COVER SHEET

SEC Registration Number

8	6	1	8	8						

COMPANY NAME

CITYLAND, INC.

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

3/F Cityland Condominium 10, Tower I, 156 H.V. Dela Costa Street, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
20-IS	MSRD	N/A

(Definitive Information Statement)

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
ci_rg@cityland.net	**8-893-6060**	**0962-072-2479**

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
28 **(as of March 31, 2024)**	**3rd Tuesday of June**	**December 31**

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
RUDY GO	**cdc_rg@cityland.net**	**8-893-6060**	**0962-072-2479**

CONTACT PERSON'S ADDRESS

3/F Cityland Condominium 10 Tower II, 154 H. V. Dela Costa Street, Makati City

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

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

CITYLAND
INCORPORATED

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the Annual Stockholders' Meeting (ASM) of **CITYLAND, INC.** will be held virtually or via remote communication on **June 18, 2024** at **4:00PM.**

The following shall be the agenda of the meeting:

A G E N D A

1. Call to Order
2. Approval of Minutes of previous Annual Stockholders' Meeting
3. President's Report
4. Election of Directors (including Independent Directors)
5. Appointment of the External Auditor
6. Confirmation of all acts of the Board of Directors for the period covering January 1, 2023 to December 31, 2023 adopted in the ordinary course of business, including but not limited to:
    a. Approval of investments;
    b. Treasury matters related to opening of accounts and bank transactions;
    c. Appointment of signatories and amendments thereof; and
    d. Approval of Annual Report and related Financial Statements
7. Other matters which may be raised by the body
8. Adjournment

For the purpose of the meeting, only stockholders of record as of May 17, 2024 are entitled to attend and vote in the said meeting.

Stockholders who intend to attend and participate in the virtual meeting whether through proxy or not shall first submit via email to ci_rg@cityland.net the scanned copy of the letter of intent to attend or to participate via proxy by remote communication. Once validated, a registered stockholder who will attend through proxy will receive via email the proxy form.

Validation of proxies shall be until 4:00PM of June 10, 2024. Registered stockholders will receive the meeting link and password two days before the ASM.

Only stockholders who have notified the Company of their intention to participate in the virtual meeting and have registered themselves or their proxies, will be included in the determination of a quorum.

We are not soliciting your proxy.

We encourage all registered stockholders to log onto the meeting link 15 minutes before the meeting starts, to avoid any technical difficulty. The meeting will start promptly at 4:00 in the afternoon.

The meeting shall be recorded in audio and video format and copies shall be kept by the Company.

Copies of the minutes of the Annual Stockholders' Meeting held last June 20, 2023 will be available upon request.

Makati City, May 3, 2024

FOR THE BOARD OF DIRECTORS

Jocelyn C. de Asis

JOCELYN C. DE ASIS
Corporate Secretary

EXPLANATION OF AGENDA ITEMS REQUIRING STOCKHOLDERS' APPROVAL

In accordance with *Article VII – Stockholders' Meeting* of the Company's Amended By-Laws, the annual meeting of the stockholders shall be held every 3rd Tuesday of June of each calendar year at four o'clock in the afternoon, when the Board of Directors shall be elected by plurality of votes by ballot system or viva voce. The 2024 Annual Stockholders' Meeting (hereinafter referred to as "ASM") shall be held on June 18, 2024.

Item 1: Call to Order

The Chairman of the Board of Directors will formally call the meeting to order.

Item 2: Approval of Minutes of previous Annual Stockholders' Meeting

Rationale: To obtain from the stockholders the approval of the minutes of the ASM held last June 20, 2023.

The Chairman will request the Secretary to read the minutes of the said meeting. The minutes of ASM held last June 20, 2023 are posted in the Company's website (http://cityland.net/). The minutes of the previous ASM are hereby presented to the stockholders for approval.

Item 3: President's Report

Rationale: To inform the stockholders of the Company's financial position and performance.

The Secretary will read the President's Report on the Company's financial position and performance as of and for the year ended December 31, 2023 including any future projects of the Company. The detailed discussion of the financial position and results of operations are presented in the Information Statement. The audited financial statements are duly submitted to the Securities and Exchange Commission and the Bureau of Internal Revenue.

Representatives of Sycip Gorres Velayo & Co., the Company's external auditor for the Year 2023, are invited in the ASM to respond to queries concerning the audited financial statements.

Item 4: Election of Directors (including Independent Directors)

Rationale: To give the stockholders the opportunity to elect the Company's Board of Directors in accordance with Section 23 of the Revised Corporation Code and the Company's Amended By-Laws.

In accordance with the Company's Amended By-Laws, the general management of the Corporation, shall be vested in a Board of eight (8) Directors, two (2) of whom shall be independent directors, who shall be stockholders and who shall be elected annually by the stockholders in accordance with law and who shall serve until their successors shall have been elected and duly qualified. Any vacancy in the Board of Directors other than by removal or expiration of term shall be filled by a majority vote of the remaining members of the board, if still constituting a quorum, and the directors or director so chosen shall serve for the unexpired term.

A nomination of independent directors shall be conducted by the Nomination Committee through the Corporate Governance Committee prior to the stockholders' meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees. The Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors.

The names of the individuals who have been duly nominated as members of the Board of Directors of the Company, including independent directors shall be presented during the ASM. The qualifications and profiles of the nominees are discussed in the Information Statement. The stockholders who nominated the independent directors and other members of the Board are also disclosed in the Information Statement.

Item 5: Appointment of the External Auditor

Rationale: To appoint external auditor who will provide an opinion as to the fairness of the financial statements of the Company and assess the adequacy of the internal controls implemented by the Company.

The Audit & Risk Committee will recommend to the Board of the Directors the appointment of external auditor who will provide an opinion on the fairness of the financial statements of the Company and assess the adequacy of internal controls implemented by the Company. The Audit & Risk Committee, in its meeting held on April 11, 2024, recommended to the Board of Directors the re-appointment of Sycip Gorres Velayo & Co. as the Company's external auditor for the calendar year 2024.

The re-appointment of Sycip Gorres Velayo & Co. was approved by the Board of Directors and shall be presented to the stockholders for approval.

Item 6: Confirmation of all acts of the Board of Directors for the period covering January 1, 2023 to December 31, 2023 adopted in the ordinary course of business

Rationale: To obtain from the stockholders confirmation of all the acts of the Board of Directors for the period covering January 1, 2023 through December 31, 2023.

Confirmation of all the acts of the Board of Directors will be requested from the stockholders. All significant transactions required to be submitted to the Securities and Exchange Commission through SEC Form 17-C can be accessed on the Company's website (http://cityland.net/).

Item 7: Other Matters which may be raised by the body

Rationale: To give the stockholders the opportunity to ask questions and raise concerns.

The Chairman will ask the stockholders if there are other matters which any stockholder would like to present in the ASM. Such item/s will be discussed in the 2024 ASM.

CERTIFICATION

I, Rudy Go, Senior Vice President of Cityland, Inc. (the Company) with SEC Registration No. of 86188 with principal office address at 3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City, on oath state:

1. That I have caused this SEC Form 17C **Item No. 9 - Other Events** to be prepared on behalf of Cityland, Inc;

2. That I read and understood its contents which are true and correct of my own personal knowledge and/or on authentic records;

3. That Cityland, Inc. will comply with the requirements set forth in SEC Notice dated June 24, 2020 to effect a complete and official submission of reports and/or documents through electronic mail;

4. That I am fully aware that documents filed online which require pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee; and

5. That the e-mail account designated by the Company pursuant to SEC Memorandum Circular No. 28, s.2020 shall be used in its online submissions to SEC.

IN WITNESS WHEREOF, I have hereunto set my hand this **3rd day of May, 2024.**

Rudy Go
Affiant

SUBSCRIBED AND SWORN to before me this day MAY 03 2024 at PASIG CITY, affiant personally appeared and exhibited his Social Security System No and other competent evidence of identification.

Doc. No. 428;
Page No. 87;
Book No. V;
Series of 2024.

ATTY. ANDRE ANTON S. SUAREZ
NOTARY PUBLIC FOR THE CITIES OF PASIG, SAN JUAN
AND MUNICIPALITY OF PATEROS
UNTIL DECEMBER 31, 2024
APPOINTMENT NO
IBP ROLL NO
IBP NO
PTR No

PROXY

The undersigned stockholder of CITYLAND, INC. (the Company) hereby appoints____________________ or in his absence, the Chairman of the meeting, as his/her/its attorney-in-fact or proxy, with power of substitution, to represent and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Stockholders' Meeting of the Company to be held on June 18, 2024 at 4:00 PM and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Approval of Minutes of Previous Annual Stockholders' Meeting held on June 20, 2023

   ☐ Yes ☐ No ☐ Abstain

2. Approval of President's Report

   ☐ Yes ☐ No ☐ Abstain

3. Election of Directors (including Independent Directors)

   ☐ Vote for all nominees listed below:

Dr. Andrew I. Liuson	Peter S. Dee (Independent Director)
Grace C. Liuson	Bp. Eduardo C. Villanueva (Independent Director)
Helen C. Roxas	Benjamin I. Liuson
Josef C. Gohoc	Jefferson C. Roxas

   ☐ Withhold authority to vote for all nominees listed above

   ☐ Withhold authority to vote for the nominees listed below:

   ________________________ ________________________
   ________________________ ________________________
   ________________________ ________________________

4. Appointment of Sycip, Gorres, Velayo & Co. as External Auditor

   ☐ Yes ☐ No ☐ Abstain

5. Ratification and approval of all acts of the Board of Directors for the period covering January 1, 2023 to December 31, 2023 adopted in the ordinary course of business

   ☐ Yes ☐ No ☐ Abstain

6. At their discretion, the proxies named above are authorized to vote upon such other matters as may properly come before the meeting.

________________________ ____

Date Printed Name of Stockholder

____

Signature of Stockholder/ Authorized Signatory

Proxy solicitation is made by or on behalf of the Company. This proxy should be received by the Corporate Secretary on or before June 10, 2024, the deadline for submission of proxies. The said proxies will also be validated by the Corporate Secretary.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction is made, this proxy will be voted "for" the election of all nominees and for the approval of the matters stated above and for such other matters as may properly come before the meeting in the manner described in the information statement and/or as recommended by management or the board of directors.

A proxy submitted by a corporation should be accompanied by a Corporate Secretary's Certificate quoting the board resolution designating a corporate officer to execute the proxy. Proxies executed by brokers must be accompanied by a certification under oath stating that the broker has obtained the written consent of the account holder.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

**INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:

   [ ] Preliminary Information Statement
   [**X**] Definitive Information Statement

2. Name of the registrant as specified in its charter **Cityland, Inc.**

3. **Makati City, Philippines**
   Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number **86188**

5. BIR Tax Identification Code **000-662-829**

6. **3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City** **1226**
   Address of principal office Postal Code

7. Registrant's telephone number, including area code **(632) 8-893-6060**

8. Date, time and place of the meeting of security holders

   Date - **June 18, 2024**
   Time - **4:00 PM**
   Place - **Virtually or ZOOM**

9. Approximate date on which the Information Statement is to be first sent or given to security holders **May 31, 2024.**

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares Outstanding
N/A	**N/A**

The Company's shares are not listed with the Philippine Stock Exchange. However, it has SEC-registered commercial papers with an outstanding amount of Php395,450,000 as of March 31, 2024.

11. Are any or all of registrant's securities listed on a stock exchange?

    Yes [ ] No [**x**]

INFORMATION REQUIRED IN INFORMATION STATEMENT

GENERAL INFORMATION

I. Date, time and place of meeting of security holders

Date	-	June 18, 2024
Time	-	4:00 PM
Place	-	Virtually or via ZOOM
Principal Office	-	3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City, Philippines

The presiding officer shall call and preside the ASM at Makati City, where principal office of the Corporation is located.

Approximate date on which the Information Statement is to be first sent or given to security holders **May 31, 2024**.

II. Dissenter's Right of Appraisal

Under the Section 80 of the Revised Corporation Code, any stockholder of a corporation shall have the right to dissent demand payment of the fair value of the shares only in the following instances:

a. In case an amendment to the Articles of Incorporation which has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of the outstanding shares of any class, or of extending or shortening the term of corporate existence;
b. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in this Code;
c. In case of merger or consolidation; and
d. In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

Section 81 of the Revised Corporation Code also mentioned how such right is exercised:

- The dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal by making a written demand on the corporation for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: Provided, that failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the corporation shall pay the stockholder, upon surrender of the certificate or certificates of stock representing the stockholder's shares, the fair value thereof as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

- If, within sixty (60) days from the approval of the corporate action by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: Provided, That no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment: Provided, further, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer the shares to the corporation.

There are no matters or actions to be taken upon at the Annual Stockholders' Meeting of the Registrant which would fall under any of the foregoing instances of appraisal.

III. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

1. No person who has been a director or officer of the Registrant, nor a nominee for election as a director of the Registrant, nor any of their associates have a substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting, other than the election of directors for the fiscal year 2024.

2. No director has informed the Registrant in writing that he intends to oppose any action to be taken at the Annual Stockholders' Meeting.

CONTROL AND COMPENSATION INFORMATION

IV. Voting Securities and Principal Holders Thereof

a. The Registrant has **156,685,750** unclassified common shares issued and outstanding (excluding treasury shares which total to **587,123**) as of **March 31, 2024**. Each common share shall be entitled to one vote with respect to all matters to be taken up during the Annual Stockholders' Meeting.

b. The record date for determining stockholders entitled to notice and to vote during the Annual Stockholders' Meeting and also to this Information Statement is on **May 17, 2024.**

c. In the election of directors, the number of votes to which each stockholder is entitled shall be equal to the number of shares he owns multiplied by the number of directors to be elected. All stockholders shall have cumulative voting rights. Each stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit.

d. Security Ownership of Record and Beneficial Owner and Management

   a. Security Ownership of Record and Beneficial Owner owning more than 5% of the outstanding capital stock of the Registrant as of March 31, 2024:

Title of Class	Name, Address of Record Owner & Relationship with Issuer	Beneficial Owner & Relationship with Record Owner	Citizenship	No. of Shares Held	Percentage
Unclassified Common Shares	Stephen C. Roxas Stockholder	- same as record owner -	Filipino	44,180,982	28.20%
Unclassified Common Shares	The Good Seed Sower Foundation Inc. 3F Cityland Condo 10 Tower I, 156 H.V. Dela Costa St., Ayala North, Makati City / Stockholder	Josef C. Gohoc, *Chairman* Cris Giovanni C. Chiong, *President* Johann C. Gohoc, *Vice President* Joel C. Gohoc, *Treausrer* Jefferson C. Roxas, *Corporate Secretary*	Filipino	23,498,542	15.00%
Unclassified Common Shares	Grace C. Liuson Director & Vice Chairman of the Board/Stockholder	- same as record owner -	Filipino	23,142,505	14.77%
Unclassified Common Shares	Dr. Andrew I. Liuson Director & Chairman of the Board/Stockholder	- same as record owner -	Filipino	21,362,374	13.63%

Unclassified Common Shares	Lucy Fan Stockholder	- same as record owner -	American	14,241,574	9.09%
Unclassified Common Shares	Helen C. Roxas Director / Stockholder	- same as record owner -	Filipino	14,241,574	9.09%

b. No change of control in the corporation has occurred since the beginning of its fiscal year.
c. Security Ownership of Management as of March 31, 2024:

Title of Class	Name of Beneficial Owner / Position	Nature of Ownership	No. of Shares Held	Citizenship	Percentage
DIRECTORS:					
Unclassified Common Shares	Dr. Andrew I. Liuson Director / Chairman of the Board	Direct	21,362,374	Filipino	13.63%
Unclassified Common Shares	Grace C. Liuson Director / Vice Chairman of the Board	Direct	23,142,505	Filipino	14.77%
Unclassified Common Shares	Josef C. Gohoc Director / President	Direct/Indirect	2,434,648	Filipino	1.55%
Unclassified Common Shares	Helen C. Roxas Director	Direct	14,241,574	Filipino	9.09%
Unclassified Common Shares	Peter Dee Independent Director / Chairman – Audit & Risk Committee / Chairman – Corporate Governance Committee	Direct	52	Filipino	–
Unclassified Common Shares	Bp. Eduardo C. Villanueva Independent Director	Direct	10	Filipino	–
Unclassified Common Shares	Benjamin I. Liuson Director	Direct	11	Filipino	–
Unclassified Common Shares	Jefferson C. Roxas Director	Direct/Indrect	91,920	Filipino	0.06%
Executive Officers:					
Unclassified Common Shares	Dr. Andrew I. Liuson Director / Chairman of the Board	Direct	–	Filipino	–
Unclassified Common Shares	Grace C. Liuson Director / Vice Chairman of the Board	Direct	–	Filipino	–
Unclassified Common Shares	Josef C. Gohoc Director / President	Direct/Indirect	–	Filipino	–
N/A	Emma A. Choa Executive Vice President / Chief Operating Officer	–	–	Filipino	–
N/A	Rudy Go Senior Vice President, Chief Financial Officer / Compliance Officer & Corporate Information Officer / Data Protection Officer Treasurer	–	–	Filipino	–

Title of Class	Name of Beneficial Owner / Position	Nature of Ownership	No. of Shares Held	Citizenship	Percentage
N/A	Melita L. Tan Vice President	–	–	Filipino	–
N/A	Rosario D. Perez Vice President – Executive Affairs	–	–	Filipino	–
N/A	Jocelyn C. De Asis Corporate Secretary	–	–	Filipino	–
N/A	Nathalie M. Chan Assistant Corporate Secretary	–	–	Filipino	–
N/A	Hazel Anne Paule Head of Internal Audit Department	–	–	Filipino	–

d. The Corporation knows no person holding more than 5% of common shares under a voting trust or similar agreement.

V. Directors and Executive Officers

1. Identify Directors, including Independent Directors, and Executive Officers

The following are the Directors and Executive Officers of the Company for the year 2023 with updated information as of March 31, 2024:

Name	Citizenship	Position(s)	Period of Service	Term of Office (Year)	Age	Family Relationship
Dr. Andrew I. Liuson	Filipino	Director Chairman of the Board	05/15/1979 to Present 02/01/22 to Present	1	79	Husband of Grace C. Liuson; and brother Benjamin I. Liuson
Grace C. Liuson	Filipino	Director Vice Chairman of the Board Deputy Vice Chairman of the Board	05/15/1979 to Present 02/01/2022 to Present 02/01/2011 to 01/31/2022	1	78	Wife of Dr. Andrew I. Liuson; sister-in-law of Helen C. Roxas & Benjamin I. Liuson; and aunt of Josef C. Gohoc and Jefferson C. Roxas
Helen C. Roxas	Filipino	Director	05/15/1979 to Present	1	74	Sister-In-Law of Andrew I. Liuson & Grace C. Liuson; mother of Jefferson C. Roxas; and aunt of Josef C. Gohoc
Benjamin I. Liuson	Filipino	Director	11/19/2019 to Present	1	74	Brother of Dr. Andrew I. Liuson; and Brother-In-law of Grace C. Liuson.
Josef C. Gohoc	Filipino	Director President	06/29/2007 to Present 02/01/2011 to Present	1	54	Nephew of Dr. Andrew I. Liuson, Grace C. Liuson & Helen C. Roxas; and cousin of Jefferson C. Roxas
Jefferson C. Roxas	Filipino	Director	12/07/21 to present	1	41	Nephew of Dr. Andrew I. Liuson & Grace C. Liuson; son of Helen C. Roxas; and cousin of Josef C. Gohoc
Peter S. Dee	Filipino	Independent Director Chairman - Audit & Risk Committee / Chairman - Corporate Governance Committee	12/2006 to Present 01/2007 to Present 07/27/2018 to Present	1	82	–
Bp. Eduardo C. Villanueva	Filipino	Independent Director	09/23/2022 to Present	1	77	–

Name	Citizenship	Position(s)	Period of Service	Term of Office (Year)	Age	Family Relationship
Emma A. Choa	Filipino	Executive Vice President Chief Operating Officer Treasurer	01/01/15 to Present 02/01/11 to Present	1	63	–
Rudy Go	Filipino	Senior Vice President/ Chief Financial Officer/ Compliance Officer / Corporate Information Officer Treasurer Data Protection Officer Investor Relations Officer	01/01/15 to Present 08/29/17 to Present 06/16/2021 to Present	1	64	–
Melita L. Tan	Filipino	Vice President	02/21/04 to Present	1	63	–
Rosario D. Perez	Filipino	Vice President - Executive Affairs	02/09/17 to Present	1	64	–
Jocelyn C. De Asis	Filipino	Corporate Secretary	04/05/21 to Present	1	54	–
Nathalie M. Chan	Filipino	Assistant Corporate Secretary	01/01/24 to Present	1	50	–
Hazel Anne C. Paule	Filipino	Head of Internal Audit Department	01/01/24 to Present	1	30	–

There were no directors who resigned or declined to stand for re-election to the Board of Directors since the last date of the last annual meeting of security holders because of a disagreement with the Registrant on any matter relating to the Registrant's operations, policies or practices.

The following are the present and positions for the past five years of the Directors and Executive Officers in other institutions:

DR. ANDREW I. LIUSON

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director	Sept. 25, 1979
	Chairman of the Board	Dec. 13, 2017
City & Land Developers, Incorporated	Director	June 28, 1988
	Vice Chairman of the Board	Sept. 5, 2022
Febias College of Bible	Chairman	-
International Graduate School of Leadership	Chairman	-
Makati Gospel Church	President/Trustee	-
Past positions in other institutions:		
City & Land Developers, Incorporated	Chairman of the Board	Aug. 25, 2020 to Sept. 4, 2022
Cityplans, Incorporated	Director	Oct. 27, 1988 to Mar. 8, 2022
	Chairman of the Board	Sept. 25, 2006 to Mar. 8, 2022
Philippine Council of Evangelical Churches	Chairman	July 2015 to July 8, 2021

GRACE C. LIUSON

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director	Sept. 25, 1979
	Vice Chairman of the Board	Jan. 5, 2018
City & Land Developers, Incorporated	Director	June 28, 1988
	Deputy Vice Chairman of the Board	Sept. 5, 2022
Youth Gospel Center in the Philippines	Treasurer/Trustee	-
Makati Gospel Church	Treasurer/Trustee	-
Past positions in other institutions:		
Cityland Development Corporation	Deputy Vice Chairman of the Board	Feb. 1, 2011 to Jan. 4, 2018
City & Land Developers, Incorporated	Vice Chairman of the Board	Aug. 25, 2020 to Sept. 4, 2022
	Deputy Vice Chairman of the Board	Feb. 1, 2011 to Aug. 24, 2020
Cityplans, Incorporated	Director	Oct. 27, 1988 to Mar. 8, 2022
	Executive Vice President/Treasurer	Sept. 25, 2006 to Mar. 8, 2022

HELEN C. ROXAS

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director	Sept. 25, 1979
City & Land Developers, Incorporated	Director	June 28, 1988
Jefcon Incorporated	President	-
Obadiah Incorporated	President	-
Good Tidings Foundation Inc.	Treasurer	1992
Center for Community Transformation	Trustee	-
CCT Kaibigan Ministry	Corporate Secretary	-
Christian Executives Inc.	Treasurer	-
Past positions in other institutions:		
Cityplans, Incorporated	Director	Oct. 27, 1988 to Mar. 8, 2022
MGC New Life Christian Academy	Trustee	2015 to May 2020
Cityads, Incorporated	Director	-
Credit and Land Holding, Inc.	Director	-

BENJAMIN I. LIUSON

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director	June 6, 2019
City & Land Developers, Incorporated	Director	June 11, 2019
The Generics Pharmacy, Inc.	Chairman	2020
TGP Pharma Inc.	Chairman	2020
CL Realty Development Inc.	President	1989
Romans 828 Land, Inc.	President	2010
Silverwind Alloy Castings Inc.	Director	1989
Drugmakers Lab Inc.	Director	2012
Febias College of Bible	Trustee	2001
Center for Community Transformation, Inc.	Trustee	2001
Gospel Operation Phil. Inc.	Trustee	2011
Bless Foundation Inc.	Trustee	2014
Global Filipino Movement, Inc.	Trustee	2013
Makati Gospel Church	Trustee	1990
Jedidiah Inc.	President	1996
Keziah Inc.	President	1996

Past positions in other institution:		
The Generics Pharmacy, Inc.	Vice Chairman	2016 to 2020

JOSEF C. GOHOC

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director President	Jan. 4, 2011 Feb. 1, 2011
City & Land Developers, Incorporated	Director President	Jan. 4, 2011 Feb. 1, 2011
Cityplans, Incorporated	Director/Chairman of the Board	Mar. 8, 2022
Cityads, Incorporated	President	Mar. 4, 2023
Credit and Land Holdings, Inc.	President	July 20, 2023
Asian Business Solutions, Inc.	Director	1996
Philippine Trading & Investment Corporation	Director	1997
Atlas Agricultural & Mercantile Development Corp.	Director	1997
Febias College of Bible	Board of Trustee	2015
International Graduate School of Leadership	Board of Trustee	-
The Good Seed Sower Foundation, Inc.	Board of Trustee/Chairman	February 1, 2024
CityLots Holdings Inc	Director	October 24, 2023
CityMerge Holdings Inc	Director	October 24, 2023

JEFFERSON C. ROXAS

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director	Dec. 7, 2021
City & Land Developers, Incorporated	Director	Dec. 7, 2021
Cityplans, Incorporated	Director/President	Mar. 8, 2022
Cityads, Incorporated	Executive Vice President	Mar. 4, 2023
Credit and Land Holdings, Inc.	Director/Chairman of the Board	July 20, 2023
CityLots Holdings Inc	Director	October 24, 2023
CityMerge Holdings Inc	Director	October 24, 2023
The Good Seed Sower Foundation, Inc.	Board of Trustee	February 1, 2024

PETER S. DEE

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Alpolac, Inc.	Director	1994
China Banking Corporation	Director	1977
CBC Properties & Computer Center, Inc.	Director/President	1984
Cityland Development Corporation	Independent Director Chairman-Audit & Risk Committee	Oct. 1979 Aug. 2002
City & Land Developers, Incorporated	Independent Director/Chairman - Audit & Risk Committee	Nov. 22, 2004
Commonwealth Foods, Inc.	Director	May 2013
GDSK Development Corporation	Director	1990
Makati Curbs Holdings Corporation	Director	2012
Great Expectation Holdings, Inc.	Director/Chairman/President	Oct. 2012
The Big D Holdings Corporation	Director/Chairman/President	Apr. 2013

Past positions in other institutions:		
Cityplans, Incorporated	Independent Director	July 17, 1990 to Mar. 8, 2022
	Chairman-Compensation Committee/ Chairman-Audit Committee/ Member-Nomination and Election Committee	2002 to Mar. 8, 2022
CBC Insurance Broker Inc.	Chairman of the Board	-
Can Lacquer, Inc.	Director	-
GPL Holdings, Inc.	Director	-
KK Converters Co. Ltd.	Director	-
MSD Company Inc.	Director	-
Prochem, Inc.	Director	-
Sinclair (Phils.) Inc.	Director	-
Sol Mar Y Tierra Resources	Director	-
Silver Falcon Insurance Agency	Director	-
Banker's Association of the Philippines	Director	-
China Banking Corp.	President & CEO	-
CBC Forex Corporation	Director/Chairman of the Board	-
Asean Finance Corporation Limited	Director	-
Hydee Management & Resources Corporation	Director	-
Kemwerke, Inc.	Director	-

BP. EDUARDO C. VILLANUEVA

Name of Office	Position	Date Assumed
Present positions in other institutions:		
House of Representatives	Chairperson, Committee on Sustainable Development Goals - 19th Congress	2022
	Representative, Citizens' Battle Against Corruption (CIBAC) party-list	2022
Jesus Is Lord Church Worldwide International	Founder/President & Spiritual Director	1978
Jesus Is Lord Colleges Foundation (JILCF), Inc.	Chancellor/Chairman of the Board	1984
Jesus the Healer Foundation, Inc.	President	June 1990
Bangon Pilipinas National Renewal Movement (ARISE PHILIPPINES)	Chairman/President	2004
Asia for Christ Movement (AFCM)	President	2011
JV ZOE Agape, Inc.	Chairman & President	2021
Cityland Development Corporation	Independent Director	Mar. 10, 2021
Rural Bank of Batac	Director	-
Past positions in other institutions:		
Agape Foods Corporation	Chairman & President	1997 to 2018
	Director	2019 to 2021
JV ZOE Agape, Inc.	Chairman & President/CEO	2012 to 2018
	Director	2019 to 2021
House of Representatives	Deputy Speaker for Good Governance & Moral Uprightness of the Philippine Congress	2019 to 2022
	Representative, CIBAC Party-list - 18th Congress	2019 to 2022

EMMA A. CHOA

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Executive Vice President	Jan. 1, 2015
	Chief Operating Officer	June 7, 2023
City & Land Developers, Incorporated	Director	Aug. 25, 2020
	Executive Vice President	Jan. 1, 2015
	Chief Operating Officer	June 13, 2023
Cityplans, Incorporated	Director	Mar. 8, 2022
Credit and Land Holdings, Inc.	Board Member	July 20, 2023
WorldNet Information and Services, Inc.	Treasurer	April 16, 2024
CityMerge Holdings Inc.	Director/Treasurer	October 24, 2023
Past positions in other institutions:		
Cityland Development Corporation	Treasurer	Feb. 1, 2011 to June 6, 2023
City & Land Developers, Incorporated	Treasurer	Feb. 1, 2011 to June 12, 2023
The Good Seed Sower Foundation, Inc.	Board of Trustee	May 28, 2021 – Jan. 31, 2024

RUDY GO

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Senior Vice President/Chief Financial Officer/Compliance Officer/Corporate Information Officer	Jan. 1, 2015
	Treasurer	June 7, 2023
	Data Protection Officer	Aug. 29, 2017
	Investor Relations Officer	June 6, 2018
City & Land Developers, Incorporated	Senior Vice President/Chief Financial Officer/ Compliance Officer/ Corporate Information Officer	Jan. 1, 2015
	Treasurer	June 13, 2023
	Data Protection Officer	Aug. 29, 2017
	Investor Relations Officer	June 14, 2018
Cityplans, Incorporated	Senior Vice President/Compliance Officer	Jan. 1, 2015
	Data Protection Officer	Aug. 29, 2017
Cityads, Incorporated	Treasurer	Mar. 4, 2023
Credit and Land Holdings, Inc.	Treasurer/Board Member	July 20, 2023
CityLots Holdings Inc	Director/Treasurer	October 24, 2023

MELITA L. TAN

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Vice President	Feb. 21, 2004
City & Land Developers, Incorporated	Vice President	Feb. 21, 2004

ROSARIO D. PEREZ

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Vice President-Executive Affairs	Feb. 9, 2017
City & Land Developers, Incorporated	Vice President-Executive Affairs	Feb. 9, 2017
WorldNet Information and Services, Inc.	Auditor	-

JOCELYN C. DE ASIS

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Assistant Corporate Secretary	April 5, 2021
City & Land Developers, Incorporated	Assistant Corporate Secretary	July 3, 2013
Cityplans, Incorporated	Corporate Secretary	Jan. 7, 2013
Worldnet Information and Services, Inc.	Director	April 16, 2024

NATHALIE M. CHAN

Name of Office	Position	Date Assumed
Present positions in other institutions:		
CityMerge Holdings Inc.	Director	October 24, 2023
CityLots Holdings, Inc.	Director	October 24, 2023
Worldnet Information and Services, Inc.	Director	April 16, 2024

HAZEL ANNE C. PAULE

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Head of Internal Audit Department	Jan. 1, 2024
Cityland, Inc.	Head of Internal Audit Department	Jan. 1, 2024
Cityplans, Incorporated	Head of Internal Audit Department	Jan. 1, 2024

2. Identify Significant Employees

There is no identifiable significant employee because the Registrant expects each employee to do his share in achieving the Corporation's set goals.

3. Involvement in Certain Legal Proceedings of Any of the Directors and Executive Officers During the Past Five Years Up to the Latest Date

During the past five years up to the latest date, there is no involvement in certain legal proceedings of any of the directors and executive officers in any court or administrative agency of the government.

a. None of them has been involved in any bankruptcy petition.
b. None of them has been convicted by final judgment in any criminal proceeding or being subject to a pending criminal proceeding, both domestic and foreign.
c. None of them has been subjected to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities and commodities or banking activities.
d. None of them has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

4. Attendance of Board of Directors

The attendance of the Board of Directors of CI on the Regular and Special Meetings for the year 2023 is as follows:

	No of Meetings Attended / Held		
	Regular	Special	Total
Dr. Andrew I. Liuson	3/3	19/19	22/22
Grace C. Liuson	3/3	19/19	22/22
Josef C. Gohoc	3/3	19/19	22/22
Peter S. Dee	3/3	19/19	22/22
Helen C. Roxas	3/3	19/19	22/22
Benjamin I. Liuson	3/3	19/19	22/22
Jefferson C. Roxas	3/3	19/19	22/22
Bp. Eduardo C. Villanueva	3/3	19/19	22/22

5. Legal Proceedings to Which the Registrant or Any of Its Subsidiaries is a Party

The material legal proceedings to which the Company and its subsidiaries (the Group) is a party or which any of its subject during the past five (5) years up to latest date are as follows:

- **COMPANY**

A. Cityland, Inc.

Sps. Banson & Electra Cheng vs. Cityland Inc.
O.P. Case No. 15-G-201
Office of the President
Date Instituted: November 23, 2012

Spouses Cheng filed a Complaint for Specific Performance with Damages praying that Cityland comply and continue with the sale of condominium unit no 6017 and Parking Slot No. B-104 and B-105 of Tagaytay Prime Residences. Cityland stated in its Answer that no Deed of Absolute Sale or Contract to Sale was entered into by the parties. There was no meeting of minds to consummate a contract because there was no consent made by the seller (Cityland). The HLURB-Region IV Office decided in favor of the complainant. The Board of Commissioners in a Decision dated June 22, 2015 reversed and set aside the decision of the HLURB-Region IV, and rendered a new judgment dismissing the complaint. Office of the President issued a Decision which dismissed the appeal of Sps. Cheng and affirmed the Decision dated June 22, 2015 of the HLURB Board of Commissioners which is favorable to Cityland. Spouses Cheng filed their Motion for Reconsideration and Cityland filed its Comment/Opposition thereto which is now for resolution.

Tagaytay Executive Village Homeowners' Association, Inc. vs. Cityland, Inc.
("Petition for the Revocation of the Certificate of Completion [COC] issued in favor of CITYLAND, INC., owner and developer of TAGAYTAY EXEC. VILLAGE, Brgy. San Jose, Tagaytay City "
OP Case No. 12-C-045
Date Instituted: November 22, 2010

Tagaytay Executive Village Homeowners' Association, Inc. (TEVHAI) filed an Appeal Memorandum dated November 9, 2011 with the HLURB Board of Commissioners and received by Cityland last November 14, 2011. The case involves a petition to revoke the certificate of completion ("COC"), dated March 10, 2010 issued by the Regional Office, HLURB, Southern Tagalog Region, in favor of Cityland, Inc., owner and developer of Tagaytay Executive Village located at Brgy. San Jose, Tagaytay City. TEVHAI wants the Court to recall/cancel the COC and that Cityland be ordered to fully complete the alleged deficiencies in the amenities. The case was dismissed by the HLURB Board of Commissioners in a Decision dated February 2, 2012. The TEVHAI appealed this case before the Office of the President. Office of the President issued a Decision which dismissed the appeal of TEVHAI and affirmed the Decision dated February 2, 2012 of the HLURB Board of Commissioners which is favorable to Cityland. TEVHAI filed its Motion for Reconsideration and Cityland filed its Comment/Opposition thereto which is now for resolution.

Heirs of the Spouses Armando Almendras Cruzat and Maria Villanueva Bayot vs. Cityland, Inc., etal.
CA CV No. 121969
Court of Appeals
Date Instituted: July 31, 2018

This case is for annulment of titles, several in number, and for damages. The affected titles are within the vicinity of or adjacent to a condominium building of Cityland and involves as well some lots of other owners. This is patently baseless case because it seeks to annul titles covering lots in the name of Cityland on the ground that the certificates of title covering the same originated from a Decree of Registration that was originally registered in Batangas; clearly Heirs of Cruzat did not know that said decree of registration originated from the Batangas registry and covered areas previously within Batangas, instead of Cavite, but were eventually transferred to the Registry of Deeds of Tagaytay City, pursuant to Commonwealth Act No. 338 (Charter of Tagaytay), and Executive Order No. 336 dated April 1, 1941.

On August 26, 2022, the case was dismissed by RTC- Tagaytay City for lack of jurisdiction and Heirs of Cruzat's filed their Motion for Reconsideration which was denied also by the court. A Notice of Appeal to the Court of Appeals (CA) was filed by the Heirs of Cruzat. As of December 2023, follow-up, records were already elevated to the CA and we await the Order of CA for the submission of appeal briefs.

B. Cityland Development Corporation

Cristy Katsui vs. Cityland Development Corporation
OP Case No. 15-A-001
Office of the President
Date Instituted: June 26, 2012

Cristy Katsui filed a Complaint dated June 20, 2012 which was received by Cityland on July 20, 2012, seeking an order for the rescission of the Contract to Sell over a commercial unit no. G-11 in Makati Executive Tower IV and for the return of all the amortizations paid by her and her children in the total amount of P1,634,000.00.

Cityland stated in its Answer that it cancelled the above-mentioned Contract to Sell in compliance with the instruction of Katsui in her letter, in behalf of all the Buyers, dated June 21, 2011. She was informed that she is not entitled to any cash surrender value under R.A. No. 6552 that requires a minimum payment of 24 monthly installments. Katsui paid only 14 installments. Besides, the unit is a commercial unit which is not covered by the law which seeks to protect buyers of residential units. Unfavorable decision was rendered by the HLURB against Cityland, and the same was elevated to the Office of the President which affirmed the HLURB decision. Cityland filed its Motion for Reconsideration which is now for resolution.

Gary Noble Esquivel vs. Cityland Dev. Corp., etal.
Human Settlements Adjudication Commission (HSAC)
Department of Human Settlements and Urban Development (DHSUD)
HSAC Case No. NCR-REM-220511-00500
Date Instituted: May 11, 2022

Gary Noble Esquivel filed a Complaint dated May 3, 2022 against Cityland for Specific Performance with Damages praying for full refund of all the payments made in the amount of Php1,264,426.45 for the purchase of Unit 2504 and Parking Slot P241 of Cityland's Pines Peak Tower 1, plus 6% interest and other damages due to alleged construction defects of the units and the building.

Cityland stated in its Answer that Complainant has defaulted in the payment of his obligations and that the units and the building were constructed in accordance with the approved plans. Furthermore, Cityland noted that all complaints were addressed.
In a Decision dated December 19, 2022, HSAC Adjudicator declared that the building was constructed according to the approved plans and gave Complainant four (4) months grace period

from receipt of the Decision to settle all his obligations. Complainant has until May 13, 2023 to comply with the Decision. Complainant failed to comply with the Decision. Certificate of Finality was issued on May 29, 2023. Complainant filed a Motion for Issuance of Writ of Execution dated October 24, 2023, which was granted by the HSAC in an Order dated November 10, 2023.

C. City & Land Developers, Incorporated

Republic of the Philippines represented by the Department of Public Works and Highways (DPWH), through the Bureau of Design-Right of Way Office (BOD-ROWO) versus City & Land Developers, Inc. (CLDI)
Case No. CA G.R. No. CV-112245
Paranaque Regional Trial Court – Branch 274
Date Instituted: July 16, 2013

DPWH filed a Complaint for Expropriation of certain portions of the properties, including the improvements therein, of CLDI located in Barangay Tambo, Paranaque City, which will be part of the NAIA Expressway Project Phase II.

CLDI disputed the valuation made by the DPWH on the properties. The Court issued a Decision in favor of CLDI. The DPWH thru the Office of the Solicitor General (OSG) filed its Motion for Reconsideration which was granted by the new presiding Judge. CLDI filed a Notice of Appeal which was favorably granted by the Court of Appeals. The OSG filed its Motion for Reconsideration, then CLDI filed its Comment/Objection thereto. An Amended Decision was issued by the Court of Appeals as to the interest to be paid by the DPWH. Entry of Judgement has been issued by the Court of Appeals. Records were remanded to Parañaque RTC. CLDI filed Motion for Issuance of Writ of Execution but the Office of the Solicitor General; opposed and RTC denied the motion. Coordination is being made for the execution of the judgment.

Sta. Ana Village Homeowners' Assoc. Inc. (SAVHA) vs. City & Land Developers Inc. (CLDI)

Civil Case No. 12-009
Paranaque Regional Trial Court – Branch 274
Date Instituted: January 16, 2012

SAVHA filed a Complaint dated January 16, 2012 which was received by CLDI on March 3, 2012, to enjoin defendant and all persons allowed by said defendant CLDI from using Benedictine Street in Sta. Ana Village, Barangay Sun Valley, Paranaque City, and to order the defendant by way of a writ of mandatory injunction, to open another outlet to the main road without cost or liability to plaintiff.

CLDI stated in its Answer that plaintiff has not proven its claim over Benedictine Street because the Deed of Donation used by the plaintiff is a falsified and/or spurious document. Furthermore, there is a Right-of-Way Agreement for Benedictine Street. Case was dismissed. However, SAVHA filed a Motion for Reconsideration which was granted. SAVHA's unnotarized Judicial Affidavit of its first witness was expunged from the records of the case. SAVHA's legal counsel withdrew from the case. New counsel for SAVHA appeared. First witness of SAVHA was cross-examined by CLDI counsel – witness got confused as to identity of respondent and presented title of CI but they sued CLDI, hence, complainant sued the wrong corporation. SAVHA submitted its Motion for Leave to Admit Amended Complaint which CLDI opposed. The Court denied the Motion and its succeeding Motion for Reconsideration & ordered the continuation of the hearing for the case. SAVHA was not able to present any other witness. CLDI presented its first witness who was cross-examined. Next hearing will be on May 3, 2024 for presentation of 2nd witness. Judicial Affidavit of CLDI's second witness was filed on March 21, 2024 in compliance with the Court Order.

- **PROPERTY**

  Aside from the above-mentioned cases, there were no cases filed wherein the Group's property/ies is/are the subject.

The Group does not expect that the outcome of the material legal proceedings above involving the Group will have a material adverse effect on the financial condition of the Group.

During the past five years up to present, there is no bankruptcy petition filed by or against any business of which such person was a general partner or executive officer of the Group either at a time of the bankruptcy or within two years prior to that time.

