

COVER SHEET

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S.E.C. Registration Number

P H I L I P P I N E R E A L T Y A N D H O L D I N G S

C O R P O R A T I O N

(Company's Full Name)

O N E B A L E T E 1 B A L E T E D R I V E C O R

N D O M I N G O S T B R G Y K A U N L A R A N

D I S T R I C T 4 Q U E Z O N C I T Y 1 1 1 1

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

Mr. Mark Anthony M. Ramos

Contact Person

8631-3179

Company Telephone

Number

0 9

Month

3 0

Day

1 7 Q

FORM TYPE

Month

Day

Annual Meeting

N/A

Secondary License Type, If Applicable

Dept. Requiring this Doc. Number/Section

Amended Articles

Total Amount of Borrowings

Total No. of Stockholders Foreign

Domestic

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 Sep 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 16th 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 September 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 Nine months ended September 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

November 12, 2024



MARISSA S. BONTOGON
Vice President and Treasurer and
Risk Officer

November 12, 2024



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

November 12, 2024

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

	Unaudited September 30		Audited December 31	
	2024		2023	
ASSETS				
Current Assets				
Cash and cash equivalents	P	212,196,092	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		236,905,418		355,309,445
Real estate inventories		2,189,601,918		2,073,624,267
Prepayments and other assets - net		760,318,164		463,159,351
Investment in finance lease - current portion		3,973,554		15,606,638
Total Current Assets		3,409,745,146		3,197,595,377
Non-current Assets				
Financial assets at fair value through other comprehensive income (FVOCI)		21,932,649		35,197,203
Trade and other receivables - non-current portion		207,967,647		207,967,647
Investments in and advances to associates - net		55,928,494		56,436,750
Investment properties - net		5,163,621,496		5,163,547,388
Property and equipment - net		89,948,299		91,481,034
Right-of-use asset - net		79,576,247		87,619,912
Investment in finance Lease - net of current portion		171,972,179		171,970,892
Other non-current assets		63,386		53,386
Total Non-current Assets		5,791,010,397		5,814,274,212
	P	9,200,755,543	P	9,011,869,589
LIABILITIES AND EQUITY				
LIABILITIES				
Current Liabilities				
Trade and other payables - current portion	P	99,705,226	P	63,237,619
Loans and notes payable - current portion		1,153,135,263		829,668,150
Lease liability - current portion		3,962,778		15,570,165
Total Current Liabilities		1,256,803,267		908,475,934
Non-current Liabilities				
Trade and other payables - net of current portion		91,900,476		76,059,054
Loans and note payable - net of current portion		372,351,579		372,351,579
Retirement benefit obligation		94,748,836		85,635,684
Deferred tax liabilities - net		753,432,863		753,432,863
Other non-current liabilities		38,407,233		43,608,343
Lease liability - non-current portion		143,092,814		143,092,814
Total Non-current Liabilities		1,493,933,801		1,474,180,337
		2,750,737,068		2,382,656,271
Equity Attributable to Equity Holders of the Parent Company				
Capital stock		4,275,721,448		4,275,721,448
Additional paid-in capital		780,630,029		780,630,029
Reserves		44,859,242		56,177,322
Retained earnings		1,500,417,722		1,668,286,406
Treasury stock		(110,049,633)		(110,049,633)
		6,491,578,808		6,670,765,572
Equity Attributable to Non-Controlling Interest		(41,560,333)		(41,552,254)
		6,450,018,475		6,629,213,318
	P	9,200,755,543	P	9,011,869,589

