495,062
Other expenses	-	35,435,921
	<b>223,949,411</b>	<b>270,910,055</b>
<b>LOSS BEFORE INCOME TAX</b>	<b>(111,673,937)</b>	<b>(108,065,602)</b>
<b>INCOME TAX EXPENSE</b>	<b>2,160,477</b>	<b>971,945</b>
<b>NET LOSS</b>	<b>(₱113,834,414)</b>	<b>(₱109,037,547)</b>
<b>ATTRIBUTABLE TO:</b>		
Equity holders of the parent	(₱113,826,336)	(₱109,033,140)
Non-controlling interest	(8,079)	(4,407)
	<b>(₱113,834,415)</b>	<b>(₱109,037,547)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS):</b>		
Unrealized holding gain (loss) on AFS investments	(2,114,947)	701,409
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(₱115,949,362)</b>	<b>(₱108,336,138)</b>
<b>Loss per share</b>		
Basic	(0.012509)	(0.011983)
Diluted	(0.012509)	(0.011983)
<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 COMPREHENSIVE INCOME**  
**FOR THE SECOND QUARTER ENDED JUNE 30, 2024 AND 2023**

	2024	2023
<b>INCOME</b>		
Sales of real estate	₱ 8,035,714	₱ 41,614,712
Rent	18,735,761	16,669,284
Management fees	10,802,070	10,953,836
Interest income	2,601,944	2,838,750
Commission	2,411,348	1,320,083
Other income	2,632,523	1,052,432
	<b>45,219,360</b>	<b>74,449,097</b>
<b>COSTS AND EXPENSES</b>		
Cost of real estate sold	8,000,000	21,883,960
Cost of services	19,063,886	18,479,403
General and administrative expenses	67,362,627	95,416,911
Finance cost	14,979,816	12,242,190
Other expenses	-	3,774,446
Equity in net loss of associate	(463,477)	718,751
	<b>108,942,852</b>	<b>152,515,662</b>
<b>LOSS BEFORE INCOME TAX</b>	<b>(63,723,492)</b>	<b>(78,066,564)</b>
<b>INCOME TAX EXPENSE</b>	<b>1,361,590</b>	<b>228,685</b>
<b>NET LOSS</b>	<b>(65,085,082)</b>	<b>(78,295,250)</b>
<b>ATTRIBUTABLE TO:</b>		
Equity holders of the parent	(65,081,420)	(78,293,449)
Minority interest	(3,663)	(1,801)
	<b>(65,085,083)</b>	<b>(78,295,250)</b>
<b>OTHER COMPREHENSIVE LOSS:</b>		
Unrealized holding loss on		
AFS investments	(4,742,012)	(843,512)
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(P69,827,095)</b>	<b>(P79,138,761)</b>
<b>Income per share</b>		
Basic	(0.007152)	(0.008604)
Diluted	(0.007152)	(0.008604)
<b>Number of shares outstanding</b>		
Basic (net of treasury stock 125,644,005)	9,099,309,288	9,099,309,288
Diluted (net of treasury stock 125,644,005)	9,099,309,288	9,099,309,288

**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED JUNE 30, 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 2024; 7,866,647,523 shares in 2023		
Capital stock	₱ 3,933,323,762	₱ 3,933,323,762
Subscribed capital stock 1,314,711,262 shares in 2024; 1,314,711,262 shares in 2023	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)
Disposal	(8,466,333)	-
Unrealized holding gain (loss) on financial assets at FVOCI	(2,114,947)	882,304
Balance, end	(37,066,885)	(24,724,398)
Accumulated Remeasurement Losses	(27,049,512)	(18,755,971)
	45,596,041	66,232,071
<b>Retained earnings</b>		
Balance, beginning	1,668,286,406	1,536,606,331
Reclass from reserves	8,466,333	-
Net loss	(113,834,414)	(109,037,547)
Balance, end	1,562,918,325	1,427,568,784
	6,664,865,843	6,550,152,332
Treasury Stock	(110,049,633)	(110,049,632)
	6,554,816,210	6,440,102,703
<b>Minority Interest</b>		
Balance, beginning	(41,552,254)	(41,540,458)
Adjustment	(19,874)	9,630
	(41,572,128)	(41,530,828)
	₱6,513,244,082	₱6,398,571,875