During the past five years up to present, the Group, any of its directors or executive officers has no conviction by final judgment, domestic or foreign, or is not subject to a pending criminal proceeding, domestic or foreign.

During the past five years up to present, the Group, any of its directors or executive officers is not subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities.

During the past five years up to present, the Group, any of its directors or executive officers has not been found by a domestic or foreign court of competent jurisdiction (in civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self- regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

6. Nomination Committee (referred to as "Corporate Governance Committee") and Nominees for Election as Members of the Board of Directors, including the Independent Director.

The following have been nominated to the Board of Directors for the ensuing term / year:

Dr. Andrew I. Liuson	Peter S. Dee (Independent Director)
Grace C. Liuson	Bp. Eduardo C. Villanueva (Independent Director)
Helen C. Roxas	Benjamin I. Liuson
Josef C. Gohoc	Jefferson C. Roxas

The independent directors possess all qualifications to serve as an independent director of the Company, as provided for in Section 38 of Securities Regulation Code (SRC) and its implementing rules.

The final list of nominees for independent directors as nominated by respective stockholders of Cityland, Inc. and endorsed by the Corporate Governance are the following:

Independent Director	Nominating Stockholder
Peter S. Dee	Grace C. Liuson
Bp. Eduardo C. Villanueva	Josef C. Gohoc

The nominated members of the Board of Directors shall be presented and elected during the Annual Stockholders' Meeting to be held on June 18, 2024.

The nominating stockholder is not related by consanguinity or affinity up to the fourth civil degree to the nominated independent director.

The Corporate Governance Committee performs the role of the Nomination Committee. The following are the members of the Corporate Governance Committee

Peter S. Dee (Chairman)
Dr. Andrew I. Liuson
Mr. Jefferson C. Roxas

Based on *SEC MC No. 24 s. 2019 – Code of Corporate Governance for Public Companies and Registered Issuers* and the *Company's Revised Manual on Corporate Governance*, it is recommended that independent director should serve for a maximum cumulative term of nine years only. However, in certain cases that the Company wants to retain an independent director who has served for nine (9) years, the Board should provide meritorious justifications and seek approval of the stockholders during the Annual Stockholders' Meeting.

Mr. Peter Dee has served as an Independent Director of the Company since 2006. His in-depth knowledge, wisdom and expertise in various industries helped the Company plan and attain its strategic objectives. Further, his irrefutable competencies and experience provide invaluable contribution to the Company.

Mr. Dee has a wide experience in banking industry as he served as President and Chief Executive Officer for more than 30 years in one of the largest banks in the Philippines. He is also a Director of the said bank and other publicly-listed companies in the country. His exposure and mastery to risk and financial management delivers insight and significant assistance to the Company.

Further, Mr. Dee whose valuable insights and advice helped the Company develop its key business thrusts and risk mitigation strategies. His highly respected credentials and great contributions to the Company justify the Board's decision to retain Mr. Dee as a nominee for re-election this coming 2024 Annual Stockholders' Meeting.

7. Procedures for Nomination and Election of Independent Directors

a. The Corporate Governance Committee, prior to a stockholders' meeting shall conduct nomination of independent directors. The nominating stockholders together with the acceptance and conformity by the would-be nominees shall sign all recommendations.

   The Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director/s.

   After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, as required under Part IV (A) and (C) of "Annex C" of SRC Rule 12, which list, shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the company is required to submit to the Commission. The name of the person or group of persons who recommended the nomination of the independent directors shall be identified in such report including any relationship with the nominee.

   Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent directors. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

b. Subject to pertinent existing laws, rules and regulations, the conduct of the election of the independent director shall be made in accordance with the standard election procedures of this By-laws.

   It shall be the responsibility of the Chairman of the meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the stockholders' meeting.

   Specific slot for the independent directors shall not be filled-up by unqualified nominee.

   In case of failure of election of independent directors, the Chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.

   At least forty-five (45) days before the scheduled annual stockholders' meeting, the stockholders shall submit their nomination/s to the Corporate Secretary who in turn shall immediately forward the same to the Chairman of the Corporate Governance Committee for proper action.

8. Related Party Transactions

The Registrant and its subsidiaries, in their regular conduct of business, have entered into transactions with associates and related parties principally consisting of advances, reimbursement of expenses and purchase and sale of real estate properties. These transactions to and from related parties are made on an arm's length basis and at current market prices at the time of the transaction.

In 2019, the Parent Company entered into a Memorandum of Agreement with CDC whereby CDC shall assign its parcel of land to the Parent Company in exchange of certain number of condominium units and parking lots on One Premier, a project that is currently being constructed by the Parent Company. The said land is recorded under “Real Estate Properties Held for Future Development” account. In 2021, additional units were allocated to CDC.

In 2022, the project was completed and the Parent Company and CDC executed a Deed of Exchange relating to the exchange of properties. Other income recognized by the Parent Company and CDC from the said exchange amounted to ₱4.26 million and ₱155.56 million, respectively. The said income was eliminated in the consolidated statement of income. The income tax effect of the exchange of properties amounted to ₱39.95 million is included as adjustment in the reconciliation of income tax under Others - net (see Note 24).

The Parent Company has an existing agreement with CLDI, CDC and CPI whereby personnel costs and common recurring expenses such as water, electricity, rental, and other expenses for which the companies have benefited from such service shall be shared among the companies and billed with a pre-agreed mark-up rate. These are recorded as part of “Operating expenses” in the consolidated statement of income. The income recognized as a result of the mark-up charged is recorded as “Other income - net” in the statement of income. These are unsecured, unguaranteed, noninterest bearing, and due within 30-60 days.

The Group, jointly with affiliated companies under common control, has a trust fund for the retirement plan of their employees. The trust fund is being maintained by a third-party trustee bank under the supervision of the Retirement Committee of the plan. The committee is responsible for the investment strategy of the plan.

The Parent Company, CDC and CLDI, through CLHI, issued a cash bond aggregating to ₱257.15 million in favor of HLURB in relation to the construction and development of its ongoing projects which was recorded as part of “Notes receivable” in 2023 and 2022 consolidated statement of financial position. The said amount was placed by CLHI with financial institutions with a maturity of three (3) to five (5) years. In various dates in 2022, the Parent Company and CLDI issued a cash bond amounting to ₱40.00 million and ₱62.99 million, respectively, while in June 2021, cash bond amounting to ₱70.00 million have already matured. Interest income earned amounted to ₱19.56 million, ₱14.60 million and ₱15.87 million in 2023, 2022, and 2021, respectively, and was eliminated during consolidation.

There are no transactions (or series of similar transactions) with or involving the company or any of its subsidiaries with a director, executive officer, any nominee for election as a director and any security holder owning 10% or more of the company’s outstanding share.

Related party transactions were disclosed in Note 26, Related Party Transactions of the Audited Annual Consolidated Financial Statements.

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VI. Executive Compensation

EXECUTIVE COMPENSATION SUMMARY TABLE

Name	Position	2024 (estimate)
Josef C. Gohoc	President	X
Emma A. Choa	Executive Vice President/Treasurer	X
Rudy Go	Senior Vice President	X
Marcelina C. Clemeña	Assistant Vice President - Purchasing	X
Andre Anton S. Suarez	Legal Counsel	X
Salaries		₱8,705,401
Bonus		2,224,950
Others		120,000
Total (Top 5)		**₱11,050,351**
Salaries		₱6,307,064
Bonus		1,655,349
Others		223,200
All officers & directors as a group unnamed		**₱8,185,613**
Grand Total		**₱19,235,964**

Name	Position	2023 (actual)
Josef C. Gohoc	President	X
Emma A. Choa	Executive Vice President/Treasurer	X
Rudy Go	Senior Vice President	X
Melita M. Revuelta	Vice President	X
Andre Anton S. Suarez	Legal Counsel	X
Salaries		₱8,713,381
Bonus		2,242,835
Others		7,565,061
Total (Top 5)		**₱18,521,277**
Salaries		₱8,566,347
Bonus		2,280,047
Others		3,906,347
All officers & directors as a group unnamed		**₱14,752,741**
Grand Total		**₱33,274,018**

Name	Position	2022 (actual)
Josef C. Gohoc	President	X
Emma A. Choa	Executive Vice President/Treasurer	X
Rudy Go	Senior Vice President	X
Melita M. Revuelta	Vice President	X
Marcelina C. Clemeña	Assistant Vice President - Purchasing	X
Salaries		₱7,655,410
Bonus		1,989,565
Others		5,583,951
Total (Top 5)		**₱15,228,926**
Salaries		₱8,735,162
Bonus		2,222,542
Others		6,009,634
All officers & directors as a group unnamed		**₱16,967,338**
Grand Total		**₱32,196,264**

The Group has no standard arrangements with regard to the remuneration of its directors. In 2023, 2022 and 2021, the BOD of the Group received an aggregate of ₱47.70 million, ₱30.41 million and ₱19.61 million, respectively (including per diem for every Board Meeting attended). Moreover, the Group has no standard arrangement with regard to the remuneration of its existing officers aside from the compensation received or any other arrangements in the employment contracts and compensatory plan. The Group does not have any arrangements for stock warrants or options offered to its employees.

VII. Independent Public Accountants

1. SyCip, Gorres, Velayo & Co. (SGV & Co.) is the Registrant's external auditor for the calendar year 2024. The same accounting firm is being recommended for re-election at the scheduled 2024 Annual Stockholders' Meeting.

2. Representatives of SGV & Co. are expected to be present at the Annual Stockholders' Meeting and will assist in responding to queries concerning the audited financial statements.

3. Pursuant to Revised SRC Rule 68 paragraph (3)(b)(ix) (Rotation of External Auditors), Mr. Manolito R. Elle, partner of SGV & Co., was assigned as signing partner for the Registrant's financial statements starting the calendar year 2023.

4. There were no changes in and disagreements with the accountants on accounting and financial disclosures.

OTHER MATTERS

VIII. Action with Respect to Reports

The Minutes of the Annual Stockholders' Meeting (ASM) held last June 20, 2023 will be read and submitted to the stockholders for their approval. The said Minutes state that the stockholders approved the following matters during the 2023 ASM:

1. Reading and approval of the minutes of the previous regular annual stockholders' meeting
2. Consideration and approval of the Annual Report and related financial statements for the year 2022
3. Election of directors (including independent directors)

   The following are the elected directors:

Dr. Andrew I. Liuson	Mr. Benjamin I. Liuson
Mrs. Grace C. Liuson	Mr. Peter S. Dee (Independent Director)
Mr. Josef C. Gohoc	Bp. Eduardo C. Villanueva (Independent Director)
Mrs. Helen C. Roxas	Mr. Jefferson C. Roxas

4. Appointment of the external auditor
   The Sycip Gorres Velayo & Co. was re-appointed as the Company's external auditor for the Year 2023.
5. Approval of the Board Resolution regarding the declaration of five percent (5%) stock dividend;
6. Confirmation of the Acts of Management and of the Board of Directors for the period covering January 1, 2022 to December 31, 2022.
7. Other matters which may be raised by the body.

IX. Other Proposed Actions

1. Confirmation of all acts of the Board of Directors for the period covering January 1, 2023 to December 31, 2023 adopted in the ordinary course of business, including but not limited to:
   a. Approval of investments;
   b. Treasury matters related to opening of accounts and bank transactions;
   c. Appointment of signatories and amendments thereof; and
   d. Approval of Annual Report and related financial statements.

2. Appointment of the External Auditor
   The Board of Directors, through the recommendation of the Audit and Risk Committee, approved the re-appointment of Sycip Gorres Velayo & Co. as the Company's external auditor for the calendar year 2024. This shall be taken up during the Annual Stockholders' Meeting for the approval of the stockholders.

X. Voting Procedures

1. Vote required for Approval or Election

   At least majority of the outstanding capital stock of the Registrant is required for the election of directors and for the approval of the following matters:

   a. Minutes of the previous Annual Stockholders' Meeting;
   b. Appointment of external auditor; and
   c. Acts of the management and of the Board of Directors relative to the Annual report and related financial statements.

2. Each common share shall be entitled to one vote with respect to all matters to be taken up during the annual stockholders' meeting. In accordance with the Company's Amended By-Laws, voting upon all questions at all meetings of the stockholders shall be by shares of stock and not per capita.

   Stockholders who intend to attend and participate in the virtual meeting whether through proxy or not shall first submit via email to ci_rg@cityland.net the scanned copy of the letter of intent to attend or to participate via proxy by remote communication. Once validated, the registered stockholder will attend will receive via email the proxy form.

   Validation of proxies shall be until 4:00PM of June 10, 2024. Registered stockholders will receive the meeting link and password two days before the ASM.

   Stockholders who intend to attend and participate in the virtual meeting whether through proxy or not shall fir submit via email to ci_rg@cityland.net on or before June 10, 2024 at 4:00PM. Only stockholders who have notified the Company of their intention to participate in the virtual meeting and have registered themselves or their proxies, will be included in the determination of a quorum.

3. Other matters which any stockholder would like to present in the ASM shall be sent via email to ci_rg@cityland.net on or before June 10, 2024 at 4:00PM. The Company's responses to the questions shall be discussed during the ASM.

[SIGNATURE ON THE NEXT PAGE]

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on May 27, 2024.

CITYLAND, INC.

JOSEF C. GOHOC
President

CITYLAND, INC.
THE PRESIDENT'S REPORT

The real estate industry in the Philippines has proven to be resilient and a significant contributor to the country's economy. This is due to various factors such as strong demand for both residential and commercial properties, government policies, infrastructure projects, increasing overseas Filipino workers' remittances, and favorable economic conditions.

In 2023, the real estate sector experienced notable growth, driven by economic growth and an increase in property demand and prices, especially for high-end and affordable housing. This growth is attributed to the growing middle class and the influx of foreign professionals and overseas Filipino workers. The government's efforts to improve policies, including tax policies to achieve affordable real estate properties, also contributed to the growth of the industry.

The Cityland Group's ongoing projects are located in Metro Manila, where there is a high demand for vertical developments like condominium projects due to its dense population. The "Build Build Build" program, which aims to improve the country's transportation and logistics infrastructure, has also provided more opportunities for real estate developers. Ongoing infrastructure projects, such as the development of the Metro Manila subway, new highways, and airport expansions, facilitate improved connectivity and accessibility, thereby rendering certain areas more appealing for real estate development and investment opportunities. These projects serve as catalysts for economic growth and urban development, providing seamless connectivity to various locations, and creating new job opportunities and business expansions.

The Philippines' full-year gross domestic product (GDP) growth rate in 2023 was 5.6%, outpacing major economies in Asia such as China, Vietnam, and Malaysia. Despite an elevated inflation rate and external challenges, there was also a stronger domestic demand noted in 2023. According to the Department of Finance Secretary, Ralph G. Recto, "The strong economic performance in 2023 is a clear testament to the government's efforts in creating an environment conducive to enhancing the purchasing power of Filipinos. We are firm in our commitment to ensure that our economic progress is felt in the day-to-day lives of our people." *(Source:https://www.dof.gov.ph/phs-full-year-2023-gdp-growth-strongest-among-major-asian-economies/)*

Overall, the Philippine real estate industry has shown significant growth and is expected to continue in the subsequent years. The Cityland Group of Companies will continue to monitor the demand in housing projects and implement strategies to cope with changes in the environment and an increase in demand.

The Group is selling the following newly completed projects as of March 31, 2024:

- Pioneer Heights 1 (a project of CDC)
- 101 Xavierville (a project of CDC)

Also, the Group is selling the remaining units of the following completed and operational projects:

Cityland, Inc.

- Oner Premier
- The Manila Residences II
- Tagaytay Prime Residences
- The Manila Residences I
- Brentwood Mansion

Cityland Development Corporation

- CityNorth Tower
- Pioneer Heights 1
- 101 Xavierville
- Pines Peak Tower II
- Pines Peak Tower I
- One Premier *(a project of CI in which some condominium units and parking slots were assigned to CDC)*
- Grand Central Residences
- Makati Executive Tower IV

City & Land Developers, Incorporated

- One Hidalgo
- One Taft Residences
- North Residences
- Grand Emerald Tower
- The Pacific Regency

The Group has also a number of prime lots reserved for future projects. Its land bank is situated in strategic locations ideal for horizontal and vertical developments.

Internal sources come from sales of condominium units and real estate projects, collection of installment contracts receivable, contract assets, rental income from leased properties, maturing short-term and long-term investments and notes receivable and other sources such as interest income and dividend income. External sources come from commercial papers.

GENERAL NATURE OF BUSINESS

Brief Company History

Cityland, Inc. (the Parent Company or CI) is a domestic corporation which is duly organized and existing under and by virtue of the laws of the Philippines since May 15, 1979 with the primary purpose of engaging in real estate development.

Subsidiaries

The Parent Company has a majority-owned subsidiary, Cityland Development Corporation (CDC), a publicly listed company, and four wholly-owned subsidiaries, Credit & Land Holdings, Inc. (CLHI), Cityads, Incorporated (CAI), CityLots Holdings, Inc. (CLI), and CityMerge Holdings Inc. (CMHI).

CDC has two majority-owned subsidiaries, City & Land Developers, Incorporated (CLDI), another publicly listed company, and Cityplans, Incorporated (CPI). The primary purpose of CI and its subsidiaries (the Group), which are all domiciled in the Philippines, is to acquire, develop, improve, subdivide, cultivate, lease, sublease, sell, exchange, barter and/or dispose of agricultural, industrial, commercial, residential and other real properties, as well as to construct, improve, lease, sublease, sell and/or dispose of houses, buildings and other improvements thereon, and to manage and operate subdivisions and housing projects or otherwise engage in the financing and trading of real estate, except for CPI which is engage in the business of establishing, organizing, developing, maintaining, conducting, operating, marketing, and selling pension plans. CPI ceased from selling pension plans since February 2007 and is currently engaged in the settlement of the outstanding pension plans. CPI's secondary purpose is to own or otherwise acquire by deed, purchase or otherwise, the necessary property, building and equipment essential or incidental to said business and to purchase, own, hold, possess, lease, or otherwise acquire, and to use, operate, maintain, sell, pledge, mortgage, transfer or assign any real or personal property in the furtherance of the business and purpose of CPI.

The Group's registered office and principal place of business is at 2nd and 3rd Floors, Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City.

CAI was incorporated on February 20, 1980 for the purpose of engaging in general advertising business. Its registered office and principal place of business is at 2F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Salcedo Village, Makati City.

CLHI was incorporated on July 16, 1980 for the purpose of purchasing, selling or disposing of real and personal property of any kind including shares of stocks and securities. Its registered office and principal place of business is at 2F Cityland Condominium 10 Tower I, 156 H. V. Dela Costa Street, Salcedo Village, Makati City.

CLI and CMHI were incorporated on October 24, 2023 with its primary purpose to invest in, purchase, or otherwise acquire, own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose real and personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations. Their registered office and principal place of business is at 3rd Floor Cityland Condominium 10 Tower 1, 156 H.V. Dela Costa

St., Salcedo Village Bel-air, City of Makati City, Fourth District, National Capital Region (NCR), 1209.

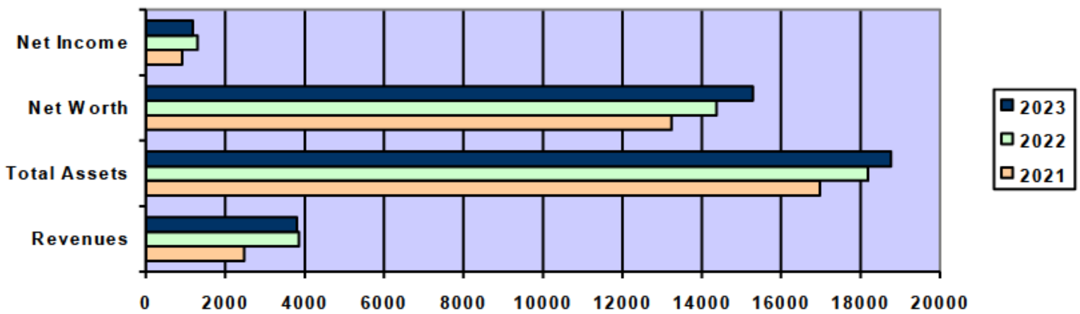
Nature of Operation

The Group's primary purpose is to acquire and develop suitable land sites for residential, office, commercial, institutional and industrial uses.

The Group's projects include medium to high-rise office, commercial, and residential condominiums located in cities of Metro Manila such as Makati, Quezon City, Manila, Mandaluyong, Pasig City and residential subdivisions in Parañaque, Tagaytay City, Cavite and Bulacan.

FINANCIAL HIGHLIGHTS

	In Millions of Pesos		
	2023	2022	2021
Consolidated Net income	**1,183.34**	**1,306.05**	**911.06**
Consolidated Net worth	**15,284.68**	**14,374.60**	**13,239.65**
Consolidated Total assets	**18,758.82**	**18,190.49**	**16,975.84**
Consolidated Revenues	**3,800.82**	**3,861.27**	**2,479.19**



Project Description

Cityland, Inc.

Ongoing project:

Two Premier

Two Premier is 32-storey residential, office, and commercial condominium near the corner of Investment Drive leading to Daang Hari, Las Pinas City. The project is situated beside One Premier and it is estimated to be completed in June 2025.

Completed Projects:

One Premier

One Premier is a 27-storey commercial and residential condominium project located in one of the upmarket addresses in the South - Alabang Premier, Km. 21 Alabang-Zapote Road, Brgy. Almanza Uno, Las Piñas City. It was designed in the style and function of metropolitan living with amenities like swimming pool, gym, playground, multi-purpose function room, viewing deck and 24-hour association security will ensure convenient living. The said project was completed in April 2022.

The Manila Residences II

The Manila Residences II is a 39-storey office, commercial and residential condominium located along Taft Avenue, Manila. Amenities include swimming pool, mini-gym, and sauna for men and women, function room, viewing deck, children's playground and 24-hour association security.

Tagaytay Prime Residences

Tagaytay Prime Residences is a 21-storey commercial and residential condominium located at Tagaytay Prime Rotunda, Brgy. San Jose, Tagaytay City. Amenities include common viewing balcony for residential floors, swimming pool, multi-purpose area, viewing deck with jogging path and a 24-hour association security.

The Manila Residences I

The Manila Residences I is a 39-storey office, commercial and residential condominium located along Taft Avenue. Amenities include swimming pool, mini-gym, sauna for men and women, function room, viewing deck, children’s playground and 24-hour association security.

Brentwood Mansion

Brentwood Mansion is an 8-storey commercial and residential condominium located along Evangelista St., New Santolan, Pasig City. Amenities and facilities include 2 elevators, administrative office, visitors’ lounge, provision for cable TV and telephone line, individual water submeter / Meralco meter and 24-hour association security.

Tagaytay Country Homes 2-B

Tagaytay Country Homes 2-B is a residential subdivision located at Barangay Neogan, Tagaytay City. Features include multi-purpose hall, swimming pool and 24-hour association security.

Cityland Development Corporation

<u>Ongoing Project:</u>

City North Tower

City North Tower is a 50 – storey mixed residential, office and commercial Condominium project with three (3) basement parking and four (4) podium parking levels to be located at No. 35 North Avenue Barangay Bagong Pag-asa Quezon City (QC). It is walking distance to QC’s biggest malls – SM City North EDSA and Trinoma. This project was launched in February 2024 and expected to be completed in February 2028.

Future Project:

Pioneer Heights 2

Pioneer Heights 2 is an office, residential and commercial condominium to be located in Reliance St., Brgy. Highway Hills, Mandaluyong City.

<u>Completed Projects:</u>

Pioneer Heights 1

Pioneer Heights 1 is a 24-storey residential and commercial condominium located in Pioneer St., Mandaluyong City. Its amenities include swimming pool, children’s playground, multi-purpose function room, laundry room, information area, administration room and 24-hour association security. The said project was completed in December 2023.

101 Xavierville

101 Xavierville is a 40-storey residential and commercial condominium to be located along Xavierville Avenue, Loyola Heights, Quezon City. The project is easily accessible to various schools such as Ateneo de Manila University, University of the Philippines, and Miriam College; recreational parks and leisure places. The said project was completed in December 2023.

Pines Peak Tower II

Pines Peak Tower II is a 27-storey residential condominium conceptualized for the fast-paced Filipino family. It is beside Pines Peak Tower I along Pines St., Brgy. Barangka Ilaya, Mandaluyong City. It is only a block away from the major thoroughfare of EDSA, near Shaw Boulevard, Pioneer and MRT Boni Station. The project is easily accessible to various commercial centers like Shangri-La Mall, Star Mall, Robinson’s Place Pioneer, SM Megamall, The Podium, Metrowalk and schools like Lourdes School of Mandaluyong, St. Paul College and University of Asia and the Pacific. This project was completed in May 2019.

Pines Peak Tower I

Pines Peak Tower I is a 27-storey residential condominium located at Union corner Pines St., Barangka, Mandaluyong City. Its amenities include swimming pool, viewing deck, multi-purpose function room with movable children play set, gym and 24-hour association security.

Grand Central Residences

Grand Central Residences is a 40-storey office, commercial and residential condominium located at EDSA corner Sultan St., (fronting MRT Shaw), Mandaluyong City. It is in close proximity to schools, churches, malls and hospitals. It is equipped with swimming pool, multi-purpose function room, gym, multi-purpose deck, CCTV and 24-hour association security.

Makati Executive Tower IV

Makati Executive Tower IV is a 29-storey commercial and residential condominium located at Cityland Square, Sen. Gil Puyat Ave., cor. P. Medina St., Makati City. It is in close proximity to schools, malls, hypermarkets and hospitals. Its amenities include swimming pool, gym, playground, function room, roof deck and 24-hour association security.

Makati Executive Tower III

Makati Executive Tower III is a 37-storey commercial, office, and residential condominium located at Cityland Square, Sen. Gil Puyat Avenue, Pio Del Pilar, Makati City. Its amenities include swimming pool, sauna, viewing deck, jogging area, mini-gym, children’s playground, function room and 24-hour association security.

Buildings for lease:

- *CityNet Central*

  CityNet Central is a 22-storey commercial and PEZA-registered building located in central business district along Sultan Street, Brgy. Highway Hills, Mandaluyong City with its proximity to MRT station and various transportation hubs.

- *CityNet1*

  CityNet1 is a 5-storey premiere business technology hub located along 183 EDSA, Brgy. Wack-Wack, Mandaluyong City. The said building for lease is also registered with PEZA.

City & Land Developers, Incorporated

<u>Ongoing Project:</u>

One Hidalgo

One Hidalgo is a 39-storey mixed residential, office and commercial condominium to be located at 1730 P. Hidalgo Lim St., corner Gen. Malvar St., Malate, Manila. It is near to various universities (De La Salle University, University of the Philippines – Manila, Philippine Christian University), government agencies (Supreme Court, Court of Appeals, Department of Justice) and other leisure establishments.

The said project was launched in February 2023 and expected to be completed in September 2027.

<u>Future Project:</u>

Bonifacio Place

Bonifacio Place is a proposed 40-storey mixed residential, office and commercial condominium project with a four (4) basement parking levels and a separate 6-storey parking building to be located at Boni Avenue, Barangay Barangka Itaas, Mandaluyong City. It is about 450 meters away from the EDSA MRT Boni Station.

<u>Completed Projects:</u>

One Taft Residences

One Taft Residences is a 40-storey mixed residential, office and commercial condominium located at 1939 Taft Avenue, Malate, Manila. It is accessible to various universities (De La Salle University, University of the Philippines - Manila, Philippine Christian University), transportation hubs, shopping centers, businesses, commercial and government offices. The said project was completed in May 2022.

North Residences

This 29-storey commercial and residential condominium is located along EDSA (beside WalterMart) corner Lanutan, Brgy. Veterans Village, Quezon City. It is conceptualized for the practical modern families to enjoy suburban city living that is friendly on the budget. The project was turned over in March 2018.

Manila Residences Bocobo

Manila Residences Bocobo, a 34-storey commercial, office and residential condominium located along Jorge Bocobo St., Ermita, Manila City. Its amenities and facilities include swimming pool, children’s play area, gym, multi-purpose deck, function room and 24-hour association security. It is proximate to schools, malls, banks, hospitals, restaurants, churches, government offices and other leisure establishments.

Grand Emerald Tower

Grand Emerald Tower is a 39-storey commercial, office and residential condominium located along Emerald Avenue Corner Ruby and Garnet Streets, Ortigas Center, Pasig City. Its amenities and facilities include swimming pool, gymnasium, viewing deck, sauna, children’s playground, multi-purpose function room, and 24-hour association security. It is proximate to schools, hospitals, shopping malls, banks, restaurants, hotels, churches and other leisure and business establishments.

Pacific Regency

Pacific Regency is a 38-storey commercial, office and residential condominium located at Pablo Ocampo Sr. Ave. (formerly Vito Cruz Street) in front of Rizal Memorial Sports Complex in Manila. Amenities and facilities include swimming pool, gymnasium, separate sauna for male and female, function room, children’s playground, 24-hour association security, viewing area and jogging areas at the roof deck.

Cityplans, Incorporated

Windsor Mansion

Windsor Mansion is an 8-storey commercial and residential condominium located along Evangelista St., New Santolan, Pasig City. Amenities and facilities include 2 elevators, administrative office, visitors’ lounge, provision for cable TV and telephone line, individual water sub meter / Meralco meter and 24-hour association security. This project is also developed together with Cityland, Inc.

Oxford Mansion

Oxford Mansion is an 8-storey commercial and residential condominium located along Evangelista St., New Santolan, Pasig City. Amenities and facilities include 2 elevators, administrative office, visitors’ lounge, provision for cable TV and telephone line, individual water submeter / Meralco meter and 24-hour association security. This project is also developed together with Cityland, Inc.

Pasig Royale Mansion

Pasig Royale Mansion is an 8-storey mid-rise condominium located at Evangelista St., New Santolan, Pasig City. Amenities and facilities include a swimming pool, a function room, a viewing area and a visitor's lounge. This project is also developed together with Cityland, Inc.

MAJOR RISKS INVOLVED IN EACH OF THE BUSINESS OF THE COMPANY

The risks to which the Group are exposed include internal risks such as refinancing risk, credit risk, interest rate risk, market risk and liquidity risk; business risks and operational risks; and external risks arising from political and economic situation, real estate industry outlook and market competition.

INTERNAL RISKS

Refinancing

The Group is primarily engaged in real estate development. Risk factor includes minimal risk debt level of the Group's borrowings. The short-term nature of these borrowings increases the possibility of refinancing risks. This debt mix in favor of short-term borrowings is a strategy which the Group adopted to take advantage of lower cost of money for short-term loans versus long-term loans. Because the Group has the flexibility to convert its short-term loans to a long-term position by drawing down its credit lines with several banks or sell its receivables, refinancing risk is greatly reduced.

The Group manages such refinancing risks by monitoring its current and acid-test ratio. The said ratios affecting the Company are disclosed in Schedule IV, *Supplementary Schedule of Financial Soundness Indicators*, attached to the Audited Annual Consolidated Financial Statements.

Credit Risk

This is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The financial instruments which may be the subject of credit risk are the installment contracts receivables, contract assets and other financial assets of the Group. The corresponding management strategies for the aforementioned risks are as follows:

a. The credit risk on the installment contracts receivables and contract assets may arise from the buyers who may default on the payment of their amortizations. The Group manages this risk by dealing only with recognized and credit worthy third parties. Moreover, it is the Group's policy to subject customers who buy on financing to credit verification procedures. Also, receivable balances are monitored on an on-going basis which resulted to an insignificant exposure to bad debts. The risk is further mitigated because the Group holds the title to the real estate properties with outstanding installment contracts receivable balance and the Group can repossesses such property upon default of payment by the customer. The Group policy is to enter into transactions with a diversity of credit-worthy parties to mitigate any significant concentration of credit risk. There are no significant concentrations of credit risk within the Group.

b. The credit risk on the financial assets of the Group such as cash and cash equivalents, short-term investments, financial assets at fair value through other comprehensive income (FVOCI), refundable deposits and other receivables may arise from default of the counterparty. The Group manages such risks in accordance to its policy wherein the Group shall enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risks. As such, there are no significant concentrations of credit risks in the Group.

Interest Rate Risk This is the risk arising from uncertain future interest rates.

a. The Group's financial assets mainly consist of installment contracts receivable, contract assets, notes receivable, cash and cash equivalents and short-term investments and other receivables. Interest rates on these assets are fixed at their inception and are therefore not subject to fluctuations in interest rates.

b. For the financial liabilities, the Group only has commercial papers which bear fixed interest rates. Thus, these are not exposed to fluctuations in interest rates.

Market Risk This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments which are measured at fair value are subject to market risk.

The financial assets at FVOCI investments are exposed to market risk. There is a risk for a decline in the value due to changes in the market. The exposure, however, is negligible because the amount of the said investment is insignificant compared to the financial assets of the Group.

Liquidity Risk This is the current and prospective risk to earnings or capital from a company's inability to meet its obligations when they become due without incurring unacceptable losses. The Group's treasury has a well-monitored funding and settlement management plan. The following is the liquidity risk management framework maintained by the Group:

a. *Asset- Liability Management:* Funding sources are substantially from short term borrowings. Funding sources are abundant and provide a competitive cost advantage. The Group also holds financial assets for which there is a liquid market and are, therefore, readily saleable to meet liquidity needs.

b. *Conservative/ Liability Structure:* Funding is widely diversified. There is little reliance on wholesale funding services or other credit sensitive fund providers. The Group accesses funding across a diverse range of markets and counterparties.

c. *Excess Liquidity:* The Group maintains considerable excess liquidity to meet a broad range of potential cash outflows from business needs including financial obligations.

d. *Funding Flexibility:* The Group has an objective to maintain a balance between continuity of funding and flexibility through the use of commercial papers.

The Group is also exposed to risks which are beyond financial as follows:

GROUP'S BUSINESS RISKS AND OPERATIONAL RISKS

Land Banking The Group's land banking consists of parcel of land wherein some lots are being leased while awaiting the development of the Group's condominium projects. Having enough and diversified land banking is important to support the sustainability of the Group's business. The Group may be exposed to risks because of the possible changes in the value of these lots due to market circumstances which may result in impairment or decline in rental rate levels.

The Group currently has several prime lots held for future development and/or investment properties which are located in the different areas of Metro Manila, Tagaytay and Cavite. Also, the Management is also in continuous study and research on the possible land acquisition which will depend on the needs of the Group and negotiations with prospective sellers. For the land value changes and decline, the Group continues to be cautious in buying new properties by conducting studies of appraisal and conditions of the property within the vicinity.

Property Development and Construction

Construction of a condominium project starts from the planning and securing of permits, to the development or construction of the project and to the delivery or turnover of the units to the buyers. The construction of a project involves an average of three to five years to complete the building. During this period of time, the Group may be exposed to the following risks:

- delays or longer than expected time of securing necessary licenses, permits and approvals from different government agencies or neighborhood;
- possible increase in the cost of materials and labor which will impact pricing and costing;
- labor disputes among and with the contractors and sub-contractors; and
- delay in the delivery of the project.

These risks are managed by the Group by having:

- well-planned and carefully-phased project development with a reasonable timetable;
- concrete sources of financing of the project;
- accreditation and careful selection of general contractors and sub-contractors to ensure fulfillment and quality of work; and
- continuous and meticulous management of the Group's project development team to ensure that the project is progressing and being accomplished according to plan.

EXTERNAL RISKS

Economic

The Group's business consists mainly of providing office and residential condominium units in the Philippines and the results of the operations are influenced by the general conditions of the Philippine economy. Any economic instability or failure to register improved economic performance in the future may adversely affect the Group's operations and eventually its financial performance.

Effect of climate change

It cannot be denied that the country is already experiencing the impact of climate change which is considered a global problem which needs to be addressed by all countries.

Climate change has greatly affected the operations of the businesses. Due to climate change, the supply or resources may decline which will lead to increase in cost. Thus, businesses should consider measures to cope with the impact of environmental changes. Aside from considering the impact, businesses should also take its role in ensuring its compliance with the rules and regulations imposed by the environmental authorities.

Cityland Group has invested considerable effort in the development of programming approaches that integrate disaster risk management with long-term programs that have the objective of addressing the underlying causes of vulnerability. This means developing and applying various prevention, mitigation and preparedness policies, strategies and practices to minimize vulnerabilities and disaster risks. The Group firmly believes that emergency preparedness planning is a critical component for all development programming and is a necessary ingredient not only for effective emergency response but also for effective risk prevention, mitigation and preparedness before a disaster occurs. For the Group, emergency preparedness encompasses all aspects of disaster risk management - from addressing underlying causes to responding in times of emergencies. First and foremost, preparedness must focus on prevention and mitigation - taking pre-emptive measures to help communities avoid emergencies and become better equipped so that the impact of disasters are reduced. As one of the criteria set by the Group in acquisition of property, the Group considers whether the location of the prospective property is within the fault line and whether the area is prone to flooding. In this case, the Group minimizes the risk of incurring any additional costs/damages in the future.

Further, the Group has adopted controls to ensure its compliance with the environmental laws including but not limited to the following:

- Adherence to the standards/requirements set by the regulatory agencies governing the real estate industry;
- Appointment of Pollution Control Officers in all condominium projects
- Continuous study on how to improve the project from planning to construction until its completion
- Active participation with the government's requirements to real estate developers (e.g. socialized housing, tree planting, etc.); and
- Avoiding hazards and mitigating their potential impacts by reducing vulnerabilities and exposure and enhancing capacities of communities.

Effect of COVID-19 pandemic

The Philippine real estate industry showed resurgence in 2022 despite the challenges brought about by COVID-19 pandemic. Throughout the year 2023, the real estate sector proved to be resilient, providing significant contributions to the country's economic growth. One of the key factors that drove the industry's success was the demand for housing.

The Philippine real estate industry has shown significant growth and is expected to continue in the subsequent years. The Company will continue to monitor the demand in housing projects and implement strategies to cope with the changes in the environment and increase in demand.

Political

The Group's business like all other businesses may be influenced by the political situation in the country. Any political instability in the future could have a material adverse effect in the Group's business.

The ongoing Russia-Ukraine conflict sets several uncertainties with the potential to disrupt businesses and institutions and poses threat to world trade and economies, in general. The continuing effect of the situation on business and institutions could result in business continuity interference, trade disruptions, rising prices of basic commodities including oil and power, among others. The Group has no exposure to investments in Ukraine or Russia.

Industry

The industry is characterized by boom-bust cyclical pattern exhibited in the past couple of decades where the industry normally goes through years of robust growth following years of slowdown. In 2021, the Group is slowly recovering from the effect of COVID-19 pandemic. This is due to the united effort of the government, businesses and the people. The Group has adopted business continuity plans and strategies to mitigate the risks and effect of the pandemic.

Competition

The demand for housing especially in the medium-cost category has moderately stepped up. The situation has attracted both old and new players to develop projects that cater to the increase in demand. As a result of the foregoing, competition in the area of medium-cost development is expected to intensify. The Group believes that it is in a better position to cope with the competition because of the affordability of the projects it offers in the market.

Cityland Group's major competitors include SM Development Corporation, Vista Land Corporation, Empire East, Avida Land Corporation, New San Jose Builders, Torre Lorenzo Development Corporation and DMCI.

Generally, the risks are mitigated by conducting assessments of the economic and political situations of the country as well as new developments in the real estate industry. The procedures involve the gathering of information of economic indicators and political events as well as being aware of the new developments in the industry through media, business conferences, economic briefings and other sources.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Condition (March 31, 2024 vs. 2023)

The Group's total assets as of March 31, 2024 posted a balance of ₱18.69 billion which was slightly lower as compared to the total assets as of December 31, 2023 of ₱18.76 billion. The decrease in assets can be attributed to the decrease in sales, contract assets, investment properties for sale, investment properties and also due to the restatement of forfeiture and capitalized interest in accordance to changes in accounting policy. In March 2024, CDC launched its newest project, City North Tower, which was still at its preliminary stage of completion as of the end of the first quarter thus, no significant revenue was recognized yet from the said project.

Majority of funds were utilized for operations and to finance the Group's on-going condominium projects, Two Premier, City North Tower, and One Hidalgo. Excess funds were invested in both shortterm and long-term investments to increase interest earnings and maintain liquidity. The financial position remained stable as total cash and cash equivalents and short-term investments stood at ₱1.09 billion and ₱1.41 billion, respectively as of March 31, 2024.

On the liabilities side, total liabilities as of March 31, 2024 resulted to ₱3.37 billion as compared to ₱3.47 billion as of December 31, 2023. The decrease was due to settlement of accounts payable and accrued expenses.

Total equity stood at ₱15.32 billion as of March 31, 2024 from ₱15.28 billion as of December 31, 2023 due to comprehensive income recognized as of the 1st quarter of 2024.

The financial ratios affecting the Group are disclosed in the subsequent discussions.

Financial Condition (2023 vs. 2022)

The Group's financial position for the year ended December 31, 2023 showed an increase in total assets amounting to ₱568.32 million equivalents to increase of 3.12%. Total assets for the year ended December 31, 2023 remained at ₱18,758.82 million compared to ₱18,190.49 million as of December 31, 2022.

The increase in assets can be attributed to the sales and collections during the year which also allowed the Group to purchase real estate properties. Further, the completion of CDC's projects – Pioneer Heights 1 and 101 Xavierville contributed to the increase in real estate properties for sale. The continuous economic recovery also allowed CI to launch Two Premier in 2022. Further, CLDI launched its new project - One Hidalgo in February 2023.

Contract assets decreased due to collections received during the year. As of December 31, 2023, the financial position remained stable as cash and cash equivalents and short-term investments stood at ₱ 973.73 million and ₱1,533.30 million, respectively.

On the liabilities side, total liabilities resulted to ₱3,474.14 million, slightly lower by 8.96% than last year's amount of ₱3,815.89 million. The decrease in the account was attributed to the completion of CDC's projects - Pioneer Heights 1 and 101 Xavierville and the increase in percentage of completion of TNP which resulted to the decline in contract liabilities.

Total equity stood at ₱15,284.68 million as of December 31, 2023, higher by 6.33% compared with the 2022 year-end balance of ₱14,374.60 million. The increase was due to the total comprehensive income recognized in 2023 amounting to ₱1,204.15 million less cash dividends declared during the year.

As a result of the foregoing, the Company translated to a current and acid-test ratio of 4.45:1 and 1.92:1, 3.52:1 and 1.46:1, and 3.26:1 and 1.53:1 as of December 31, 2023, 2022 and 2021, respectively. Asset-to-liability and debt-to-equity registered at 5.41:1 and 0.17:1 as of December 31, 2023 from December 31, 2022 ratios of 4.77:1 and 0.17:1, respectively.