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
INCOME		
Sales of real estate	P 46,246,226	P 172,960,724
Rent	58,628,264	48,870,161
Management fees	32,869,111	31,024,565
Interest income	7,822,920	11,504,221
Commission income	7,040,849	3,670,318
Other income	7,045,866	1,446,939
	P 159,653,236	269,476,928
COSTS AND EXPENSES		
Cost of real estate sold	25,972,600	89,439,100
Cost of services	57,408,333	54,391,893
General and administrative expenses	192,016,966	193,917,483
Finance cost	57,209,694	39,298,203
Equity in net loss of associate	508,257	2,113,646
Other expenses	-	32,840,072
	P 333,115,850	412,000,397
LOSS BEFORE INCOME TAX	(173,462,614)	(142,523,469)
INCOME TAX EXPENSE	2,880,482	1,075,276
NET LOSS	(P176,343,096)	(P143,598,745)
ATTRIBUTABLE TO:		
Equity holders of the parent	(P176,335,017)	(P143,594,338)
Non-controlling interest	(8,079)	(4,407)
	(P176,343,096)	(P143,598,745)
OTHER COMPREHENSIVE INCOME (LOSS):		
Unrealized holding gain (loss) on AFS investments	(2,851,747)	594,697
TOTAL COMPREHENSIVE LOSS	(P179,194,843)	(P143,004,048)
Loss per share		
Basic	(0.019379)	(0.015781)
Diluted	(0.019379)	(0.015781)
Number of shares outstanding		
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 THIRD QUARTER ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
INCOME		
Sales of real estate	P 7,911,280	P 77,258,622
Rent	21,470,753	15,834,253
Management fees	10,894,272	10,453,772
Interest income	2,347,011	1,846,379
Commission	1,567,393	844,942
Other income	3,187,053	394,507
	47,377,762	106,632,475
COSTS AND EXPENSES		
Cost of real estate sold	7,192,072	45,014,363
Cost of services	20,762,842	18,972,061
General and administrative expenses	61,487,113	64,934,610
Finance cost	19,347,238	14,146,573
Other expenses	-	(2,595,849)
Equity in net loss of associate	377,174	618,584
	109,166,439	141,090,342
LOSS BEFORE INCOME TAX	(61,788,677)	(34,457,867)
INCOME TAX EXPENSE	720,005	103,331
NET LOSS	(62,508,682)	(34,561,198)
ATTRIBUTABLE TO:		
Equity holders of the parent	(62,508,682)	(34,561,198)
Minority interest	-	-
	(62,508,682)	(34,561,198)
OTHER COMPREHENSIVE LOSS:		
Unrealized holding loss on		
AFS investments	(736,800)	(106,712)
TOTAL COMPREHENSIVE LOSS	(P63,245,481)	(P34,667,910)
Loss per share		
Basic	(0.006870)	(0.008604)
Diluted	(0.006870)	(0.008604)
Number of shares outstanding		
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 NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
Capital Stock		
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	P 3,933,323,762	P 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
Reserves		
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	(2,851,747)	205,028
Balance, end	(37,803,685)	(25,401,673)
Accumulated Remeasurement Losses	(27,049,512)	(18,755,971)
	44,859,242	65,554,794
Retained earnings		
Balance, beginning	1,668,286,406	1,536,606,331
Reclass from reserves	8,466,333	-
Net loss	(176,335,017)	(143,598,745)
Balance, end	1,500,417,722	1,393,007,586
	6,601,628,441	6,514,913,860
Treasury Stock	(110,049,633)	(110,049,632)
	6,491,578,808	6,404,864,226
Minority Interest		
Balance, beginning	(41,552,254)	(41,540,458)
Adjustment	(8,079)	7,829
	(41,560,333)	(41,532,629)
	P 6,450,018,475	P 6,363,331,597