**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
<b>Cash flows from Operating Activities</b>		
Net Loss	(₱113,826,336)	(₱109,033,140)
Adjustments for:		
Financial assets at fair value through other comprehensive income (FVOCI)	(2,114,947)	882,304
Accumulated remeasurement loss	-	(180,896)
Gain on sale of Financial Assets at FVOCI	(1,711,694)	-
Decrease in minority interest	(19,874)	7,834
Depreciation and amortization	12,905,893	(9,903,434)
Loss from operations before working capital changes	(104,766,958)	(118,227,332)
Decrease (Increase) in:		
Real estate inventories	(11,354,317)	(11,043,870)
Trade and other receivables - net	57,976,591	22,079,333
Prepayments and other current assets	(253,659,553)	(114,570,117)
Increase (Decrease) in:		
Trade and other payables	(31,783,980)	(25,887,786)
Retirement benefit obligation	7,400,902	(4,442,526)
Deferred tax liability	-	3,424,649
Other non-current liabilities	(5,768,398)	117,807,647
Net cash used in operating activities	(341,955,713)	(130,860,003)
<b>Cash Flows from Investing Activities</b>		
Decrease (Increase) in:		
Right of use asset	(84,352,267)	(83,391,805)
Investment in finance lease	97,467,203	94,544,780
Lease liability	(7,691,811)	(126,643,591)
Investments in and advances to associates - net	131,082	2,495,062
Financial assets at fair value through other comprehensive income (FVOCI)	12,527,754	(701,409)
Investment property	(74,108)	56,663,471
Net additions to property and equipment	(4,786,943)	-
Net cash provided by (used in) investing activities	13,220,910	(57,033,491)
<b>Cash Flows from Financing Activities</b>		
Availment of loans payable	1,343,270,312	780,869,121
Payment of bank loans and notes	(1,154,346,880)	(644,125,250)
Net cash provided by financing activities	188,923,432	136,743,871
<b>Net decrease in Cash and Cash Equivalents</b>	<b>(139,811,371)</b>	<b>(51,149,624)</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>₱ 143,334,305</b>	<b>₱ 112,737,110</b>



**PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES**  
**AGING OF ACCOUNTS RECEIVABLE-TRADE**  
**AS OF JUNE 30, 2024**

PARTICULARS	CURRENT	OVER DUE			TOTAL
		31-60 DAYS	61-90 DAYS	OVER 91 DAYS	
PHILIPPINE REALTY AND HOLDINGS CORPORATION	185,241,252	154,796	-	203,514,279	388,910,327
PRHC PROPERTY MANAGERS, INC.	2,191,537	1,171,051	427,057	60,968	3,850,613
TEKTITE INSURANCE BROKERS, INC.	-	-	-	-	-
UNIVERSAL TRAVEL CORPORATION	-	-	-	-	-
SULTAN POWER INC.	-	-	-	-	-
GRAND TOTAL	187,432,789	1,325,847	427,057	203,575,247	392,760,940

Accounts Receivable - Trade	392,760,940
Accounts Receivable - Others	110,827,867
Total	503,588,807

## FINANCIAL INFORMATION

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

The financial results for the first six (6) 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 after tax of ₱114 Million. But in spite of this, the Group still maintained acceptable and very conservative liquidity and solvency ratios.

### **GDP Growth**

The country’s gross domestic product (**GDP**) growth has accelerated to 6.3% in the second quarter, faster than the adjusted 5.8% growth rate recorded in the first quarter of 2024. This significant development brings our GDP growth to 6.0% for the first half of the year.

This growth rate keeps our position as one of Asia’s best-performing major emerging economies. For East Asia’s economies that have released their second quarter 2024 GDP growth, we trail Vietnam at 6.9% while leading Malaysia at 5.8%, Indonesia at 5.0%, and China at 4.7%.

### **Government Borrowings**

As of June 2024, the outstanding debt of the National Government (**NG**) reached ₱15.48 trillion, 7% higher compared to P14.52 trillion in the same month last year. ₱15.48 trillion represents an increase of 0.9% from May 2024 due to the net issuance of both domestic and external debt and the effect of peso depreciation. Of the total NG debt stock, 68%, was sourced domestically, while 32% came from external borrowings.

Finance Secretary Ralph G. Recto downplayed the government’s increasing debt, stating, “There is nothing inherently wrong with a country having debts.” “As long as the money is used for the right purposes such as growing the economy, which in turn, creates more jobs, increases income, and provides more revenues for the government.”

### **Debt-to-GDP Ratio**

Despite a higher growth rate, the GDP failed to keep pace with the government's borrowing, leading to a rise in the debt-to-GDP ratio to 60.9% from 60.1% in the previous quarter.

Based on the Treasury data, the debt ratio in the second quarter matched the full-year 2022 record of 60.9%, a figure cited by Finance Secretary Recto as the "post-pandemic peak."