Financial Condition (2022 vs. 2021)

The Group's financial position for the year ended December 31, 2022 showed an increase of 7.16%. Total assets for the year ended December 31, 2022 remained at ₱18,190.42 million compared to ₱16,975.84 million as of December 31, 2021.

The increase in assets can be attributed to the increase in sales brought about by the economic recovery and collection of receivables during the year. Further, the completion of CLDI's project - One Taft Residences contributed to the increase in total sales as the revenue of the Group is based on percentage of completion. The progress in the construction phase of the Group's ongoing projects which are the Pioneer Heights 1, 101 Xavierville, One Premier and Two Premier also contributed to the increase in sales. The continuous economic recovery also allowed the CI to launch Two Premier in 2022. In addition to the launching of Two Premier, the increase in sales also allowed the Group to launch a new project under CLDI (One Hidalgo) in February 2023.

Contract assets also increased due to the completion of One Taft Residences and increase in the percentage of completion of the ongoing projects. As of December 31, 2022, the financial position remained stable as cash and cash equivalents and short-term investments stood at ₱1,424.59 million and ₱691.70 million, respectively.

On the liabilities side, total liabilities resulted to ₱3,815.89 million, slightly higher by 2.13% than last year's amount of ₱3,736.19 million. The increase in the account was attributed to the following:

- Continuous construction of the ongoing projects which increased the accounts payable and accrued expenses; and
- Increase in sales resulted to increase in income tax payable and deferred income tax liabilities.

Total equity stood at ₱14,374.60 million as of December 31, 2022, higher by 8.57% compared with the 2021 year-end balance of ₱13,239.65 million. The increase was due to the total comprehensive income recognized in 2022 amounting to ₱1,309.14 million less cash dividends declared during the year.

As a result of the foregoing, the Company translated to a current and acid-test ratio of 3.50:1 and 1.46:1, 3.26:1 and 1.53:1, and 3.14:1 and 1.58:1 as of December 31, 2022, 2021 and 2020, respectively. Asset-to-liability and debt-to-equity registered at 4.77:1 and 0.17:1 as of December 31, 2022 from December 31, 2021 ratios of 4.54:1 and 0.20:1, respectively.

Financial Condition (2021 vs. 2020)

The Group's balance sheet remained solid with total assets of ₱16,975.84 million, slightly higher by 5.94% as compared to the 2020 year-end balance of ₱16,023.93 million. The increase in assets can be attributed to sales and collections from clients, which resulted to increase in investments and increase in real estate properties for sale as a result of the continuous construction of the Group's ongoing projects. Funds were generated from sales and lease of condominium units and other real estate projects, while other financial sources came from the issuance of commercial papers with interest rates ranging from 0.56% to 1.13% and 0.69% to 1.77% in 2021 and 2020, respectively. Majority of the funds were utilized for operations and to finance the Group's construction of its ongoing projects namely One Premier, One Taft Residences, Pioneer Heights 1, and 101 Xavierville. Moreover, the cash position allowed the Group to distribute cash dividends amounting to ₱124.56 million. The Group's liquidity position remained stable as cash and cash equivalents and short-term investments as of December 31, 2021 stood at ₱1,272.29 million and ₱1,649.51 million, respectively.

On the liability side, the increase in total liabilities by ₱154.18 million or 4.30% was substantially due to the increase in accounts payable and accrued expenses amounting to ₱1,101.34 million or 37.11% higher compared to 2020 year-end balance of ₱803.23 million brought by the increase in the development costs as some of the Group's ongoing projects are already nearing its completion. Further, the increase can also be attributed to the increase in notes payable and contracts payable higher by ₱23.52 million or 1.43% higher compared to previous year balance of ₱1,649.34 million.

Total equity stood at ₱13,239.65 million as of December 31, 2021, higher by 6.41% from ₱12.441.91 million as of December 31, 2020 due to comprehensive income of ₱920.71 million less cash dividends declared and paid by the Group amounting to ₱124.56 million.

As a result of the foregoing, the Group's liquidity position remained stable with acid-test and current ratio of 1.53:1 and 3.26:1 as of December 31, 2021 compared to 1.58:1 and 3.14:1 as of December 31, 2020, respectively. On the other hand, debt to equity ratio slightly improved to 0.20:1 as of December 31, 2021 compared to 0.21:1 as of December 31, 2020.

Results of Operation (March 31, 2024 vs. 2023)

Sales of real estate properties reached ₱516.91 million as compared to the same period last year of ₱874.19 million. The decrease was due to the decline in sales of CDC – Pioneer Heights 1, 101 Xavierville and CLDI – North Residences and One Taft Residences as compared to the last year's sales. In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with up to 24 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10% which is not considered yet as sales for accounting purposes. The Group records these collections as "Rental and customers' deposits" under "Accounts Payable and Accrued Expenses" account in the consolidated statements of financial position.

As of March 31, 2024, CI contributed 37.98% of total Group's sales amounting to ₱196.32 million. Sales were substantially generated from Two Premier. Additional sales were also generated from the remaining inventory of One Premier, Tagaytay Prime Residences and The Manila Residences II.

CDC, on the other hand, contributed 51.41% of the total Group's sales reaching P 265.72 million as of March 31, 2024. The Group applies the percentage of completion in its revenue recognition and therefore aside from the current year's sales, additional revenues from prior years' sales were also recognized based on the increment of the percentage of completion. Sales from Pioneer Heights 1 contributed significantly to the sales of CDC as of March 31, 2024 followed by the sales from 101 Xavierville.

On the other hand, CLDI contributed 9.46% of the total sales as a result of sales from Pacific Regency, One Taft Residences, North Residences and Grand Emerald Tower and One Hidalgo. While CPI contributed 1.15% of the total Group's sales amounting to P 5.96 million pertaining to sale of condominium unit.

Other sources of income are financial income, rent income and other income. Financial income which is composed of interest income from sale of real estate properties, cash and cash equivalents, shortterm an long-term investments and notes receivables contributed 32.50% of total revenues. Likewise, other income – net decrease by 33.84% from ₱36.84 million as of March 31, 2023 to ₱24.37 million as of March 31, 2024. Other income - net were primarily derived from adjustment of market value of repossessed units, penalties charged to clients, and other miscellaneous income. Rent income, on the other hand, significantly came from the lease operations of CityNet Central, CityNet1 and other properties that were held for lease. Revenue contribution of this account decrease by 5.59%, from ₱65.41 million to ₱61.75 million for the quarter ended March 31, 2023 and March 31, 2024, respectively.

On the cost side, cost of real estate sales also decreased as this move in tandem with sales while operating expenses increased due to the increase in personnel expenses, taxes and licenses, and professional fees. As for the financial expenses, the increase was due to the restatement of interest expense wherein borrowing costs are no longer being capitalized.

As a result of the foregoing, the Group ended with a net income of ₱232.75 million as of March 31, 2024 as compared to the same period last year of ₱302.33 million. This translated to annualized earnings per share and return on equity of 1.02 and 1.67%, respectively as compared to the same period last year of 4.88 and 7.89%, respectively.

Results of Operation (2023 vs. 2022)

Total consolidated revenue and income for the year 2023 resulted to ₱3,800.82 million as compared to ₱3,861.27 million for the year 2022. The slight decrease in the total revenue and income is significantly due to the decrease in sales from real estate properties reaching only ₱2,786.48 million in 2023 as compared to ₱3,019.73 million in 2022.

The ongoing project of CLDI, One Hidalgo, being in its early stage of construction affected the Group's sales since the revenue of the Group is based on percentage of completion. In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with up to 24 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10% which is not considered yet as sales for accounting purposes. The Group records these collections as "Rental and customers' deposits" under "Accounts Payable and Accrued Expenses" account in the consolidated statements of financial position.

Other sources of income pertain to financial income, rental income and other income. Financial income which is composed of interest income from sale of real estate properties, cash in banks, cash equivalents, short-term and long-term investments, notes receivable and dividend income showed an increase by ₱137.53 million or equivalent to 28.41%. Increase in financial income for the year 2023 is attributed to the increase in interest income from short-term investment maturities and increase in interest rate.

Rental income posted an increase by ₱38.12 million or equivalent to 18.25% due to additional units leased out as a result of the completion of One Taft Residences, Pioneer Heights 1, 101 Xavierville and new lease contracts entered during the year. Net other income pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, penalties for buyers' late payments, sale of scraps, and net gains or losses on forfeiture/cancellation of sales. The Group revalues its forfeited units upon cancellation at fair market value less costs to sell. The increase in the valuation of repossessed units is recorded as part of "Other income – net" in the consolidated statements of income. In line with this, this account declined as a result also of the lower number of forfeited units brought about by the economic recovery.

On the cost side, costs of real estate sales, operating expenses increased due to higher sales recognized by CI and CDC while financial expenses decreased due lower finance charges.

As a result of the foregoing, the Company recorded a net income of ₱1,183.34 million, lower by 9.40% as compared to last year's generated net income of ₱1,306.05 million. Earnings per share and return on equity resulted to ₱4.39 and 7.19%, respectively in 2023 as compared to the previous year of ₱4.50 and 7.79%, respectively.

Results of Operation (2022 vs. 2021)

Total consolidated revenue and income for the year 2022 resulted to ₱3,861.27 million as compared to ₱ 2,479.19 million for the year 2021. The increase in the total revenue and income is significantly due to the increase in sales from real estate properties reaching ₱3,019.73 million in 2022 as compared to ₱1,595.33 million in 2021.

In May 2022, CLDI completed One Taft Residences which resulted to the following:

- Increase in sale of condominium units and parking slots; and
- Increase in revenue recognized as the Group's accounting policy in revenue recognition is based on percentage of completion.

Further, the increase in the percentage of completion of the ongoing projects also boosted the Group's sales reaching an increase in sales by 89.29%. In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with up to 24 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10%. The Group records these collections as "Rental and customers' deposits" under "Accounts Payable and Accrued Expenses" account in the consolidated statements of financial position.

Other sources of income pertain to financial income, rental income and other income. Financial income which is composed of interest income from sale of real estate properties, cash in banks, cash equivalents, short-term and long-term investments, notes receivable and and dividend income showed a decline by ₱16.93 million or equivalent to 3.38%. Although the sales increased, the interest income from sales of real estate properties did not increase as a result of the installment down payment payment scheme of the Group.

Rental income posted an increase by ₱10.31 million or equivalent to 5.20% due to additional units leased out as a result of the completion of One Taft Residences and new lease contracts entered during the year. Net other income pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, penalties for buyers' late payments, sale of scraps, and net gains or losses on forfeiture/cancellation of sales. The Group revalues its forfeited units upon cancellation at fair market value less costs to sell. The increase in the valuation of repossessed units is recorded as part of "Other income – net" in the consolidated statements of income. In line with this, this account declined as a result also of the lower number of forfeited units brought about by the economic recovery.

On the cost side, costs of real estate sales, operating expenses and financial expenses increased due to higher sales.

As a result of the foregoing, the Company recorded a net income of ₱1,306.05 million, higher by 43.36% as compared to last year's generated net income of ₱911.06 million. Earnings per share and return on equity resulted to ₱4.73 and 7.79%, respectively in 2022 as compared to the previous year of ₱3.92 and 6.91%, respectively.

Results of Operation (2021 vs. 2020)

The Group's sales from real estate properties in 2021 reached ₱1,595.33 million, higher by 24.68% as compared to ₱1,279.50 million last year. This can be attributed to higher sales contribution of CDC which amounted to ₱723.69 million or 45.36% of the Group's sales. The increase in CDC sales was due to higher sales in Pioneer Heights I with sales contribution of 28.21% of the Group's total sales.

CI also contributed 19.03% of the Group's sales resulting to a higher sales volume in 2021 amounting to ₱303.60 million. One Premier, CI's condominium project launched in 2018, has a percentage of completion of 98.46% as of December 31, 2021.

Moreover, 35.26% and 0.35% of total revenues on sales of real estate were generated from CLDI and CPI, respectively. Sales of real estate properties of CLDI reached ₱580.53 million as compared to ₱253.55 million in the prior year. The increase in sales is attributed to the higher revenue form One Taft Residences and North Residences. The percentage of completion (POC) of One Taft Residences at the end of 2021 was 92.63% resulting to sales contribution of 33.09% of the Group's total sales.

Other sources of income are financial income, rent income and other income. Financial income which is composed of interest income from installment contracts receivable, contract assets, notes receivable, cash equivalents, short-term and long-term investments and cash in bank, and guaranty deposits contributed ₱501.03 million or 20.21% of the total revenue. Likewise, rent income contributed ₱198.53 million or 8.01% of the total revenue, lower by 6.55% from the previous year's ₱212.44 million. Further, the other income – net which pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, trust fund income, penalties for buyers' late payments, sale of scraps, gain on sale of shares of stock, receipt of cash for the expropriated property contributed ₱184.30 million to the total revenue in the current year which is slightly lower by 1.31% compared to the ₱186.76 million in the prior year.

On the other hand, cost of real estate sales increased due to the higher sales as this moves in tandem with sales. Operating expenses increased also due to higher sales which resulted to increase in personnel expenses, professional fees, outside services, repairs and maintenance, membership dues and insurance. Lower interest rates and finance charges decreased financial expenses by 42.11%.

The Group ended 2021 with a consolidated net income of ₱911.06 million, 25.08% higher than the 2020 balance of ₱728.41 million, which translated to earnings per share and return on equity of 3.92 and 6.91%, respectively compared to the previous year's 3.07 and 5.77%, respectively.

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Financial Ratios (2023 vs 2022 vs 2021)

Cityland, Inc. (Consolidated)	**1st Quarter of 2024**	2023	2022	2021
Basic/diluted earnings per share	**₱1.02**	₱4.39	₱4.73	₱3.92
Return on equity	**1.67%**	7.19%	7.79%	6.91%
Return on asset	**1.25%**	6.31%	7.18%	5.37%
Net profit margin	**28.87**	31.13	33.82	36.75%
Solvency ratio	**0.07**	0.36	0.36	0.26
Interest rate coverage ratio	**56.64**	382.30	328.76	212.54
Asset to liability ratio	**5.54**	5.41	4.77	4.54
Asset to equity ratio	**1.94**	1.96	2.01	2.00
Debt to equity ratio	**0.15**	0.17	0.17	0.20
Current ratio	**4.70**	4.45	3.52	3.26
Acid - test ratio	**2.10**	1.92	1.46	1.53

Cityland Development Corporation (Consolidated)	**1st Quarter of 2024**	2023	2022	2021
Basic/diluted earnings per share	**₱0.12**	₱0.18	₱0.21	₱0.12
Return on equity	**5.67%**	8.68%	10.93%	6.88%
Return on asset	**4.34%**	6.94%	9.19%	5.57%
Net profit margin	**16.34%**	56.15%	36.63%	34.03%
Solvency ratio	**0.28**	0.45	0.49	0.31
Interest rate coverage ratio	**59.38**	545.78	903.40	481.41
Asset to liability ratio	**5.98**	6.04	5.11	5.12
Asset to equity ratio	**1.37**	1.36	1.43	1.42
Debt to equity ratio	**0.11**	0.12	0.12	0.11
Current ratio	**5.22**	5.13	3.70	3.84
Acid - test ratio		2.25	1.57	1.79

**After retroactive effect of 5% stock dividends in 2023.*

City & Land Developers, Incorporated	**1st Quarter of 2024**	2023	2022	2021
Basic/diluted earnings per share	**₱0.03**	₱0.10	₱0.27	₱0.12
Return on equity	**1.88%**	5.68%	14.97%	7.31%
Return on asset	**1.75%**	5.17%	13.88%	6.40%
Net profit margin	**13.21%**	30.71%	35.22%	26.43%
Solvency ratio	**0.24**	0.58	1.90	0.51
Interest rate coverage ratio	**–**	–	–	–
Asset to liability ratio	**13.59**	11.12	13.71	8.01
Asset to equity ratio	**1.08**	1.10	1.08	1.14
Debt to equity ratio	**–**	.02	–	–
Current ratio	**14.60**	11.85	17.39	4.98
Acid - test ratio	**3.22**	2.93	5.47	1.36

Cityplans, Incorporated	**1st Quarter of 2024**	2023	2022	2021
Basic/diluted earnings per share	**₱0.12**	₱0.07	₱0.05	₱0.03
Return on equity	**5.85%**	3.21%	2.31%	1.44%
Return on asset	**1.28%**	2.77%	2.09%	1.24%
Net profit margin	**0.13%**	49.05%	37.30%	26.40%
Solvency ratio	**0.51**	0.69	0.22	0.20
Asset to liability ratio	**7.94**	9.59	10.48	7.33
Asset to equity ratio	**1.15**	1.14	1.11	1.16
Current ratio	**11.36**	16.08	20.96	15.10
Acid - test ratio	**11.27**	13.95	19.93	13.72

Manner of Calculation:

Basic/diluted earnings per share = $\frac{\text{Net income after tax}}{\text{Outstanding number of shares}}$

Return on equity ratio = $\frac{\text{Net income after tax}}{\text{Total Equity}}$

Return on asset ratio = $\frac{\text{Net income after tax}}{\text{Total Assets}}$

Net profit margin = $\frac{\text{Net income after tax}}{\text{Total Revenue}}$

Solvency ratio = Net income after tax + Depreciation expense

		Total liabilities
Interest rate coverage ratio	=	(Income before income tax + Depreciation expense + Interest expense on security deposit and others and lease liabilities) / Interest expense on security deposit and others and lease liabilities
Asset-to-liability ratio	=	Total assets / Total liabilities
Asset-to-equity ratio	=	Total assets / Total equity (net of net changes in fair value of equity instruments designated at fair value through other comprehensive income/available-for-sale financial assets and accumulated re-measurement on defined benefit plan)
Debt-to-equity ratio	=	Notes and contracts payable / Total equity (net of net changes in fair value of equity instruments designated at fair value through other comprehensive income/available-for-sale financial assets and accumulated re-measurement on defined benefit plan)
Current ratio	=	Total current assets / Total current liabilities
Acid-test ratio	=	(Cash and cash equivalents + Short-term cash investments + Current portion of installment contracts receivable + Current portion of contract assets +Current portion of notes receivable + Current portion of other receivables + Available-for-sale financial assets) / Total current liabilities

1. Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

There are no known trends, events or uncertainties that can materially affect the Group's liquidity.

2. Internal and External Sources of Liquidity

Internal sources come from sales of condominiums and real estate projects, collection of installment contracts receivable and contract assets, maturing short-term and long-term investments and notes receivable, and other sources such as rental income, interest income and dividend income. External sources come from issuances of commercial papers.

3. Any Material Commitments for Capital Expenditures and Expected Sources of Funds of such Expenditures

The estimated development cost of ₱556.01 million as of December 31, 2023 representing the cost to complete the development of real estate projects sold and the contract payable amounting to approximately ₱46.56 million representing the liabilities from the contracts to purchase land held to future development will be sourced through:

a) Sales of condominium and real estate projects;
b) Collection of installment contracts receivables and contract assets;
c) Maturing short-term and long-term investments and notes receivable; and
d) Issuance of SEC-registered commercial papers.

4. Any Known Trend or Events or Uncertainties (Material Impact on Net Sales or Revenues or Income)

There are no known trends, events or uncertainties that could materially affect the Group's sales or revenues or income.

5. Any Significant Elements of Income or Loss that did not arise from Registrant's Continuing Operations.

There were no significant elements of income or loss that did not arise from continuing operations.

6. Any Event that Will Trigger Direct or Contingent Financial Obligation that is Material to Company

There is no event that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

7. Any Seasonal Aspects that had Material Effect on the Financial Condition or Results of Operations.

There are no Seasonal Aspects that had Material Effect on the financial conditions or result of operations.

8. Causes for any Material Changes from Period to Period in One or More Line of the Registrant's Financial Statements

Financial Condition (March 31, 2024 vs December 31, 2023)

a. Increase in cash and cash equivalent was substantially due to new placement made placements intemporary investment.
b. Decrease in short term investment was due to maturities.
c. Decrease in Contract Assets was substantially due to collection and lower recognition of contract assets since CDC and CLDI's ongoing project- City North Tower and One Hidalgo is still at its early stage of construction.
d. Increase in other receivable was substantially due to advances to customers and rent receivable.
e. Increase in Notes Receivable was due to additional placements.
f. Increase in Real Estate Properties for Sale was primarily due to construction and development costs incurred by the ongoing project of CDC - City North Tower.
g. Increase in Real Estate Properties Held for Future Development was due to additional costs incurred and cost adjustment of CDC Reclassification Entry from IREP Lease to IREP.
h. Decrease in Investment Properties was due to reclassification entry from IREP Lease to IREP.
i. Decrease in Property and Equipment was due to recognition of depreciation expense.
j. Decrease in other asset was due to lower recognition in input vat-gen and prepaid expenses.
k. Decrease in Accounts Payable and Accrued Expenses was due to lower customer's deposits and development cost.
l. Decrease in Notes and Contract Payable was due to payment of matured notes payable.
m. Decrease in Contract Liabilities was due to recognition of collection from CDC and CLDI new ongoing projects City North Residences and One Hidalgo.
n. Increase in Income Tax Payable was substantially due to lower creditable withholding tax recognized in March 2024.
o. Decrease in in Retirement Benefits Liabilities was due to Increase in fair value of plan assets.
p. Decrease in Deferred Income Tax Liabilities - was significantly due to the restatement of forfeiture and capitalized interest in accordance to changes in accounting policy.
q. Increase in Retained Earnings was due to net income recognized as of March 31, 2024.
r. Increase in Non-Controlling Interest was due to net income of subsidiaries.

Financial Condition (2023 vs. 2022)

a. Decrease in Cash and Cash Equivalents was substantially due to shift of placements to short term and long term investments.
b. Increase in Short-term Investments was due to additional placements.
c. Increase in Installment Contract Receivables was due to sales of CPI during the year.
d. Decrease in Contract Assets was substantially due to collection and lower recognition of contract assets since CLDI's ongoing project- One Hidalgo is still at its early stage of construction.
e. Decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion the Group's ongoing projects and completion of Pioneer Heights 1 and 101 Xavierville.
f. Decrease in Notes Receivable was due to the proceeds of matured notes receivable.
g. Decease in Other Receivables was substantially due to collection of rent receivable, advances to customers, accrued interest and retention.
h. Increase in Real Estate Properties for Sale was primarily due to the transfer of properties from real estate held for future development, property and equipment and investment properties and additional development costs utilized for the construction of the Group's ongoing projects.
i. Increase in Investments in Trust Fund was due to additional investment made to the fund.
j. Decrease in Real Estate Properties Held for Future Development was due to transfer of properties to real estate properties for lease.

k. Increase in Investment Properties was due to the increase in properties held for capital appreciation.
l. Increase in Property and Equipment was due to renewal of lease contracts resulting to the increase in right of use assets.
m. Decrease in Retirement Plan Assets was due to was due to lower re-measurement gain recognized in 2023.
n. Net Increase in Other Assets was due to the reclassification of account code in CDC that cause in increase in FVOCI.
o. Decrease in Accounts Payable and Accrued Expenses was substantially due to lower estimated development cost and payment of accounts payable.
p. Increase in Notes and Contract Payable was due to increase in notes payable issued.
q. Decrease in Contract Liabilities was due to the increase in percentage of completion of the Group's ongoing projects which satisfied the payments made by the clients.
r. Increase in Income Tax Payable was substantially due to lower creditable withholding tax recognized during the year.
s. Decrease in Pre-need and Other Reserves was due to maturities and termination of pension plan that cause the valuation in actuarial to decline.
t. Increase in Retirement Benefits Liabilities was due to decrease in fair value of plan assets.
u. Increase in Deferred Income Tax Liabilities was due to recognition of deferred income tax liabilities on capital interest and reversal of sale below 10% collection.
v. Increase in Capital stock was due to stock dividend declaration.
w. Increase in Retained Earnings was due to net income recognized during the year, net of cash dividends declared and distributed.
x. Decrease in Unrealized Fair Value Changes on Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to decrease in market value of financial assets at FVOCI.
y. Increase in Accumulated Re-measurement Loss on Defined Benefit Plans was due to the actuarial loss on defined benefit obligation recognized during the year.
z. Increase in Non-Controlling Interest was due to net income of subsidiaries.

Financial Condition (2022 vs. 2021)

a. Increase in Cash and Cash Equivalents was substantially due to increase in sales, collection of receivables and shift to shorter term investments.
b. Decrease in Short-term Investments was due to shift to shorter term investments.
c. Decrease in Installment Contract Receivables was due to collection of past due accounts.
d. Increase in Contract Assets was substantially due to higher sales, completion of One Taft Residences and increase in the percentage of completion of the Group's ongoing projects.
e. Decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion of the Group's ongoing projects and completion of CLDI's project, One Taft Residences.
f. Increase in Notes Receivable was due to additional placements with financial institutions. Increase in Other Receivables was substantially due to higher advances to customers for the real estate property taxes of sold condominium units and expenses relating to the transfer of titles initially paid by the Group. In 2022, the advances to customers of CLDI also significantly increased due to the completion of One Taft Residences.
g. Increase in Real Estate Properties for Sale was primarily due to the transfer of properties from real estate held for future development, property and equipment and investment properties and additional development costs utilized for the construction of the Group's ongoing projects.
h. Decrease in Investments in Trust Fund was due to increase in withdrawals during the year brought about by the terminations/maturities of pension plans.
i. Decrease in Real Estate Properties Held for Future Development was due to transfer of properties to real estate properties for sale.
j. Increase in Investment Properties was due to additional properties purchased during the year and are currently being leased out to third parties.
k. Decrease in Property and Equipment was due to depreciation expense and transfer to real estate properties for sale.
l. Decrease in Retirement Plan Assets was due to was due to lower re-measurement gain recognized in 2022.

m. Net Increase in Other Assets was due to recognition of input VAT on the newly purchased properties.
n. Increase in Accounts Payable and Accrued Expenses was substantially due to higher rental and customers' deposit, accrued development costs, directors' fee, dividends payable, and withholding taxes payable.
o. Decrease in Notes and Contract Payable was due to payment of matured notes payable.
p. Decrease in Contract Liabilities was due to the completion of One Taft Residences and increase in percentage of completion of the Group's ongoing projects which satisfied the payments made by the clients.
q. Increase in Income Tax Payable was due to higher taxable income brought about by the increase in sales.
r. Decrease in Pre-need and Other Reserves was due to increase in return on investment used in the valuation of pension plans and decrease in the number of plans.
s. Increase in Retirement Benefits Liabilities was due remeasurement loss recognized by CPI in 2021 which significantly affected the balance of plan assets.
t. Increase in Deferred Income Tax Liabilities was due to increase in realized gain on sale of real estate transactions and accrued expenses.
u. Increase in Retained Earnings was due to net income recognized during the year net of cash dividends declared and distributed.
v. Decrease in Unrealized Fair Value Changes on Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to decrease in market value of financial assets at FVOCI.
w. Decrease in Accumulated Re-measurement Loss on Defined Benefit Plans was due to the actuarial gain on defined benefit obligation due to experience adjustments recognized during the year. This resulted to a re-measurement gain in the other comprehensive income.
x. Increase in Non-Controlling Interest was due to net income of subsidiaries.

Financial Condition (2021 vs. 2020)

a. Decrease in Cash and Cash Equivalents was substantially due to shift of placements to short term and long term investments, incurrence of additional development costs, partial payment of notes and accounts payable and accrued expenses and payment of income tax and cash dividends.
b. Increase in Short-term Investments was substantially due to higher sales which resulted to higher placements.
c. Decrease in Installment Contract Receivables was due to collection of past due accounts.
d. Decrease in Contract Assets was due to the right to consideration already delivered resulting to an increase in billed accounts reflected in the installments contracts receivable.
e. Increase in Notes Receivable was due to additional placements with financial institutions.
f. Decrease in Other Receivables was substantially due to lower rent receivable, advances to customers and retention on cash sales.
g. Increase in Real Estate Properties for Sale was primarily due to the transfer of properties from real estate held for future development, property and equipment and investment properties and additional development costs utilized for the construction of the Group's ongoing projects.
h. Increase in Investments in Trust Fund was due to additional contribution to the fund.
i. Decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion the Group's ongoing projects.
j. Decrease in Real Estate Properties Held for Future Development was due to transfer of properties to real estate properties for sale.
k. Decrease in Investment Properties was due to depreciation recognized on the buildings for lease and transfer of properties to real estate properties held for future development and real estate properties for sale.
l. Decrease in Property and Equipment was due to depreciation expense and transfer of properties to real estate properties for sale and to real estate held for future development.
m. Increase in Retirement Plan Assets was due to re-measurement gain recognized in 2021.
n. Net Increase in Other Assets was due to higher input VAT and advances to contractors.
o. Increase in Accounts Payable and Accrued Expenses was substantially due to higher rental and customers' deposit, accrued development costs, directors' fee, dividends payable, VAT payable and other payables which consist substantially of commission payable, unclaimed checks of pension holders and payable to government agencies.

p. Increase in Notes and Contract Payable was due to higher issuance of notes payable during the year.
q. Decrease in Contract Liabilities was due to increase in percentage of completion of the Group's ongoing projects which satisfied the payments made by the clients.
r. Decrease in Income Tax Payable was due to the effect of CREATE Law and creditable withholding tax during the year.
s. Decrease in Pre-need and Other Reserves was due to increase in return on investment used in valuation of pension plans and decrease in the number of plans.
t. Decrease in Retirement Benefits Liabilities was due to increase in the fair value of plan assets.
u. Increase in Deferred Income Tax Liabilities was substantially due to the impact of remeasurement due to the change in tax rate upon the implementation of the CREATE Law. and decrease in deferred income tax asset.
v. Increase in Retained Earnings was due to net income recognized during the year net of cash dividends declared and distributed.
w. Decrease in Unrealized Fair Value Changes on Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to decrease in market value of financial assets at FVOCI.
x. Decrease in Accumulated Re-measurement of Defined Benefit Plans was due to increase in value of plan assets.
y. Increase in Non-Controlling Interest was due to net income of subsidiaries.

Results of Operation (March 31, 2024 vs March 31, 2023)

a. Decrease in Sales of Real Estate Properties was due to the decline in sales of CDC – City North Tower and CLDI – One Hidalgo since the newly launched projects is still under its early stage of percentage of completion.
b. Increase in Financial Income was due to higher interest income from Installment contract receivable and contract assets.
c. Decrease in Rental Income was due to pre-terminated lease contracts and no additional contracts entered as of March of 2024.
d. Decrease in Other Income – net was due to the restatement of forfeiture to retained earnings.
e. Decrease in Costs of Real Estate Sales was due to decrease in sale.
f. Increase in Operating Expenses was significantly due to increase in taxes and licenses, and professional fees.
g. Decrease in Financial Expenses was due to the restatement entry in capitalized interest.
h. Increase in Provision for Income Tax was due to the decrease in taxable income.
i. Decrease in Net Income was due to decrease in sales of real estate properties also the projects of CDC – City North Tower and CLDI – One Hidalgo are in early stage of construction and because of the restatement entry to close forfeiture and capitalized interest.

Results of Operation (2023 vs. 2022)

a. Decrease in Sales of Real Estate Properties was due to the decline in sales of CLDI since the newly launched project is still under its early stage of percentage of completion.
b. Increase in Financial Income was due to higher interest income from installment contracts receivable and contract assets.
c. Increase in Rental Income was due to additional contracts entered during the year and higher income from units held for lease.
d. Decrease in Other Income – net was due to lower miscellaneous income for the year.
e. Increase in Costs of Real Estate Sales was due to increase in sales of CI and CDC.
f. Increase in Operating Expenses was due to increase in personnel expenses, salaries and wages, taxes and licenses, light, power and water expenses, repairs and maintenance, and miscellaneous expense.
g. Decrease in Financial Expenses was due to decrease in interest expense on security deposits and finance charges.
h. Decrease in Provision for Income Tax was due to the decrease in taxable income.
i. Decrease in Net Income was primarily due to decrease in sales of real estate properties.

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Results of Operation (2022 vs. 2021)

a. Increase in Sales of Real Estate Properties was due to higher sales brought about by the recovery in the economy, increase in the percentage of completion of ongoing projects and the completion of One Taft Residences.
b. Decrease in Financial Income was due to lower interest income from installment contracts receivable and contract assets and notes receivable.
c. Increase in Rental Income was due to additional units rented out for lease by CLDI as a result of the completion of One Taft Residences. Further, additional contracts were also entered during the year.
d. Decrease in Other Income – net was due to lower number of forfeited units which caused the lower recognition of income from revaluation of repossessed units.
e. Increase in Costs of Real Estate Sales was due to higher sales of real estate properties as this move in tandem with sales.
f. Increase in Operating Expenses was due to higher sales which resulted to increase in personnel expenses, professional fees, brokers' commission, light, power and water expenses, outside services, repairs and maintenance, membership dues and donations.
g. Increase in Financial Expenses was due to increase in interest expense on security deposits and finance charges.
h. Increase in Provision for Income Tax was due to the increase in taxable income.
i. Increase in Net Income was primarily due to increase in sales of real estate properties brought about by the economic recovery, completion of One Taft Residences and increase in the percentage of completion of the Group's ongoing projects.

Results of Operation (2021 vs. 2020)

a. Increase in Sales of Real Estate Properties was due to higher sales brought by the recovery of the economy, loosening of quarantine restrictions and due to the increase in the percentage of completion of the Group's ongoing projects namely One Premier, 101 Xavierville, Pioneer Heights 1 and One Taft Residences.
b. Decrease in Financial Income was due to lower interest income from installment contracts receivable and contract assets, cash in banks, cash equivalents and investments and notes receivable.
c. Decrease in Rental Income was due to pre-terminated lease contracts and rent concessions provided to the tenants during the year.
d. Decrease in Other Income – net was due to the reversal of accrued directors' fees.
e. Increase in Cost of Real Estate Sales was due to higher sales of real estate properties as this move in tandem with sales.
f. Increase in Operating Expenses was due to higher sales which resulted to increase in personnel expenses, professional fees, outside services, repairs and maintenance, membership dues and insurance.
g. Decrease in Financial Expenses was due to lower interest rates and finance charges.
h. Decrease in Provision for Income Tax was due to the effect of CREATE Law wherein deferred taxes were remeasured.
i. Increase in Net Income was primarily due to the increase in sales of real estate properties and percentage of completion of the Group's ongoing projects.

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FINANCIAL CONDITION
March 31, 2024 vs. 2023

Cityland, Inc.
Balance Sheet (Horizontal Analysis)

	March 31, 2024	December 31, 2023	Change	% Change (March 31, 2024 vs December 31, 2023)
ASSETS				
Current Assets				
Cash and cash equivalents	**1,090,990,142**	**973,729,405**	117,260,737	12.04%
Short-term investments	**1,409,000,000**	**1,533,300,000**	(124,300,000)	-8.11%
Current portion of:				
Installment contracts receivable	**20,221,550**	**23,004,339**	(2,782,789)	-12.10%
Contract assets	**765,923,315**	**821,160,377**	(55,237,062)	-6.73%
Cost to obtain contract	**3,314,409**	**2,612,516**	701,893	26.87%
Other receivables	**83,142,779**	**75,039,453**	8,103,326	10.80%
Notes receivable	**1,485,000,000**	**1,252,000,000**	233,000,000	18.61%
Real estate properties for sale	**5,945,386,693**	**6,080,768,113**	(135,381,420)	-2.23%
Current portion of investments in trust funds	**2,870,129**	**2,870,130**	(1)	0.00%
Other current assets	**78,150,209**	**114,969,766**	(36,819,557)	-32.03%
Total Current Assets	**10,883,999,226**	10,879,454,099	4,545,127	0.04%
Noncurrent Assets				
Installment contracts receivable - net of current portion	**28,498,180**	**25,666,335**	2,831,845	11.03%
Long-term investments	**203,999,438**	**205,337,329**	(1,337,891)	-0.65%
Contract assets - net of current portion	**2,049,139,834**	**2,108,892,779**	(59,752,945)	-2.83%
Cost to obtain contract - net of current portion	**5,803,107**	**5,868,713**	(65,606)	-1.12%
Notes receivable - net of current portion			-	0.00%
Other receivables - net of current portion	**984,600**	**1,009,567**	(24,967)	-2.47%
Investments in trust funds - net of current portion	**34,404,092**	**34,080,497**	323,595	0.95%
Real estate properties held for future development	**985,049,321**	**983,846,182**	1,203,139	0.12%
Investment properties	**4,202,131,097**	**4,212,927,778**	(10,796,681)	-0.26%
Property and equipment	**74,456,144**	**76,162,029**	(1,705,885)	-2.24%
Net retirement plan assets		**5,877,044**	(5,877,044)	-100.00%
Other noncurrent assets	**219,841,358**	**219,694,172**	147,186	0.07%
Total Noncurrent Assets	**7,804,307,171**	7,879,362,425	(75,055,254)	-0.95%
TOTAL ASSETS	**18,688,306,397**	18,758,816,524	(70,510,127)	-0.38%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	**695,706,440**	**754,018,844**	(58,312,404)	-7.73%
Current portion of contract liabilities	**43,841,727**	**39,655,166**	4,186,561	10.56%
Notes and contracts payable	**1,490,456,450**	**1,593,056,450**	(102,600,000)	-6.44%
Income tax payable	**85,572,441**	**54,538,571**	31,033,870	56.90%
Current portion of pre-need and other reserves	**1,115,430**	**1,115,430**	-	0.00%
Total Current Liabilities	**2,316,692,488**	2,442,384,461	(125,691,974)	-5.15%
Noncurrent Liabilities				
Accounts payable and accrued expenses - net of current portion	**401,905,289**	**358,162,604**	43,742,685	12.21%
Contract liabilities - net of current portion	**48,157,415**	**44,424,135**	3,733,280	8.40%
Pre-need and other reserves - net of current portion	**22,192,658**	**22,822,951**	(630,293)	-2.76%
Net retirement benefits liability	**2,472,639**	**8,349,683**	(5,877,044)	-70.39%
Deferred income tax liabilities - net	**579,787,721**	**597,995,513**	(18,207,792)	-3.04%
Total Noncurrent Liabilities	**1,054,515,722**	1,031,754,886	22,760,836	2.21%
Total Liabilities	**3,371,208,210**	3,474,139,347	(102,931,138)	-2.96%
Equity				
Attributable to Equity Holders of the Parent Company				
Capital stock - ₱1 par value	**1,572,728,730**	**1,572,728,730**	-	0.00%
Additional paid-in capital	-	-	-	
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	**3,975,978**	**3,955,667**	20,311	0.51%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	**(31,787,813)**	**(31,787,813)**	-	0.00%
Other equity reserves	**72,536,291**	**72,536,291**	-	0.00%
Retained earnings	**7,971,580,804**	**7,945,262,950**	26,317,854	0.33%
	9,589,033,990	9,562,695,825	26,338,165	0.28%
Non-controlling interests	**5,728,064,197**	**5,721,981,352**	6,082,845	0.11%
Total Equity	**15,317,098,187**	15,284,677,177	32,421,010	0.21%
TOTAL LIABILITIES AND EQUITY	**18,688,306,397**	18,758,816,524	(70,510,128)	-0.38%

2023 vs. 2022

Cityland, Inc.
Balance Sheet (Horizontal Analysis)

	December 31, 2023	December 31, 2022	Change	% Change (December 31, 2023 vs December 31, 2022)
ASSETS				
Current Assets				
Cash and cash equivalents	**973,729,405**	1,424,589,931	(450,860,526)	-31.65%
Short-term investments	**1,533,300,000**	691,700,000	841,600,000	121.67%
Current portion of:				
Installment contracts receivable	**23,004,339**	17,933,217	5,071,122	28.28%
Contract assets	**821,160,377**	751,183,602	69,976,775	9.32%
Cost to obtain contract	**2,612,516**	17,502,622	(14,890,106)	-85.07%
Other receivables	**75,039,453**	80,139,535	(5,100,082)	-6.36%
Notes receivable	**1,252,000,000**	1,288,150,000	(36,150,000)	-2.81%
Real estate properties for sale	**6,080,768,113**	5,799,289,178	281,478,935	4.85%
Current portion of investments in trust funds	**2,870,130**	9,196,033	(6,325,903)	-68.79%
Other current assets	**114,969,766**	125,394,127	(10,424,361)	-8.31%
Total Current Assets	**10,879,454,099**	10,205,078,245	674,375,854	6.61%
Noncurrent Assets				
Installment contracts receivable - net of current portion	**25,666,335**	15,479,329	10,187,006	65.81%
Long-term investments	**205,337,329**	303,999,438	(98,662,109)	-32.45%
Contract assets - net of current portion	**2,108,892,779**	2,439,744,668	(330,851,889)	-13.56%
Cost to obtain contract - net of current portion	**5,868,713**	785,182	5,083,531	647.43%
Notes receivable - net of current portion		100,000,000	(100,000,000)	-100.00%
Other receivables - net of current portion	**1,009,567**	868,040	141,527	16.30%
Investments in trust funds - net of current portion	**34,080,497**	25,039,321	9,041,176	36.11%
Real estate properties held for future development	**983,846,182**	1,126,655,558	(142,809,376)	-12.68%
Investment properties	**4,212,927,778**	3,833,328,526	379,599,252	9.90%
Property and equipment	**76,162,029**	57,806,197	18,355,832	31.75%
Net retirement plan assets	**5,877,044**	17,676,384	(11,799,340)	-66.75%
Other noncurrent assets	**219,694,172**	64,031,750	155,662,422	243.10%
Total Noncurrent Assets	**7,879,362,425**	7,985,414,393	(106,051,968)	-1.33%
TOTAL ASSETS	**18,758,816,524**	18,190,492,638	568,323,886	3.12%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	**754,018,844**	1,046,594,916	(292,576,072)	-27.96%
Current portion of contract liabilities	**39,655,166**	285,267,436	(245,612,270)	-86.10%
Notes and contracts payable	**1,593,056,450**	1,555,149,400	37,907,050	2.44%
Income tax payable	**54,538,571**	20,263,990	34,274,581	169.14%
Current portion of pre-need and other reserves	**1,115,430**	822,843	292,587	35.56%
Total Current Liabilities	**2,442,384,461**	2,908,098,585	(465,714,124)	-16.01%
Noncurrent Liabilities				
Accounts payable and accrued expenses - net of current portion	**358,162,604**	300,445,888	57,716,716	19.21%
Contract liabilities - net of current portion	**44,424,135**	7,318,931	37,105,204	506.98%
Pre-need and other reserves - net of current portion	**22,822,951**	23,192,535	(369,584)	-1.59%
Net retirement benefits liability	**8,349,683**	27,830	8,321,853	29902.45%
Deferred income tax liabilities - net	**597,995,513**	576,811,131	21,184,382	3.67%
Total Noncurrent Liabilities	**1,031,754,886**	907,796,315	123,958,571	13.65%
Total Liabilities	**3,474,139,347**	3,815,894,900	(341,755,553)	-8.96%
Equity				
Attributable to Equity Holders of the Parent Company				
Capital stock - ₱1 par value	**1,572,728,730**	1,498,116,570	74,612,160	4.98%
Additional paid-in capital	-	-	-	
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	**3,955,667**	354,784	3,600,883	1014.95%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	**(31,787,813)**	(20,689,845)	(11,097,968)	53.64%
Other equity reserves	**72,536,291**	72,536,291	-	0.00%
Retained earnings	**7,945,262,950**	7,499,190,499	446,072,451	5.95%
	9,562,695,825	9,049,508,299	513,187,526	5.67%
Non-controlling interests	**5,721,981,352**	5,325,089,439	396,891,913	7.45%
Total Equity	**15,284,677,177**	14,374,597,738	910,079,439	6.33%
TOTAL LIABILITIES AND EQUITY	**18,758,816,524**	18,190,492,638	568,323,886	3.12%