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
Cash flows from Operating Activities		
Net Loss	(P176,335,017)	(P143,594,338)
Adjustments for:		
Financial assets at fair value through other comprehensive income (FVOCI)	(2,851,747)	205,028
Accumulated remeasurement loss	-	(180,896)
Decrease in minority interest	(8,079)	7,829
Depreciation and amortization	11,491,046	(17,657,169)
Loss from operations before working capital changes	(167,703,797)	(161,219,546)
Decrease (Increase) in:		
Real estate inventories	(115,977,651)	21,809,843
Trade and other receivables - net	118,404,027	(48,316,067)
Prepayments and other current assets	(297,168,813)	(94,959,550)
Increase (Decrease) in:		
Trade and other payables	52,309,029	(8,665,668)
Retirement benefit obligation	9,113,152	(2,347,270)
Deferred tax liability	-	3,864,116
Other non-current liabilities	(5,201,110)	117,797,658
Net cash used in operating activities	(406,225,163)	(172,036,484)
Cash Flows from Investing Activities		
Decrease (Increase) in:		
Right of use asset	8,043,665	8,502,791
Investment in finance lease	11,631,797	10,316,170
Lease liability	(11,607,387)	(130,377,447)
Investments in and advances to associates - net	508,256	3,113,646
Financial assets at fair value through other comprehensive income (FVOCI)	13,264,554	(24,133)
Investment property	(74,108)	55,054,452
Net additions to property and equipment	(9,958,311)	-
Net cash provided by (used in) investing activities	11,808,466	(53,414,521)
Cash Flows from Financing Activities		
Availment of loans payable	2,112,327,439	1,177,502,695
Payment of bank loans and notes	(1,788,860,326)	(1,025,896,157)
Net cash provided by financing activities	323,467,113	151,606,538
Net decrease in Cash and Cash Equivalents	(70,949,584)	(73,844,467)
Cash and Cash Equivalents, Beginning	283,145,676	163,886,734
Cash and Cash Equivalents, End	P 212,196,092	P 90,042,267

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

PARTICULARS	CURRENT	OVER DUE			TOTAL
		31-60 DAYS	61-90 DAYS	OVER 91 DAYS	
PHILIPPINE REALTY AND HOLDINGS CORPORATION	156,199,312	2,237,539	709,958	200,437,460	359,584,269
PRHC PROPERTY MANAGERS, INC.	3,190,916	-	1,334,638	18,331	4,543,885
TEKTITE INSURANCE BROKERS, INC.	1,732,284	-	-	-	1,732,284
UNIVERSAL TRAVEL CORPORATION	-	-	-	-	-
SULTAN POWER INC.	-	-	-	-	-
GRAND TOTAL	161,122,512	2,237,539	2,044,596	200,455,791	365,860,438

Accounts Receivable - Trade	365,860,438
Accounts Receivable - Others	<u>79,012,627</u>
Total	<u><u>444,873,065</u></u>

FINANCIAL INFORMATION

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

The financial results for the first nine (9) 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 ₱176 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 rate for the third quarter of 2024 was 5.2% — down from the 6.3% growth rate recorded in the second quarter. This brings average GDP growth for the first three quarters of 2024 to 5.8%, slightly below the target of 6.0% to 7.0% for the year.

Despite the decline in our GDP growth rate, our economy continues to grow steadily; the latest GDP figures indicate continuous expansion. Of the countries that have reported their third-quarter GDP growth rates, we remain one of the fastest-growing Asian economies. We follow Vietnam, which posted a 7.4% growth rate, and are ahead of Indonesia (4.9%), China (4.6%), and Singapore (4.1%).

Government Borrowings

As of September 2024, the outstanding debt of the National Government (**NG**) reached ₱15.89 trillion, 11.4% higher compared to ₱14.27 trillion in the same month last year. ₱15.89 trillion represents an increase of 2.2% from the August 2024 debt level due to the net availment of new external and domestic debt. Of the total NG debt stock, 68.81%, was sourced domestically, while 31.19% came from external borrowings.

Debt-to-GDP Ratio

The NG’s debt-to-GDP ratio was recorded at 61.3% as of end-September 2024 following the release of the Q3 2024 Gross Domestic Product (GDP) which grew by 5.2% year-on-year. The debt ratio was higher when compared with 60.2% a year ago and with 60.1% at the end of 2023.

Meanwhile, the fiscal deficit settled at 5.1% for January-September 2024 compared with 5.7% for the same period in 2023. The debt ratio reflects the accomplishment of 89.5% of the full-year borrowing program to fund 2024 expenditures. The NG targets an end-December debt-to-GDP ratio of 60.6% and full-year deficit-to-GDP of 5.6%, as outlined in the revised Medium-Term Fiscal Framework (**MTFF**).

Inflation

The Philippine Statistics Authority (PSA) reported that the inflation rate for September 2024 eased to 1.9% from 3.3% in August, marking the lowest level since May 2020’s 1.6%. This recent figure brings the year-to-date inflation to 3.4%, within the government’s target range of 2% to 4% and broadly consistent with inflation trends in other ASEAN economies.