The most recent debt-to-GDP ratio also surpassed the full-year 2023 level of 60.1% as well as above the 60.6% target for 2024. It also exceeded the recommended threshold of 60% for developing economies like the Philippines.

To reduce the debt ratio, the Philippines needs to increase its economic growth more rapidly than its debt stock. The Philippines’ debt-to-GDP ratio began to decline from its 2022 peak to 60.1% in 2023. The Marcos administration targets to push this ratio even lower to 55.9% by 2028.

### **Inflation**

Inflation was faster at 4.4% in July 2024, but our economic managers expect it to revert to its longer-term downtrend as they aim for the target range of 2 to 4%. Year-to-date, average inflation from January to July 2024 stood at 3.7%.

**I. Review of Consolidated Statement of Income for the Period Ending 30 June 2024 vs. 30 June 2023**

For the period ended June 30 (In millions)				
	2024 (Unaudited)	2023 (Unaudited)	Change in Peso	Change in Percentage
<b>REVENUES</b>				
Sales of real estate	₱38	₱96	(₱58)	(60%)
Rent	37	33	4	12%
Management fees	22	20	2	10%
Interest income	6	10	(4)	(40%)
Commission	5	3	2	67%
Other income	4	1	3	300%
<b>TOTAL</b>	<b>112</b>	<b>163</b>	<b>(51)</b>	<b>(31%)</b>
<b>COSTS AND EXPENSES</b>				
Cost of real estate sold	19	44	(25)	(57%)
Cost of services	37	35	2	6%
General and administrative expenses	130	130	-	-
Finance cost	38	25	13	52%
Other expenses	-	35	(35)	(100%)
Equity in net loss of associate	-	2	(2)	(100%)
<b>TOTAL</b>	<b>224</b>	<b>271</b>	<b>(47)</b>	<b>(17%)</b>
LOSS BEFORE INCOME TAX	(112)	(108)	(4)	4%
INCOME TAX EXPENSE	2	1	1	100%
<b>NET LOSS AFTER TAX</b>	<b>(₱114)</b>	<b>(₱109)</b>	<b>(₱5)</b>	<b>5%</b>
OTHER COMPREHENSIVE INCOME (LOSS)	(2)	1	(3)	(300%)
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(₱116)</b>	<b>(₱108)</b>	<b>(₱8)</b>	<b>7%</b>

- 1. Consolidated net loss after tax.** The RLT Group posted a net loss of **₱114 million** for the six (6) months ended 30 June 2024.

The RLT Group's higher net loss was caused by lower total revenue in the first six (6) months of 2024 compared to the same period last year.

**a. Income**

- 1) **Sales of Real Estate.** Sales of Real Estate at ₱38 million decreased by ₱58 million or by 60% for the first six (6) 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 ₱4 million or by 12% due to the origination of new lease contracts.
- 3) **Management Fee.** This account increased by ₱2 million or by 10% due to the generation of an additional client.

- 4) **Interest Income.** Interest Income decreased by 40% 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 six (6) months of 2024.
- 6) **Other income.** This account increased by ₱3 million due to a gain on the sale of stock investments of the Parent Company and from the 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 six (6) months ending 30 June 2024 decreased by ₱25 million or by 57%. The Cost of Real Estate Sold moves in parallel or tandem with the movement in Revenues. In 2024, Sales of Real Estate decreased by 60% compared to 2023.

In 2024, there was a minimal increase in the percentage of the Cost of Real Estate Sold to Sales of Real Estate, which rose to 49% from 46% in 2023. This increase was due to the lower sales value to cost ratio of the units sold in 2024 compared to 2023.

- 2) **Finance Cost.** The increase in Finance Cost to ₱38 million from ₱25 million last year, or an increase of 52%, 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.
- 3) **Other Expenses.** Other expenses decreased by ₱35 million or 100%. This was due to extraordinary adjustments last year. In 2023, there was a reversal 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.
- 4) **Equity in net loss of associate.** This account decreased by ₱2 million due to a decrease in the Net Loss of an associate company.
- 5) **Income tax expense.** Income tax expenses increased by ₱1 million due to the higher taxable income reported by the Parent Company's property management and insurance brokerage subsidiaries.
- 6) **Other Comprehensive income.** This account decreased by ₱3 million or by 300%. This is primarily due to the mark-to-market unrealized losses attributable to the Parent Company's stock investments.