2022 vs. 2021

Cityland, Inc.
Balance Sheet (Horizontal Analysis)

	December 31, 2022	December 31, 2021	Change	% Change (December 31, 2022 vs December 31, 2021)
ASSETS				
Current Assets				
Cash and cash equivalents	1,424,589,931	1,272,289,680	152,300,251	11.97%
Short-term investments	691,700,000	1,649,505,733	(957,805,733)	-58.07%
Current portion of:			-	
Installment contracts receivable	17,933,217	29,980,712	(12,047,495)	-40.18%
Contract assets	751,183,602	402,836,473	348,347,129	86.47%
Cost to obtain contract	17,502,622	13,691,167	3,811,455	27.84%
Other receivables	80,139,535	54,825,192	25,314,343	46.17%
Notes receivable	1,288,150,000	911,046,456	377,103,544	41.39%
Real estate properties for sale	5,799,289,178	4,813,087,644	986,201,534	20.49%
Current portion of investments in trust funds	9,196,033	9,995,944	(799,911)	-8.00%
Other current assets	125,394,127	58,792,098	66,602,029	113.28%
Total Current Assets	10,205,078,245	9,216,051,099	989,027,146	10.73%
Noncurrent Assets				
Installment contracts receivable - net of current portion	15,479,329	17,158,472	(1,679,143)	-9.79%
Long-term investments	303,999,438	100,500,000	203,499,438	202.49%
Contract assets - net of current portion	2,439,744,668	2,090,343,706	349,400,962	16.72%
Cost to obtain contract - net of current portion	785,182	11,692,918	(10,907,736)	-93.28%
Notes receivable - net of current portion	100,000,000	357,150,000	(257,150,000)	-72.00%
Other receivables - net of current portion	868,040	1,218,782	(350,742)	-28.78%
Investments in trust funds - net of current portion	25,039,321	29,461,310	(4,421,989)	-15.01%
Real estate properties held for future development	1,126,655,558	1,552,432,517	(425,776,959)	-27.43%
Investment properties	3,833,328,526	3,455,881,541	377,446,985	10.92%
Property and equipment	57,806,197	62,374,791	(4,568,594)	-7.32%
Net retirement plan assets	17,676,384	18,179,914	(503,530)	-2.77%
Other noncurrent assets	64,031,750	63,399,740	632,010	1.00%
Total Noncurrent Assets	7,985,414,393	7,759,793,691	225,620,702	2.91%
TOTAL ASSETS	18,190,492,638	16,975,844,790	1,214,647,848	7.16%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	1,046,594,916	890,618,613	155,976,303	17.51%
Current portion of contract liabilities	285,267,436	247,703,206	37,564,230	15.17%
Notes and contracts payable	1,555,149,400	1,672,857,660	(117,708,260)	-7.04%
Income tax payable	20,263,990	16,443,161	3,820,829	23.24%
Current portion of pre-need and other reserves	822,843	1,777,333	(954,490)	-53.70%
Total Current Liabilities	2,908,098,585	2,829,399,973	78,698,612	2.78%
Noncurrent Liabilities				
Accounts payable and accrued expenses - net of current portion	300,445,888	210,719,315	89,726,573	42.58%
Contract liabilities - net of current portion	7,318,931	184,302,169	(176,983,238)	-96.03%
Pre-need and other reserves - net of current portion	23,192,535	34,912,825	(11,720,290)	-33.57%
Net retirement benefits liability	27,830	2,533,292	(2,505,462)	-98.90%
Deferred income tax liabilities - net	576,811,131	474,322,942	102,488,189	21.61%
Total Noncurrent Liabilities	907,796,315	906,790,543	1,005,772	0.11%
Total Liabilities	3,815,894,900	3,736,190,516	79,704,384	2.13%
Equity				
Attributable to Equity Holders of the Parent Company				
Capital stock - ₱1 par value	1,498,116,570	1,498,116,570	-	0.00%
Additional paid-in capital	-	-	-	
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	354,784	499,622	(144,838)	-28.99%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	(20,689,845)	(22,891,845)	2,202,000	-9.62%
Other equity reserves	72,536,291	72,536,291	-	0.00%
Retained earnings	7,499,190,499	6,906,418,482	592,772,017	8.58%
	9,049,508,299	8,454,679,120	594,829,179	7.04%
Non-controlling interests	5,325,089,439	4,784,975,154	540,114,285	11.29%
Total Equity	14,374,597,738	13,239,654,274	1,134,943,464	8.57%
TOTAL LIABILITIES AND EQUITY	18,190,492,638	16,975,844,790	1,214,647,848	7.16%

March 31, 2024 vs. 2023

Cityland, Inc.
Balance Sheet (Vertical Analysis)

	March 31, 2024	Percentage	December 31, 2023	Percentage
ASSETS				
Current Assets				
Cash and cash equivalents	1,090,990,142	5.84%	973,729,405	5.19%
Short-term investments	1,409,000,000	7.54%	1,533,300,000	8.17%
Current portion of:				
Installment contracts receivable	20,221,550	0.11%	23,004,339	0.12%
Contract assets	765,923,315	4.10%	821,160,377	4.38%
Cost to obtain contract	3,314,409	0.02%	2,612,516	0.01%
Other receivables	83,142,779	0.44%	75,039,453	0.40%
Notes receivable	1,485,000,000	7.95%	1,252,000,000	6.67%
Real estate properties for sale	5,945,386,693	31.81%	6,080,768,113	32.42%
Current portion of investments in trust funds	2,870,129	0.02%	2,870,130	0.02%
Other current assets	78,150,209	0.42%	114,969,766	0.61%
Total Current Assets	10,883,999,226	58.24%	10,879,454,099	58.00%
Noncurrent Assets				
Installment contracts receivable - net of current portion	28,498,180	0.15%	25,666,335	0.14%
Long-term investments	203,999,438	1.09%	205,337,329	1.09%
Contract assets - net of current portion	2,049,139,834	10.96%	2,108,892,779	11.24%
Cost to obtain contract - net of current portion	5,803,107	0.03%	5,868,713	0.03%
Notes receivable - net of current portion		0.00%		0.00%
Other receivables - net of current portion	984,600	0.01%	1,009,567	0.01%
Investments in trust funds - net of current portion	34,404,092	0.18%	34,080,497	0.18%
Real estate properties held for future development	985,049,321	5.27%	983,846,182	5.24%
Investment properties	4,202,131,097	22.49%	4,212,927,778	22.46%
Property and equipment	74,456,144	0.40%	76,162,029	0.41%
Net retirement plan assets		0.00%	5,877,044	0.03%
Other noncurrent assets	219,841,358	1.18%	219,694,172	1.17%
Total Noncurrent Assets	7,804,307,171	41.76%	7,879,362,425	42.00%
TOTAL ASSETS	18,688,306,397	100.00%	18,758,816,524	100.00%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	695,706,440	3.72%	754,018,844	4.02%
Current portion of contract liabilities	43,841,727	0.23%	39,655,166	0.21%
Notes and contracts payable	1,490,456,450	7.98%	1,593,056,450	8.49%
Income tax payable	85,572,441	0.46%	54,538,571	0.29%
Current portion of pre-need and other reserves	1,115,430	0.01%	1,115,430	0.01%
Total Current Liabilities	2,316,692,488	12.40%	2,442,384,461	13.02%
Noncurrent Liabilities				
Accounts payable and accrued expenses - net of current portion	401,905,289	2.15%	358,162,604	1.91%
Contract liabilities - net of current portion	48,157,415	0.26%	44,424,135	0.24%
Pre-need and other reserves - net of current portion	22,192,658	0.12%	22,822,951	0.12%
Net retirement benefits liability	2,472,639	0.01%	8,349,683	0.04%
Deferred income tax liabilities - net	579,787,721	3.10%	597,995,513	3.19%
Total Noncurrent Liabilities	1,054,515,722	5.64%	1,031,754,886	5.50%
Total Liabilities	3,371,208,210	18.04%	3,474,139,347	18.52%
Equity				
Attributable to Equity Holders of the Parent Company				
Capital stock - ₱1 par value	1,572,728,730	8.42%	1,572,728,730	8.38%
Additional paid-in capital	-	0.00%	-	0.00%
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	3,975,978	0.02%	3,955,667	0.02%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	(31,787,813)	-0.17%	(31,787,813)	-0.17%
Other equity reserves	72,536,291	0.39%	72,536,291	0.39%
Retained earnings	7,971,580,804	42.66%	7,945,262,950	42.35%
	9,589,033,990	51.31%	9,562,695,825	50.98%
Non-controlling interests	5,728,064,197	30.65%	5,721,981,352	30.50%
Total Equity	15,317,098,187	81.96%	15,284,677,177	81.48%
TOTAL LIABILITIES AND EQUITY	18,688,306,397	100.00%	18,758,816,524	100.00%

2023 vs. 2022 vs. 2021

Cityland, Inc.
Balance Sheet (Vertical Analysis)

	December 31, 2023	Percentage	December 31, 2022	Percentage	December 31, 2021	Percentage
ASSETS						
Current Assets						
Cash and cash equivalents	973,729,405	5.19%	1,424,589,931	7.83%	1,272,289,680	7.49%
Short-term investments	1,533,300,000	8.17%	691,700,000	3.80%	1,649,505,733	9.72%
Current portion of:						
Installment contracts receivable	23,004,339	0.12%	17,933,217	0.10%	29,980,712	0.18%
Contract assets	821,160,377	4.38%	751,183,602	4.13%	402,836,473	2.37%
Cost to obtain contract	2,612,516	0.01%	17,502,622	0.10%	13,691,167	0.08%
Other receivables	75,039,453	0.40%	80,139,535	0.44%	54,825,192	0.32%
Notes receivable	1,252,000,000	6.67%	1,288,150,000	7.08%	911,046,456	5.37%
Real estate properties for sale	6,080,768,113	32.42%	5,799,289,178	31.88%	4,813,087,644	28.35%
Current portion of investments in trust funds	2,870,130	0.02%	9,196,033	0.05%	9,995,944	0.06%
Other current assets	114,969,766	0.61%	152,179,841	0.84%	58,792,098	0.35%
Total Current Assets	10,879,454,099	58.00%	10,231,863,959	56.25%	9,216,051,099	54.29%
Noncurrent Assets						
Installment contracts receivable - net of current portion	25,666,335	0.14%	15,479,329	0.09%	17,158,472	0.10%
Long-term investments	205,337,329	1.09%	303,999,438	1.67%	100,500,000	0.59%
Contract assets - net of current portion	2,108,892,779	11.24%	2,439,744,668	13.41%	2,090,343,706	12.31%
Cost to obtain contract - net of current portion	5,868,713	0.03%	785,182	0.00%	11,692,918	0.07%
Notes receivable - net of current portion		0.00%	100,000,000	0.55%	357,150,000	2.10%
Other receivables - net of current portion	1,009,567	0.01%	868,040	0.00%	1,218,782	0.01%
Investments in trust funds - net of current portion	34,080,497	0.18%	25,039,321	0.14%	29,461,310	0.17%
Real estate properties held for future development	983,846,182	5.24%	1,126,655,558	6.19%	1,552,432,517	9.14%
Investment properties	4,212,927,778	22.46%	3,833,328,526	21.07%	3,455,881,541	20.36%
Property and equipment	76,162,029	0.41%	57,806,195	0.32%	62,374,791	0.37%
Net retirement plan assets	5,877,044	0.03%	17,676,384	0.10%	18,179,914	0.11%
Other noncurrent assets	219,694,172	1.17%	37,246,039	0.20%	63,399,740	0.37%
Total Noncurrent Assets	7,879,362,425	42.00%	7,958,628,680	43.75%	7,759,793,691	45.71%
TOTAL ASSETS	18,758,816,524	100.00%	18,190,492,639	100.00%	16,975,844,790	100.00%
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and accrued expenses	754,018,844	4.02%	1,046,594,916	5.75%	890,618,613	5.25%
Current portion of contract liabilities	39,655,166	0.21%	285,267,436	1.57%	247,703,206	1.46%
Notes and contracts payable	1,593,056,450	8.49%	1,555,149,400	8.55%	1,672,857,660	9.85%
Income tax payable	54,538,571	0.29%	20,263,990	0.11%	16,443,161	0.10%
Current portion of pre-need and other reserves	1,115,430	0.01%	822,843	0.00%	1,777,333	0.01%
Total Current Liabilities	2,442,384,461	13.02%	2,908,098,585	15.99%	2,829,399,973	16.67%
Noncurrent Liabilities						
Accounts payable and accrued expenses - net of current portion	358,162,604	1.91%	300,445,888	1.65%	210,719,315	1.24%
Contract liabilities - net of current portion	44,424,135	0.24%	7,318,931	0.04%	184,302,169	1.09%
Pre-need and other reserves - net of current portion	22,822,951	0.12%	23,192,535	0.13%	34,912,825	0.21%
Net retirement benefits liability	8,349,683	0.04%	27,830	0.00%	2,533,292	0.01%
Deferred income tax liabilities - net	597,995,513	3.19%	576,811,132	3.17%	474,322,942	2.79%
Total Noncurrent Liabilities	1,031,754,886	5.50%	907,796,316	4.99%	906,790,543	5.34%
Total Liabilities	3,474,139,347	18.52%	3,815,894,901	20.98%	3,736,190,516	22.01%
Equity						
Attributable to Equity Holders of the Parent Company						
Capital stock - ₱1 par value	1,572,728,730	8.38%	1,498,116,570	8.24%	1,498,116,570	8.82%
Additional paid-in capital	-	0.00%	-	0.00%	-	0.00%
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	3,955,667	0.02%	354,784	0.00%	499,622	0.00%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	(31,787,813)	-0.17%	(20,689,845)	-0.11%	(22,891,845)	-0.13%
Other equity reserves	72,536,291	0.39%	72,536,291	0.40%	72,536,291	0.43%
Retained earnings	7,945,262,950	42.35%	7,499,190,499	41.23%	6,906,418,482	40.68%
	9,562,695,825	50.98%	9,049,508,299	49.75%	8,454,679,120	49.80%
Non-controlling interests	5,721,981,352	30.50%	5,325,089,439	29.27%	4,784,975,154	28.19%
Total Equity	15,284,677,177	81.48%	14,374,597,738	79.02%	13,239,654,274	77.99%
TOTAL LIABILITIES AND EQUITY	18,758,816,524	100.00%	18,190,492,639	100.00%	16,975,844,790	100.00%

RESULT OF OPERATION
March 31, 2024 vs. March 2023

Cityland, Inc.
Income Statement (Horizontal Analysis)

	March 2024	March 2023	Change	% Change (2024 vs 2023)
REVENUE				
Sales of real estate properties	516,908,443	874,194,149	(357,285,706)	-40.87%
Financial income	203,279,384	153,424,018	49,855,366	32.50%
Rent income	61,752,801	65,407,060	(3,654,259)	-5.59%
Other income - net	24,370,049	36,835,480	(12,465,431)	-33.84%
	806,310,677	**1,129,860,707**	(323,550,030)	-28.64%
COST AND EXPENSES				
Cost of real estate sales	262,299,057	528,834,299	(266,535,242)	-50.40%
Operating expenses	255,309,895	206,463,016	48,846,879	23.66%
Financial expenses	5,379,250	967,156	4,412,094	456.19%
	522,988,202	**736,264,471**	(213,276,269)	-28.97%
INCOME BEFORE INCOME TAX	**283,322,475**	**393,596,236**	(110,273,761)	-28.02%
PROVISION FOR INCOME TAX	**50,570,954**	**91,267,081**	(40,696,127)	-44.59%
NET INCOME	**232,751,521**	**302,329,155**	(69,577,634)	-23.01%

2023 vs. 2022

Cityland, Inc.
Income Statement (Horizontal Analysis)

	December 2023	December 2022	Change	% Change (2023 vs 2022)
REVENUE				
Sales of real estate properties	**2,786,477,995**	3,019,729,206	(233,251,211)	-7.72%
Financial income	**621,636,440**	484,101,966	137,534,474	28.41%
Rent income	**246,959,907**	208,842,017	38,117,890	18.25%
Other income - net	**145,741,929**	148,600,975	(2,859,046)	-1.92%
	3,800,816,271	3,861,274,164	(60,457,893)	-1.57%
COST AND EXPENSES				
Cost of real estate sales	**1,472,312,281**	1,388,212,285	84,099,996	6.06%
Operating expenses	**796,074,776**	718,257,932	77,816,844	10.83%
Financial expenses	**4,177,326**	5,534,229	(1,356,903)	-24.52%
	2,272,564,383	2,112,004,446	160,559,937	7.60%
INCOME BEFORE INCOME TAX	**1,528,251,888**	1,749,269,718	(221,017,830)	-12.63%
PROVISION FOR INCOME TAX	**344,908,940**	443,221,104	(98,312,164)	-22.18%
NET INCOME	**1,183,342,948**	1,306,048,614	(122,705,666)	-9.40%

2022 vs. 2021

Cityland, Inc.

Income Statement (Horizontal Analysis)

	December 2022	December 2021	Change	% Change (2022 vs 2021)
REVENUE				
Sales of real estate properties	**3,019,729,206**	1,595,333,794	1,424,395,412	89.29%
Financial income	**484,101,966**	501,028,904	(16,926,938)	-3.38%
Rent income	**208,842,017**	198,527,363	10,314,654	5.20%
Other income - net	**148,600,975**	184,301,639	(35,700,664)	-19.37%
	3,861,274,164	2,479,191,700	1,382,082,464	55.75%
COST AND EXPENSES				
Cost of real estate sales	**1,388,212,285**	842,187,615	546,024,670	64.83%
Operating expenses	**718,257,932**	584,394,073	133,863,859	22.91%
Financial expenses	**5,534,229**	5,266,877	267,352	5.08%
	2,112,004,446	1,431,848,565	680,155,881	47.50%
INCOME BEFORE INCOME TAX	**1,749,269,718**	1,047,343,135	701,926,583	67.02%
PROVISION FOR INCOME TAX	**443,221,104**	136,286,408	306,934,696	225.21%
NET INCOME	**1,306,048,614**	911,056,727	394,991,887	43.36%

March 31, 2024 vs. March 31, 2024

Cityland, Inc.

Income Statement (Vertical Analysis)

	March 2024	Percentage	March 2023	Percentage
REVENUE				
Sales of real estate properties	516,908,443	64.11%	874,194,149	77.37%
Financial income	203,279,384	25.21%	153,424,018	13.58%
Rent income	61,752,801	7.66%	65,407,060	5.79%
Other income - net	24,370,049	3.02%	36,835,480	3.26%
	806,310,677	100.00%	**1,129,860,707**	100.00%
COST AND EXPENSES				
Cost of real estate sales	262,299,057	32.53%	528,834,299	46.81%
Operating expenses	255,309,895	31.66%	206,463,016	18.27%
Financial expenses	5,379,250	0.67%	967,156	0.09%
	522,988,202	64.86%	**736,264,471**	65.16%
INCOME BEFORE INCOME TAX	**283,322,475**	35.14%	**393,596,236**	34.84%
PROVISION FOR INCOME TAX	**50,570,954**	6.27%	**91,267,081**	8.08%
NET INCOME	**232,751,521**	28.87%	**302,329,155**	26.76%

2023 vs. 2022 vs. 2021

Cityland, Inc.

Income Statement (Vertical Analysis)

	December 2023	Percentage	December 2022	Percentage	December 2021	Percentage
REVENUE						
Sales of real estate properties	**2,786,477,995**	73.31%	3,019,729,206	78.21%	1,595,333,794	64.35%
Financial income	**621,636,440**	16.36%	484,101,966	12.54%	501,028,904	20.21%
Rent income	**246,959,907**	6.50%	208,842,017	5.41%	198,527,363	8.01%
Other income - net	**145,741,929**	3.83%	148,600,975	3.85%	184,301,639	7.43%
	3,800,816,271	100.00%	3,861,274,164	100.00%	2,479,191,700	100.00%
COST AND EXPENSES						
Cost of real estate sales	**1,472,312,281**	38.74%	1,388,212,285	35.95%	842,187,615	33.97%
Operating expenses	**796,074,776**	20.94%	718,257,932	18.60%	584,394,073	23.57%
Financial expenses	**4,177,326**	0.11%	5,534,229	0.14%	5,266,877	0.21%
	2,272,564,383	59.79%	2,112,004,446	54.70%	1,431,848,565	57.75%
INCOME BEFORE INCOME TAX	**1,528,251,888**	40.21%	1,749,269,718	45.30%	1,047,343,135	42.25%
PROVISION FOR INCOME TAX	**344,908,940**	9.07%	443,221,104	11.48%	136,286,408	5.50%
NET INCOME	**1,183,342,948**	31.13%	1,306,048,614	33.82%	911,056,727	36.75%

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9. Information on Independent Accountant

Sycip Gorres Velayo & Co. is the Group's external auditor for the years 2023 and 2022 with the engagement partners Mr. Manolito R. Elle and Ms. Aileen L. Saringan, respectively.

	External Audit	
	2023	2022
Audit and audit-related fees (Parent Company)	**₱776,000**	₱693,000
Tax fees	–	–
All other fees	–	–
Total	**₱776,000**	₱693,000

In 2023, the Parent Company availed non-audit services from SGV & Co for the updating of its transfer pricing documentation with a fee amounting to ₱179,200.

The members of the Audit & Risk Committee are:
Peter S. Dee (Chairman)
Grace C. Liuson
Jefferson C. Roxas

The Audit Committee's approval policies and procedures consists of:

a. Discussion with the external auditors of the Audited Financial Statements;
b. Recommendation to the Board of Directors for the approval and release of the Audited Financial Statements; and
c. Recommendation to the Board of Directors the appointment of the external auditors.

During the Annual Stockholders' Meeting of the Company, the appointment of the external auditors and approval of the audited financial statements are being presented for ratification by the stockholders.

DIVIDENDS AND MARKET PRICE OF SHARES OF STOCK

1. Dividends Policy

Dividends declared by the Group are payable in cash or in additional shares of stock. The payment of dividends in the future will depend upon the earnings, cash flow, and financial condition of the Group. Events that may limit the Group in declaring dividends include bankruptcy, insolvency or whether funds are set aside for capital improvements. Cash dividends on common shares are deducted from retained earnings upon declaration by the Board of Directors (BOD). Stock dividends on common shares are measured based on the par value of declared stock dividends. The Group has no specific dividends policy but it ensures that it is compliant with the provisions of the Revised Corporation Code.

The Revised Corporation Code prohibits stock corporations from retaining surplus profits in excess of 100% of their paid-in capital stock, except when justified by definite corporate expansion projects or programs approved by the Board of Directors (BOD), or when the corporation is prohibited under any loan agreement with any financial institution or creditor from declaring dividends without its consent, and such consent has not yet been secured, or when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation.

2. Dividends

The Company declared dividends the following dividends from 2021 to 2023:

	2023	**2022**	**2021**
Cash	₱1.118/ share	₱0.754/ share	₱0.521/ share
Stock	5%	--%	5%

Further, its subsidiaries, CAI, CLHI, CLI and CMHI declared the following dividends from 2021 to 2023:

CLHI

	2023	**2022**	**2021**
Cash	₱24.50/ share	₱7.225/ share	₱2.375/ share
Stock	–	–	–

CAI

	2023	2022	2021
Cash	–	–	–
Stock	–	–	–

CLI

	2023
Cash	–
Stock	–

CMHI

	2023
Cash	–
Stock	–

CDC

	2023	2022	2021
Cash	₱0.0295 / share	₱0.0222/ share	₱0.0212/ share
Stock	2.5%	–	5%

The subsidiaries of CDC declared the following dividends:

CLDI

	2023	2022	2021
Cash	₱0.0913/ share	₱0.0317/ share	₱0.0139/ share
Stock	5%	–	5%

CPI

	2023	2022	2021
Cash	–	–	–
Stock	–	–	–

Cash dividends on common shares were deducted from retained earnings upon declaration by the BOD. All cash dividends due during the year were paid.

Stock dividends on common shares are measured based on total par value of declared stock dividend. Stock dividends are deducted from retained earnings when the BOD's declaration is ratified by the stockholders of the Group and the increase for authorized capital stock is approved by the SEC in cases of stock dividends issued to cover an increase in authorized capital stock. Unissued stock dividends are recorded as stock dividends distributable and credited to capital stock upon issuance.

Dividends for the year that are declared after the end of the reporting period but before the approval for issuance of financial statements are dealt with as an event after the reporting period.

3. Trading Market

The Parent Company is not a public corporation and is not listed with the Philippine Stocks Exchange (PSE). CDC and CLDI are both listed with the PSE.

4. Holders

a. The number of shareholders of record as of March 31, 2024 is 28.

b. The Stockholders as of March 31, 2024 are as follows:

	Name	No. of Direct Shares Held	%
1.	Stephen C. Roxas	44,180,982	28.20%
2.	The Good Seed Sower Foundation, Inc.	23,498,542	15.00%
3.	Grace C. Liuson	23,142,505	14.77%
4.	Dr. Andrew I. Liuson	21,362,374	13.63%
5.	Lucy Fan	14,241,574	9.09%
6.	Helen C. Roxas	14,241,574	9.09%

	Name	No. of Direct Shares Held	%
7.	Cris Giovanni Chiong	4,984,542	3.18%
8.	Joel C. Gohoc	2,458,514	1.57%
9.	Johann C. Gohoc	2,458,513	1.57%
10.	Josef C. Gohoc	2,434,648	1.55%
11.	Josua C. Gohoc	2,433,085	1.55%
12.	Joanna C. Gohoc	845,523	0.54%
13.	Jefferson C. Roxas	91,920	0.06%
14.	Lincoln C. Roxas	91,920	0.06%
15.	Connor David Tan Roxas	35,017	0.02%
16.	Leon Lee Roxas	35,017	0.02%
17.	Olivia Kate Tan Roxas	35,017	0.02%
18.	Zino Lee Roxas	35,017	0.02%
19.	Aurora M. Pattugalan	28,463	0.02%
20.	Nathan Yip Gohoc	25,425	0.02%
21.	Cara Elise Gohoc	12,713	0.01%
22.	Casey Eloise Gohoc	12,712	0.01%
23.	Peter S. Dee	52	–
24	Rebekah D. Ung	48	–
25	John T. Gohoc	21	–
26	Anastasia Y. Dy	11	–
27	Benjamin I. Liuson	11	–
28	Bp. Eduardo C. Villanueva	10	–
	TOTAL	**156,685,750**	100.00

5. **Recent Sale of Unregistered Securities (including recent issuance of securities constituting an exempt transaction)**

   a. There was no sale of unregistered securities.
   b. The total number of shares issued and outstanding of the Parent Company as of March 31, 2024 was 156,685,750 (net of 587,123 treasury shares).

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There are no changes in and disagreements with the accountants on accounting and financial disclosure.

COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE

The evaluation system employed by the Company is thru a periodic self-rating system based on the criteria on the leading practices and principles on good governance.

1. Measures being undertaken by the Registrant to fully comply with the adopted Leading Practices on Good Corporate Governance

   We have implemented the periodic self-rating system.

2. Any Deviation from the Registrant’s Manual of Corporate Governance. (including a disclosure of the name and position of the persons involved and sanctions imposed on said individual)

   There were no major deviations that require sanctions.

3. Any plan to improve corporate governance of the Company

   Based on the outcome of the periodic self-rating, we will come up with necessary actions / procedures to improve the corporate governance of the Registrant.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, Consultants and Management of Cityland, I would like to express our appreciation to all our stockholders for your trust and confidence.

I also acknowledge the time and expertise shared to us by our consultants and directors and the commitment and hard work of our managers and staff in the attainment of our corporate goals.

With God's grace, we look forward to a better year in 2024 for Cityland and the real estate industry.

Upon written request, the Company undertakes to provide without charge a copy of the Annual Report or SEC Form 17-A. Copies can be requested from Ms. Michelle Marcelino, 3/F, Cityland Condominium 10 Tower II, 154 H.V. Dela Costa Street, Makati City, Tel. (632)-8893-6060 local 148.

CITYLAND
INCORPORATED

CERTIFICATION

I, Josef C. Gohoc, of legal age, President of Cityland, Inc., with SEC Registration No. of 86188 and with principal office address at 3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City, on oath state:

1. That on behalf of Cityland Inc., I have caused this SEC Form 20-IS (Definitive Information Statement);

2. That I have read and understood its contents which are true and correct based on my own personal knowledge and/or based on true records;

3. That Cityland, Inc. will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail;

4. That I am fully aware that documents filed online which require pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee; and

5. That the e-mail account designated by the Company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used in its online submissions to CGFD/MSRD.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of May 2024.

Josef C. Gohoc
Affiant

SUBSCRIBE AND SWORN to before me this day MAY 27 2024 at PASIG CITY, affiant personally appeared and exhibited his Social Security System No. -- and other competent evidence of identification.

ATTY. ANDRE ANTON S. SUAREZ
NOTARY PUBLIC FOR THE CITIES OF PASIG, SAN JUAN
AND MUNICIPALITY OF PATEROS
IBP NO
PTR No

Doc. No. 107
Page No. 23
Book No. VI
Series of 2024.

CITYLAND
INCORPORATED

CERTIFICATION

I hereby certify that the following Directors and Executive Officers of Cityland, Inc. for the Year 2023 were not elected as public servants, nor appointees, nor employees of any government agency except for Bp. Eduardo C. Villanueva:

Directors:

1. Dr, Andrew I. Liuson
2. Grace C. Liuson
3. Josef C. Gohoc
4. Peter S. Dee (Independent Director)
5. Bp. Eduardo C. Villanueva (Independent Director)*
6. Helen C. Roxas
7. Benjamin I. Liuson
8. Jefferson C. Roxas

Executive Officers:

1. Emma A. Choa
2. Rudy Go
3. Melita M. Revuelta *(retired effective December 31, 2023)*
4. Melita L. Tan
5. Romeo E. Ng *(retired effective January 06, 2024)*
6. Rosario D. Perez
7. Winefreda R. Go *(retired effective December 31, 2023)*
8. Jocelyn C. De Asis
9. Nathalie M. Chan *(appointed January 1, 2024)*
10. Hazel Anne C. Paule *(appointed January 1, 2024)*

*Bp. Eduardo C. Villanueva (Independent Director) is currently a Representative of Citizens' Battle Against Corruption (CIBAC) Party-list. An updated consent from the said government agency regarding the election of Bp. Villanueva as a nominee for election as an Independent Director for the year 2024-2025 was obtained and attached in the Information Statement.

Given this 14th day of May 2024.

Certified by:

Jocelyn C. de Asis

JOCELYN C. DE ASIS
Corporate Secretary

SUBSCRIBED AND SWORN TO before me, a Notary public for and in MANILA this MAY 14 2024 affiant exhibiting to me her Social Security with ID no. and other competent evidence of identification.

Doc. No. 490
Page No. 97
Book No. VI
Series of 2024.

ATTY. ALBERT ANTHONY H. OCAMPO
NOTARY PUBLIC FOR MANILA
UNTIL DECEMBER 31, 2025
APPOINTMENT NO.:
ROLL NO.:
IBP NO.
PTR No.

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Reginald S. Velasco
Secretary General

07 May 2024

REP. EDUARDO "BRO. EDDIE" C. VILLANUEVA
CIBAC Party List
Room 317, North Wing Building
House of Representatives, Quezon City

Dear ***Honorable Villanueva:***

This is in reference to your Honor's letter dated 22 April 2024, requesting a letter or certification indicating that you are not prohibited to assume the position of Independent Director in Cityland Development Corporation and Cityland, Inc., both private companies, pursuant to the requirement under Memorandum Circular No. 17, s. 1986 issued by the Office of the President, in accordance with Section 12, Rule XVIII of the Revised Civil Service Rules.

The House of Representatives maintains the position that neither the Secretary General nor the Speaker, as political and administrative head of the House of Representatives, possesses the power and duty to oversee a Member's private engagement, business or profession, which does not involve, affect or impede the Member's official functions.

In taking on any private engagement, however, the Honorable Members of the House of Representatives need always to consider the constitutional[1] and statutory[2] prohibitions on conflict of interest to avoid any violation. *(Please refer to page 2 for references)*

This being so, and consistent with our responses to your previous requests, no permission, consent, or certification from the House of Representatives is necessary before a Member may assume his/her position as director of a private company.

For your Honor's information and guidance.

Reference:

[1]**1987 Constitution, Article VI, Section 14.** *No Senator or Member of the House of Representatives may personally appear as counsel before any court of justice or before the Electoral Tribunals, or quasi-judicial and other administrative bodies. Neither shall he, directly or indirectly, be interested financially in any contract with, or in any franchise or special privilege granted by the Government, or any subdivision, agency, or instrumentality thereof, including any government-owned or controlled corporation, or its subsidiary, during his term of office. He shall not intervene in any matter before any office of the Government for his pecuniary benefit or where he may be called upon to act on account of his office.*

[1] **R.A. No. 3019 (Anti-Graft and Corrupt Practices Act), Section 3.** *Corrupt practices of public officers. In addition to acts or omissions of public officers already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:*

(h) Directly or indirectly having financial or pecuniary interest in any business, contract or transaction in connection with which he intervenes or takes part in his official capacity, or in which he is prohibited by the Constitution or by any law from having any interest.

(i) Directly or indirectly becoming interested, for personal gain, or having a material interest in any transaction or act requiring the approval of a board, panel or group of which he is a member, and which exercises discretion in such approval, even if he votes against the same or does not participate in the action of the board, committee, panel or group.

R.A. No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees). Section 3 (i) "Conflict of interest" arises when a public official or employee is a member of a board, an officer, or a substantial stockholder of a private corporation or owner or has a substantial interest in a business, and the interest of such corporation or business, or his rights or duties therein, may be opposed to or affected by the faithful performance of official duty.

R.A. No. 6713. Section 7. Prohibited Acts and Transactions. — In addition to acts and omissions of public officials and employees now prescribed in the Constitution and existing laws, the following shall constitute prohibited acts and transactions of any public official and employee and are hereby declared to be unlawful:

(a) Financial and material interest. — Public officials and employees shall not, directly or indirectly, have any financial or material interest in any transaction requiring the approval of their office.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **EDUARDO C. VILLANUEVA**, Filipino, of legal age and resident of 101 MacArthur Highway Bunlo, Bocaue, Bulacan, after having been duly sworn to in accordance with the law do hereby declare that:

1. I am a nominee for independent director of **Cityland, Inc.** and have been its independent director since September 22, 2022;

2. I am affiliated with the following companies/organizations:

COMPANY	POSITION	PERIOD OF SERVICE
House of Representatives	Representative, Citizens' Battle Against Corruption (CIBAC) Party-list Chairperson, Committee on Sustainable Development Goals Deputy Speaker for Good Governance and Moral Uprightness of the Philippine Congress	July 2019 to present 2022 to present 2019 to 2022
Jesus Is Lord Church Worldwide	Founder / President & Spiritual Director	1978 to present
Jesus Is Lord Colleges Foundation (JILCF), Inc.	Chancellor	1984 to present
Jesus the Healer Foundation, Inc.	President	June 1990 to present
Philippines for Jesus Movement Foundation, Inc.	Founding National Chairman	March 1990 to present
PJM Foundation, Inc.	Founding National Chairman	February 1995 to present
Bangon Pilipinas National Renewal Movement (Arise Philippines)	Chairman/President	2004 to present
Rural Bank of Batac, Inc.	Stockholder	2016 to present
Agape Foods Corporation	Chairman and President Director	1997 to 2018 2019 to 2021
JV ZOE Agape, Inc.	Chairman and President Director Chairman and President/CEO	2012 to June 2019 July 2019 to 2021 2021 to present
Light TV Ministries Foundation, Inc.	Chairman and President Trustee	2018 to October 2019 November 2019 to present
Cityland Development Corporation	Independent Director	March 2021 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Cityland, Inc.**, as provided for in Section 38 of the Securities Regulation Code, and its Implementing Rules and Regulations and other SEC issuance;

4. I am not related to any director/officer/substantial shareholder of **Cityland, Inc.** other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code;

Name of Director/Officer/Substantial Shareholder	Company	Nature of Relationship
NONE	NONE	NONE

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding;

Offense - Charged/Investigated	Tribunal or Agency Involved	Status
NONE	NONE	NONE

6. I am not an independent director in any government service/affiliated with a government agency or GOCC;

7. I shall faithfully and diligently comply with my duties and responsibilities as an independent director under the Securities Regulation Code and its Implementing Rules and Regulations Code of Corporate Governance and other SEC issuances; and

8. I shall inform the Corporate Secretary of **Cityland, Inc.** of any changes in the above mentioned information within five days from its occurrence.

Done this day of APR 29 2024 at PASIG CITY.

Eduardo C. Villanueva
Affiant

SUBSCRIBED AND SWORN to before me this APR 29 2024 at PASIG CITY, affiant personally appeared before me and exhibited to me his TIN ID with no. and other competent evidence of identification.

Doc no. 408;
Page no. 83;
Book no. V;
Series of 2024.

ATTY. ANDRE ANTON S. SUAREZ
NOTARY PUBLIC FOR THE CITIES OF PASIG, SAN JUAN
AND MUNICIPALITY OF PATEROS
UNTIL DECEMBER 31, 2024
APPOINTMENT NO.
IBP ROLL NO.
IBP NO.
PTR No.

CERTIFICATION OF INDEPENDENT DIRECTORS

I, PETER S. DEE, Filipino, of legal age and resident of 7 Banaba Circle, South Forbes Park, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Cityland, Inc.** and have been its independent director since December 2006;

2. I am affiliated with the following companies/organizations:

COMPANY	POSITION	PERIOD OF SERVICE
Alpolac, Inc.	Director	1994 to present
China Banking Corporation	Director	1977 to present
CBC Properties & Computer Center, Inc.	Director / President	1984 to present
City & Land Developers, Incorporated	Independent Director Chairman – Audit & Risk Committee	November 2009 to present
Cityland Development Corporation	Independent Director Chairman – Audit & Risk Committee	October 1979 to present 2002 to present
GDSK Development Corporation	Director	1990 to present
Makati Curbs Holdings Corporation	Director	2012 to present
Great Expectation Holdings, Inc.	Director/Chairman/President	October 2012 to present
Commonwealth Foods, Inc.	Director	May 2013 to present
The Big D Holdings Corporation	Director/Chairman/President	April 2013 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Cityland, Inc.,** as provided for in Section 38 of the Securities Regulation Code, and its Implementing Rules and Regulations and other SEC issuance;

4. I am not related to any director/officer/substantial shareholder of **Cityland, Inc.** other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code;

Name of Director / Officer/ Substantial Shareholder	Company	Nature of Relationship
NONE	NONE	NONE

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding;

Offense - Charged/Investigated	Tribunal or Agency Involved	Status
NONE	NONE	NONE

6. I am not an independent director in any of government service/affiliated with a government agency or GOCC;

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations Code of Corporate Governance and other SEC issuances; and

8. I shall inform the Corporate Secretary of **Cityland, Inc.** of any changes in the abovementioned information within five days from its occurrence.

Done this day of APR 16 2024 at MANILA.

Peter S. Dee
Affiant

SUBSCRIBED AND SWORN to before me this APR 16 2024 at MANILA, affiant personally appeared before me and exhibited to me his SSS ID with no. ; and other competent evidence of identification.

Doc no. 706;
Page no. 69;
Book no. VI;
Series of 2024.

ATTY. ALBERT ANTHONY H. OCAMPO
NOTARY PUBLIC FOR MANILA
UNTIL DECEMBER 31, 2025
APPOINTMENT NO.:
ROLL NO.:
IBP NO.:
PTR

C O V E R   S H E E T

SEC Registration Number

8	6	1	8	8						

C O M P A N Y   N A M E

CITYLAND, INC. AND SUBSIDIARIES

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

2/F and 3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q	MSRD	N/A

1st Quarter (2024)

C O M P A N Y   I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
ci_rg@cityland.net	8-893-6060	0962-072-2479

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
28 (As of March 31, 2023)	3rd Tuesday of June	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
RUDY GO	cdc_rg@cityland.net	8-893-6060	0962-072-2479

CONTACT PERSON'S ADDRESS

3/F Cityland Condominium 10, Tower II, 154 H.V. dela Costa Street, Makati City

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17- Q

QUARTERLY REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 177
OF THE REVISED CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended **March 31, 2024**

2. SEC Identification Number **86188** 3. BIR Tax Identification No. **000-662-829**

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

5. **Makati City, Philippines**
Province, country or other jurisdiction of incorporation

6. [ ] (SEC Use Only)
Industry Classification Code

7. **3/F Cityland Condominium 10 Tower I,**
156 H.V. Dela Costa Street, Makati City **1226**
Address of Principal Office Postal Code

8. **(632)-8-893-6060**
Issuer's telephone number, including area code

9. Former name, former address and former fiscal year, if changed since last report **N/A**

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

Title of Each Class	Number of Shares of Common Stock Outstanding
N/A	**N/A**

The Company's shares are not listed with the Philippine Stock Exchange. However, it has SEC-registered commercial papers with an outstanding amount of Php395,450,000 as of March 31, 2024.

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

Yes [ ] No [**x**]

12. Check whether the issuer:

(a) Has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 177 of the Revised Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)?

Yes [**x**] No [ ]

(b) Has been subject to such filing requirements for the past 90 days?

Yes [**x**] No [ ]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The financial statements and accompanying notes to the financial statements of Cityland, Inc. and Subsidiaries (the Group) are filed as part of this form (pages 17 to 64).