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

For the period ended September 30 (In millions)				
	2024 (Unaudited)	2023 (Unaudited)	Change in Peso	Change in Percentage
REVENUES				
Sales of real estate	₱46	₱173	(₱127)	(73%)
Rent	59	49	10	20%
Management fees	33	31	2	6%
Interest income	8	11	(3)	(27%)
Commission	7	4	3	75%
Other income	7	1	6	600%
TOTAL	160	269	(109)	(41%)
COSTS AND EXPENSES				
Cost of real estate sold	26	90	(64)	(71%)
Cost of services	57	54	3	6%
General and administrative expenses	192	194	(2)	(1%)
Finance cost	57	39	18	46%
Other expenses	-	33	(33)	(100%)
Equity in net loss of associate	1	2	(1)	(50%)
TOTAL	333	412	(79)	(19%)
LOSS BEFORE INCOME TAX	(173)	(143)	(30)	21%
INCOME TAX EXPENSE	3	1	2	200%
NET LOSS AFTER TAX	(₱176)	(₱144)	(₱32)	22%
OTHER COMPREHENSIVE INCOME (LOSS)	(3)	1	(4)	(400%)
TOTAL COMPREHENSIVE LOSS	(₱179)	(₱143)	(₱36)	25%

1. **Consolidated net loss after tax.** The RLT Group posted a net loss after tax of ₱176 million for the nine (9) months ended 30 September 2024.

The RLT Group's higher net loss was caused by lower total revenue in the first nine (9) months of 2024 compared to the same period last year.

a. **Income**

- 1) **Sales of Real Estate.** Sales of Real Estate at ₱46 million decreased by ₱127 million or by 73% for the first nine (9) 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, at the Icon Plaza located in Bonifacio Global City (BGC), and at Casa Miguel located in San Juan City.

- 2) **Rent.** Rental Income increased by ₱10 million or by 20% due to the origination of new lease contracts.
- 3) **Management Fee.** This account increased by ₱2 million or by 6% due to the generation of additional clients.

- 4) **Interest Income.** Interest Income decreased by 27% due to lower Interest Income collected from buyers arising from late payments.
- 5) **Commission.** Commission increased by ₱3 million due to higher insurance business generated for the first nine (9) months of 2024.
- 6) **Other income.** This account increased by ₱6 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 nine (9) months ending 30 September 2024 decreased by ₱64 million or by 71%. The Cost of Real Estate Sold moves in parallel or in tandem with the movement in Revenues. In 2024, Sales of Real Estate decreased by 73% 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 57% from 52% in 2023. This increase was due to the lower sales value to cost ratio of the units sold in 2024 compared to 2023.

- 2) **Cost of Services.** The Cost of Services increased by ₱3 Million or by 6% due to higher expenses incurred by the Parent Company and its property management subsidiary for the nine (9) months ended 30 September 2024 compared to the same period last year.
- 3) **Finance Cost.** The increase in Finance Cost to ₱57 million from ₱39 million last year, or an increase of 46%, 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 in the capitalization of interest will be made at the end of the year.
- 4) **Other Expenses.** Other expenses decreased by ₱33 million or by 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.
- 5) **Equity in net loss of associate.** This account decreased by ₱1 million due to a decrease in the Net Loss of an associate company.
- 6) **Income tax expense.** Income tax expense increased by ₱2 million due to the higher taxable income reported by the Parent Company's property management and insurance brokerage subsidiaries.
- 7) **Other Comprehensive income.** This account decreased by ₱4 million or by 400%. 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 September 2024 vs. 31 December 2023