**II. Review of Consolidated Statement of Financial Position for the Period Ending 30 June 2024 vs. 31 December 2023**

As of 30 June 2024 vs. 31 December 2023				
	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	Change in Peso	Change in Percentage
<b>Assets</b>				
Cash and cash equivalents	₱143	₱283	(₱140)	(49%)
Financial assets	29	42	(13)	(31%)
Trade and other receivables – net	504	563	(59)	(10%)
Real estate inventories	2,085	2,074	11	1%
Prepayments and other assets – net	717	463	254	55%
Investments in and advances to associates – net	56	56	-	-
Property and equipment – net	89	92	(3)	(3%)
Investment properties – net	5,164	5,164	-	-
Other Assets	262	275	(13)	(5%)
<b>TOTAL ASSETS</b>	<b>₱9,049</b>	<b>₱9,012</b>	<b>₱37</b>	<b>0%</b>
<b>Liabilities</b>				
Trade and other payables	₱109	₱139	(₱30)	(22%)
Loans and notes payable	1,391	1,202	189	16%
Retirement benefit obligation	93	86	7	8%
Other liabilities	943	956	(13)	(1%)
<b>Total Liabilities</b>	<b>2,536</b>	<b>2,383</b>	<b>153</b>	<b>6%</b>
<b>Equity</b>				
Capital stock	5,056	5,056	-	-
Reserves	45	56	(11)	(20%)
Retained earnings	1,563	1,668	(105)	(6%)
Treasury stock	(110)	(110)	-	-
Equity attributable to non-controlling interest	(41)	(41)	-	-
<b>Total Equity</b>	<b>₱6,513</b>	<b>₱6,629</b>	<b>(₱116)</b>	<b>(2%)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱9,049</b>	<b>₱9,012</b>	<b>₱37</b>	<b>0%</b>

- 1. Total Assets.** The RLT Group's Total Assets stood at ₱9 billion as of 30 June 2024, higher by ₱37 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 30 June 2024.

**Cash and Cash Equivalents** decreased by ₱140 million or by 49%. The decrease was mainly due to the advance payments made by the Parent Company to its contractors for its Casa UNICO Project in the BGC.

**Financial Assets** decreased by 31%, which was due to the sale of Investments and to the decrease in the fair market value of Financial Assets at Fair Value through Other Comprehensive Income.

**Trade and Other Receivables – Net** decreased by ₱59 Million or by 10% due to the collection of turnover balances on real estate sales.

**Prepayments and Other Assets** increased by 55% due to the advance payments made to contractors and taxes paid that are being amortized within the year.

**Other Assets** decreased by ₱13 million or 5% due to the monthly amortization of right-of-use assets and investment in finance lease.

2. **Total Liabilities.** Total Liabilities as of 30 June 2024 increased by ₱153 million or by 6% 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. The increase in bank loans was somehow mitigated by the decrease in the Group's Trade and Other Payables and Other Liabilities.

**Trade and other payables** decreased by ₱30 million or by 22% due to the payments made to suppliers and contractors.

**Loans and Notes Payable** increased by 16% 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.

**Retirement Benefit Obligation** increased by ₱7 million or 8% due to additional provisions made as of 30 June 2024.

3. **Total Equity.** Total Equity as of 30 June 2024 decreased by ₱116 million compared to 31 December 2023. This is attributable to the net comprehensive loss incurred by the Group amounting to ₱114 million as of 30 June 2024 and Unrealized holding loss on financial assets at Fair Value through Other Comprehensive Income (FVOCI) amounting to ₱2 million.

### III. Performance Indicators

The table below presents the comparative performance indicators of the RLT Group as of 30 June 2024 compared to 31 December 2023.

Performance Indicators	30 June 2024 Unaudited	31 December 2023 Audited
Current ratio <sup>1</sup>	3.12:1	3.52:1
Debt-to-equity ratio <sup>2</sup>	0.39:1	0.36:1
Asset-to-equity ratio <sup>3</sup>	1.39:1	1.36:1
Book value per share <sup>4</sup>	₱0.74	₱0.75
Earnings per share <sup>5</sup>	(₱0.01)	₱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 3.12:1 despite a very 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 0.39:1 for the period under review.
3. **Asset-to-Equity Ratio.** The Asset-to-Equity Ratio for the period under review reflected a slight improvement at 1.39:1.
4. **Book Value per Share.** The performance of the Company's Book Value per Share has also been steady at ₱0.74 per share.

## TOP CONTRIBUTORS TO REVENUE

The table below presents the top contributors to revenue (before elimination of intercompany transactions) for the six (6) months ended 30 June 2024 and for the years ended 31 December 2023, and 31 December 2022.