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

The real estate industry in the Philippines has proven to be resilient and a significant contributor to the country's economy. This is due to various factors such as strong demand for both residential and commercial properties, government policies, infrastructure projects, increasing overseas Filipino workers' remittances, and favorable economic conditions.

In 2023, the real estate sector experienced notable growth, driven by economic growth and an increase in property demand and prices, especially for high-end and affordable housing. This growth is attributed to the growing middle class and the influx of foreign professionals and overseas Filipino workers. The government's efforts to improve policies, including tax policies to achieve affordable real estate properties, also contributed to the growth of the industry.

The Cityland Group's ongoing projects are located in Metro Manila, where there is a high demand for vertical developments like condominium projects due to its dense population. The "Build Build Build" program, which aims to improve the country's transportation and logistics infrastructure, has also provided more opportunities for real estate developers. Ongoing infrastructure projects, such as the development of the Metro Manila subway, new highways, and airport expansions, facilitate improved connectivity and accessibility, thereby rendering certain areas more appealing for real estate development and investment opportunities. These projects serve as catalysts for economic growth and urban development, providing seamless connectivity to various locations, and creating new job opportunities and business expansions.

The Philippines' full-year gross domestic product (GDP) growth rate in 2023 was 5.6%, outpacing major economies in Asia such as China, Vietnam, and Malaysia. Despite an elevated inflation rate and external challenges, there was also a stronger domestic demand noted in 2023. According to the Department of Finance Secretary, Ralph G. Recto, "The strong economic performance in 2023 is a clear testament to the government's efforts in creating an environment conducive to enhancing the purchasing power of Filipinos. We are firm in our commitment to ensure that our economic progress is felt in the day-to-day lives of our people." *(Source:https://www.dof.gov.ph/phs-full-year-2023-gdp-growth-strongest-among-major asianeconomies/)*

Overall, the Philippine real estate industry has shown significant growth and is expected tocontinue in the subsequent years. The Cityland Group of Companies will continue to monitor the demand in housing projects and implement strategies to cope with changes in the environment and an increase in demand.

The Cityland Group of Companies *[consists of City & Land Developers, Incorporated (CLDI), Cityland Development Corporation (CDC), Cityland, Inc. (CI) and Cityplans, Incorporated (CPI)]* will continue to monitor the demand in housing projects and implement strategies to cope with the changes in the environment and increase in demand.

1. Brief Company History

Cityland, Inc. (the Parent Company or CI) is a domestic corporation which is duly organized and existing under and by virtue of the laws of the Philippines since May 15, 1979 with the primary purpose of engaging in real estate development.

2. Subsidiaries

The Parent Company has a majority-owned subsidiary, Cityland Development Corporation (CDC), a publicly listed company, and four wholly-owned subsidiaries, Credit & Land Holdings, Inc. (CLHI), Cityads Incorporated (CAI), CityLots Holdings, Inc. (CLI) and CityMerge Holdings Inc. (CMHI).

CDC has two majority-owned subsidiaries, City & Land Developers, Incorporated (CLDI), another publicly listed company, and Cityplans, Incorporated (CPI). The primary purpose of CI and its subsidiaries (the Group), which are all domiciled in the Philippines, is to acquire, develop, improve, subdivide, cultivate, lease, sublease, sell, exchange, barter and/or dispose of agricultural, industrial, commercial, residential and other real properties, as well as to construct, improve, lease, sublease, sell and/or dispose of houses, buildings and other improvements thereon, and to manage and operate subdivisions and housing projects or otherwise engage in the financing and trading of real estate, except for CPI which is engage in the business of establishing, organizing, developing, maintaining, conducting, operating, marketing, and selling pension plans. CPI's secondary purpose is to own or otherwise acquire by deed, purchase or otherwise, the necessary property, building and equipment essential or incidental to said business and to purchase, own, hold, possess, lease, or otherwise acquire, and to use, operate, maintain, sell, pledge, mortgage, transfer or assign any real or personal property in the furtherance of the business and purpose of CPI.

The Group's registered office and principal place of business is at 2nd and 3rd Floors, Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City.

CAI was incorporated on February 20, 1980 for the purpose of engaging in general advertising business. Its registered office and principal place of business is at 2F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Salcedo Village, Makati City.

CLHI was incorporated on July 16, 1980 for the purpose of purchasing, selling or disposing of real and personal property of any kind including shares of stocks and securities. Its registered office and principal place of business is at 2F Cityland Condominium 10 Tower I, 156 H. V. Dela Costa Street, Salcedo Village, Makati City.

CLI and CMHI were incorporated on October 24, 2023 with its primary purpose to invest in, purchase, or otherwise acquire, own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose real and personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations. Their registered office and principal place of business is at 3rd Floor Cityland Condominium 10 Tower 1, 156 H.V. Dela Costa St., Salcedo Village Bel-air, City of Makati , Fourth District, National Capital Region (NCR), 1209.

The Parent Company, CDC and CLDI are selling the following projects as of March 31, 2024:

CI

Two Premier

Two Premier is a 32-storey residential, office, and commercial condominium near the corner of Investment Drive leading to Daang Hari, Las Pinas City. The project is situated beside One Premier, and it is estimated to be completed in June 2025.

One Premier

One Premier is a 27-storey commercial and residential condominium project located in one of the upmarket addresses in the South - Alabang Premier, Km. 21 Alabang-Zapote Road, Brgy. Almanza Uno, Las Piñas City. It was designed in the style and function of metropolitan living with amenities like swimming pool, gym, playground, multi-purpose function room, viewing deck and 24-hour association security will ensure convenient living.

The Manila Residences II

The Manila Residences II is a 39-storey office, commercial and residential condominium located along Taft Avenue, Manila. Amenities include swimming pool, mini-gym, and sauna for men and women, function room, viewing deck, children's playground and 24-hour association security.

Tagaytay Prime Residences

Tagaytay Prime Residences is a 21-storey commercial and residential condominium located at Tagaytay Prime Rotunda, Brgy. San Jose, Tagaytay City. Amenities include common viewing balcony for residential floors, swimming pool, multi-purpose area, viewing deck with jogging path and a 24-hour association security.

The Manila Residences I

The Manila Residences I is a 39-storey office, commercial and residential condominium located along Taft Avenue. Amenities include swimming pool, mini-gym, sauna for men and women, function room, viewing deck, children's playground and 24-hour association security.

Brentwood Mansion

Brentwood Mansion is an 8-storey commercial and residential condominium located along Evangelista St., New Santolan, Pasig City. Amenities and facilities include 2 elevators, administrative office, visitors' lounge, provision for cable TV and telephone line, individual water submeter / Meralco meter and 24-hour association security.

Tagaytay Country Homes 2-B

Tagaytay Country Homes 2-B is a residential subdivision located at Barangay Neogan, Tagaytay City. Features include multi-purpose hall, swimming pool and 24-hour association security.

CDC

City North Tower

City North Tower is a 50 - storey mixed residential, office and commercial Condominium project with three (3) basement parking and four (4) podium parking levels to be located at No. 35 North

Avenue Barangay Bagong Pag-asa Quezon City (QC). It is walking distance to QC's biggest malls - SM City North EDSA and Trinoma. The project is right across the future Common Station of MRT 7, MRT 3, LRT and subway. This project was launched in February 2024 and expected to be completed in February 2028.

Pioneer Heights 1

Pioneer Heights 1 is a 24-storey residential and commercial condominium to be located in Pioneer St., Mandaluyong City. Its amenities include swimming pool, children's playground, multi-purpose function room, laundry room, information area, administration room and 24-hour association security. The said project was completed in December 2023.

101 Xavierville

101 Xavierville is a 40-storey residential and commercial condominium to be located along Xavierville Avenue, Loyola Heights, Quezon City. The project is easily accessible to various schools such as Ateneo de Manila University, University of the Philippines and Miriam College; recreational parks and leisure places. The said project was completed in December 2023.

Pines Peak Tower I

Pines Peak Tower I is a 27-storey residential condominium located at Union corner Pines St., Barangka, Mandaluyong City. Its amenities include swimming pool, viewing deck, multi-purpose function room with movable children play set, gym and 24-hour association security.

Pines Peak Tower II

Pines Peak Tower II is a 27-storey residential condominium conceptualized for the fast-paced Filipino family. It is beside Pines Peak Tower I along Pines St., Brgy. Barangka Ilaya, Mandaluyong City. It is only a block away from the major thoroughfare of EDSA, near Shaw Boulevard, Pioneer and MRT Boni Station. The project is easily accessible to various commercial centers like Shangri-La Mall, Star Mall, Robinson's Place Pioneer, SM Megamall, The Podium, Metrowalk and schools like Lourdes School of Mandaluyong, St. Paul College and University of Asia and the Pacific. This project was completed in May 2019.

Grand Central Residences

Grand Central Residences is a 40-storey office, commercial and residential condominium located at EDSA corner Sultan St., (fronting MRT Shaw), Mandaluyong City. It is in close proximity to schools, churches, malls and hospitals. It is equipped with swimming pool, multi-purpose function room, gym, multi-purpose deck, CCTV and 24-hour association security.

Makati Executive Tower IV

Makati Executive Tower IV is a 29-storey commercial and residential condominium located at Cityland Square, Sen. Gil Puyat Ave., cor. P. Medina St., Makati City. It is in close proximity to schools, malls, hypermarkets and hospitals. Its amenities include swimming pool, gym, playground, function room, roof deck and 24-hour association security.

Makati Executive Tower III

Makati Executive Tower III is a 37-storey commercial, office, and residential condominium located at Cityland Square, Sen. Gil Puyat Avenue, Pio Del Pilar, Makati City. Its amenities include swimming pool, sauna, viewing deck, jogging area, mini-gym, children's playground, function room and 24-hour association security.

CDC is also leasing out the following buildings:

- *CityNet Central*

  CityNet Central is a 22-storey commercial and PEZA-registered building located in central business district along Sultan Street, Brgy. Highway Hills, Mandaluyong City with its proximity to MRT station and various transportation hubs.

- *CityNet1*

  CityNet1 is a 5-storey premiere business technology hub located along 183 EDSA, Brgy. Wack-Wack, Mandaluyong City. The said building for lease is also registered with PEZA.

<u>CLDI</u>

One Hidalgo

One Hidalgo is a proposed 39-storey mixed residential, office and commercial condominium to be located at 1730 P. Hidalgo Lim St., corner Gen. Malvar St., Malate, Manila. It is near various universities (De La Salle University, University of the Philippines – Manila, Philippine Christian University), government agencies (Supreme Court, Court of Appeals, Department of Justice) and other leisure establishments. The said project was launched in February 2023 and expected to be completed in September 2027.

One Taft Residences

One Taft Residences is a 40-storey mixed residential, office and commercial condominium which is located at 1939 Taft Avenue, Malate, Manila. It is accessible to various universities (De La Salle University, University of the Philippines – Manila, Philippine Christian University), transportation hubs, shopping centers, businesses, commercial and government offices. The said project was completed in May 2022.

North Residences

This 29-storey commercial and residential condominium is located along EDSA (beside WalterMart) corner Lanutan, Brgy. Veterans Village, Quezon City. It is conceptualized for the practical modern families to enjoy suburban city living that is friendly on the budget. The project was turned over in March 2018.

Grand Emerald Tower

Grand Emerald Tower is a 39-storey commercial, office and residential condominium located along Emerald Avenue Corner Ruby and Garnet Streets, Ortigas Center, Pasig City. Its amenities and facilities include swimming pool, gymnasium, viewing deck, sauna, children’s playground, multi-purpose function room, and 24-hour association security. It is proximate to schools, hospitals, shopping malls, banks, restaurants, hotels, churches and other leisure and business establishments.

Pacific Regency

Pacific Regency is a 38-storey commercial, office and residential condominium located at Pablo Ocampo Sr. Ave. (formerly Vito Cruz Street) in front of Rizal Memorial Sports Complex in Manila. Amenities and facilities include swimming pool, gymnasium, separate sauna for male and female, function room, children's playground, 24-hour association security, viewing area and jogging areas at the roof deck.

<u>Future Projects</u>

The following are the future projects of the Group as of March 31, 2024:

<u>CDC</u>

Pioneer Heights 2

Pioneer Heights 2 is an office, residential and commercial condominium to be located at Reliance St., Brgy. Highway Hills, Mandaluyong City.

<u>CLDI</u>

Bonifacio Place

Bonifacio Place is a proposed 40-storey mixed residential, office and commercial condominium project with a four (4) basement parking levels and a separate 6-storey parking building to be located at Boni Avenue, Barangay Barangka Itaas, Mandaluyong City. It is about 450 meters away from the EDSA MRT Boni Station.

The Group has also a number of prime lots reserved for future projects. Its land bank is situated in strategic locations ideal for horizontal and vertical developments.

Internal sources of liquidity come from sales of condominiums and real estate projects, rental income from leased properties, collection of installment receivables and contract assets, maturing short-term and long-term investments and notes receivable while external sources come from SEC-registered commercial papers.

The estimated development cost of ₱484.37 million as of March 31, 2024 representing the cost to complete the development of real estate projects sold and the contract payable amounting to approximately ₱1.36 million representing the liabilities from the contract to purchase a property which will be sourced through:

a. Sales of condominium units and real estate projects;
b. Collection of installment contracts receivables and contract assets;
c. Maturing short-term and long-term investments and notes receivable; and
d. Issuance of SEC-registered commercial papers.

Financial Condition (March 31, 2024 vs. December 31, 2023)

The Group's total assets as of March 31, 2024 posted a balance of ₱18.69 billion which was slightly lower as compared to the total assets as of December 31, 2023 of ₱18.76 billion. The decrease in assets can be attributed to the decrease in sales, contract assets, investment properties for sale, investment properties and also due to the restatement of forfeiture and capitalized interest in accordance to changes in accounting policy. In March 2024, CDC launched its newest project, City North Tower, which was still at its preliminary stage of completion as of the end of the first quarter thus, no significant revenue was recognized yet from the said project.

Majority of funds were utilized for operations and to finance the Group's on-going condominium projects, Two Premier, City North Tower, and One Hidalgo. Excess funds were invested in both short-term and long-term investments to increase interest earnings and maintain liquidity. The financial position remained stable as total cash and cash equivalents and short-term investments stood at ₱1.09 billion and ₱1.41 billion, respectively as of March 31, 2024.

On the liabilities side, total liabilities as of March 31, 2024 resulted to ₱3.37 billion as compared to ₱3.47 billion as of December 31, 2023. The decrease was due to settlement of accounts payable and accrued expenses.

Total equity stood at ₱15.32 billion as of March 31, 2024 from ₱15.28 billion as of December 31, 2023 due to comprehensive income recognized as of the 1st quarter of 2024.

The financial ratios affecting the Group are disclosed in the subsequent discussions.

Results of Operation (March 31, 2024 vs. March 31, 2023)

Sales of real estate properties reached ₱516.91 million as compared to the same period last year of ₱874.19 million. The decrease was due to the decline in sales of CDC – Pioneer Heights 1, 101 Xavierville and CLDI – North Residences and One Taft Residences as compared to the last year's sales. In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with up to 24 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10% which is not considered yet as sales for accounting purposes. The Group records these collections as "Rental and customers' deposits" under "Accounts Payable and Accrued Expenses" account in the consolidated statements of financial position.

As of March 31, 2024, CI contributed 37.98% of total Group's sales amounting to ₱196.32 million. Sales were substantially generated from Two Premier. Additional sales were also generated from the remaining inventory of One Premier, Tagaytay Prime Residences and The Manila Residences II.

CDC, on the other hand, contributed 51.41% of the total Group's sales reaching P 265.72 million as of March 31, 2024. The Group applies the percentage of completion in its revenue recognition and therefore aside from the current year's sales, additional revenues from prior years' sales were also recognized based on the increment of the percentage of completion. Sales from Pioneer Heights 1 contributed significantly to the sales of CDC as of March 31, 2024 followed by the sales from 101 Xavierville.

On the other hand, CLDI contributed 9.46% of the total sales as a result of sales from Pacific Regency, One Taft Residences, North Residences and Grand Emerald Tower and One Hidalgo. While CPI contributed 1.15% of the total Group's sales amounting to P 5.96 million pertaining to sale of condominium unit.

Other sources of income are financial income, rent income and other income. Financial income which is composed of interest income from sale of real estate properties, cash and cash equivalents, short-term and long-term investments and notes receivables contributed 32.50% of total revenues. Likewise, other income – net decrease by 33.84% from ₱36.84 million as of March 31, 2023 to ₱24.37 million as of March 31, 2024. Other income - net were primarily derived from adjustment of market value of repossessed units, penalties charged to clients, and other miscellaneous income. Rent income, on the other hand, significantly came from the lease operations of CityNet Central, CityNet1 and other properties that were held for lease. Revenue contribution of this account decrease by 5.59%, from ₱65.41 million to ₱61.75 million for the quarter ended March 31, 2023 and March 31, 2024, respectively.

On the cost side, cost of real estate sales also decreased as this move in tandem with sales while operating expenses increased due to the increase in personnel expenses, taxes and licenses, and professional fees. As for the financial expenses, the increase was due to the restatement of interest expense wherein borrowing costs are no longer being capitalized.

As a result of the foregoing, the Group ended with a net income of ₱232.75 million as of March 31, 2024 as compared to the same period last year of ₱302.33 million. This translated to annualized earnings per share and return on equity of 1.02 and 1.67%, respectively as compared to the same period last year of 4.88 and 7.89%, respectively.

Financial Ratios

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Basic/Diluted earnings per share*	**₱1.02**	4.39	₱4.88
Return on equity (%)*	**1.67%**	7.19%	7.89%
Return on asset (%)*	**1.25%**	6.31%	2.19%
Net profit margin	**28.87%**	31.13%	26.76%
Solvency*	**0.07**	0.36	0.33
Interest rate coverage	**56.64**	382.30	415.78
Asset-to-liability	**5.54**	5.41	4.96
Asset-to-equity	**1.94**	1.96	12.11
Debt-to-equity	**0.15**	0.17	0.96
Current	**4.70**	4.45	3.66
Acid-test ratio	**2.10**	1.92	1.54

**Annualized for the period of March 31, 2024 and March 31, 2023.*
***After retroactive effect of stock dividends*

Manner of Calculations:

Basic/ Diluted Earnings per share	=	Net income after tax / Outstanding number of shares
Return on equity ratio	=	Net income after tax / Total Equity
Return on asset ratio	=	Net income after tax / Total Assets
Net profit margin	=	Net income after tax / Total Revenue
Solvency ratio	=	Net income after tax + Depreciation expense / Total Liabilities
Interest rate coverage ratio	=	Net income before income tax + Depreciation expense + Interest expense / Interest expense on security deposit and others and lease liability
Asset-to-liability ratio	=	Total assets / Total liabilities
Asset-to-equity ratio	=	Total assets / Total equity attributable to equity holders of the Parent Company (net of net changes in fair value of equity instruments designated at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)
Debt-to-equity ratio	=	Notes and contracts payable

		Total equity attributable to equity holders of the Parent Company (net of net changes in fair value of equity instruments designated at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)
Current ratio	=	Total current assets / Total current liabilities
Acid-test ratio	=	Cash and cash equivalents + Short-term cash investments + Current portion of installment contracts receivable + Current portion of contract assets +Current portion of notes receivable + Current portion of other receivables / Total current liabilities

1. Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

There are no known trends, events or uncertainties that can materially affect the Group's liquidity.

2. Internal and External Sources of Liquidity

Internal sources come from sales of condominiums and real estate projects, collection of installment contracts receivable and contract assets, maturing short-term and long-term investments and notes receivable, and other sources such as rental income, interest income and dividend income. External sources come from issuance of commercial papers.

3. Any Material Commitments for Capital Expenditures and Expected Sources of Funds of such Expenditures

The estimated development cost of ₱484.36 million as of March 31, 2024 representing the cost to complete the development of real estate projects sold will be sourced through:

a. Sales of condominium units and real estate projects;
b. Collection of installment contracts receivable and contract assets;
c. Maturing short-term and long-term investments and notes receivable; and
d. Issuance of SEC-registered commercial papers.

4. Any Known Trend or Events or Uncertainties (Material Impact on Net Sales or Revenues or Income)

There are no known trends, events or uncertainties that could materially affect the Group's sales or revenues or income.

5. Any Significant Elements of Income or Loss that did not arise from Registrant's Continuing Operations.

There were no significant elements of income or loss that did not arise from continuing operations.

6. Any Event that Will Trigger Direct or Contingent Financial Obligation that is Material to Company

There is no event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

7. Causes for any Material Changes from Period to Period in One or More Line of the Registrant's Financial Statements

FINANCIAL CONDITION (March 31, 2024 vs December 31, 2023)

a. Increase in cash and cash equivalent was substantially due to new placement made placements in temporary investment.
b. Decrease in short term investment was due to maturities.
c. Decrease in Contract Assets was substantially due to collection and lower recognition of contract assets since CDC and CLDI's ongoing project- City North Tower and One Hidalgo is still at its early stage of construction.
d. Increase in other receivable was substantially due to advances to customers and rent receivable.
e. Increase in Notes Receivable was due to additional placements.
f. Increase in Real Estate Properties for Sale was primarily due to construction and development costs incurred by the ongoing project of CDC - City North Tower.
g. Increase in Real Estate Properties Held for Future Development was due to additional costs incurred and cost adjustment of CDC Reclassification Entry from IREP Lease to IREP.
h. Decrease in Investment Properties was due to reclassification entry from IREP Lease to IREP.
i. Decrease in Property and Equipment was due to recognition of depreciation expense.
j. Decrease in other asset was due to lower recognition in input vat-gen and prepaid expenses.
k. Decrease in Accounts Payable and Accrued Expenses was due to lower customer's deposits and development cost.
l. Decrease in Notes and Contract Payable was due to payment of matured notes payable.
m. Decrease in Contract Liabilities was due to recognition of collection from CDC and CLDI new ongoing projects City North Residences and One Hidalgo.
n. Increase in Income Tax Payable was substantially due to lower creditable withholding tax recognized in March 2024.
o. Decrease in in Retirement Benefits Liabilities was due to Increase in fair value of plan assets.
p. Decrease in Deferred Income Tax Liabilities - was significantly due to the restatement of forfeiture and capitalized interest in accordance to changes in accounting policy.
q. Increase in Retained Earnings was due to net income recognized as of March 31, 2024.
r. Increase in Non-Controlling Interest was due to net income of subsidiaries.

RESULTS OF OPERATION (March 31, 2024 vs March 31, 2023)

a. Decrease in Sales of Real Estate Properties was due to the decline in sales of CDC – City North Tower and CLDI – One Hidalgo since the newly launched projects is still under its early stage of percentage of completion.
b. Increase in Financial Income was due to higher interest income from Installment contract receivable and contract assets.
c. Decrease in Rental Income was due to pre-terminated lease contracts and no additional contracts entered as of March of 2024.
d. Decrease in Other Income – net was due to the restatement of forfeiture to retained earnings.
e. Decrease in Costs of Real Estate Sales was due to decrease in sale.
f. Increase in Operating Expenses was significantly due to increase in taxes and licenses, and professional fees.
g. Decrease in Financial Expenses was due to the restatement entry in capitalized interest.
h. Increase in Provision for Income Tax was due to the decrease in taxable income.
i. Decrease in Net Income was due to decrease in sales of real estate properties also the projects of CDC – City North Tower and CLDI – One Hidalgo are in early stage of construction and because of the restatement entry to close forfeiture and capitalized interest.

Cityland, Inc.
Balance Sheet (Vertical Analysis)

	March 31, 2024	Percentage	December 31, 2023	Percentage
ASSETS				
Current Assets				
Cash and cash equivalents	1,090,990,142	5.84%	973,729,405	5.19%
Short-term investments	1,409,000,000	7.54%	1,533,300,000	8.17%
Current portion of:				
Installment contracts receivable	20,221,550	0.11%	23,004,339	0.12%
Contract assets	765,923,315	4.10%	821,160,377	4.38%
Cost to obtain contract	3,314,409	0.02%	2,612,516	0.01%
Other receivables	83,142,779	0.44%	75,039,453	0.40%
Notes receivable	1,485,000,000	7.95%	1,252,000,000	6.67%
Real estate properties for sale	5,945,386,693	31.81%	6,080,768,113	32.42%
Current portion of investments in trust funds	2,870,129	0.02%	2,870,130	0.02%
Other current assets	78,150,209	0.42%	114,969,766	0.61%
Total Current Assets	10,883,999,226	58.24%	10,879,454,099	58.00%
Noncurrent Assets				
Installment contracts receivable - net of current portion	28,498,180	0.15%	25,666,335	0.14%
Long-term investments	203,999,438	1.09%	205,337,329	1.09%
Contract assets - net of current portion	2,049,139,834	10.96%	2,108,892,779	11.24%
Cost to obtain contract - net of current portion	5,803,107	0.03%	5,868,713	0.03%
Notes receivable - net of current portion		0.00%		0.00%
Other receivables - net of current portion	984,600	0.01%	1,009,567	0.01%
Investments in trust funds - net of current portion	34,404,092	0.18%	34,080,497	0.18%
Real estate properties held for future development	985,049,321	5.27%	983,846,182	5.24%
Investment properties	4,202,131,097	22.49%	4,212,927,778	22.46%
Property and equipment	74,456,144	0.40%	76,162,029	0.41%
Net retirement plan assets		0.00%	5,877,044	0.03%
Other noncurrent assets	219,841,358	1.18%	219,694,172	1.17%
Total Noncurrent Assets	7,804,307,171	41.76%	7,879,362,425	42.00%
TOTAL ASSETS	18,688,306,397	100.00%	18,758,816,524	100.00%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	695,706,440	3.72%	754,018,844	4.02%
Current portion of contract liabilities	43,841,727	0.23%	39,655,166	0.21%
Notes and contracts payable	1,490,456,450	7.98%	1,593,056,450	8.49%
Income tax payable	85,572,441	0.46%	54,538,571	0.29%
Current portion of pre-need and other reserves	1,115,430	0.01%	1,115,430	0.01%
Total Current Liabilities	2,316,692,488	12.40%	2,442,384,461	13.02%
Noncurrent Liabilities				
Accounts payable and accrued expenses - net of current portion	401,905,289	2.15%	358,162,604	1.91%
Contract liabilities - net of current portion	48,157,415	0.26%	44,424,135	0.24%
Pre-need and other reserves - net of current portion	22,192,658	0.12%	22,822,951	0.12%
Net retirement benefits liability	2,472,639	0.01%	8,349,683	0.04%
Deferred income tax liabilities - net	579,787,721	3.10%	597,995,513	3.19%
Total Noncurrent Liabilities	1,054,515,722	5.64%	1,031,754,886	5.50%
Total Liabilities	3,371,208,210	18.04%	3,474,139,347	18.52%
Equity				
Attributable to Equity Holders of the Parent Company				
Capital stock - ₱1 par value	1,572,728,730	8.42%	1,572,728,730	8.38%
Additional paid-in capital	-	0.00%	-	0.00%
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	3,975,978	0.02%	3,955,667	0.02%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	(31,787,813)	-0.17%	(31,787,813)	-0.17%
Other equity reserves	72,536,291	0.39%	72,536,291	0.39%
Retained earnings	7,971,580,804	42.66%	7,945,262,950	42.35%
	9,589,033,990	51.31%	9,562,695,825	50.98%
Non-controlling interests	5,728,064,197	30.65%	5,721,981,352	30.50%
Total Equity	15,317,098,187	81.96%	15,284,677,177	81.48%
TOTAL LIABILITIES AND EQUITY	18,688,306,397	100.00%	18,758,816,524	100.00%

Cityland, Inc.
Balance Sheet (Horizontal Analysis)

	March 31, 2024	December 31, 2023	Change	% Change (March 31, 2024 vs December 31, 2023)
ASSETS				
Current Assets				
Cash and cash equivalents	**1,090,990,142**	**973,729,405**	117,260,737	12.04%
Short-term investments	**1,409,000,000**	**1,533,300,000**	(124,300,000)	-8.11%
Current portion of:				
Installment contracts receivable	**20,221,550**	**23,004,339**	(2,782,789)	-12.10%
Contract assets	**765,923,315**	**821,160,377**	(55,237,062)	-6.73%
Cost to obtain contract	**3,314,409**	**2,612,516**	701,893	26.87%
Other receivables	**83,142,779**	**75,039,453**	8,103,326	10.80%
Notes receivable	**1,485,000,000**	**1,252,000,000**	233,000,000	18.61%
Real estate properties for sale	**5,945,386,693**	**6,080,768,113**	(135,381,420)	-2.23%
Current portion of investments in trust funds	**2,870,129**	**2,870,130**	(1)	0.00%
Other current assets	**78,150,209**	**114,969,766**	(36,819,557)	-32.03%
Total Current Assets	**10,883,999,226**	10,879,454,099	4,545,127	0.04%
Noncurrent Assets				
Installment contracts receivable - net of current portion	**28,498,180**	**25,666,335**	2,831,845	11.03%
Long-term investments	**203,999,438**	**205,337,329**	(1,337,891)	-0.65%
Contract assets - net of current portion	**2,049,139,834**	**2,108,892,779**	(59,752,945)	-2.83%
Cost to obtain contract - net of current portion	**5,803,107**	**5,868,713**	(65,606)	-1.12%
Notes receivable - net of current portion			-	#DIV/0!
Other receivables - net of current portion	**984,600**	**1,009,567**	(24,967)	-2.47%
Investments in trust funds - net of current portion	**34,404,092**	**34,080,497**	323,595	0.95%
Real estate properties held for future development	**985,049,321**	**983,846,182**	1,203,139	0.12%
Investment properties	**4,202,131,097**	**4,212,927,778**	(10,796,681)	-0.26%
Property and equipment	**74,456,144**	**76,162,029**	(1,705,885)	-2.24%
Net retirement plan assets		**5,877,044**	(5,877,044)	-100.00%
Other noncurrent assets	**219,841,358**	**219,694,172**	147,186	0.07%
Total Noncurrent Assets	**7,804,307,171**	7,879,362,425	(75,055,254)	-0.95%
TOTAL ASSETS	**18,688,306,397**	18,758,816,524	(70,510,127)	-0.38%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	**695,706,440**	**754,018,844**	(58,312,404)	-7.73%
Current portion of contract liabilities	**43,841,727**	**39,655,166**	4,186,561	10.56%
Notes and contracts payable	**1,490,456,450**	**1,593,056,450**	(102,600,000)	-6.44%
Income tax payable	**85,572,441**	**54,538,571**	31,033,870	56.90%
Current portion of pre-need and other reserves	**1,115,430**	**1,115,430**	-	0.00%
Total Current Liabilities	**2,316,692,488**	2,442,384,461	(125,691,974)	-5.15%
Noncurrent Liabilities				
Accounts payable and accrued expenses - net of current portion	**401,905,289**	**358,162,604**	43,742,685	12.21%
Contract liabilities - net of current portion	**48,157,415**	**44,424,135**	3,733,280	8.40%
Pre-need and other reserves - net of current portion	**22,192,658**	**22,822,951**	(630,293)	-2.76%
Net retirement benefits liability	**2,472,639**	**8,349,683**	(5,877,044)	-70.39%
Deferred income tax liabilities - net	**579,787,721**	**597,995,513**	(18,207,792)	-3.04%
Total Noncurrent Liabilities	**1,054,515,722**	1,031,754,886	22,760,836	2.21%
Total Liabilities	**3,371,208,210**	3,474,139,347	(102,931,138)	-2.96%
Equity				
Attributable to Equity Holders of the Parent Company				
Capital stock - ₱1 par value	**1,572,728,730**	**1,572,728,730**	-	0.00%
Additional paid-in capital	**-**	**-**	-	
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	**3,975,978**	**3,955,667**	20,311	0.51%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	**(31,787,813)**	**(31,787,813)**	-	0.00%
Other equity reserves	**72,536,291**	**72,536,291**	-	0.00%
Retained earnings	**7,971,580,804**	**7,945,262,950**	26,317,854	0.33%
	9,589,033,990	9,562,695,825	26,338,165	0.28%
Non-controlling interests	**5,728,064,197**	**5,721,981,352**	6,082,845	0.11%
Total Equity	**15,317,098,187**	15,284,677,177	32,421,010	0.21%
TOTAL LIABILITIES AND EQUITY	**18,688,306,397**	18,758,816,524	(70,510,128)	-0.38%

Cityland, Inc.
Income Statement (Vertical Analysis)

	March 2024	Percentage	March 2023	Percentage
REVENUE				
Sales of real estate properties	516,908,443	64.11%	874,194,149	77.37%
Financial income	203,279,384	25.21%	153,424,018	13.58%
Rent income	61,752,801	7.66%	65,407,060	5.79%
Other income - net	24,370,049	3.02%	36,835,480	3.26%
	806,310,677	100.00%	**1,129,860,707**	100.00%
COST AND EXPENSES				
Cost of real estate sales	262,299,057	32.53%	528,834,299	46.81%
Operating expenses	255,309,895	31.66%	206,463,016	18.27%
Financial expenses	5,379,250	0.67%	967,156	0.09%
	522,988,202	64.86%	**736,264,471**	65.16%
INCOME BEFORE INCOME TAX	**283,322,475**	35.14%	**393,596,236**	34.84%
PROVISION FOR INCOME TAX	**50,570,954**	6.27%	**91,267,081**	8.08%
NET INCOME	**232,751,521**	28.87%	**302,329,155**	26.76%

Cityland, Inc.
Income Statement (Horizontal Analysis)

	March 2024	March 2023	Change	% Change (2024 vs 2023)
REVENUE				
Sales of real estate properties	516,908,443	874,194,149	(357,285,706)	-40.87%
Financial income	203,279,384	153,424,018	49,855,366	32.50%
Rent income	61,752,801	65,407,060	(3,654,259)	-5.59%
Other income - net	24,370,049	36,835,480	(12,465,431)	-33.84%
	806,310,677	**1,129,860,707**	(323,550,030)	-28.64%
COST AND EXPENSES				
Cost of real estate sales	262,299,057	528,834,299	(266,535,242)	-50.40%
Operating expenses	255,309,895	206,463,016	48,846,879	23.66%
Financial expenses	5,379,250	967,156	4,412,094	456.19%
	522,988,202	**736,264,471**	(213,276,269)	-28.97%
INCOME BEFORE INCOME TAX	**283,322,475**	**393,596,236**	(110,273,761)	-28.02%
PROVISION FOR INCOME TAX	**50,570,954**	**91,267,081**	(40,696,127)	-44.59%
NET INCOME	**232,751,521**	**302,329,155**	(69,577,634)	-23.01%

8. Any seasonal aspects that had a material effect on the financial condition and results of operation

There are no seasonal aspects that had a material effect on the financial condition and results of operation.

9. Items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidents

There are no unusual items affecting assets, liabilities, equity, net income or cash flows in the current interim financial statements.

10. Any changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period

There are no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

11. Any issuances, repurchases, and repayments of debt and equity securities

The Parent Company and CDC issued commercial papers during the period with a total outstanding balance of ₱1.49 billion as of March 31, 2024.

12. Any material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period

There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

13. Effect of changes in the composition of the issuer during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring, and discontinuing operations.

There are no significant effects of changes in the composition of the issuer during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring, and discontinuing operations.
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Compliance to Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*

The Company's unaudited interim consolidated financial statements is in compliance with Philippine Accounting Standard (PAS) 34, Interim Financial Reporting. The same accounting policies and methods of computation are followed as compared with the most recent annual audited consolidated financial statements. However, the unaudited interim consolidated financial statements as of March 31, 2024 do not include all of the information and disclosures required in the annual audited consolidated financial statements and therefore, should be read in conjunction with the annual audited consolidated financial statements as of and for the year ended December 31, 2023. There are no any events or transactions that are material to an understanding of the current interim period.

PART II – OTHER INFORMATION

Disclosures not made under SEC Form 17 – C

There are no reports that were not made under SEC Form 17 – C.

S I G N A T U R E S

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this SEC Form 17-Q as of and for the period ended March 31, 2024 to be signed on its behalf by the undersigned thereunto duly authorized.

By: **CITYLAND, INC.**

____________________ Date: May 15, 2024
Josef C. Gohoc
President / Director

____________________ Date: May 15, 2024
Rudy Go
Senior Vice President / Treasurer / Compliance Officer

CITYLAND, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As of		
	UNAUDITED March 31, 2024	AUDITED December 31, 2023	AS RESTATED January 1, 2023
ASSETS			
Current Assets			
Cash and cash equivalents (Note 4)	**₱1,090,990,142**	₱973,729,405	₱1,424,589,931
Short-term investments (Note 4)	**1,409,000,000**	1,533,300,000	691,700,000
Current portion of:			
Installment contracts receivable (Note 6)	**20,221,550**	23,004,339	17,933,217
Contract assets (Note 6)	**765,923,315**	821,160,377	751,183,602
Cost to obtain contracts (Note 6)	**3,314,409**	2,612,516	17,502,622
Notes receivable (Note 7)	**1,485,000,000**	1,252,000,000	1,288,150,000
Other receivables (Note 8)	**83,142,779**	75,039,453	80,139,535
Investments in trust funds (Note 5)	**2,870,129**	2,870,130	9,196,033
Real estate properties for sale (Note 9)	**5,945,386,693**	5,947,914,273	5,616,041,109
Other current assets (Note 13)	**78,150,209**	114,969,766	152,179,841
Total Current Assets	**10,883,999,226**	10,746,600,259	10,048,615,890
Noncurrent Assets			
Long-term investments (Note 4)	**203,999,438**	205,337,329	303,999,438
Installment contracts receivable - net of current portion (Note 6)	**28,498,180**	25,666,335	15,479,329
Contract assets - net of current portion (Note 6)	**2,049,139,834**	2,108,892,779	2,439,744,668
Cost to obtain contracts - net of current portion (Note 6)	**5,803,107**	5,868,713	785,182
Notes receivable - net of current portion (Note 7)	**–**	–	100,000,000
Other receivables - net of current portion (Note 8)	**984,600**	1,009,567	868,040
Investments in trust funds - net of current portion (Note 5)	**34,404,092**	34,080,497	25,039,321
Real estate properties held for future development (Note 10)	**985,049,321**	983,846,182	1,126,655,558
Investment properties (Note 10)	**4,202,131,097**	4,212,353,831	3,833,328,526
Property and equipment (Note 11)	**74,456,144**	76,162,029	57,806,195
Net retirement plan assets (Note 23)	**–**	5,877,044	17,676,384
Other noncurrent assets (Note 12)	**219,841,358**	219,694,172	37,246,039
Total Noncurrent Assets	**7,804,307,171**	7,878,788,478	7,958,628,680
TOTAL ASSETS	**₱18,688,306,397**	₱18,625,388,737	₱18,007,244,570
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and accrued expenses (Note 13)	**₱695,706,440**	₱754,018,844	₱1,046,594,916
Contract liabilities (Note 6)	**43,841,727**	39,655,166	285,267,436
Notes and contracts payable (Note 14)	**1,490,456,450**	1,593,056,450	1,555,149,400
Income tax payable	**85,572,441**	54,538,571	20,263,990
Current portion of pre-need and other reserves (Note 5)	**1,115,430**	1,115,430	822,843
Total Current Liabilities	**2,316,692,488**	2,442,384,461	2,908,098,585
Noncurrent Liabilities			
Accounts payable and accrued expenses - net of current portion (Note 13)	**401,905,289**	358,162,604	300,445,888
Contract liabilities - net of current portion (Note 6)	**48,157,415**	44,424,135	23,192,535
Pre-need and other reserves - net of current portion (Note 5)	**22,192,658**	22,822,951	7,318,931
Net retirement benefits liability (Note 23)	**2,472,639**	8,349,683	27,830
Deferred income tax liabilities - net (Note 24)	**579,787,721**	597,995,513	576,811,132
Total Noncurrent Liabilities	**1,054,515,722**	1,031,754,886	907,796,316
Total Liabilities	**3,371,208,210**	3,474,139,347	3,815,894,901

	As of		
	UNAUDITED March 31, 2024	AUDITED December 31, 2023	AS RESTATED January 1, 2023
Equity			
Attributable to Equity Holders of the Parent Company			
Capital stock - 10 par value (Note 15)			
Authorized - 185,000,000 shares			
Issued -156,685,750 shares and 149,224,534 shares (net of 587,123 treasury shares) as of March 31, 2024 and December 31, 2023, respectively held by 28 equity holders			
Outstanding – 156,685,750 shares and 149,224,534 shares held by 28 equity holders as of March 31, 2024 and December 31, 2023, respectively			
Treasury – 587,123 shares (Note 24)	**₱1,572,728,730**	₱1,572,728,730	₱1,498,116,570
Other equity reserves	**72,536,291**	72,536,291	72,536,291
Unrealized fair value changes on financial assets at FVOCI (Note 13)	**3,975,978**	3,955,667	354,784
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect (Note 23)	**(31,787,813)**	(31,787,813)	(20,689,845)
Retained earnings	**7,971,580,804**	7,811,835,163	7,315,942,430
	9,589,033,990	9,429,268,038	8,866,260,230
Non-controlling interests (Note 16)	**5,728,064,197**	5,721,981,352	5,325,089,439
Total Equity	**15,317,098,187**	15,151,249,390	14,191,349,669
TOTAL LIABILITIES AND EQUITY	**₱18,688,306,397**	₱18,625,388,737	₱18,007,244,570

See accompanying Notes to Consolidated Financial Statements.

CITYLAND, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	For the 3-months ended March 31, 2024	For the 3-months ended March 31, 2023
REVENUES AND INCOME		
Sales of real estate properties (Note 6)	**₱516,908,443**	₱874,194,149
Financial income (Note 20)	**203,279,384**	153,424,018
Rent income (Note 10)	**61,752,801**	65,407,060
Other income - net (Note 22)	**24,370,049**	36,835,480
	806,310,677	1,129,860,707
COSTS AND EXPENSES		
Costs of real estate sales (Note 9)	**262,299,057**	528,834,299
Operating expenses (Note 17)	**255,309,895**	206,463,016
Financial expenses (Note 21)	**5,379,250**	5,039,994
	522,988,202	740,337,309
INCOME BEFORE INCOME TAX	**283,322,475**	389,523,398
PROVISION FOR INCOME TAX (Note 24)	**50,570,954**	91,267,081
NET INCOME	**232,751,521**	298,256,317
Attributable to:		
Equity holders of the Parent Company	**₱159,745,641**	₱177,968,433
Non-controlling interests (Note 16)	**73,005,880**	120,287,884
	₱ 232,751,521	₱298,256,317
BASIC/DILUTED EARNINGS PER SHARE (Note 27)	**₱1.02**	₱1.14

See accompanying Notes to Consolidated Financial Statements.