As of 30 September 2024 vs. 31 December 2023				
	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	Change in Peso	Change in Percentage
Assets				
Cash and cash equivalents	₱212	₱283	(₱71)	(25%)
Financial assets	29	42	(13)	(31%)
Trade and other receivables – net	445	563	(118)	(21%)
Real estate inventories	2,190	2,074	116	6%
Prepayments and other assets – net	760	463	297	64%
Investments in and advances to associates – net	56	56	-	-
Property and equipment – net	90	92	(2)	(2%)
Investment properties – net	5,164	5,164	-	-
Other Assets	255	275	(20)	(7%)
TOTAL ASSETS	₱9,201	₱9,012	₱189	2%
Liabilities				
Trade and other payables	₱192	₱139	₱53	(38%)
Loans and notes payable	1,525	1,202	323	27%
Retirement benefit obligation	95	86	9	10%
Other liabilities	939	956	(17)	(2%)
Total Liabilities	2,751	2,383	368	15%
Equity				
Capital stock	5,056	5,056	-	-
Reserves	45	56	(11)	(20%)
Retained earnings	1,500	1,668	(168)	(10%)
Treasury stock	(110)	(110)	-	-
Equity attributable to non-controlling interest	(41)	(41)	-	-
Total Equity	₱6,450	₱6,629	(₱179)	(3%)
TOTAL LIABILITIES AND EQUITY	₱9,201	₱9,012	₱189	2%

- Total Assets.** The RLT Group's Total Assets stood at ₱9.2 billion as of 30 September 2024, higher by ₱189 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 September 2024.

Cash and Cash Equivalents decreased by ₱71 million or by 25%. The decrease was mainly due to the payments made by the Parent Company to its contractors for its UNICO Project in the Bonifacio Global City (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 ₱118 Million or by 21% due to the collection of turnover balances on real estate sales.

Real Estate Inventories increased by ₱116 million or by 6% mainly due to additional construction costs charged to the Parent Company's UNICO Residential Project.

Prepayments and Other Assets increased by 64% due to the advance payments made to contractors and taxes paid that are being amortized.

Other Assets decreased by ₱20 million or 7% due to the monthly amortization of right-of-use assets and investment in finance lease.

Total Liabilities. Total Liabilities as of 30 September 2024 increased by ₱368 million or by 15% compared to 31 December 2023. The increase was due to new bank loans by the Parent Company for the construction and development of its UNICO Residential Project in BGC, as well as an increase in the Group's Trade and Other Payables.

Trade and other payables increased by ₱53 million or by 38% due to the increase in payable to suppliers and contractors of Unico Residential Project.

Loans and Notes Payable increased by 27% due to the additional loans availed by the Parent Company for the construction and development of its UNICO Residential Project in the BGC during the period.

Retirement Benefit Obligation increased by ₱9 million or 10% due to additional provisions made as of 30 September 2024.

2. **Total Equity.** Total Equity as of 30 September 2024 decreased by ₱179 million compared to 31 December 2023. This is attributable to the net loss incurred by the Group amounting to ₱176 million as of 30 September 2024 and Unrealized holding loss on financial assets at Fair Value through Other Comprehensive Income (FVOCI) amounting to ₱3 million.

III. Performance Indicators

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

Performance Indicators	30 September 2024 Unaudited	31 December 2023 Audited
Current ratio ¹	2.71:1	3.52:1
Debt-to-equity ratio ²	0.42:1	0.36:1
Asset-to-equity ratio ³	1.42:1	1.36:1
Book value per share ⁴	₱0.73	₱0.75
Earnings per share ⁵	(₱0.02)	₱0.01

¹ Current assets / current liabilities

² Total debt / consolidated stockholders' equity

³ Total assets / Total stockholders' equity

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

⁵ 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 2.71:1 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 0.42:1 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 1.42:1.
4. **Book Value per Share.** The performance of the Company's Book Value per Share has also been steady at ₱0.73 per share.

TOP CONTRIBUTORS TO REVENUE

The table below presents the top contributors to revenue (before elimination of intercompany transactions) for the nine (9) months ended 30 September 2024 and for the years ended 31 December 2023, and 31 December 2022.