(In millions)

SUBSIDIARIES	June 2024 Unaudited	December 2023 Audited	December 2022 Audited
PRHC Property Managers, Inc. (PPMI)	₱24	₱42	₱35
Tektite Insurance Brokers, Inc. (TIBI)	₱5	₱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 ₱3.0 million for the six months ended 30 June 2024. It is higher by ₱2.3 million compared to the ₱0.7 million 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 ₱3.4 million for the six months ended 30 June 2024 which is higher by ₱2.6 million compared to the ₱0.8 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	30 June 2024 Unaudited	31 December 2023 Audited	31 December 2022 Audited
Current ratio <sup>1</sup>	8.79:1	9.60:1	2.82:1
Debt-to-equity ratio <sup>2</sup>	0.59:1	0.59:1	0.46:1
Asset-to-equity ratio <sup>3</sup>	1.59:1	1.59:1	1.46:1
Book value per share <sup>4</sup>	₱12.43	₱12.00	₱12.58
Earnings per share <sup>5</sup>	₱0.43	₱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)**

<b>Performance Indicators</b>	<b>30 June 2024 Unaudited</b>	<b>31 December 2023 Audited</b>	<b>31 December 2022 Audited</b>
Current ratio <sup>1</sup>	11.20:1	4.03:1	35.90:1
Debt-to-equity ratio <sup>2</sup>	0.65:1	1.32:1	0.88:1
Asset-to-equity ratio <sup>3</sup>	1.65:1	2.32:1	1.88:1
Book value per share <sup>4</sup>	₱0.59	₱0.40	₱0.36
Earnings per share <sup>5</sup>	₱0.20	₱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 six (6) months of 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 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 SIX MONTHS ENDED JUNE 30, 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>(113,834,414)</u>	-101.39%	<u>(109,037,547)</u>	-66.96%
Total Revenues	<u>112,275,474</u>		<u>162,844,453</u>	

**Asset Turnover:**

*Shows efficiency of asset used in operations*

Total Revenues/	<u>112,275,474</u>	0.01	<u>162,844,453</u>	0.02
Ave. Total Assets	<u>9,030,303,331</u>		<u>8,589,250,002</u>	

**Interest Rate Coverage Ratio:**

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

EBITDA/	<u>(60,905,588)</u>	-1.61	<u>(92,817,405)</u>	-3.69
Interest Expense	<u>37,862,456.00</u>		<u>25,151,630.09</u>	

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES  
BUSINESS SEGMENTS  
AS OF JUNE 30, 2024

Exhibit III

	Sale of Real Estate and Leasing	Property Management	Insurance Brokerage	Travel Services	Other Income	Elimination	Consolidated
Revenue	75,401,858	23,655,010	5,488,456	-	-	-	104,545,324
Segment Result	(85,447,600)	2,966,842	3,408,470	(43,741)	(40,278)	-	(79,156,307)
Interest expense/Bank charges	(37,862,456)	-	-	-	-	-	(37,862,456)
Interest income	5,472,824	864	2,222	-	-	-	5,475,910
Equity in net loss of associate	-	-	-	-	-	(131,083)	(131,083)
Income taxes	(736,628)	(741,710)	(682,138)	-	-	-	(2,160,476)
Net Income (Loss)	(118,573,860)	2,225,996	2,728,554	(43,741)	(40,278)	(131,083)	(113,834,412)
Net Loss attributable to:							
Equity holders of PRHC							(113,826,336)
Non-controlling interests							(8,079)
							(113,834,415)
Other Information							
Segment assets	8,915,930,293	102,540,441	13,579,140	1,252,320	62,280	(40,933,070)	8,992,431,404
Investment at equity method	100,929,858	-	-	-	-	(44,624,190)	56,305,668
Consolidated Total Assets	9,016,860,151	102,540,441	13,579,140	1,252,320	62,280	(85,557,259)	9,048,737,073
Segment liabilities	1,747,946,415	37,893,470	5,336,904	30,224,199	79,697,218	(119,038,077)	1,782,060,129
Unallocated corporate liabilities	753,432,862	-	-	-	-	-	753,432,862
Consolidated Total Liabilities	2,501,379,277	37,893,470	5,336,904	30,224,199	79,697,218	(119,038,077)	2,535,492,991
Capital expenditure	4,712,835	-	-	-	-	-	4,712,835
Depreciation	12,823,006	43,619	39,268	-	-	-	12,905,893
Non-cash expenses other than depreciation	6,226,871	1,174,031	-	-	-	-	7,400,902