CITYLAND, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the 3-months ended March 31, 2024	For the 3-months ended March 31, 2023
NET INCOME	**₱ 232,751,521**	₱298,256,317
OTHER COMPREHENSIVE INCOME (LOSS)		
Not to be reclassified to profit or loss in subsequent periods:		
Changes in fair value of financial assets at FVOCI (Note 12)	**16,524**	(275,930)
	16,524	(275,930)
TOTAL COMPREHENSIVE INCOME	**₱ 232,768,045**	₱297,980,387
Attributable to:		
Equity holders of the Parent Company	**₱159,765,952**	₱177,957,412
Non-controlling interests (Note 16)	**73,002,093**	120,022,975
	₱232,768,045	₱297,980,387

See accompanying Notes to Consolidated Financial Statements.

CITYLAND, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Capital Stock (Note 15)	Other Equity Reserves	Unrealized Fair Value Changes on Financial Asserts at FVOCI (Note 12)	Accumulated Re-measurement Loss on Defined Benefit Plan – Net of Deferred Income Tax Effect (Note 23)	Retained Earnings	Subtotal	Non-controlling Interests (Note 16)	Total
BALANCES AT JANUARY 1, 2024	**₱1,572,728,730**	**₱72,536,291**	**₱3,955,667**	**₱(31,787,813)**	**₱7,811,836,163**	**₱9,429,269,038**	**₱5,721,981,352**	**₱15,151,249,390**
Net income	**–**	**–**	**–**	**–**	**159,745,641**	**159,745,641**	**73,005,880**	**232,751,521**
Other comprehensive loss	**–**	**–**	**20,311**	**–**	**–**	**20,311**	**(3,787)**	**16,524**
BALANCES AT MARCH 31, 2024	**₱1,572,728,730**	**₱72,536,291**	**₱ 3,975,978**	**₱(31,787,813)**	**7,971,580,804**	**9,589,033,990**	**₱5,728,046,238**	**₱15,317,098,187**

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	Capital Stock (Note 15)	Other Equity Reserves	Unrealized Fair Value Changes on Financial Assets at FVOCI (Note 12)	Accumulated Re-measurement Loss on Defined Benefit Plan – Net of Deferred Income Tax Effect (Note 23)	Retained Earnings	Subtotal	Non-controlling interests (Note 16)	Total
BALANCES AT JANUARY 1, 2023	₱1,498,116,570	₱72,536,291	₱354,784	₱(20,689,845)	₱7,315,942,430	₱8,866,260,230	₱5,325,089,439	₱14,191,349,669
Net income	–	–	–	–	177,968,433	177,968,433	120,287,884	298,256,317
Other comprehensive income	–	–	(11,021)	–	–	(11,021)	(264,909)	(275,930)
BALANCES AT MARCH 31, 2023	₱1,498,116,570	₱72,536,291	₱343,763	₱(20,689,845)	₱7,493,910,863	₱9,044,217,642	₱5,445,112,414	₱14,489,330,056

CITYLAND, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	UNAUDITED	
	As of March 31, 2024	As of March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱283,322,475**	₱393,596,236
Adjustments for:		
Interest income (Note 20)	**(203,278,865)**	(153,424,018)
Depreciation (Notes 17 and 19)	**14,327,951**	7,562,302
Interest expense - net of amounts capitalized (Note 21)	**4,502,180**	441,663
Interest expense -lease liabilities (Note 21)	**199,215**	89,343
Trust fund loss (income) (Note 22)	**(322,671)**	(2,430,851)
Dividend Income	**(519)**	–
Operating income before working capital changes	**98,749,766**	245,834,675
Decrease (increase) in:		
Installment contracts receivable (Note 6)	**(49,056)**	2,521,620
Contract assets (Note 6)	**114,990,007**	144,561,568
Other receivables (Note 8)	**(9,926,274)**	15,885,621
Real estate properties for sale (Note 9)	**134,900,470**	(30,565,035)
Real estate properties held for future development (Note 10)	**(1,203,139)**	(60,135)
Cost to obtain contracts (Note 6)	**(636,287)**	4,077,930
Deposits and others (Note 12)	**15,564,391**	19,919,556
Increase (decrease) in:		
Accounts payable and accrued expenses	**(27,078,161)**	31,105,914
Contract liabilities (Note 6)	**(7,919,841)**	(76,371,916)
Pre-need and other reserves (Note 5)	**(630,293)**	(487,600)
Net cash generated from operations	**316,761,583**	356,422,198
Interest received	**205,126,779**	149,654,518
Income taxes paid, including creditable and final withholding taxes	**(37,744,877)**	(55,656,847)
Net cash flows from operating activities	**484,143,485**	450,419,869
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from matured (purchase of):		
Investments (Note 4)	**125,637,890**	(574,000,000)
Notes receivable (Note 7)	**(233,000,000)**	(90,000,000)
Adjustments (additions) to investment properties (Note 10)	**(2,996,392)**	7,543,096
Dividends received	**519**	–
Net cash flows from (used in) investing activities	**(110,357,983)**	(656,456,904)

(Forward)

	UNAUDITED	
	As of March 31, 2024	As of March 31, 2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of notes payable (Note 14)	**₱7,084,215,894**	₱1,977,160,340
Payments of notes payable (Note 14)	**(7,085,315,894)**	(2,080,010,340)
Dividends paid	**(249,688,711)**	(40,321)
Interest paid, net of capitalized borrowing costs (Notes 13 and 14)	**(4,451,466)**	-
Payment of lease liabilities (Note 13)	**(1,284,587)**	-
Net cash flows used in financing activities	**(256,524,764)**	(102,890,321)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**117,260,738**	(308,926,656)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	**973,729,403**	1,424,589,931
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR (Note 4)	**₱1,090,990,142**	₱1,115,663,275

See accompanying Notes to Consolidated Financial Statements.

CITYLAND, INC. AND SUBSIDIARIES
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Cityland, Inc. (the Parent Company) was incorporated in the Philippines on May 15, 1979. The Parent Company has a majority owned subsidiary, namely, Cityland Development Corporation (CDC), a publicly listed company, and four wholly owned subsidiaries, namely, Credit & Land Holding, Inc. (CLHI), Cityads, Incorporated (CAI), CityLots Holdings, Inc. (CLI) and CityMerge Holdings Inc. (CMHI). CDC has two majority owned subsidiaries, namely, City & Land Developers, Incorporated (CLDI), another publicly listed company, and Cityplans, Incorporated (CPI). The primary purpose of the Parent Company and its subsidiaries (the Group), which are all incorporated and domiciled in the Philippines, is to acquire, develop, improve, subdivide, cultivate, lease, sublease, sell, exchange, barter and/or dispose of agricultural, industrial, commercial, residential and other real properties, as well as to construct, improve, lease, sublease, sell and/or dispose of houses, buildings and other improvements thereon, and to manage and operate subdivisions and housing projects or otherwise engage in the financing and trading of real estate. In addition, CPI is engaged in the business of establishing, organizing, developing, maintaining, conducting, operating, marketing and selling pension plans.

The Group's registered office and principal place of business is 2/F and 3/F, Cityland Condominium 10 Tower I, 156 H.V. de la Costa Street, Makati City.

On May 13, 2024, the Board of Directors, through the recommendation of the Audit and Risk Committee, approved and authorized the issuance of the accompanying unaudited consolidated financial statements as of and for the period ended March 31, 2024 of the Parent Company and its subsidiaries (the Group).

2. Summary of Material Accounting Policies

Basis of Preparation
The interim condensed consolidated financial statements of the Group have been prepared using the historical cost basis, except for financial assets at fair value through profit or loss, financial assets measured at fair value through other comprehensive income (FVOCI) and investment properties included in the investments in trust funds account. These consolidated financial statements are presented in Philippine peso (₱), which is the Group's functional and presentation currency. All values are rounded to the nearest Peso except when otherwise indicated.

The interim condensed consolidated financial statements have been prepared under the going concern assumption.

Statement of Compliance
The Group's interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, Interim Financing Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2023, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), as modified by the application of the following financial reporting reliefs on the accounting for significant financing components and treatment of borrowing costs as issued and approved by the Securities and Exchange Commission (SEC) in response to the COVID-19 pandemic.

Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Company.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The adoption of the above amendments to standards have to impact the interim condensed consolidated financial statements.

Assessment of significant financing component and treatment of borrowing costs

- PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)

  On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting real estate industry. On October 25, 2018, and February 8, 2019, the SEC issued SEC Memorandum Circular (MC) No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions for this Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

  The PIC Q&A provisions covered by the SEC deferral that the Group availed in 2023 follows:

  - Assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04)
  - *IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost) for the Real Estate Industry*

  After the deferral period, real estate companies would have to adopt PIC Q&A No. 2018-12 and any subsequent amendments thereto retrospectively or as the SEC will later prescribe.

  The mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments provided for in the contract to sell might constitute a significant financing component. In case of presence of significant financing component, the guidance should be applied retrospectively and would have resulted in restatement of prior year consolidated financial statements.

In addition, the Group also adopted that borrowing costs should not be capitalized as part of the cost of real estate inventories. However, the Group assessed that the impact to the interim condensed financial statements is not material.

Voluntary change in accounting policy for repossessed inventories from fair value to cost

- Repossessed inventories – the Group voluntarily changed its accounting policy for repossessed inventories from fair value to cost in order to promote comparability among similar entities in the real estate industry which have been using cost method in accounting for repossessed inventories. The change was accounted for, retrospectively, in accordance with PAS 8.

Starting January 1, 2024, the Group adopted the above changes which resulted in restatement of prior year consolidated financial statements (amounts in millions):

Consolidated statements of financial position

	As of December 31, 2023			As of December 31, 2022		
Accounts affected	As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
Real estate properties for sale (Note 9	6,081,342,060	200,347,035	5,880,995,025	5,799,289,178	228,683,981	5,570,605,197
Retained earnings (Note 15)	7,945,262,950	133,427,787	7,811,835,163	7,499,190,499	183,248,069	7,315,942,430
Minority Interest	5,721,981,352	(66,919,248)	5,655,062,104	5,325,089,439	(22,255,990)	5,301,909,517

Statements of comprehensive income

	As of December 31, 2023			As of December 31, 2022		
Accounts affected	As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
Financial expense	4,177,326	15,450,944	19,628,270	5,534,229	16,006,641	21,540,870
Other income Net	145,741,929	(53,489,180)	92,252,749	148,600,975	(20,028,591)	128,572,384
Cost of sales	1,472,312,281	(11,782,046)	1,460,530,235	1,388,212,285	5,025,002	1,393,237,287

Basis of Consolidation

The consolidated financial statements consist of the financial statements of the Parent Company and its subsidiaries as of the covered period of each year. The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using consistent accounting policies.

These subsidiaries and the percentage of ownership of the Parent Company as of March 31, 2024 and December 31, 2023 are as follows:

	Percentage of Ownership	Nature of Activity
Direct:		
CAI	100.00	Advertising

CLHI	100.00	Holding
CLI	100.00	Holding
CMHI	100.00	Holding
CDC	50.98	Real estate
Indirect through CDC (including direct ownership of the Parent Company in CLDI of 29.54% and CPI of 9.18%):		
CLDI	54.89	Real Estate
CPI	55.47	Pre-need pension plans

A subsidiary is an entity that is controlled by the Parent Company. Control is achieved when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- exposure, or rights, to variable returns from its involvement with the investee
- the ability to use its power over the investee to affect its returns

When the Parent Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Parent Company's voting rights and potential voting rights

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. In such circumstances, the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received shall be recognized directly in equity and attributed to the owners of the parent.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill, if any), liabilities, non-controlling interest and other components of equity while any resulting gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

<u>Non-controlling Interests</u>

Non-controlling interests represent the interests in the subsidiaries not held by the Parent Company and are presented separately in the consolidated statement of income, consolidated statement of comprehensive income and within the equity section of the consolidated statement of financial position, separate from the Parent Company's equity.

Material Accounting Policy Information

Except as otherwise stated, the material accounting policies are consistent with those used in annual consolidated financial statements as at and for the year ended December 31, 2023.

Real Estate Properties for Sale

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as real estate properties for sale and measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Land cost
- Amounts paid to contractors for construction
- Borrowing costs directly attributable to the acquisition, development and construction of real estate projects
- Planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs to complete and the estimated costs necessary to make the sale. The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known.

Upon repossession, real estate properties for sale arising from sale cancellations and forfeitures are measured at cost.

Revenue Recognition

Revenue from Contract with Customers

The Group primarily derives its real estate revenue from the sale of completed real estate projects and undeveloped land. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is acting as a principal in all of its revenue arrangements, except for the provisioning of water, electricity, air-conditioning and common use service area in its office leasing activities, wherein it is acting as agent.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Sales of real estate properties (CI, CDC and CLDI)

CI, CDC and CLDI derive its real estate revenue from sale of lots and condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date. For CPI, revenue from the sale of these real estate projects is recognized at a point in time when control of the asset is transferred to the buyer, generally when the condominium units are delivered to and accepted by the buyer.

Revenue from sales of completed real estate properties and undeveloped land is accounted for using the full accrual method. Under the full accrual method, revenue is recognized when the risks and rewards of ownership on the properties have been passed to the buyer and the amount of revenue can be measured reliably.

In measuring the progress of its performance obligation over time, the Group uses input method. Input method recognizes revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation. Progress is measured based on actual resources consumed such as materials, labor hours expended and actual overhead incurred relative to the total expected inputs to the satisfaction of that performance obligation, or the total estimated development costs of the real estate project. The Group uses the cost accumulated by the accounting department to determine the actual resources used. Input method excludes the effects of any inputs that do not depict the entity's performance in transferring control of goods or services to the customer.

If the criteria of full accrual and POC method are not satisfied and when the license to sell and certificate of registration for a project are not yet issued by the Housing and Land Use Regulatory Board (HLURB), any cash received by the Group is recorded as part of "Customers' deposits" account which is included under "Accounts payable and accrued expenses" account in the consolidated statement of financial position until all the conditions for recognizing the sale are met.

Estimated development costs of the real estate project include costs of land, land development, building costs, professional fees, depreciation of equipment directly used in the construction, payments for permits and licenses. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts, form part of total project costs on a prospective basis.

Any excess of progress of work over the right to an amount of consideration is recorded either as installment contracts receivable (unconditional) or contract asset (conditional) while the excess of collection over progress of work is recorded as contract liability.

Any excess of collections over the total of recognized installment contracts receivable is included in the "Contract liabilities" account in the liabilities section of the consolidated statement of financial position.

Sales of real estate properties (CPI)
CPI derives its revenue from sale of condominium units. Revenue from the sale of these real estate projects is recognized at a point in time when control of the asset is transferred to the buyer, generally when the condominium units are delivered to and accepted by the buyer. The payment is collectible in monthly installments for periods ranging from 1 to 10 years.

Cost of real estate sales
The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as land and connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

Cost of real estate sales is recognized consistent with the revenue recognition method applied. Cost of real estate properties sold before completion is determined using the POC used for revenue recognition applied on the acquisition cost of the land plus the total estimated development costs of the property.

In addition, the Group recognizes as an asset only costs that give rise to resources that will be used in satisfying performance obligations in the future and that are expected to be recovered.

The cost of inventory recognized in profit or loss on disposal (cost of real estate sales) is determined with reference to the specific and allocated costs incurred on the sold property taking into account the POC. The cost of real estate sales also includes the estimated development costs to complete the real estate property, as determined by independent project engineers, and taking into account the POC. The accrued development costs account is presented under "Accounts payable and accrued expenses" in the consolidated statement of financial position.

Any changes in estimated development costs used in the determination of the amount of revenue and expenses are recognized in the consolidated statement of income in the period in which the change is made.

Financial expenses

Financial expenses consist of interest incurred on notes and contracts payable. Interest attributable to a qualifying asset is capitalized as part of the cost of the asset while others are expensed as incurred.

Events After the Reporting Period

Post year-end events that provide additional information about the Group's financial position at the end of reporting period (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- PFRS 17, Insurance Contracts
- Amendments to PAS 21, Lack of exchangeability

Deferred effectivity

Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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3. **Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes.

In the opinion of management, these interim condensed consolidated financial statements reflect all adjustments necessary to present fairly the results for the periods presented. Actual results could differ from such estimates.

Except as otherwise stated, the significant judgments, estimates and assumptions used in the preparation of the interim condensed financial statements are consistent with those used in the annual consolidated financial statements as at and for the year ended December 31, 2023.

Assessment of significant financing component
The Group believes that it is a lender in the contract to sell with the buyers and thus accounted for the significant financing component when recognizing revenue from real estate sales. The Group combined contracts with similar characteristics such as payment term and project. The impact has been reflected in the condensed consolidated financial statements.

4. Cash and Cash Equivalents and Investments

Cash and cash equivalents consist of:

	March 31, 2024	December 31, 2023
Cash on hand and in banks	**₱57,244,136**	146,261,289
Cash equivalents	**1,033,746,006**	827,468,116
	₱1,090,990,142	973,729,405

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at the respective cash investment rates.

Short-term investments consist of:

	March 31, 2024	December 31, 2023
Short-term cash investments	**₱1,164,400,000**	₱1,216,100,000
Short-term bond investments	**244,600,000**	317,200,000
	₱1,409,000,000	₱1,533,300,000

Short-term investments have maturities of more than three months to one year from dates of acquisition and earn interest at the prevailing market interest rates.

Long-term investments amounting to ₱204.00 million and ₱205.34 million as of March 31, 2024 and December 31, 2023, respectively, pertain to cash and bond investments that have maturities of more than one year from the date of acquisition.

Interest income earned from cash in banks, cash equivalents, and short-term and long-term investments are disclosed in Note 20.

5. Investments in Trust Funds and Pre-need and Other Reserves

Investments in trust funds
Pursuant to the provisions of the SEC Memorandum Circular No. 6, *Guidelines on the Management of the Trust Fund of Pre-Need Corporation* (SEC Circular No. 4), the SEC requires, among others, that companies engaged in the sale of pre-need plans and similar contracts to planholders set up a trust fund to guarantee the delivery of property or performance of service in the future. Withdrawals from these trust funds are limited to, among others, payments of pension plan benefits, bank charges and investment expenses in the operation of the trust funds, termination value payable to plan holders, contributions to the trust funds of cancelled plans and final taxes on investment income of the trust funds.

In accordance with the SEC requirements, CPI has funds deposited with two local trustee banks with net assets aggregating to ₱37.27 million and ₱36.95 million as of March 31, 2024 and December 31, 2023, respectively, which are recorded under "Investments in trust funds" account in the consolidated statements of financial position.

The details of investments in trust funds are as follows:

	March 31, 2024	December 31, 2023
Assets		
Cash and cash equivalents	**₱4,039,239**	₱2,869,730
Debt and listed equity securities	**27,833,603**	27,741,224
Investment properties	**5,889,399**	6,839,400
Others	**299,405**	297,573
	38,061,646	37,747,927
Liabilities	**(787,425)**	(797,300)
	37,274,221	36,950,627
Less noncurrent portion	**34,404,092**	34,080,497
	₱2,870,129	₱2,870,130

Pre-need and other reserves

Details of pre-need and other reserves are as follows:

	March 31, 2024	December 31, 2023
PNR	**₱23,146,131**	23,771,931
Pension bonus reserve	**121,785**	126,278
Insurance premium reserve	**40,172**	40,172
	23,308,088	23,938,381
Less: noncurrent portion	**22,192,658**	(22,822,951)
	₱1,115,430	₱1,115,430

6. Revenue from Contracts with Customers

a. Disaggregated Revenue Information

The Group derives revenue from the real estate sales overtime in different product types and geographical locations. The disaggregation of each source of revenue from contracts with customers are presented below:

Real estate sales

Type of Product	**March 31, 2024**	March 31, 2023
High-rise condominium	**₱476,200,506**	₱740,579,983
Parking slots and others	**40,707,937**	133,614,166
Total	**₱516,908,443**	₱874,194,149

Geographical Location	**March 31, 2024**	March 31, 2023
Metro Manila	**₱491,478,581**	₱847,120,487
Tagaytay	**25,429,862**	27,073,662
Total	**₱516,908,443**	₱874,194,149

All of the Group's real estate sales, except for CPI, are revenue from contracts with customers recognized over time and are reported under "Sales of real estate properties" segment. For CPI, real estate sales are revenue from contracts with customers recognized at a point in time.

As of March 31, 2024 and December 31, 2023, sales for real estate properties and rental income arose from contracts with external customers. There were no intercompany sales/transactions made in the said years.

Contract Balances

	March 31, 2024	December 31, 2023
Installment contracts receivable		
Current	**₱20,221,550**	₱23,004,339
Noncurrent	**28,498,180**	25,666,335
Contract asset		
Current	**765,923,315**	821,160,377
Noncurrent	**2,049,139,834**	2,108,892,779
Contract liabilities		
Current	**(43,841,727)**	(39,655,166)
Noncurrent	**(48,157,415)**	(7,318,931)

Installment contracts receivable arises from sale of real estate properties and is collectible in monthly installments for periods ranging from one to 10 years which bear monthly interest rates of 0.92% to 1.33% as of March 31, 2024 and December 31, 2023 computed on the diminishing balance.

Interest income earned from installment contracts receivable and contract assets amounted to ₱135.19 million and ₱95.58 million as of March 31, 2024 and March 31, 2023, respectively (see Note 21).

The Group entered into contract of guaranty under Retail Guaranty Line with Philippine Guarantee Corporation (PHILGUARANTEE). The amount of installment contracts receivable enrolled and renewed by these companies amounted to ₱2.1 billion and ₱1.45 billion as of March 31, 2024 and December 31, 2023, respectively. These companies paid a guarantee premium of 1.00% based on the outstanding principal balance of the receivables enrolled as of March 31, 2024 and December 31, 2023 (see Note 17).

Contract asset represents the right to consideration that was already delivered by the Group in excess of the amount recognized as installment contracts receivable. This is reclassified as installment contracts receivable when the monthly amortization of the buyer is already due for collection.

Contract liabilities consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the goods and services transferred by the Group based on percentage of completion.

Movement in contract liability was recognized as income based on the percentage of completion of the ongoing projects.

b. *Performance obligations*

Information about the Group's performance obligations are summarized below:

Real estate sales
The Group entered into contracts to sell with one identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

The sale of real estate unit may cover either the lot; and condominium unit and the Group concluded that there is one performance obligation in each of these contracts. The Group, except for CPI, recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction. CPI recognizes revenue from the sale of these real estate projects at a point in time when control of the asset is transferred to the buyer, generally when the condominium units are delivered to and accepted by the buyer.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include down payment of generally 5% to 10% of the contract price with the remaining balance payable through in-house financing which ranges from one (1) month to ten (10) years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results to either a contract asset or contract liability.

In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with 6 to 24 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10%. The Group records these collections as " Rental and customers' deposits" under "Accounts Payable and Accrued Expenses" account in the consolidated statements of financial position.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) are as follows:

	March 31, 2024	December 31, 2023
Within one year	**₱156,466,021.80**	₱163,363,598
More than one year	**365,654,562.95**	432,492,782
	₱522,120,584.75	₱595,856,380

The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Group's real estate projects. The Group condominium units are generally completed within three years to five years from start of construction.

c. *Cost to Obtain Contract*

The balances below pertain to the cost to obtain contracts as of March 31, 2024 and December 31, 2023 as presented in the consolidated statement of financial position:

	March 31, 2024	December 31, 2023
Balance at the beginning of the year	**₱8,481,229**	₱18,287,804
Additions	**3,613,607**	54,924,547
Amortization	**(2,977,320)**	(64,731,122)
Balance at the end of year	**9,117,516**	8,481,229
Less: noncurrent portion	**5,803,107**	(5,868,713)
Current portion	**₱3,314,409**	₱2,612,516

7. Notes Receivable

Notes receivable pertains to short-term investments placed by the Group with different financial institutions which earn interest at the prevailing market interest rates ranging from 2.71% to 7.57% as of March 31, 2024 and December 31, 2023.

There were no properties offered as collaterals for the notes receivable. Details of notes receivable as of March 31, 2024 and December 31, 2023 are as follows:

Date of Placement	Amount	Maturity Date
March 2024	₱80,000,000	March 2025
March 2024	149,000,000	June 2024
March 2024	30,000,000	May 2024
February 2024	50,000,000	Feb 2025
February 2024	357,000,000	May 2024
February 2024	120,000,000	April 2024
January 2024	73,000,000	July 2024
January 2024	84,000,000	May 2024
January 2024	160,000,000	April 2024
November 2023	125,000,000	November 2024
October 2023	82,000,000	October 2024
August 2023	25,000,000	August 2024
May 2023	50,000,000	May 2024
July 2021	100,000,000	July 2024
Balance as of March 31, 2024	₱1,485,000,000	

Interest income earned from notes receivable is disclosed in Note 20.

8. Other Receivables

Other receivables consist of:

	March 31, 2024	December 31, 2023
Rent receivable	**₱13,737,371**	₱11,988,300
Advances to customers	**21,424,817**	15,617,557
Accrued interest	**35,486,636**	37,334,550
Retention	**155,831**	1,702,090
Advances to condominium corporations	**8,236,437**	8,169,017
Others	**5,086,287**	1,237,506
	84,127,379	76,049,020
Less: noncurrent portion	**984,600**	(1,009,567)
Current portion	**₱83,142,779**	₱75,039,453

Rent receivable arose from the investment properties rented-out under non-cancellable long-term operating lease contracts (see Note 10). Advances to customers are receivables of the Group for the real estate property taxes of sold condominium units initially paid by the Group. Accrued interest pertains to interest income earned but not yet received by the Group. Retention pertains to the amount held on cash sale of real estate properties. Advances to condominium corporations pertain to disbursements which are collectible from condominium corporations. Other receivables include employees' advances, advances to retirement fund and receivables from buyers for expenses initially paid by Group. The advances to retirement fund accounted approximately 65% of the Group's total other receivables.

9. Real Estate Properties for Sale

Real estate properties for sale consist of costs incurred in the development of condominium units and residential lots and housing units for sale. Real estate properties for sale includes deemed cost adjustment amounting to ₱4.04 million and ₱3.22 million as of March 31, 2024 and December 31, 2023, respectively (see Note 16). The deemed cost adjustment arose when the Group transitioned to PFRSs in 2005.

The movements in real estate properties for sale are as follows:

	March 31, 2024	December 31, 2023
Balances at beginning of period/year	**₱5,947,914,273**	₱5,616,041,109
Construction/development costs incurred - net	**280,805,273**	1,754,552,860
Disposals (cost of real estate sales)	**(262,299,057)**	(1,460,530,235)
Transfer from investment properties (Note 10)	**(1,054,897)**	–
Other adjustments – net	**(19,978,899)**	37,850,539
Balances at end of period/year	**₱5,945,386,693**	₱5,947,914,273

Real estate properties for sale account includes capitalized borrowing costs incurred during each year in connection with the development of the properties. The average capitalization rates used to determine the amount of borrowing costs eligible for capitalization were 1.08% and 1.09% as of March 31, 2022 and December 31, 2021, respectively.

10. Real Estate Properties Held for Future Development and Investment Properties

Real Estate Properties Held for Future Development

Real estate properties held for future development include land properties reserved by the Group for its future condominium projects.

Movements in real estate properties held for future development are as follows:

	March 31, 2024	December 31, 2023
Balances at beginning of period/year	**₱983,846,182**	₱1,126,655,558
Additions	**1,203,139**	5,416,198
Transfer from (to) investment properties (Note 10)	–	(148,225,574)
	985,049,321	983,846,182
Recovery on inventory-write down	–	–
	₱985,049,321	₱983,846,182

In 2019, the Parent Company recognized provision for inventory write-down in its real estate properties held for future development relating to the land improvements in Naic Country Homes amounting to ₱26.35 million. No provision for inventory write-down was recognized as of March 31, 2024 and December 31, 2023.

Investment Properties

Investment properties consist of:

	March 31, 2024	December 31, 2023
Real estate properties for lease	**₱3,235,653,983**	₱3,278,790,475
Real estate properties held for capital appreciation	**966,477,114**	933,563,356
	₱4,202,131,097	₱4,212,353,831

Movements in investment properties are as follows:

	March 31, 2024			
	Land	**Building**	**Machinery and Equipment**	**Total**
Cost				
Balances at beginning of period	**₱3,358,685,786**	**₱1,143,824,144**	**₱214,003,418**	**₱4,716,513,348**
Additions	**2,996,392**	**–**	**–**	**2,996,392**
Transfer to real estate properties for sale (Note 9)	**–**	**(164,855)**	**–**	**(164,855)**
Balances at end of period	**3,361,682,178**	**1,143,659,289**	**214,003,418**	**4,719,344,885**
Accumulated Depreciation				
Balances at beginning of period	**–**	**392,475,154**	**111,684,363**	**504,159,517**
Depreciation for the period (Notes 17 and 19)	**–**	**11,412,566**	**2,861,457**	**14,274,023**
Transfer to real estate properties for sale	**–**	**(1,219,752)**	**–**	**(1,219,752)**
Balances at end of period	**–**	**402,667,968**	**114,545,820**	**517,213,788**
Net Book Value	**3,361,682,178**	**740,991,321**	**99,457,598**	**4,202,131,097**

	December 31, 2023			
	Land	Building	Machinery and Equipment	Total
Cost				
Balances at beginning of year	2,922,435,197	1,156,249,323	214,003,418	₱4,292,687,938
Additions	293,039,255	–	–	293,039,255
Cost adjustment (Note 13)	(5,014,240)	–	–	(5,014,240)
Transfer to real estate properties held for future development (Note 10)	148,225,574	–	–	148,225,574
Transfer to real estate properties for sale (Note 9)	–	(12,425,179)	–	(12,425,179)
Balances at end of year	3,358,685,786	1,143,824,144	214,003,418	4,716,513,348
Accumulated Depreciation				
Balances at beginning of year	–	359,120,877	100,238,535	459,359,412
Depreciation for the year (Notes 17 and 19)	–	45,779,456	11,445,828	57,225,284
Transfer to real estate properties for sale (Note 9)	–	(12,425,179)	–	(12,425,179)
Balances at end of year	–	392,475,154	111,684,363	504,159,517
Net Book Value	3,358,685,786	751,348,990	102,319,055	4,212,353,831

Investment properties as of March 31, 2024 and December 31, 2023 include the following buildings for lease registered with Philippine Economic Zone Authority (PEZA) which are leased out to third parties:

	PEZA Registration No.	Date Registered
CityNet1	EZ14-04	March 3, 2014
Citynet Central	EZ15-06	February 17, 2015

The net book values of land and building include net deemed cost adjustment amounting to 1.39 billion as of March 31, 2024 and December 31, 2023 (see Note 16). The deemed cost adjustment arose when the Group transitioned to PFRSs in 2005.

Based on the appraisal reports by SEC accredited and independent firms of appraisers using market data and sales comparison approach at various dates in 2021 and 2020 appraised value of these investment properties amounted to 10.25 billion and 8.92 billion as of the dates of appraisal as of 2021 and 2020, respectively (see Note 27).

Rental agreements
The Group entered into lease agreements for its building for lease with the following identified performance obligations: (a) lease of space (b) provisioning of water and electricity (c) provision of air conditioning and CUSA services and (d) administration fee. Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations are recognized when services are rendered. The tenant is required to issue post-dated checks on the monthly rental payments. In case of delay in payments, a penalty of about 4% per annum is charged for the amount due for the duration of delay. The lease arrangement for the Group's term lease transactions would typically require a tenant to pay advance rental equivalent to three (3) months and a security deposit equivalent to three (3) months rental to cover any breakages after the rental period, with the excess returned to the tenant.

The following are the non-cancellable operating lease contracts entered by the Parent Company as of March 31, 2024:

Commencement Date	Lessees (Third Parties)	Term
2023	Bank	5 years
2023	Domestic Corporation	3 years
2023	Boutique	3 years
2022	Convenience Store	5 years
2022	Signage Space	3 years
2022	Aesthetic Center	3 years
2022	Office	3 years
2021	Parking Lot	5 years
2018	Shopping Center	12 years

CDC and CLDI also entered the following non-cancellable operating lease contracts with various third parties as of March 31, 2024:

Commencement Date	Lessees (Third Parties)	Term
2023	Shopping Center	5 years
2023	Domestic Corporation	3 years
2023	Convenience Store	5 years
2023	Domestic Corporation	3 years
2023	Domestic Corporation	5 years
2023	Convenience Store	5 years
2023	Domestic Corporation	3 years
2023	Domestic Corporation	2 years
2022	Oil Company	8 years
2022	Convenience Store	5 years
2022	Domestic Corporation	3 years
2022	Domestic Corporation	5 years
2022	Domestic Corporation	5 years
2021	Fast Food	5 years

Commencement Date	Lessees (Third Parties)	Term
2021	Domestic Corporation	3 years
2021	Domestic Corporation	5 years
2020	Domestic Corporation	5 years
2020	Domestic Corporation	5 years
2020	Domestic Corporation	5 years
2020	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2017	Fast Food	10 years

The lease contracts include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions. As a result of the COVID-19 pandemic, certain contracts were pre-terminated in 2021 while some lessees no longer renewed contracts that have ended during the year.

The future minimum lease payments for these lease agreements are as follows:

	March 31, 2024	December 31, 2023
Not later than one year	**₱119,675,201**	₱145,555,411
Later than one year and not later than five years	**230,192,781**	236,967,668
Later than five years	**3,608,579**	7,645,980
	₱353,476,561	₱390,169,059

Rent income from investment properties amounted to ₱61.75 million and ₱65.41 million as of March 31, 2024 and March 31, 2023, respectively. Rent income from investment property is recognized in the consolidated statements of income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the rental income is also spread over the term of the lease.

Other lease agreements with third parties are generally for a one-year term renewable every year.

11. Property and Equipment

Property and equipment consist of:

	March 31, 2024						
	Land	**Building**	**Office Premises**	**Furniture, Fixtures and Office Equipment**	**Transportation and Other Equipment**	**Right-of-use Asset**	**Total**
At Cost							
Balances at beginning of year	**44,124,342**	**9,169,134**	**–**	**25,372,246**	**4,474,083**	**17,656,085**	**100,795,890**
Additions	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Balances at end of year	**44,124,342**	**9,169,134**	**–**	**25,372,246**	**4,474,083**	**17,656,085**	**100,795,890**
Accumulated Depreciation							
Balances at beginning of period	**–**	**1,798,109**	**–**	**15,530,728**	**3,427,201**	**3,877,823**	**24,633,861**
Depreciation for the period (Notes 17 and 19)	**–**	**91,419**	**–**	**63,974**	**346,875**	**1,203,618**	**1,705,886**
Balances at end of period	**–**	**1,889,528**	**–**	**15,594,702**	**3,774,076**	**5,081,441**	**26,339,747**
Net Book Value	**44,124,342**	**7,279,606**	**–**	**9,777,544**	**700,007**	**12,574,644**	**74,456,143**

	March 31, 2024						
	Land	**Building**	**Office Premises**	**Furniture, Fixtures and Office Equipment**	**Transportation and Other Equipment**	**Right-of-use Asset**	**Total**
At Deemed Cost		**–**	**–**	**253,365,628**	**–**	**–**	**– 253,365,628**
Accumulated Depreciation							
Balances at beginning and end of period		**–**	**–**	**253,365,628**	**–**	**–**	**– 253,365,628**
Net Deemed Cost	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**44,124,342**	**7,279,606**	**–**	**9,777,544**	**700,007**	**12,574,644**	**74,456,143**

	December 31, 2023						
	Land	Building	Office Premises	Furniture, Fixtures and Office Equipment	Transportation and Other Equipment	Right-of-use Assets	Total
At Cost							
Balances at beginning of year	44,124,342	9,169,134	–	21,869,033	3,395,510	13,950,664	92,508,683
Cash additions	–	–	–	8,910,713	1,078,573	–	9,989,286
Noncash additions	–	–		–	–	15,710,672	15,710,672
Disposal/retirement	–	–	–	(5,407,500)	–	(12,005,251)	(17,412,751)
Balances at end of year	44,124,342	9,169,134	–	25,372,246	4,474,083	17,656,085	100,795,890
Accumulated Depreciation							
Balances at beginning of year	–	1,412,731	–	18,549,909	3,391,249	11,348,599	34,702,488
Depreciation for the year (Notes 17 and 19)	–	385,378	–	2,388,319	35,952	4,534,475	7,344,124
Disposal	–	–	–	(5,407,500)	–	(12,005,251)	(17,412,751)
Balances at end of year	–	1,798,109	–	15,530,728	3,427,201	3,877,823	24,633,861
Net Book Value	44,124,342	7,371,025	–	9,841,518	1,046,882	13,778,262	76,162,029
At Deemed Cost							
Balances at beginning and end of year	–	–	253,365,628	–	–	–	253,365,628
Accumulated Depreciation							
Balances at beginning of year	–	–	253,365,496	–	–	–	253,365,496
Balances at end of year	–	–	253,365,628	–	–	–	253,365,628
Net Deemed Cost	–	–	–	–	–	–	–
Total	44,124,342	7,371,025	–	9,841,518	1,046,882	13,778,262	76,162,029

For the office premises, the Group elected to apply the optional exemption under PFRS 1, *First-Time Adoption of PFRS*, to use the revalued amount as deemed cost as at January 1, 2005, the date of transition to PFRS.

The Group adopted PFRS 16, on January 1, 2019 for its contracts of lease wherein the Group is acting as the lessee. The said leases pertain to lease of office spaces for the period of 2 to 5 years. At the initial recognition, the right-of-use assets were recognized at cost amounting to 8.88 million (see Note 2). Subsequently, this is being amortized based on the remaining lease term. The Group recorded as part of "Property and equipment" the right-of-use assets amounting to ₱12.57 million and ₱13.78 million as of March 31, 2024 and December 31, 2023, respectively. Depreciation expense related to right-of-use assets amounted to ₱1.20 million and ₱1.38 million as of March 31, 2024, and March 31, 2023, respectively (see Note 12).

Other lease contracts entered by the Group pertain to short-term leases of office space and transportation equipment with rent expense amounting to ₱0.59 million and ₱0.59 million incurred as of March 31, 2024 and 2023, respectively. The Group does not have any lease contracts pertaining to low value assets. Further, the Group does not have any sublease and leaseback transactions. Thus, there were no income arising from sublease, sale and leaseback transaction.

The cost of fully depreciated property and equipment still used in operations amounted to ₱5.88 million as of March 31, 2024 and December 31, 2023.

12. **Other Assets**

Other current assets amounted to ₱78.15 million and 114.97 million as of March 31, 2024 and December 31, 2023, respectively, consist of input VAT, advances to contractors and prepaid real estate taxes.

Other noncurrent assets consist of:

	March 31, 2024	December 31, 2023
Unused input VAT	**₱162,857**	₱203,571
Refundable deposits	**25,606,293**	25,007,572
Advances to contractors	**4,595,651**	5,022,072
Financial assets at FVOCI	**187,888,180**	187,872,580
Others	**1,588,377**	1,588,377
	₱219,841,358	₱219,694,172

The unused input VAT arose from the purchase of parcels of land in previous years recorded as part of "Real estate properties held for future development" and "Investment properties" accounts as of March 31, 2024 and December 31, 2023, respectively (see Notes 10 and 11).

Refundable deposits represent payments made by the Group to various utility companies for the installation of electric and water meters for unsold condominium units.

Advances to contractors are advances made by the Group for the contractors' supply requirements. Other noncurrent assets pertain to insurance premium fund and other prepayments made by the Group.

Financial assets at FVOCI consist of investments in listed equity securities. The fair values of these financial assets were determined based on published prices in an active market.

The movement in fair value reserve of financial assets at FVOCI presented in the equity section of the consolidated statements of financial position, is as follows:

	March 31, 2024	December 31, 2023
Balances at beginning of year	**₱3,955,667**	₱354,784
Realized gain		(170,115)
Unrealized gain (loss for the year)	**(20,311)**	3,770,998
Balances at end of year	**₱3,975,978**	₱3,955,667

Mark-to-market gain (loss) on financial assets at FVOCI pertaining to the non-controlling interests amounted to (₱0.02) million and ₱3.60 million as of March 31, 2024 and December 31, 2023, respectively.

13. **Accounts Payable and Accrued Expenses**

Accounts payable and accrued expenses consist of:

	March 31, 2024	December 31, 2023
Trade payables	**₱248,646,943**	₱208,153,743
Rental and customers' deposits	**129,142,678**	138,935,787
Accrued expenses:		
Development costs	**484,385,444**	556,012,430
Sick leave (Note 23)	**55,419,043**	62,703,390

	March 31, 2024	December 31, 2023
Directors' fee (Note 25)	**41,447,301**	31,571,135
Taxes, premiums, staff benefits and others	**907,298**	1,749,100
Interest	**1,829,933**	1,779,219
Deferred rent income	**48,826,187**	51,861,994
Dividends payable	**30,288,977**	16,745,878
Withholding taxes payable	**9,094,526**	13,679,665
VAT payable	**4,182,385**	8,836,796
Lease liabilities	**13,093,820**	14,179,192
Others	**30,347,194**	5,973,119
	1,097,611,729	1,112,181,448
Less: noncurrent portion	**401,905,289**	(358,162,604)
Current portion	**₱ 695,706,440**	₱754,018,844

Trade payables consist of payables to suppliers, contractors and other counterparties. Rental and customers' deposits consist of buyers' reservation fees, collections pertaining to sales transactions with below 10% percentage of collection, rental deposits and collected deposits for water and electric meters of the sold units. Accrued development costs represent the corresponding accrued expenses for the completed condominium units of the Group. Deferred rent income pertains to rent received from long-term operating lease.

Lease liabilities pertain to the present value of the lease payments that are not yet paid during the remaining lease period. Interest expense related to the lease liabilities amounted to ₱3.19 million and ₱0.09 million as of March 31, 2024 and March 31, 2023, respectively (see Note 21). There were no expenses relating to variable lease payments that were not included in the measurement of lease liability.

Deferred rent income pertains to rent received from long-term operating lease. Other payables consist substantially of commission payable, unclaimed checks of pension holders and payables due to government agencies and employees.