(In millions)

SUBSIDIARIES	September 2024 Unaudited	December 2023 Audited	December 2022 Audited
PRHC Property Managers, Inc. (PPMI)	₱35	₱42	₱35
Tektite Insurance Brokers, Inc. (TIBI)	₱7	₱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 ₱4.4 million for the nine (9) months ended 30 September 2024. It is higher by ₱4.6 million compared to the ₱0.2 million Net Loss before Tax 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 ₱4.0 million for the nine (9) months ended 30 September 2024 which is higher by ₱3.3 million compared to the ₱0.7 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 September 2024 Unaudited	31 December 2023 Audited	31 December 2022 Audited
Current ratio ¹	8.37:1	9.60:1	2.82:1
Debt-to-equity ratio ²	0.58:1	0.59:1	0.46:1
Asset-to-equity ratio ³	1.58:1	1.59:1	1.46:1
Book value per share ⁴	₱12.85	₱12.00	₱12.58
Earnings per share ⁵	₱0.63	₱0.44	₱0.04

¹ Current assets / current liabilities

² Total debt / consolidated stockholders' equity

³ Total assets / Total stockholders' equity

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

⁵ 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	30 September 2024 Unaudited	31 December 2023 Audited	31 December 2022 Audited
Current ratio ¹	17.07:1	4.03:1	35.90:1
Debt-to-equity ratio ²	0.57:1	1.32:1	0.88:1
Asset-to-equity ratio ³	1.57:1	2.32:1	1.88:1
Book value per share ⁴	₱0.63	₱0.40	₱0.36
Earnings per share ⁵	₱0.23	₱0.02	₱0.05

¹ Current assets / current liabilities

² Total debt / consolidated stockholders' equity

³ Total assets / Total stockholders' equity

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

⁵ 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 nine (9) 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 NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

Exhibit II

			2024		2023
Net Profit Margin:					
<i>Shows how much profit is made for every peso of revenue</i>	Net Income(Loss)/ Total Revenues	<u>(176,343,096)</u> <u>159,653,236</u>	-110.45%	<u>(143,598,745)</u> <u>269,476,928</u>	-53.29%
Asset Turnover:					
<i>Shows efficiency of asset used in operations</i>	Total Revenues/ Ave. Total Assets	<u>159,653,236</u> <u>9,106,312,566</u>	0.02	<u>269,476,928</u> <u>8,589,250,002</u>	0.03
Interest Rate Coverage Ratio:					
<i>Determine how easily a company can pay interest on outstanding debt</i>	EBITDA/ Interest Expense	<u>(104,761,874)</u> <u>57,209,694</u>	-1.83	<u>(120,882,435)</u> <u>39,298,203</u>	-3.08

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

Exhibit III

	Sale of Real Estate and Leasing	Property Management	Insurance Brokerage	Travel Services	Other Income	Elimination	Consolidated
Revenue	104,746,089	35,159,512	7,055,849	-	-	-	146,961,450
Segment Result	(131,837,546)	4,386,100	3,967,882	(43,741)	(40,278)	-	(123,567,583)
Interest expense/Bank charges	(57,209,694)	-	-	-	-	-	(57,209,694)
Interest income	7,818,477	1,221	3,222	-	-	-	7,822,920
Equity in net loss of associate	-	-	-	-	-	(508,257)	(508,257)
Income taxes	(989,736)	(1,096,525)	(794,221)	-	-	-	(2,880,482)
Net Income (Loss)	(182,218,499)	3,290,796	3,176,883	(43,741)	(40,278)	(508,257)	(176,343,096)
Net Loss attributable to:							
Equity holders of PRHC							(176,335,017)
Non-controlling interests							(8,079)
							(176,343,096)
Other Information							
Segment assets	9,065,528,053	105,287,695	13,617,971	1,252,320	62,280	(40,921,270)	9,144,827,049
Investment at equity method	100,929,858	-	-	-	-	(45,001,364)	55,928,494
Consolidated Total Assets	9,166,457,911	105,287,695	13,617,971	1,252,320	62,280	(85,922,634)	9,200,755,543
Segment liabilities	1,961,925,614	39,575,925	4,925,935	30,224,199	79,697,218	(119,044,685)	1,997,304,206
Unallocated corporate liabilities	753,432,862	-	-	-	-	-	753,432,862
Consolidated Total Liabilities	2,715,358,476	39,575,925	4,925,935	30,224,199	79,697,218	(119,044,685)	2,750,737,068
Capital expenditure	10,093,063	-	-	-	-	-	10,093,063
Depreciation	11,368,623	63,913	58,510	-	-	-	11,491,046
Non-cash expenses other than depreciation	9,340,306	1,772,846	-	-	-	-	11,113,152