Group as a lessee
The Group has lease contracts for various items of plant assets used in its operations. Leases of plant assets generally have lease terms between 2 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The following are the amounts recognized in the consolidated statements of income are as follows:

	March 31, 2024	March 31, 2023
Depreciation expense of right-of-use assets included in property and equipment (Note 11)	**₱1,203,618**	₱1,037,051
Interest expense on lease liabilities (Note 21)	**3,194,271**	89,343
Total amount recognized in consolidated statements of income	**₱4,397,889**	₱1,126,394

The rollforward analysis of lease liabilities is as follows:

	March 31, 2024	December 31, 2023
Balance at beginning of year	**₱14,179,192**	₱2,926,552

Additions		15,710,670
Interest expense (Note 21)	**199,215**	680,313
Payments	**(1,284,587)**	(5,138,343)
Balance at end of year	**₱13,093,820**	₱14,179,192

Shown below is the maturity analysis of the undiscounted lease payments as of March 31, 2024 and December 31, 2023:

	2024	2023
1 year	**₱5,116,251**	₱ 4,064,246
More than 1 year to 2 years	**4,281,643**	5,116,251
More than 2 years to 3 years	**2,650,911**	4,281,643
More than 3 years to 4 years	**2,616,469**	2,650,911
5 years and above	**1,112,264**	3,728,733

14. **Notes and Contracts Payable**

The details of notes and contracts payable are as follows:

	March 31, 2024	December 31, 2023
Notes payable	**1,489,100,000**	1,546,500,000
Contracts payable	**1,356,450**	46,556,450
	1,490,456,450	1,593,056,450

The notes payable pertains to commercial papers with varying maturities ranging from 30 to 365 days and annual interest rates ranging from 1.13% to 0.56% as of March 31, 2024 and December 31, 2023.

On various dates in 2023 and 2022, the SEC authorized the Parent Company and CDC to issue the total aggregated amount of 1,500.00 and 2,000.00 million, respectively worth of commercial papers registered with the SEC, in accordance with the provisions of the Securities Regulation Code and its implementing rules and regulations and other applicable laws and orders.

Outstanding commercial papers issued by the Parent Company and CDC as of March 31, 2024 and December 31, 2023 aggregated to ₱1.489.10 billion and ₱1.546.50 million, respectively.

The movements in notes payable are as follows:

	March 31, 2024	December 31, 2023
Beginning balance	**₱1,546,500,000**	₱1,547,600,000
Availments	**1,637,350,000**	7,084,215,894
Payment	**(1,694,750,000)**	(7,085,315,894)
Ending balance	**₱1,489,100,000**	₱1,546,500,000

Interest expense related to notes payable amounted to ₱4.05 million and ₱4.07 million as of March 31, 2024 and March 31, 2023, respectively.

The Parent Company, CDC, CLDI and CPI (the Cityland Group) have credit lines with financial institutions aggregating to about ₱2,300.00 million as of March 31, 2024 and December 31, 2023 of which are ₱1,800.00 million is available for drawing by any of the companies in the Cityland Group.

No loans were availed by Cityland Group from the credit line as of March 31, 2024 and December 31, 2023.

As of March 31, 2024 and December 31, 2023, the Parent Company has no specific credit lines, while the credit line of CDC amounted to ₱500.00 million.

The carrying values of CDC's investment properties and real estate properties for sale that will be used as collaterals that will be used for the Group's credit lines as of March 31, 2024 and December 31, 2023 are as follows:

Investment properties	**146,666,172**
Real estate properties for sale	**51,039,017**
Total	**₱197,705,189**

Contract payable
Contracts payable represent liability arising from contracts entered into by the Group to purchase a property (see Note 10.

The movements in contracts payable are as follows:

	March 31, 2024	December 31, 2023
Beginning balance	**₱46,556,450**	₱7,549,400
Noncash additions	**12,600,000**	293,724,882
Payment	**(57,800,000)**	(249,703,592)
Cost adjustment (Note 10)	**–**	(5,014,240)
Ending balance	**₱1,356,450**	₱46,556,450

15. **Equity**

a. The Parent Company has 28 and 27 equity holders owning 157,272,873 of March 31, 2024 and December 31, 2023.

The following table summarizes the reconciliation of the issued and outstanding shares of capital stock for March 31, 2024 and December 31, 2023:

	Shares	**Amount**
Authorized - 10 par value		
Beginning and end of period/year	**185,000,000**	**₱1,850,000,000**
Issued, beginning of period/year	**149,811,657**	**₱1,498,116,570**
Stock dividend declared	**7,461,216**	**74,612,160**
Issued, ending of period/year	**157,272,873**	**1,572,728,730**
Outstanding	**156,685,750**	**1,566,857,500**
Treasury shares (Note 25)	**(587,123)**	**–**

b. Dividends declared and issued/paid by the Parent Company in 2024, 2023, 2022 and 2021 are as follows:

Dividends	BOD Approval Date	Stockholders' Approval Date	Per Share	Stockholders of Record Date	Date Issued/Paid
Cash	June 14, 2023	–	1.118	July 14, 2023	August 9, 2023
	June 10, 2022	–	0.754	June 28, 2022	July 15 , 2022
	June 11, 2021	–	0.521	July 9, 2021	August 4, 2021
Stock	June 20, 2023	June 21, 2023	5%	July 20, 2023	August 15, 2023
	April 30, 2021	June 15, 2021	5%	July 15, 2021	August 10, 2021

Fractional shares of stock dividends were paid in cash by the Company to its stockholders based on the par value.

As of March 31, 2024 and December 31, 2023, the unappropriated retained earnings attributable to equity holders of the Parent Company and the non-controlling interest include the remaining balance of net deemed cost adjustment which arose when the Group transitioned to PFRSs in 2005.

16. Material Partly-owned Subsidiary

Below are the summarized financial information of the subsidiaries that have non-controlling interests that are material to the Group. The amounts disclosed are based on those financial information included in the consolidated financial statements before intercompany eliminations.

Proportion of equity interest held by non-controlling interests as of March 31, 2024 and December 31, 2023 are as follows:

Direct:	
CDC	**49.02%**
Indirect through CDC (including direct ownership of the Parent Company in CLDI of 29.54% and CPI of 9.18%):	
CLDI	**45.11%**
CPI	**44.53%**

17. Operating Expenses

Operating expenses consist of:

	March 31, 2024	March 31, 2023
Taxes and licenses	**₱110,354,775**	₱61,120,463
Personnel (Note 18)	**68,773,751**	75,385,873
Depreciation (Note 19)	**15,979,908**	7,562,303
Professional fees	**14,875,911**	8,715,582
Light, power and water	**9,533,560**	12,532,183
Outside services	**8,285,398**	7,905,950
Association dues	**7,712,885**	7,076,731
Brokers' commission	**7,006,334**	7,810,093
Repairs and maintenance	**4,857,549**	7,139,623
Insurance expense (Note 6)	**1,494,559**	1,480,714
Rent expense	**723,310**	593,461
Postage, telephone and telegraph	**654,750**	727,495
Transportation and travel	**632,988**	588,298
Advertising and promotions	**342,755**	328,097
Donations and contributions	**–**	150,000
Others	**4,081,462**	7,346,150
	₱255,309,895	₱206,463,016

Rent expense pertains to the lease payments on the short-term lease transactions entered into by the Group. Others include representation expense, pre-need expense, plan benefits, stationery and office supplies and miscellaneous expenses.

18. Personnel Expenses

Personnel expenses consist of:

	March 31, 2024	March 31, 2023
Salaries and wages	**₱ 33,681,560**	₱33,748,641
Commission	**11,124,242**	14,937,152
Bonuses and other employee benefits	**23,967,949**	26,700,080
	₱68,773,751	₱75,385,873

Bonuses and other employee benefits pertain to incentive and performance bonus

19. **Depreciation**

Depreciation consists of:

	March 31, 2024	March 31, 2023
Investment properties (Note 10)	**₱14,274,022**	₱6,057,939
Property and equipment (Note 11)	**1,705,886**	1,504,364
	₱15,979,908	₱7,562,303

20. **Financial Income**

Financial income consists of:

	March 31, 2024	March 31, 2023
Interest income from:		
Installment contracts receivable and contract assets (Note 6)	**₱135,191,867**	₱95,576,797
Cash equivalents and investments (Note 4)	**65,622,138**	53,782,442
Notes receivable (Note 7)	**2,350,582**	3,945,159
Cash in banks (Note 4)	**114,278**	119,620
Dividend Income	**519**	–
	₱203,279,384	₱153,424,018

21. **Financial Expenses**

Financial expenses consist of:

	March 31, 2024	March 31, 2023
Interest expense on:		
Notes payable (Note 14)	**₱4,053,944**	₱4,072,838
Interest expense on security deposits	**448,236**	441,663
Interest expense on lease liabilities (Note 13)	**199,215**	89,343
Finance charges and others	**677,855**	436,150
	₱5,379,250	₱5,039,994

22. Other Income - Net

Other income - net amounting to ₱24.37 million and ₱36.84 million as of March 31, 2024 and March 31, 2023, respectively, pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, trust fund income, penalties for buyers' late payments, sales of scraps and net gains or losses on forfeiture/cancellation of sales.

23. Employee Benefits

Under the existing regulatory framework, Republic Act 7641, *The Philippine Retirement Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided, however, that the employees retirement benefit under the collective bargaining and other agreements shall not be less than provided under the law. The law does not require minimum funding of the plan.

Retirement benefits cost
The Group, jointly with affiliated companies, has a funded, noncontributory defined benefit retirement plan, covering all of its permanent employees. This provides for payment of benefits to covered employees upon retirement subject to certain condition which is based on a certain percentage of the employee's final monthly salary and the number of years of service.

Accrued sick leave
Employees are entitled to paid sick leave of 15 days per year of service after issuance of regular appointment, computed at 1.25 days per month of service, enjoyable only after one year of regular service. Unused sick leaves are cumulative and convertible to cash based on the employee's salary at the time that the employee is leaving the Group. Accrued sick leave, presented under "Accounts payable and accrued expenses - noncurrent portion" account, amounted to ₱55.42 million and ₱62.70 million as of March 31, 2024 and December 31, 2023, respectively (see Note 13).

24. Income Taxes

a. Provision for (benefit from) income tax consists of:

	March 31, 2024	March 31, 2023
Current	**₱56,422,510**	₱62,306,726
Deferred	**(18,207,792)**	18,578,867
	38,214,718	80,885,593
Final tax on interest income	**12,356,236**	10,381,488
	₱50,570,954	₱91,267,081

b. The components of the net deferred income tax liabilities are as follows:

	March 31, 2024	December 31, 2023
Deferred income tax assets on:		
Accrued expenses	**₱24,199,589**	₱22,287,597
Unearned rent revenue	**6,360,504**	7,428,486
Unamortized past service cost	**1,549,200**	1,549,200
Lease liabilities (Note 13)	**129,795**	100,233
	32,239,088	31,365,516
Deferred income tax liabilities on:		

	March 31, 2024	December 31, 2023
Deemed cost adjustment in properties (Note 15)	**(334,600,496)**	(334,624,903)
Difference between tax basis and book basis of accounting for real estate transactions	**(263,347,788)**	(256,959,861)
Capitalized borrowing costs	–	(23,987,924)
Retirement plan assets	**(11,756,500)**	(11,756,501)
Cost to obtain contract	**(2,279,379)**	(2,120,307)
Rent receivable, net of unearned rent revenue	**(566,431)**	(435,317)
	(612,550,594)	(629,884,813)
	(580,311,506)	(598,519,297)
Deferred income tax liability recognized on retained earnings upon realization – deemed cost adjustment	**(13,900,012)**	(13,900,013)
Deferred income tax liability recognized in other comprehensive income – actuarial loss on defined benefit plan	**14,423,797**	14,423,797
	(₱579,787,722)	(₱597,995,513)

The breakdown of net deferred income tax liabilities per entity is as follows:

	March 31, 2024	December 31, 2023
Deferred income tax liabilities - net:		
Parent Company	**(₱354,403,999)**	(₱360,812,953)
CDC	**(219,901,206)**	(224,550,428)
CLDI	**(933,955)**	(8,622,624)
CPI	**(4,548,562)**	(4,009,508)
	(₱579,787,722)	(₱597,995,513)

c. On March 26, 2021, the President of the Philippines signed into law Republic Act No. 11534, Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, which took effect on April 11, 2021. The CREATE Act introduces reforms to the corporate income tax and incentive systems by implementing changes to the current tax regulations. Some of these changes, which became effective beginning July 1, 2020, are as follows:

- Reduction in the RCIT rate from 30% to 20% for entities with net taxable income not exceeding 5.0 million and with total assets not exceeding 100.0 million (excluding the value of land on which the business entity's office, plant and equipment are situated);
- Reduction in the RCIT rate from 30% to 25% for all other corporations;
- Reduction in the MCIT rate from 2% to 1% of gross income for 3 years or until June 30, 2023; and
- Repeal of the imposition of 10% improperly accumulated earnings tax (IAET).

25. Related Party Transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by or under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Group. Associates and individuals owning, directly or indirectly, and account balances with related parties consisting mainly of the following interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

The Group discloses the nature of the related party relationship and information about the transactions and outstanding balances necessary for an understanding of the potential effect of the relationship on the consolidated financial statements, including, as a minimum, the amount of outstanding balances and its terms and conditions including whether they are secured, and the nature of the consideration to be provided in settlement.

The Group, in the normal course of business, has transactions and account balances with related parties consisting mainly of the following:

	Amount of Transactions		Outstanding balance: Receivable (Note 8)		Outstanding balance: Payable (Note 13*)		
	March 31, 2024	December 31, 2023	**March 31, 2024**	December 31, 2023	**March 31, 2024**	December 31, 2023	Terms and Conditions
Subsidiaries							
(CDC, CLDI and CPI)							
Sharing of expenses charged by (to) the Company (Note 25c)*	**₱9,816,227**	**₱–**	**₱3,526,439**	₱4,194,122	**₱1,542,271**	₱12,026,181	30-day, unsecured, non-interest bearing; to be settled in cash
(CDC and CLHI)							
Guaranty deposit (Note 25d)	–	–	**199,637,329**	199,637,329	–	–	3 to 5-year guaranty deposit
Interest income on guaranty deposit (Note 25d)	**2,350,582**	1,740,276	**6,088,633**	3,950,729	–	–	Settled in cash
Board of Directors							
Directors' fees			**–**	–	**1,542,271**	12,026,181	Settled in cash

**Outstanding balance is included under "Accounts payable and accrued expenses" account in the parent company statements of financial position.*

The transactions of the Parent Company with CDC, CLDI, CPI, CAI and CLHI are eliminated in the consolidated statements of financial position and consolidated statements of income.

a. In 2019, the Parent Company entered into a Memorandum of Agreement with CDC whereby the CDC shall assign its parcel of land to the Parent Company in exchange of certain number of condominium units on One Premier, a project that is currently being constructed by the Parent Company. The said land is recorded under “Real Estate Properties Held for Future Development” account. In 2021, additional units were allocated to CDC.

b. Shares of stock of the Parent Company held by members of the BOD aggregated to about 61,273,021 and 58,355,322 shares equivalent to₱612.73 and ₱583.55 million as of March 31, 2024 and December 31, 2023, respectively. In December 2021, one of the members of BOD retired resulting to the decline in the shares held by BOD as of December 2021.

c. The Parent Company has an existing agreement with CLDI, CDC and CPI whereby personnel costs and common recurring expenses such as water, electricity, rental, and other expenses for which the companies have benefited from such service shall be shared among the companies and billed with a pre-agreed mark-up rate. These are recorded as part of “Operating expenses” in the statement of income. The income recognized as a result of the mark-up charged is recorded as “Other income net” in the statement of income. These are unsecured, unguaranteed, noninterest bearing, and due within 30-60 days.

d. The Parent Company and CDC, through CLHI, issued a cash bond aggregating to ₱257.15 million in favor of HLURB in relation to the construction and development of its ongoing projects which was recorded as part of “Notes receivable” in the consolidated statements of financial position. The said amount was placed by CLHI with financial institutions with a maturity of three (3) to five (5) years.

26. Financial Instruments

Financial Risk Management Objectives and Policies

The Group’s principal financial instruments comprise cash and cash equivalents, short-term and long-term investments, notes and contracts payable. The main purpose of these financial instruments is to finance the Group’s operations. The Group’s other financial instruments consist of financial assets at fair value through profit or loss which are held for investing purposes and investment in trust funds to cover pre-need reserves obligation. The Group has various other financial instruments such as installment contracts receivable, contract assets, notes receivable, other receivables and accounts payable and accrued expenses, which arise directly from its operations.

It is, and has been throughout the year under review, the Group’s policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group’s financial instruments are market risks (i.e., cash flow interest rate and equity price risks), credit risk, and liquidity risk. The BOD reviews and approves policies for managing these risks and they are summarized on the next page:

Market risk

Cash flow interest rate risk

Cash flow 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 Group's exposure to the risk for changes in market interest rates relates primarily to the Group's short-term notes payable, all with repriced interest rates.

The Group's policy in addressing volatility in interest rates includes maximizing the use of operating cash flows to be able to fulfill principal and interest obligations even in periods of rising interest rates.

The following table demonstrates the sensitivity of the Group's income before income tax to a reasonably possible change in interest rates based on forecasted and average movements of interest rates (with all other variables held constant):

	Change in bps	**Effect on income before income tax**
March 31, 2024	**+/-13 bps**	**-/+₱198,050**
December 31, 2023	-/+ 21 bps	-/+₱3,317,243

There is no impact on the Group's equity other than those already affecting income before income tax.

Equity price risk

Equity price risk is the risk that the fair values of investments in equity securities will decrease as a result of changes in the market value of individual shares of stock. The Group is exposed to equity price risk because of investments held by the Group classified as financial assets at FVOCI included under "Other noncurrent assets" account in the consolidated statements of financial position. The Group employs the service of a third-party stockbroker to manage its investments in shares of stock.

The following table demonstrates the sensitivity analysis of the Group's equity to a reasonably possible Change in equity price based on forecasted and average movements of equity prices (with all other variables held constant):

	Change in equity price	**Effect on equity**
March 31, 2024	**+/-0.24**	**-/+₱450,137**
December 31, 2023	+/- 0.07	+/- ₱205,059

Credit risk

Credit risk arises when the Group will incur a loss because its customers, clients or counterparties failed to discharge their obligations. The Group trades only with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the objective that the Group's exposure to bad debts is not significant. The risk is further mitigated because the Group holds the title to the real estate properties with outstanding installment contracts receivable balance and the Group can repossess such real estate properties upon default of the customer in paying the outstanding balance. The Group's policy is to enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risk. There are no significant concentrations of credit risk within the Group.

The tables below show the Group's exposure to credit risk for the components of the consolidated statements of financial position. The exposure as of March 31, 2024 is shown at gross, before taking the effect of mitigation through the use of collateral agreements and other credit enhancements, and at net, after taking the effect of mitigation through the use of collateral agreements and other credit enhancements.

March 31, 2024:

	Gross maximum exposure	Fair value of collaterals/credit enhancements	Net exposure	Financial effect of collaterals/credit enhancement
Financial assets				
Investments in trust funds	**₱37,274,221**	**₱–**	**₱37,274,221**	**₱–**
Cash and cash equivalents, excluding cash on hand*	**1,090,774,642**	**–**	**1,090,774,642**	**–**
Short-term investments	**1,409,000,000**	**–**	**1,409,000,000**	**–**
Long-term investments	**203,999,438**	**–**	**203,999,438**	**–**
Installment contracts receivable	**48,719,730**	**408,851,774**	**48,719,730**	**–**
Refundable deposits	**25,606,293**	**–**	**25,606,293**	–
Notes receivable	**1,485,000,000**	**–**	**1,485,000,000**	**–**
Other receivables:				
Rent receivable	**13,737,371**	**–**	**13,737,371**	**–**
Advances to customers	**21,424,817**	**–**	**21,424,817**	**–**
Accrued interest	**35,486,636**	**–**	**35,486,636**	**–**
Retention	**155,831**	**–**	**155,831**	**–**
Advances to condominium corporations	**8,236,437**	**–**	**8,236,437**	**–**
Others	**5,086,287**	**–**	**5,086,287**	**–**
Contract assets	**2,815,063,149**	**6,385,448,411**	**–**	**2,815,063,149**
Total credit risk exposure	**₱7,199,564,852**	**₱6,794,300,185**	**₱4,384,501,703**	**₱2,815,063,149**

**Excluding cash on hand amounting to 215,500.*

The Group has performed an expected credit loss (ECL) calculation for its financial assets at amortized cost. The expected credit loss is a product of the probability of default, loss given default and exposure at default.

In determining the probability of default, the Group used historical default rates for the last five years for the installment sales from its buyers and last two years for other receivables. The Group applied the possible effects of macroeconomic factors to the historical loss rate. For loss given default, the Group determined that the fair value less cost of repossession of collaterals upon default is higher than the exposure at default. Thus, no expected credit loss was recognized for the Group's installment contract receivables, contract assets and other receivables from its buyer.

The Group considers its cash and cash equivalent and short-term and long-term investments as high grade since these are placed in financial institutions of high credit standing. Accordingly, ECL relating to cash and cash equivalents and short-term and long-term investment rounds to nil.

The Group considers installment contract receivables, notes receivable, guaranty deposits, refundable deposits and other receivables from third parties and related parties as medium grade. Third parties are primarily managed through screening based on credit history and financial information submitted. Whereas, related parties have low risk of default and have a strong capacity to meet their contractual cash flows in the near term.

The following tables summarize the aging analysis of receivables and contract assets on which expected credit loss rate was applied:

March 31, 2024:

2

	Days past due	
	Less than	**Over 90**

	Contract asset	Noncurrent	Current	30 days	31-60 days	61-90 days	days	Total
Installment contracts receivable	₱–	₱ 28,498,180	₱ 2,232,737	₱ 16,951,200	₱ 4,764,399	₱ 1,034,718	(₱ 4,761,504)	₱ 48,719,730
Contract assets	2,815,063,149	–	–	–	–	–	–	2,815,063,149
Notes receivable	–	–	1,485,000,000	–	–	–	–	1,485,000,000
Refundable deposits	–	–	25,606,293	–	–	–	–	25,606,293
Other receivables:								
Rent receivable	–	–	13,737,371	–	–	–	–	**13,737,371**
Advances to customers	–	100,511	19,364,860	–	**297,186**	**156,120**	**1,506,140**	**21,424,817**
Accrued interest	–	–	**35,486,636**	–	–	–	–	**35,486,636**
Retention	–	**259,999**	**(104,168)**	–	–	–	–	**155,831**
Advances to condominium corporations	–	**591,694**	**7,644,743**	–	–	–	–	**8,236,437**
Others	–	**4,541**	**5,081,746**	–	–	–	–	**5,086,287**
	₱ 2,815,063,149	₱ 29,454,925	₱ 1,594,050,218	₱ 16,951,200	₱ 5,061,585	₱ 1,190,838	₱ (3,255,364)	₱ 4,458,516,551

The tables below show the credit quality by class of asset for loan-related statement of financial position lines based on the Group's credit rating system:

March 31, 2024:

	High Grade*	Medium Grade**	Total
Financial assets			
Investments in Trust Funds	**₱37,274,221**	**₱–**	**₱37,274,221**
Cash and cash equivalents, excluding cash on hand***	**1,090,774,642**	–	**1,090,774,642**
Short-term investments	**1,409,000,000**	–	**1,409,000,000**
Long-term investments	**203,999,438**	–	**203,999,438**
Refundable deposits	–	**25,606,293**	**25,606,293**
Installment contracts receivable	–	**48,719,730**	**48,719,730**
Notes receivable	–	**1,485,000,000**	**1,485,000,000**
Other receivables:			
Rent receivable	–	**13,737,371**	**13,737,371**
Advances to customers	–	**21,424,817**	**21,424,817**
Accrued interest	–	**35,486,636**	**35,486,636**
Retention	–	**155,831**	**155,831**
Advances to condominium corporations	–	**8,236,437**	**8,236,437**
Others	–	**5,086,287**	**5,086,287**
Contract assets	–	**2,815,063,149**	**2,815,063,149**
Total	**₱2,741,048,301**	**₱4,458,516,551**	**₱7,199,564,852**

**High Grade – financial assets with reputable counterparties and which management believes to be reasonably assured to be recoverable.*
***Medium Grade – financial assets for which there is low risk of default of counterparties.*
****Excluding cash on hand amounting to ₱215,500.*

Liquidity risk

Liquidity risk is defined as the risk that the Group would not be able to settle or meet its obligations on time or at a reasonable price.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of commercial papers.

The tables below summarize the maturity analysis of the Group's financial assets held for managing liquidity and financial liabilities based on contractual undiscounted payments:

March 31, 2024:

	Up to One Year	Above One Year	Total

Accounts payable and accrued expenses*	₱690,616,377	₱388,859,895	₱1,079,476,272
Lease liabilities	4,248,053	8,845,767	13,093,821
Notes payable**	1,465,215,277	–	1,465,215,277
Contracts payable	1,356,450	–	1,356,450
	₱2,161,436,157	₱397,705,662	₱2,559,141,820

** Excludes statutory liabilities amounting to ₱14,184,210*
*** Includes interest expense amounting to ₱16,065,277.*

Fair Values
The following tables provide fair value hierarchy of the Group's financial assets, financial liabilities and investment properties, other than those with carrying amounts which are reasonable approximations of fair values:

As of March 31, 2024:

	Fair value		
	Level 1	**Level 2**	**Level 3**
Assets measured at fair value			
Investment in trust fund			
Financial assets at FVPL	**₱4,572,274**	**₱–**	**₱–**
Financial assets at FV through OCI	**681,157**		
Investment properties	**–**	**–**	**6,839,400**
Financial assets at FV through OCI	**187,621,467**	**–**	**–**
Assets for which fair values are disclosed			
Investment properties*	**–**	**–**	**9,048,280,748**

**Last valuation date is December 31, 2023.*

The following method and assumptions were used to estimate the fair value of each class of financial instruments, repossessed real estate properties for sale and investment properties, for which it is practicable to estimate such value.

Cash and cash equivalents, short-term and long-term investments, notes receivable, installment contracts receivable, other receivables, accounts payable and accrued expense, notes and contracts payable.
Due to the short-term nature of the transactions, the fair values of cash and cash equivalents, short-term and long-term investments, other receivables, accounts payable and accrued expenses, notes and contracts payable approximate their carrying amounts. The fair values of long-term investments, notes receivable, installment contracts receivable and contract assets approximate their carrying amounts as they carry interest rates that approximate the interest rates for comparable instruments in the market.

Financial assets at FVPL and financial assets at FVOCI
Financial assets at FVPL and financial asset at FVOCI are stated at fair value based on quoted market prices.

Investment properties
The fair value of certain investment properties is determined using sales comparison. Sales comparison approach considers the sales of similar or substitute properties and other related market data had the investment properties been transacted in the market. The significant unobservable inputs used in determining the fair value are the sales price per square meter of similar or substitute property, location, size, shape of lot and the highest and best use.

Another method used in determining the fair value of other land properties is based on the market data approach. The value of land is based on sales and listings of comparable property registered within the vicinity. This requires adjustments of comparable property by reducing reasonable comparative sales and listings to a common denominator by adjusting the difference between the subject property and those actual sales and listings regarded as comparables. The comparison is premised on the factors of location; size and shape of the lot; time element and others.

The fair values of the investment properties as of December 31, 2023 approximate and represent the highest and best use of the said properties.

27. Basic/Diluted Earnings Per Share

Basic/diluted earnings per share amounts were computed as follows:

	March 31, 2024	March 31, 2023
Net income attributable to equity holders of the Parent Company	**₱159,745,641**	₱182,041,271
Weighted average number of outstanding shares	**156,685,750**	156,685,750*
Basic/diluted earnings per share	**₱1.02**	₱1.16

**After the retroactive effect of stock dividend*

The Group has no potential dilutive common shares as of March 31, 2024 and March 31, 2023. Thus, the basic and diluted earnings per share are the same as of those dates.

28. Business Segments

The Group derives its revenues primarily from the sale and lease of real estate properties and pension plan operations. These are the operating segments classified as business groups which are consistent with the segments reported to the BOD, its Chief Operating Decision Maker (CODM).

The Group does not have any major customers and all sales and leases of real estate properties and sales of pension plans are made to external customers.

Segment Revenue and Expenses

	March 31, 2023		March 31, 2023	
Sales of real estate properties*	**₱ 602,494,741**	**81.18%**	₱969,770,946	85.83%
Rent income	**61,752,801**	**8.32%**	65,407,060	5.79%
Others	**77,899,697**	**10.50%**	94,682,701	8.38%
	₱ 742,147,239	**100.00%**	₱1,129,860,707	100.00%

**Includes interest income from installment contracts receivable amounting to 85.59 million and 95.58 million as of March 31, 2024 and March 31, 2023, respectively (see Note 20).*

Except for expenses directly relating to the leasing and pension plan operations, operating expenses pertain primarily to the real estate sales.

29. Contingencies

The Group is contingently liable for certain lawsuits or claims filed by third parties which are either pending decisions by the courts or are under negotiation, the outcomes of which are not presently determinable. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements. Hence, no provision was recognized as of March 31, 2024 and December 31, 2023.

CITYLAND DEVELOPMENT CORPORATION
SCHEDULE OF GROSS & NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of March 31, 2024

SEC-MSRD Order No. 59, Series of 2023 dated October 19, 2023

A. As stated in the Final Prospectus (October 19, 2023 to October 19, 2024)

Gross Proceeds		**₱1,100,000,000**
Less: Expenses		
Documentary Stamps Tax	₱8,250,000	
Registration Fees	656,500	
Printing Costs	55,000	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	9,054,800
Net Proceeds		**₱1,090,945,200**
Use of Proceeds		
Project-related Costs		₱1,000,000,000
Payment of Maturing Notes		78,958,500
Interest Expense		11,986,700
Total		**₱1,090,945,200**

B. Use of Proceeds

Total Gross Proceeds (October 19, 2023 to March 31, 2024)		**₱2,206,750,000**
Less: Expenses		
Documentary Stamps Tax	₱3,919,577	
Registration Fees	656,500	
Exemptive Relief	50,500	
Printing Costs	23,800	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	4,693,177
Total Net Proceeds		**₱2,202,056,823**
Less: Use of Proceeds		
Payment of Maturing Notes	₱1,960,251,030	
Project-related Costs	241,805,793	2,202,056,823
Balance of Proceeds as of March 31, 2024		-

C. Outstanding Commercial Papers as of March 31, 2024

SEC-MSRD Order No. 72, Series of 2022 dated October 20, 2022	**₱10,750,000**
SEC-MSRD Order No. 59, Series of 2023 dated October 19, 2023	**1,082,900,000**
TOTAL	**₱1,093,650,000**

CITYLAND, INC.
SCHEDULE OF GROSS & NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of March 31, 2024

SEC-MSRD Order No. 89, Series of 2022 dated December 12, 2022

A. As stated in the Final Prospectus (December 12, 2022 to December 12, 2023)

Gross Proceeds		**₱500,000,000**
Less: Expenses		
Documentary Stamps Tax	₱3,750,000	
Registration Fees	441,875	
Exemptive Relief	50,500	
Printing Costs	25,000	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	4,311,275
Net Proceeds		**₱495,688,725**
Use of Proceeds		
Project-related Costs		₱311,750,000
Payment of Maturing Notes		178,556,725
Interest Expense		5,382,000
Total		**₱495,688,725**

B. Use of Proceeds

Total Gross Proceeds (December 12, 2022 to December 12, 2023)		**₱1,686,950,000**
Less: Expenses		
Documentary Stamps Tax	₱2,617,085	
Registration Fees	441,875	
Exemptive Relief	50,500	
Printing Costs	27,300	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	3,180,660
Total Net Proceeds		₱1,683,769,340
Less: Use of Proceeds		
Payment of Maturing Notes	₱1,443,171,892	
Project-related Costs	239,381,224	
Interest Expense	1,216,224	1,683,769,340
Balance of Proceeds as of March 31, 2024		-

CITYLAND, INC.
SCHEDULE OF GROSS & NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of March 31, 2024

SEC-MSRD Order No. 71, Series of 2023 dated December 22, 2023

A. As stated in the Final Prospectus (December 22, 2023 to December 22, 2024)

Gross Proceeds		**₱400,000,000**
Less: Expenses		
Documentary Stamps Tax	₱3,000,000	
Salesmen Commission	1,030,500	
Registration Fees	366,125	
Exemptive Relief	50,500	
Printing Costs	20,000	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	4,511,025
Net Proceeds		**₱395,488,975**
Use of Proceeds		
Project-related Costs		₱360,000,000
Payment of Maturing Notes		31,110,975
Interest Expense		4,378,000
Total		**₱395,488,975**

B. Use of Proceeds

Total Gross Proceeds (December 22, 2023 to March 31, 2024)		**₱475,100,000**
Less: Expenses		
Documentary Stamps Tax	₱837,075	
Registration Fees	366,125	
Salesmen Commission	200,981	
Exemptive Relief	50,500	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	
Printing Costs	7,950	1,506,531
Total Net Proceeds		₱473,593,469
Less: Use of Proceeds		
Payment of Maturing Notes	₱249,986,633	
Project-related Costs	223,606,836	473,593,469
Balance of Proceeds as of March 31, 2024		-

C. Outstanding Commercial Papers as of March 31, 2024

SEC-MSRD Order No. 89, Series of 2022 dated December 12, 2022	**₱27,200,000**
SEC-MSRD Order No. 71, Series of 2023 dated December 22, 2023	**368,250,000**
TOTAL	**₱395,450,000**

CITYLAND, INC.

SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of March 31, 2023

SEC-MSRD Order No. 89, Series of 2022 dated December 12, 2022

A. As stated in the Final Prospectus (December 12, 2022 to December 12, 2023)

Gross Proceeds		**₱500,000,000**
Less: Expenses		
Documentary Stamps Tax	₱3,750,000	
Registration Fees	441,875	
Exemptive Relief	50,500	
Printing Costs	25,000	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	4,311,275
Net Proceeds		**₱495,688,725**
Use of Proceeds		
Project-related Costs		₱311,750,000
Payment of Maturing Notes		178,556,725
Interest Expense		5,382,000
Total		**₱495,688,725**

B. Use of Proceeds (December 12, 2022 to March 31, 2023)

Gross Proceeds as of December 31, 2022	₱16,850,000	
Add: Issued Notes (January 1 to March 31, 2023)	491,000,000	
Total Gross Proceeds as March 31, 2023		₱507,850,000
Less: Expenses		
Documentary Stamps Tax	₱772,943	
Registration Fees	441,875	
Exemptive Relief	50,500	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	
Printing Costs	8,600	1,317,818
Total Net Proceeds		₱506,532,182
Less: Use of Proceeds		
Payment of Maturing Notes	₱447,673,134	
Project-related Costs	58,859,048	506,532,182
Balance of Proceeds as of March 31, 2023		-

C. Outstanding Commercial Papers as of March 31, 2023

SEC-MSRD Order No. 89, Series of 2022 dated December 12, 2022	**₱320,950,000**

CITYLAND DEVELOPMENT CORPORATION
SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of March 31, 2023

SEC-MSRD Order No. 72, Series of 2022 dated October 20, 2022

A. As stated in the Final Prospectus (October 20, 2022 to October 20, 2023)

Gross Proceeds		**₱1,500,000,000**
Less: Expenses		
Documentary Stamps Tax	₱11,250,000	
Registration Fees	757,500	
Printing Costs	75,000	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	12,175,800
Net Proceeds		**₱1,487,824,200**
Use of Proceeds		
Project-related Costs		₱1,189,730,000
Payment of Maturing Notes		281,723,200
Interest Expense		16,371,000
Total		**₱1,487,824,200**

B. Use of Proceeds (October 20, 2022 to March 31, 2023)

Gross Proceeds as of December 31, 2022	₱992,250,000	
Add: Issued Notes (January 1 to March 31, 2023)	1,486,150,000	
Total Gross Proceeds as of March 31, 2023		₱2,478,400,000
Less: Expenses		
Documentary Stamps Tax	₱3,818,943	
Registration Fees	757,500	
Exemptive Relief	50,500	
Printing Costs	31,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	4,701,243
Total Net Proceeds		₱2,473,698,757
Less: Use of Proceeds		
Payment of Maturing Notes	₱2,174,797,137	
Project-related Costs	298,901,620	2,473,698,757
Balance of Proceeds as of March 31, 2023		-

C. Outstanding Commercial Papers as of March 31, 2023

SEC-MSRD Order No. 72, Series of 2022 dated October 20, 2022	**₱1,123,800,000**

CITYLAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Financial Ratios

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Basic/Diluted earnings per share*	**₱1.02**	4.39	4.88
Return on equity (%)*	**1.67%**	7.19%	7.89%
Return on asset*	**1.25%**	6.31%	2.19%
Net profit margin	**28.87%**	31.13%	26.76%
Solvency*	**0.07**	0.36	0.33
Interest rate coverage	**56.64**	382.30	415.78
Asset-to-liability	**5.54**	5.41	4.96
Asset-to-equity	**1.94**	1.96	12.11
Debt-to-equity	**0.15**	0.17	0.96
Current	**4.70**	4.45	3.66
Acid-test ratio	**2.10**	1.92	1.54

**Annualized for the period of March 31, 2024 and March 31, 2023.*
***After retroactive effect of stock dividends*

Manner of Calculation:

Basic/ Diluted Earnings per share = $\dfrac{\text{Net income after tax}}{\text{Outstanding number of shares}}$

Return on equity ratio = $\dfrac{\text{Net income after tax}}{\text{Total Equity}}$

Return on asset ratio = $\dfrac{\text{Net income after tax}}{\text{Total Assets}}$

Net profit margin = $\dfrac{\text{Net income after tax}}{\text{Total Revenue}}$

Solvency ratio = $\dfrac{\text{Net income after tax + Depreciation expense}}{\text{Total Liabilities}}$

Interest rate coverage ratio = $\dfrac{\text{Net income before income tax + Depreciation expense + Interest expense}}{\text{Interest expense on security deposit and others and lease liability}}$

Asset-to-liability ratio = Total assets / Total liabilities

Asset-to-equity ratio = $\dfrac{\text{Total assets}}{\text{Total equity attributable to equity holder of the Parent Company (net of net changes in fair value of equity instruments designated at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)}}$

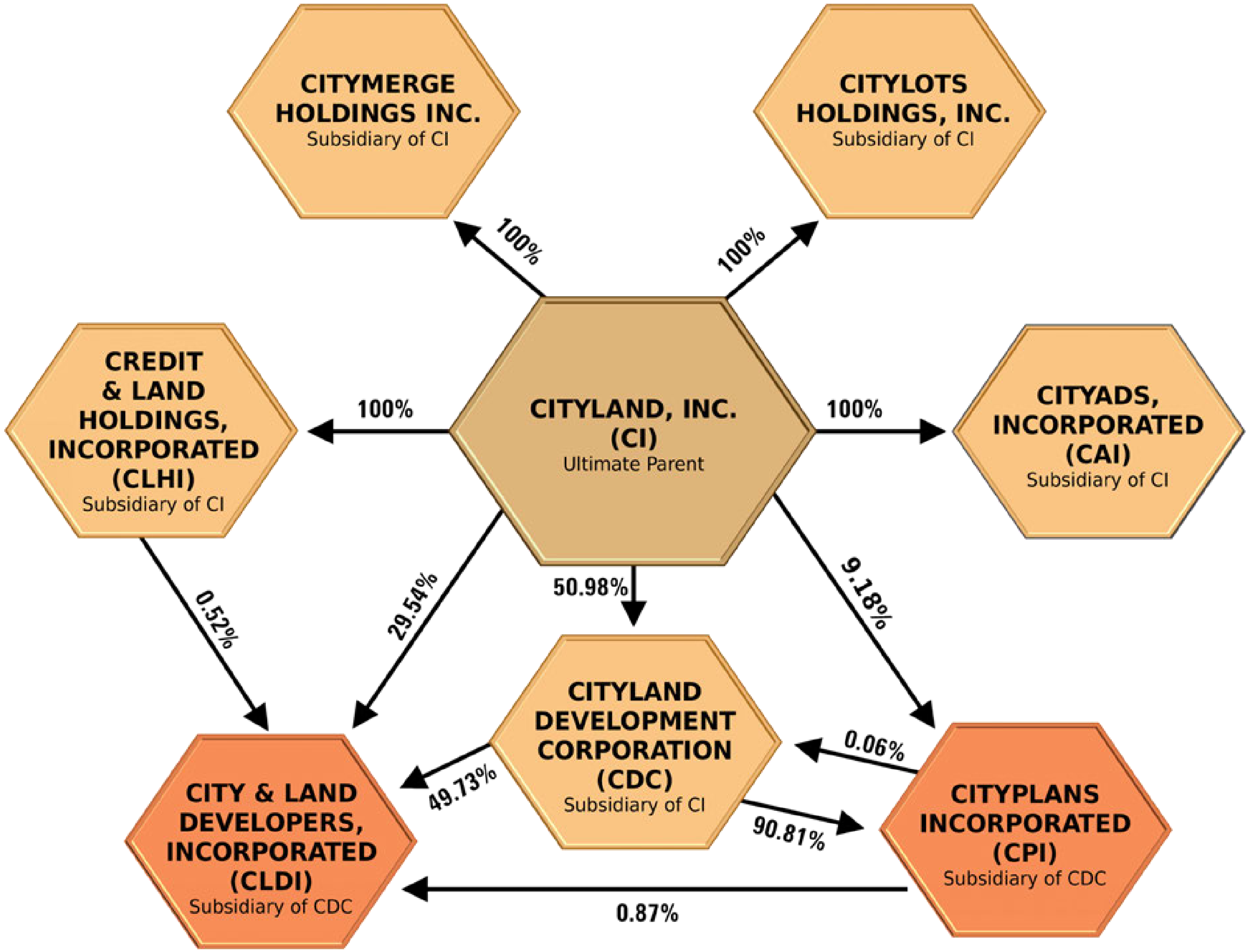
Debt-to-equity ratio = $\dfrac{\text{Notes and contracts payable}}{\text{Total equity attributable of equity holder of the Parent Company (net of net changes in fair value of equity instruments designated at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)}}$

Current ratio = Total current assets / Total current liabilities

Acid-test ratio = $\dfrac{\text{Cash and cash equivalents + Short-term cash investments + Current portion of installment contracts receivable + Current portion of contract assets +Current portion of notes receivable + Current portion of other receivables}}{\text{Total current liabilities}}$

CITYLAND, INC.

MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP



CITYLAND
INCORPORATED

CERTIFICATION

I, Rudy Go, the Senior Vice President of Cityland, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC Registration No. 86188 and with principal office address at 3/F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City, on oath state:

1. That on behalf of Cityland, Inc., I have caused this SEC Form 17-Q, Quarterly Report as of and for the period ended March 31, 2024 to be prepared;

2. That I read and understood its contents which are true and correct of my own personal knowledge and/or on authentic records;

3. That Cityland, Inc., will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail;

4. That I am fully aware that documents filed online which require pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee; and

5. That the e-mail account designated by the Company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used in its online submissions to CGFD/MSRD.

IN WITNESS WHEREOF, I have hereunto set my hand this MAY 13 2024 day of May 2024.

Rudy Go
Affiant

SUBSCRIBED AND SWORN to before me this MAY 13 2024 at MAKATI CITY, affiant personally appeared and exhibited his Social Security System No. and other competent evidence of identification.

ATTY. EMMA G. JULARBAL
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2024
APPOINTMENT NO.:
IBP ROLL NO.:
IBP NO.:
PTR No.:

Doc. No. 454
Page No. 92
Book No. II
Series of 2024.

COVER SHEET

SEC Registration Number

8	6	1	8	8						

COMPANY NAME

CITYLAND, INC. AND
SUBSIDIARIES

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

3/F Cityland Condominium 10
Tower I, 156 H.V. dela Costa
Street, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-A	MSRD	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
ci_rg@cityland.net	**8-893-6060**	**0962-072-2479**

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
28 (As of December 31, 2023)	**3rd Tuesday of June**	**12/31**

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
RUDY GO	**cdc_rg@cityland.net**	**8-893-6060**	**0962-072-2479**

CONTACT PERSON'S ADDRESS

3/F Cityland Condominium 10 Tower II, 154 H. V. Dela Costa Street, Makati City

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

**ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 177
OF THE REVISED CORPORATION CODE OF THE PHILIPPINES**

1. For the fiscal year ended **December 31, 2023**

2. SEC Identification Number: **86188** 3. BIR Tax Identification No.: **000-662-829**

4. Exact name of issuer as specified in its charter: **CITYLAND, INC.**

5. **3/F Cityland Condominium 10 Tower I,**
156 H.V. Dela Costa Street, Makati City 1226
Address of Principal Office

6. [ ] (SEC Use Only)
Industry Classification Code

7. **632-8-893-6060**
Issuer's Telephone Number, including area code

8. Former Name, Former Address and Former Fiscal Year, if changed since last report **N/A**

9. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
N/A	**N/A**

The Company's shares are not listed in the Philippine Stock Exchange. However, it has SEC-registered commercial papers with an outstanding balance of Php355,500,000 as of December 31, 2023.

10. Are any or all of these securities listed on a Stock Exchange?

Yes [ ] No [X]

11. Check whether the issuer:

(a) Has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 25 and 177 of the Revised Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)?

Yes [**X**] No [ ]

(b) Has been subject to such filing requirements for the past 90 days?

Yes [**X**] No [ ]

TABLE OF CONTENTS

PART I – BUSINESS AND GENERAL INFORMATION

Item I Business

A. Background Information

1. Brief Company History

Cityland, Inc. (the Parent Company or CI) is a domestic corporation which is duly organized and existing under and by virtue of the laws of the Philippines since May 15, 1979 with the primary purpose of engaging in real estate development.

2. Subsidiaries

The Parent Company has a majority-owned subsidiary, Cityland Development Corporation (CDC), a publicly listed company, and four wholly-owned subsidiaries, Credit & Land Holdings, Inc. (CLHI), Cityads, Incorporated (CAI), CityLots Holdings, Inc. (CLI), and CityMerge Holdings Inc. (CMHI).

CDC has two majority-owned subsidiaries, City & Land Developers, Incorporated (CLDI), another publicly listed company, and Cityplans, Incorporated (CPI). The primary purpose of CI and its subsidiaries (the Group), which are all domiciled in the Philippines, is to acquire, develop, improve, subdivide, cultivate, lease, sublease, sell, exchange, barter and/or dispose of agricultural, industrial, commercial, residential and other real properties, as well as to construct, improve, lease, sublease, sell and/or dispose of houses, buildings and other improvements thereon, and to manage and operate subdivisions and housing projects or otherwise engage in the financing and trading of real estate, except for CPI which is engage in the business of establishing, organizing, developing, maintaining, conducting, operating, marketing, and selling pension plans. CPI ceased from selling pension plans since February 2007 and is currently engaged in the settlement of the outstanding pension plans. CPI's secondary purpose is to own or otherwise acquire by deed, purchase or otherwise, the necessary property, building and equipment essential or incidental to said business and to purchase, own, hold, possess, lease, or otherwise acquire, and to use, operate, maintain, sell, pledge, mortgage, transfer or assign any real or personal property in the furtherance of the business and purpose of CPI.

The Group's registered office and principal place of business is at 2nd and 3rd Floors, Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Makati City.

CAI was incorporated on February 20, 1980 for the purpose of engaging in general advertising business. Its registered office and principal place of business is at 2F Cityland Condominium 10 Tower I, 156 H.V. Dela Costa Street, Salcedo Village, Makati City.

CLHI was incorporated on July 16, 1980 for the purpose of purchasing, selling or disposing of real and personal property of any kind including shares of stocks and securities. Its registered office and principal place of business is at 2F Cityland Condominium 10 Tower I, 156 H. V. Dela Costa Street, Salcedo Village, Makati City.

CLI and CMHI were incorporated on October 24, 2023 with its primary purpose to invest in, purchase, or otherwise acquire, own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose real and personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations. Their registered office and principal place of business is at 3rd Floor Cityland Condominium 10 Tower 1, 156 H.V. Dela Costa St., Salcedo Village Bel-air, City of Makati City, Fourth District, National Capital Region (NCR), 1209.

2. Nature of Operation

The Group's primary purpose is to acquire and develop suitable land sites for residential, office, commercial, institutional, and industrial uses.

The Group's projects include medium to high-rise office, commercial, and residential condominiums located in cities of Metro Manila such as Makati, Quezon City, Manila, Mandaluyong, Pasig City and residential subdivisions in Parañaque, Tagaytay City, Cavite and Bulacan.

B. Development of Business for the past three (3) years (2021 – 2023)

Presented below are the status of sales and construction of the Group's projects as of the end of the following years:

Cityland, Inc.

	PERCENTAGE SOLD			
	2023	2022	2021	
Two Premier	**30.36**	11.00	n/a	Launched in 2022
One Premier	**70.53**	64.66	59.65	Launched in 2018
Tagaytay Country Homes 2D	**100.00**	100.00	100.00	Launched in 2011
Tagaytay Country Homes 2C	**100.00**	100.00	100.00	Launched in 2010
Tagaytay Prime Residences	**97.51**	95.66	94.50	Launched in 2010
The Manila Residences II	**98.00**	96.63	95.65	Launched in 2010
Brentwood Mansion	**99.36**	99.36	99.03	Launched in 2008
Windsor Mansion	**100.00**	100.00	100.00	Launched in 2007
The Manila Residences I	**99.33**	99.24	99.16	Launched in 2006
Tagaytay Country Homes 2B	**100.00**	100.00	100.00	Launched in 2006
Oxford Mansion	**100.00**	100.00	100.00	Launched in 2004
Pasig Royale Mansion	**100.00**	100.00	100.00	Launched in 2003
Tagaytay Executive Village				
Lot Only	**100.00**	100.00	100.00	Launched in 2002
House & Lot	**100.00**	100.00	100.00	Launched in 2002

	PERCENTAGE OF COMPLETION		
	2023	2022	2021
Two Premier	**82.50**	67.10	-n/a
One Premier	**100.00**	100.00	98.46
Tagaytay Country Homes 2D	**100.00**	100.00	100.00
Tagaytay Country Homes 2C	**100.00**	100.00	100.00
Tagaytay Prime Residences	**100.00**	100.00	100.00
The Manila Residences II	**100.00**	100.00	100.00
Brentwood Mansion	**100.00**	100.00	100.00
Windsor Mansion	**100.00**	100.00	100.00
The Manila Residences I	**100.00**	100.00	100.00
Tagaytay Country Homes 2B	**100.00**	100.00	100.00
Oxford Mansion	**100.00**	100.00	100.00
Pasig Royale Mansion	**100.00**	100.00	100.00
Tagaytay Executive Village	**100.00**	100.00	100.00

Cityland Development Corporation

	PERCENTAGE SOLD			
	2023	2022	2021	
Pioneer Heights 1	**52.62**	48.37	37.46	Launched in 2018
101 Xavierville	**60.29**	49.63	32.96	Launched in 2018
Pines Peak Tower II	**91.79**	91.24	88.96	Launched in 2016
Pines Peak Tower I	**99.56**	99.46	99.57	Launched in 2012
Grand Central Residences	**97.38***	97.35*	97.36*	Launched in 2010
Makati Executive Tower IV	**99.14***	99.45*	99.72	Launched in 2009
Mandaluyong Executive Mansion III	**100.00**	100.00	100.00	Launched in 2008
Makati Executive Tower III	**99.78***	99.89*	100.00	Launched in 2006
Manila Executive Regency	**100.00**	100.00	100.00	Launched in 2005
Makati Executive Tower II	**100.00**	100.00	100.00	Launched in 2003

**Decline in percentage sold was due to forfeited unit/s.*

	PERCENTAGE OF COMPLETION		
	2023	2022	2021
Pioneer Heights 1	**100.00**	83.95	62.13
101 Xavierville	**100.00**	80.00	67.57
Pines Peak Tower II	**100.00**	100.00	100.00
Pines Peak Tower I	**100.00**	100.00	100.00
Grand Central Residences	**100.00**	100.00	100.00
Makati Executive Tower IV	**100.00**	100.00	100.00
Mandaluyong Executive Mansion III	**100.00**	100.00	100.00
Makati Executive Tower III	**100.00**	100.00	100.00
Manila Executive Regency	**100.00**	100.00	100.00
Makati Executive Tower II	**100.00**	100.00	100.00

City & Land Developers, Incorporated

	PERCENTAGE SOLD			
	2023	2022	2021	
One Hidalgo	**11.90**	n/a	n/a	Launched in 2023
One Taft Residences	**77.14**	71.63	47.51	Launched in 2016
North Residences	**99.85**	97.65*	97.81	Launched in 2014
Manila Residences Bocobo	**100.00**	100.00	100.00	Launched in 2009
Grand Emerald Tower	**100.00**	99.85	99.85*	Launched in 2006
Pacific Regency	**99.89**	99.89	99.89	Launched in 2004

**Decline in percentage sold due to forfeited units*

	PERCENTAGE OF COMPLETION		
	2023	2022	2021
One Hidalgo	**17.70**	n/a	n/a
One Taft Residences	**100.00**	100.00	92.63
North Residences	**100.00**	100.00	100.00
Manila Residences Bocobo	**100.00**	100.00	100.00
Grand Emerald Tower	**100.00**	100.00	100.00
Pacific Regency	**100.00**	100.00	100.00

Cityplans, Incorporated

	PERCENTAGE SOLD			
	2023	2022	2021	
Windsor Mansion	**100.00**	100.00	100.00	Launched in 2007
Oxford Mansion	**100.00**	100.00	100.00	Launched in 2004
Pasig Royale Mansion	**100.00**	100.00	100.00	Launched in 2003

	PERCENTAGE OF COMPLETION		
	2023	**2022**	**2021**
Windsor Mansion	**100.00**	100.00	100.00
Oxford Mansion	**100.00**	100.00	100.00
Pasig Royale Mansion	**100.00**	100.00	100.00

<u>Project Description</u>

The following are the future, ongoing and completed projects of the Group as of December 31, 2023:

Cityland, Inc.

<u>Ongoing project:</u>

Two Premier

Two Premier is 32-storey residential, office, and commercial condominium near the corner of Investment Drive leading to Daang Hari, Las Pinas City. The project is situated beside One Premier and it is estimated to be completed in June 2025.

<u>Completed Projects:</u>

One Premier

One Premier is a 27-storey commercial and residential condominium project located in one of the upmarket addresses in the South - Alabang Premier, Km. 21 Alabang-Zapote Road, Brgy. Almanza Uno, Las Piñas City. It was designed in the style and function of metropolitan living with amenities like swimming pool, gym, playground, multi-purpose function room, viewing deck and 24-hour association security will ensure convenient living. The said project was completed in April 2022.

The Manila Residences II

The Manila Residences II is a 39-storey office, commercial and residential condominium located along Taft Avenue, Manila. Amenities include swimming pool, mini-gym, and sauna for men and women, function room, viewing deck, children’s playground and 24-hour association security.

Tagaytay Prime Residences

Tagaytay Prime Residences is a 21-storey commercial and residential condominium located at Tagaytay Prime Rotunda, Brgy. San Jose, Tagaytay City. Amenities include common viewing balcony for residential floors, swimming pool, multi-purpose area, viewing deck with jogging path and a 24-hour association security.

The Manila Residences I

The Manila Residences I is a 39-storey office, commercial and residential condominium located along Taft Avenue. Amenities include swimming pool, mini-gym, sauna for men and women, function room, viewing deck, children's playground and 24-hour association security.

Brentwood Mansion

Brentwood Mansion is an 8-storey commercial and residential condominium located along Evangelista St., New Santolan, Pasig City. Amenities and facilities include 2 elevators, administrative office, visitors' lounge, provision for cable TV and telephone line, individual water submeter / Meralco meter and 24-hour association security.

Tagaytay Country Homes 2-B

Tagaytay Country Homes 2-B is a residential subdivision located at Barangay Neogan, Tagaytay City. Features include multi-purpose hall, swimming pool and 24-hour association security.

Cityland Development Corporation

<u>Ongoing Project:</u>

City North Tower

City North Tower is a proposed 50 – storey mixed residential, office and commercial Condominium project with three (3) basement parking and four (4) podium parking levels to be located at No. 35 North Avenue Barangay Bagong Pag-asa Quezon City (QC). It is walking distance to QC's biggest malls – SM City North EDSA and Trinoma. This project was launched in February 2024 and expected to be completed in February 2028.

Future Project:

Pioneer Heights 2

Pioneer Heights 2 is an office, residential and commercial condominium to be located in Reliance St., Brgy. Highway Hills, Mandaluyong City.

<u>Completed Projects:</u>

Pioneer Heights 1

Pioneer Heights 1 is a 24-storey residential and commercial condominium located in Pioneer St., Mandaluyong City. Its amenities include swimming pool, children's playground, multi-purpose function room, laundry room, information area, administration room and 24-hour association security. The said project was completed in December 2023.

101 Xavierville

101 Xavierville is a 40-storey residential and commercial condominium to be located along Xavierville Avenue, Loyola Heights, Quezon City. The project is easily accessible to various

schools such as Ateneo de Manila University, University of the Philippines, and Miriam College; recreational parks and leisure places. The said project was completed in December 2023.

Pines Peak Tower II

Pines Peak Tower II is a 27-storey residential condominium conceptualized for the fast-paced Filipino family. It is beside Pines Peak Tower I along Pines St., Brgy. Barangka Ilaya, Mandaluyong City. It is only a block away from the major thoroughfare of EDSA, near Shaw Boulevard, Pioneer and MRT Boni Station. The project is easily accessible to various commercial centers like Shangri-La Mall, Star Mall, Robinson's Place Pioneer, SM Megamall, The Podium, Metrowalk and schools like Lourdes School of Mandaluyong, St. Paul College and University of Asia and the Pacific. This project was completed in May 2019.

Pines Peak Tower I

Pines Peak Tower I is a 27-storey residential condominium located at Union corner Pines St., Barangka, Mandaluyong City. Its amenities include swimming pool, viewing deck, multi-purpose function room with movable children play set, gym and 24-hour association security.

Grand Central Residences

Grand Central Residences is a 40-storey office, commercial and residential condominium located at EDSA corner Sultan St., (fronting MRT Shaw), Mandaluyong City. It is in close proximity to schools, churches, malls and hospitals. It is equipped with swimming pool, multi-purpose function room, gym, multi-purpose deck, CCTV and 24-hour association security.

Makati Executive Tower IV

Makati Executive Tower IV is a 29-storey commercial and residential condominium located at Cityland Square, Sen. Gil Puyat Ave., cor. P. Medina St., Makati City. It is in close proximity to schools, malls, hypermarkets and hospitals. Its amenities include swimming pool, gym, playground, function room, roof deck and 24-hour association security.

Makati Executive Tower III

Makati Executive Tower III is a 37-storey commercial, office, and residential condominium located at Cityland Square, Sen. Gil Puyat Avenue, Pio Del Pilar, Makati City. Its amenities include swimming pool, sauna, viewing deck, jogging area, mini-gym, children's playground, function room and 24-hour association security.

Buildings for lease:

- *CityNet Central*

  CityNet Central is a 22-storey commercial and PEZA-registered building located in central business district along Sultan Street, Brgy. Highway Hills, Mandaluyong City with its proximity to MRT station and various transportation hubs.

- *CityNet1*

CityNet1 is a 5-storey premiere business technology hub located along 183 EDSA, Brgy. Wack-Wack, Mandaluyong City. The said building for lease is also registered with PEZA.

City & Land Developers, Incorporated

Ongoing Project:

One Hidalgo

One Hidalgo is a proposed 39-storey mixed residential, office and commercial condominium to be located at 1730 P. Hidalgo Lim St., corner Gen. Malvar St., Malate, Manila. It is near to various universities (De La Salle University, University of the Philippines – Manila, Philippine Christian University), government agencies (Supreme Court, Court of Appeals, Department of Justice) and other leisure establishments.

The said project was launched in February 2023 and expected to be completed in September 2027.

Future Project:

Bonifacio Place

Bonifacio Place is a proposed 40-storey mixed residential, office and commercial condominium project with a four (4) basement parking levels and a separate 6-storey parking building to be located at Boni Avenue, Barangay Barangka Itaas, Mandaluyong City. It is about 450 meters away from the EDSA MRT Boni Station.

Completed Projects:

One Taft Residences

One Taft Residences is a 40-storey mixed residential, office and commercial condominium located at 1939 Taft Avenue, Malate, Manila. It is accessible to various universities (De La Salle University, University of the Philippines - Manila, Philippine Christian University), transportation hubs, shopping centers, businesses, commercial and government offices. The said project was completed in May 2022.

North Residences

This 29-storey commercial and residential condominium is located along EDSA (beside WalterMart) corner Lanutan, Brgy. Veterans Village, Quezon City. It is conceptualized for the practical modern families to enjoy suburban city living that is friendly on the budget. The project was turned over in March 2018.

Manila Residences Bocobo

Manila Residences Bocobo, a 34-storey commercial, office and residential condominium located along Jorge Bocobo St., Ermita, Manila City. Its amenities and facilities include swimming pool, children's play area, gym, multi-purpose deck, function room and 24-hour association security. It is proximate to schools, malls, banks, hospitals, restaurants, churches, government offices and other leisure establishments.

Grand Emerald Tower

Grand Emerald Tower is a 39-storey commercial, office and residential condominium located along Emerald Avenue Corner Ruby and Garnet Streets, Ortigas Center, Pasig City. Its amenities and facilities include swimming pool, gymnasium, viewing deck, sauna, children's playground, multi-purpose function room, and 24-hour association security. It is proximate to schools, hospitals, shopping malls, banks, restaurants, hotels, churches and other leisure and business establishments.

Pacific Regency

Pacific Regency is a 38-storey commercial, office and residential condominium located at Pablo Ocampo Sr. Ave. (formerly Vito Cruz Street) in front of Rizal Memorial Sports Complex in Manila. Amenities and facilities include swimming pool, gymnasium, separate sauna for male and female, function room, children's playground, 24-hour association security, viewing area and jogging areas at the roof deck.

Cityplans, Incorporated

Windsor Mansion

Windsor Mansion is an 8-storey commercial and residential condominium located along Evangelista St., New Santolan, Pasig City. Amenities and facilities include 2 elevators, administrative office, visitors' lounge, provision for cable TV and telephone line, individual water sub meter / Meralco meter and 24-hour association security. This project is also developed together with Cityland, Inc.

Oxford Mansion

Oxford Mansion is an 8-storey commercial and residential condominium located along Evangelista St., New Santolan, Pasig City. Amenities and facilities include 2 elevators, administrative office, visitors' lounge, provision for cable TV and telephone line, individual water submeter / Meralco meter and 24-hour association security. This project is also developed together with Cityland, Inc.

Pasig Royale Mansion

Pasig Royale Mansion is an 8-storey mid-rise condominium located at Evangelista St., New Santolan, Pasig City. Amenities and facilities include a swimming pool, a function room, a viewing area and a visitor's lounge. This project is also developed together with Cityland, Inc.

1. Marketing

All projects are sold by direct company salesmen and independent brokers.

2. Domestic and Foreign Sales Contribution to Total Sales of Real Estate Properties

The table below illustrates the percentage of revenue attributable to domestic and foreign sales of real estate properties of the Group for the years ended December 31, 2023, 2022 and 2021 *(based on consolidated balances)*:

	2023	2022	2021
Filipino Citizens	95.49%	94.87%	93.74%
Foreign Citizens	4.51%	5.13%	6.26%
Total	100.00%	100.00%	100.00%

Sales to foreign citizens are broken down as follows:

		Percentage	
	2023	**2022**	**2021**
American	2.88	2.69	1.51
Chinese	0.33	0.58	0.50
Korean	0.31	0.44	0.78
Canadian	0.24	0.57	0.75
Others	0.75	0.85	2.72
	4.51	5.13	6.26

3. Revenue Contribution to Total Revenues on Sale of Real Estate Properties

		PERCENTAGE	
	2023	**2022**	**2021**
Cityland, Inc.			
Two Premier	3.82	3.42	–
One Premier	11.49	4.01	16.49
The Manila Residences II	2.11	1.26	0.51
Tagaytay Prime Residences	3.78	2.33	0.99
The Manila Residences I	0.12	0.09	–
Brentwood Mansion	–	0.19	0.38
Tagaytay Country Homes 2B	–	0.16	0.16
Naic Country Homes	–	3.92	–
Others	0.55	0.03	0.50
Sub-total	21.87	15.35	19.03
Cityland Development Corporation			
Pines Peak Tower II	0.68	1.76	2.93
101 Xavierville	30.58	15.62	10.24
Pioneer Heights 1	31.24	29.77	28.21
Grand Central Residences	0.36	0.66	0.62
One Premier *(assigned units and parking slots)**	1.09	1.86	2.08
Pines Peak Tower I	0.30	0.15	0.57
Makati Executive Tower III	–	0.03	0.12
Makati Executive Tower IV	–	0.34	0.34
Mandaluyong Executive Mansion III	–	0.25	0.25
Others	0.13	0.46	–
Sub-total	64.38	49.98	45.36

**This pertains to condominium units and parking slots assigned by CI to CDC under a Memorandum of Agreement whereby the latter shall transfer its parcel of land to the former in exchange of certain number of condominium units and parking slots of One Premier, a project of CI. The said project was completed in April 2022.*

	PERCENTAGE		
	2023	**2022**	**2021**
City & Land Developers, Incorporated			
One Taft Residences	8.94	33.77	33.09
North Residences	1.78	0.58	2.17
Grand Emerald Tower	0.34	0.05	–
Others	1.11	–	–
Sub-total	12.17	34.41	35.26
Cityplans, Incorporated			
Condominium units from the following projects:			
The Manila Residences II	0.44	0.19	0.20
Grand Central Residences	0.63	0.08	0.15
Others	0.51	–	–
Sub-total	1.58	0.26	0.35
Total	**100.00**	100.00	100.00

4. Competition

In the property development industry, the principal methods of competition among the developers are as follows: price; product or the type of development (i.e., high, middle, and low-end); and service or property management after the project is turned over to the buyers.

The Group sells its products, which consist of condominium projects, to both end-users and investors at affordable prices. It foresees that there will still be a demand in the residential sector due to: i) recovery in the economy for the year 2023 and is expected to continue for the year 2024; ii) continued shift from rural to urban areas especially with the increase in business activities; iii) continued increase in number of Overseas Filipino Workers (OFWs) who have shown growing propensity for home purchase; iv) population growth; v) increased government activities relating to infrastructure; and vii) increase in number of foreign professionals.

The Group's projects are located in Metro Manila and Tagaytay. Competition is seen among other real estate developers whose projects and developments are focused on Metro Manila. Thus, the location of the projects plays a vital role in obtaining a competitive advantage over the other key players.

As an impact of COVID-19 pandemic, the demand for condominium units slowed down in 2020. Beginning 2021, the Philippine economy was seen to recover and in 2022, the Philippine economy reflected resilience as it managed to achieve some growth.

Cityland, Inc.

The condominium project that is quite similar in classification and proximity to One Premier is Amaia Steps Alabang, a project of Amaia Land Corporation, which is located along Alabang-Zapote Road, Las Piñas City.

The condominium similar in terms of classification and location to The Manila Residences Towers I and II is Green Residences along Taft Ave., Manila City, a project of SM Development Corporation (SMDC).

The condominium similar in terms of classification and location to Tagaytay Prime Residences is Wind Residences, a project of SMDC, located along Aguinaldo Highway, Brgy. Maharlika West, Tagaytay City.

The subdivision which is similar in terms of classification to Tagaytay Country Homes 2B is Pueblo del Sol, a project of Sta. Lucia Realty and Development, Inc., located at Heroes' Farm, Barangay Patutong, Tagaytay City.

The condominiums similar in terms of classification and location to Brentwood Mansion is Satori Residences by DMCI Homes (DMCI) located along F. Pasco Ave. Pasig City.

Cityland Development Corporation

The condominium project which is quite similar in price, type of development and proximity to 101 Xavierville is Torre Lorenzo Loyola, a project of Torre Lorenzo Development Corporation, which is located at Rosa Alvero St. Loyola Heights Quezon City.

The condominium project that is quite similar to Pioneer Heights 1 in terms of price, type of development, market and location is Sunshine 100 Tower 3 City Plaza, a project of Property101, Inc. located at #4 Pioneer St. corner Sheridan St., Mandaluyong City.

The condominium project which is quite similar in classification and proximity to Mandaluyong Executive Mansion III is the Suntrust Treetop Villas, a project of Suntrust (Empire East), which is located along Coronado St., Mandaluyong City.

The condominium project that is quite similar with Grand Central Residences I in terms of location is Zitan at Greenfield by Greenfield Development located at Edsa Corner Shaw, Mandaluyong City.

The condominium project that is quite similar in classification and proximity to Pines Peak Tower I and II is Avida Towers Centera, a project of Avida Land Corporation, which is located in Mandaluyong City.

City & Land Developers, Incorporated

The condominium project that is quite similar to One Taft Residences in terms of price, type of development, market and location is Victoria De Manila 2 by New San Jose Builders, which is located along Taft cor. General Malvar, Malate, Manila.

The condominium project that is quite similar to North Residences in terms of price, type of development, market and location is Zinnia Residences, a project of DMCI, located at 1211 North EDSA, Muñoz, Quezon City.

The Group believes that its projects are competitive because of its good location and affordable prices.

5. Customers

The Group has a broad market base and is not dependent upon a single or few customers. The Group has no significant transactions with customers in terms of percentage to total sales for the years 2023, 2022 and 2021.

6. Purchases of Raw Materials and Supplies

The Group engaged the services of Millenium Erectors Corporation for the civil and architectural works in the development of its ongoing projects.

The Group has no existing major supplier of materials for its projects. The major construction materials like steel bars, cement, etc. are sourced through canvassing and bidding from its list of accredited suppliers. The Group then purchases the construction materials from suppliers to provide quality services and products at a reasonable cost.

7. Number of Employees

The Group has a total of 244 employees as of December 31, 2023 classified as follows:

By Rank		By Function	
Managerial	41	Administrative	141
Rank & file	203	Operations	103
Total	**244**	**Total**	**244**

The number of employees is expected to remain the same within the next 12 months. The Group maintains an organizational framework whereby important management functions as well as administrative tasks are shared within the Cityland Group. The Group compensates the employees for the actual costs of these services.

The Group's employees are entitled to bonuses, vacation and sick leaves and are covered by a retirement plan. All employees are not subject to a collective bargaining agreement.

The Group's employees are not on strike or are threatening to strike nor have they been on strike in the past three (3) years.

8. Patents, Trademarks, Copyrights, Licenses, Franchises, Concessions and Royalty Agreements

The following table summarizes the registered trademarks of the Group:

	TRADEMARK	REGISTRATION No.	Expiry Date
CI	Cityland, Inc. w/ "C" device	4-2014-00005010	August 07, 2024
	Cityland w/ "C" device	4-2018-00005623	November 24, 2029
CDC	We Commit, We Deliver	4-2018-00005628	August 2, 2028
	CDC	4-2018-00005630	August 2, 2028
	CITYLAND	4-2018-00005627	August 2, 2028
	CityNet1	4-2012-00004428	November 15, 2032
	CityNet Central	4-2016-00006287	August 11, 2026
CLDI	City & Land Developers, Incorporated	4-2018-00006491	October 14, 2028

	CLDI	4-2018-00005626	August 2, 2028
CPI	Cityplans, Inc.	4-2018-00006492	October 14, 2028
	CITYPLANS, INC. w/ LOGO	4-2013-00007503	August 14, 2024

9. Government Approval of Projects

Projects launched and completed during 2021 – 2023 are covered by the following permits:

a. Housing and Land Use Regulatory Board (HLURB)
- Certificate of Registration / License to Sell

b. City/Municipal Building Official – Department of Public Works and Highways (DPWH)
- Development Permit / Location
- Building Permit
  - excavation
  - sidewalk
  - sanitary
  - electrical
  - mechanical
  - fire
  - civil
- Occupancy Permit
  - electrical
  - mechanical
  - sanitary
  - civil
  - fire

c. Department of Environmental and Natural Resources (DENR)
- Environmental Compliance Certificate (ECC)

d. Laguna Lake Development Authority (LLDA)
- Permit to Construct
- Permit to Operate

10. Effect of Existing Government Regulations on the Business

The Group has complied with all the appropriate government regulations prior to the development and marketing of its projects. Compliance with these requirements symbolizes the unrelenting commitment of the management to the service and protection of its community and environment.

11. Amount Spent for Research/Development Activities

The Group did not spend significant amount for research and development activities.

12. Cost and Effect of Compliance with Environmental Laws

Payments made by the Group for environmental clearances to DENR are as follows:

2023	Payment of ₱23,100 to EMB NCR for the renewal of permit to operate for Citynet Central & GCR for the years 2023-2028 Payment of ₱6,500.00 to Water Environment Association of the Philippines Inc. for the Pollution Control Officer (PCO) Basic Training Course for Pioneer Heights 1

	Payment of ₱200,000 to LAQ Environmental Consulting for the ECC & LDA Clearance of East Pacific Tower
2022	Payment of ₱5,490 to LAQ Environmental Consulting for the consultation fee for Two Premier related matters. Payment of ₱19,500 to EMB NCR for Citynet Central and Grand Central Residences. Payment of ₱6,500.00 to Water Environment Association of the Philippines Inc. for the Pollution Control Officer (PCO) Basic Training Course for One Taft Residences. Payment of ₱10,000.00 to EMB NCR for North Residences. Payment of ₱ 55,000.00 to LAQ Environmental Consulting for the professional fees for the amendment of ECC for North Residences Payment of ₱ 2,030 to LAQ Environmental Consulting for the ECC amendment fee and documentary stamps for North Residences
2021	Payment of ₱21,131.00 to EMB-NCR for the Discharge Permit of Grand Central Residences/Citynet Central. Payment of ₱19,500.00 to EMB-NCR for RA 8749, submission of report from 2019-2020 of Citynet Central. Payment of ₱19,500.00 to EMB-NCR for Citynet Central. Payment of ₱2,200.00 to EMB-NCR for the Renewal of Discharge Permit for period April 2020 to June 2021 at Citynet 1. Payment of ₱2,778.93 to EMB-NCR for the Renewal of Discharge Permit for period October 2021 to October 2022 at Citynet 1. Payment of ₱2,000.00 to Water Environment Association of the Philippines Inc. for the Managing Head Seminar of One Premier.

13. Additional Requirement on Debt Issues

The Parent Company's net worth exceeds ₱25.00 million as evidenced by the attached financial statements and that the Parent Company has been in business for more than forty years.

14. Major Risks Involved in Each of the Businesses of the Company

The risks to which the Group are exposed include internal risks such as refinancing risk, credit risk, interest rate risk, market risk and liquidity risk; business risks and operational risks; and external risks arising from political and economic situation, real estate industry outlook, market competition and asset price bubble.

INTERNAL FACTORS

Refinancing

The Group is primarily engaged in real estate development. Risk factor includes minimal risk debt level of the Group's borrowings. The short-term nature of these borrowings increases the possibility of refinancing risks. This debt mix in favor of short-term borrowings is a strategy which the Group adopted to take advantage of lower cost of money for short-term loans versus long-term loans. Because the Group has the flexibility to convert its short-term loans to a long-term position by drawing down its credit lines with several banks or sell its receivables, refinancing risk is greatly reduced.

The Group manages such refinancing risks by monitoring its current and acid-test ratio. The said ratios affecting the Company are disclosed in Schedule IV, *Supplementary Schedule of Financial Soundness Indicators*, attached to the Audited Annual Consolidated Financial Statements.

Credit Risk

This is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The financial instruments which may be the subject of credit risk are the installment contracts receivables, contract assets and other financial assets of the Group. The corresponding management strategies for the aforementioned risks are as follows:

a. The credit risk on the installment contracts receivables and contract assets may arise from the buyers who may default on the payment of their amortizations. The Group manages this risk by dealing only with recognized and credit worthy third parties. Moreover, it is the Group's policy to subject customers who buy on financing to credit verification procedures. Also, receivable balances are monitored on an on-going basis which resulted to an insignificant exposure to bad debts. The risk is further mitigated because the Group holds the title to the real estate properties with outstanding installment contracts receivable balance and the Group can repossesses such property upon default of payment by the customer. The Group policy is to enter into transactions with a diversity of credit-worthy parties to mitigate any significant concentration of credit risk. There are no significant concentrations of credit risk within the Group.

b. The credit risk on the financial assets of the Group such as cash and cash equivalents, short-term investments, financial assets at fair value through other comprehensive income (FVOCI), refundable deposits and other receivables may arise from default of the counterparty. The Group manages such risks in accordance to its policy wherein the Group shall enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risks. As such, there are no significant concentrations of credit risks in the Group.

Interest Rate Risk

This is the risk arising from uncertain future interest rates.

a. The Group's financial assets mainly consist of installment contracts receivable, contract assets, notes receivable, cash and cash equivalents and short-term and long-term investments and other receivables. Interest rates on these assets are fixed at their inception and are therefore not subject to fluctuations in interest rates.

b. For the financial liabilities, the Group only has commercial papers which bear fixed interest rates. Thus, these are not exposed to fluctuations in interest rates.

Market Risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments which are measured at fair value are subject to market risk.

The financial assets at FVOCI are exposed to market risk. There is a risk for a decline in the value due to changes in the market. The Group performs detailed assessment and review prior to investing and purchasing shares of stock.

Liquidity Risk

This is the current and prospective risk to earnings or capital from the Group's inability to meet its obligations when they become due without incurring unacceptable losses. The Group's treasury has a well-monitored funding and settlement management plan. The following is the liquidity risk management framework maintained by the Group:

a. Asset-Liability Management: Funding sources pertain to short-term borrowings. Funding sources are abundant and provide a competitive cost advantage. The Group also holds financial assets for which there is a liquid market and are, therefore, readily saleable to meet liquidity needs.

b. *Conservative/Liability Structure:* Funding is widely diversified. There is little reliance on wholesale funding services or other credit sensitive fund providers. The Group accesses funding across a diverse range of markets and counter parties.

c. *Excess Liquidity:* The Group maintains considerable excess liquidity to meet a broad range of potential cash outflows from business needs including financial obligations.

d. *Funding Flexibility:* The Group has an objective to maintain a balance between continuity of funding and flexibility through the use of commercial papers.

As such, the Group addresses risk on liquidity by maintaining committed borrowing facilities in the form of bank lines and established record in accessing these markets.

Overall, the Group adopts to the changing environment by being flexible and open to new opportunities to improve its financial status.

The Group is also exposed to risks which are beyond financial as follows:

GROUP'S BUSINESS RISKS AND OPERATIONAL RISKS

Land Banking

The Group's land banking consists of parcels of land wherein some lots are being leased while awaiting the development of the Group's condominium projects. Having enough and diversified land banking is important to support the sustainability of the Group's business. The Group may be exposed to risks because of the possible changes in the value of these lots due to market circumstances which may result in impairment or decline in rental rate levels.

The Group currently has prime lots for future development and/or investment properties which are located in the different areas of Metro Manila and Cavite. The management also is in continuous study and research on the possible land acquisition which will depend on the need of the Group and negotiations with prospective sellers. For the land value changes and decline, the Group continues to be cautious in buying new properties by conducting studies on appraisal and conditions of the property within the vicinity.

Property Development and Construction

Construction of a condominium project starts from the planning and securing of permits to the development or construction of the project and to the delivery or turnover of the units to the buyers. The construction to completion of a project averages three to four years. During this period of time, the Group may be exposed to the following risks:

- delays or longer than expected time of securing necessary licenses, permits and approvals from different government agencies or neighborhood;
- possible increase in the cost of materials and labor which will impact pricing and costing;
- labor disputes among and with the contractors and sub-contractors; and
- delay in the delivery of the project.

These risks are managed by the Group by having:

- well-planned and carefully-phased project development with a reasonable timetable;

- concrete sources financing for the project;
- accreditation and careful selection of general contractors and sub-contractors to ensure fulfillment and quality of work; and
- continuous and meticulous management of the Group's project development team to ensure that the project is progressing and being accomplished according to plan.

EXTERNAL RISKS

Economic The Group's business consists mainly of providing office and housing units in the Philippines and the results of the operations will be influenced by the general conditions of the Philippine economy. Any economic instability or failure to register improved economic performance in the future may adversely affect the Group's operations and eventually its financial performance.

Effect of climate change

It cannot be denied that the country is already experiencing the impact of climate change which is considered as a global problem which needs to be addressed by all countries.

Climate change has greatly affected the operations of the businesses, both private and local. Due to climate change, the supply or resources may decline which will lead to increase in cost. Thus, businesses should consider measures to cope with the impact of environmental changes. In addition, businesses should ensure compliance to the rules and regulations imposed by the environmental authorities.

Cityland Group has invested considerable effort in the development of programming approaches that integrate disaster risk management with long-term programs that have the objective of addressing the underlying causes of vulnerability. This means developing and applying various prevention, mitigation and preparedness policies, strategies and practices to minimize vulnerabilities and disaster risks. The Group firmly believes that emergency preparedness planning is a critical component for all development programming and is a necessary ingredient not only for effective emergency response but also for effective risk prevention, mitigation and preparedness before a disaster occurs. For the Group, emergency preparedness encompasses all aspects of disaster risk management – from addressing underlying causes to responding in times of emergencies. First and foremost, preparedness must focus on prevention and mitigation – taking pre-emptive measures to help communities avoid emergencies and become better equipped so that the impacts of disasters are reduced. As one of the criteria set by the Group in acquisition of property, the Group considers whether the location of the prospective property is within the fault line and whether the area is prone to flooding. In this case, the Group minimizes the risk of incurring any additional costs/damages in the future.

Further, the Group has adopted the following controls in relation to the compliance with environmental laws but not limited to:

- Adherence to the standards/requirements set by the regulatory agencies governing the real estate industry;
- Appointment of Pollution Control Officers in all condominium projects
- Continuous study on how to improve the project from planning to construction until its completion
- Active participation with the government's requirements to real estate developers (e.g. socialized housing, tree planting, etc.); and
- Avoiding hazards and mitigating their potential impacts by reducing vulnerabilities and exposure and enhancing capacities of communities.

Effect of COVID-19 pandemic

The Philippine real estate industry showed resurgence in 2022 despite the challenges brought about by COVID-19 pandemic. Throughout the year 2023, the real estate sector proved to be resilient, providing significant contributions to the country's economic growth. One of the key factors that drove the industry's success was the demand for housing.

The Philippine real estate industry has shown significant growth and is expected to continue in the subsequent years. The Company will continue to monitor the demand in housing projects and implement strategies to cope with the changes in the environment and increase in demand.

Political

The Group's business, like all other businesses, may be influenced by the political situation in the country. Any political instability in the future could have a material adverse effect in the Group's business.

The ongoing conflicts of different countries sets several uncertainties with the potential to disrupt businesses and institutions and poses threat to world trade and economies, in general. The continuing effect of the situation on business and institutions could result in business continuity interference, trade disruptions, rising prices of basic commodities including oil and power, among others.

As of December 31, 2023, the Group believes that the current political situation of Russia-Ukraine and Israel-Palestine will not have an adverse effect in the Group's business operations. Further, the Group has no significant sales transactions to the Philippine government that would result to a significant effect to the Group's revenue/income. Further, the Group has no exposure to investments in the said countries. Supplies and materials need for the construction of the project undergo a detailed negotiation process to achieve the best products with a reasonable cost.

Industry The industry is characterized by boom-bust cyclical pattern exhibited in the past couple of decades where the industry normally goes through years of robust growth following years of slowdown. In 2021, the Group is slowly recovering from the effect of COVID-19 pandemic. While in 2022, business activities are already going back to normal and that the Philippine economy is seen to recover. This is due to the united effort of the government, businesses, and the people. The recovery in the economy continued to be seen in 2023 and the Group expects that this will continue for the year 2024.

The Group has adopted business continuity plans and strategies to mitigate the risks and effect of the pandemic.

Competition The demand for housing especially in the medium-cost category has moderately stepped up. The situation has attracted both old and new players to develop projects that cater to the increase in demand. As a result of the foregoing, competition in the area of medium-cost development is expected to intensify. The Group believes that it is in a better position to cope with the competition because of the affordability of the projects it offers in the market.

Cityland Group's major competitors include SM Development Corporation, Vista Land Corporation, Empire East, Avida Land Corporation, New San Jose Builders, Torre Lorenzo Development Corporation and DMCI.

Generally, the risks are mitigated by conducting assessments of the economic and political situations of the country as well as new developments in the real estate industry. The procedures involve the gathering of information of economic indicators and political events as well as being aware of the new developments in the industry through media, business conferences, economic briefings and other sources.

With this, the Company is able to assess and manage the risks mentioned.

Item II Properties

Investment properties and real estate properties held for future development of the Group as of December 31, 2023 are as follows:

Particular	Location	Total Area (in sq.m.)	Description	Mortgagee/ Limitation
Cityland, Inc.				
1. Land	Brgy. Talipusngo, Maragondon,Cavite	2,496,532	Located along Maragondon, Cavite	–
2. Land	Doña Concha Cruz Drive, Las Piñas City	52,705	Located along Las Piñas City	–
3. Land	Evangelista St., Santolan, Pasig	40,469	Located along Pasig City	–
4. Land	Brgy. Malainen Luma, Naic, Cavite	220,165	Raw land in Naic, Cavite.	–

5. Land	Taft Ave., Malate, Manila	1,118	Located along Taft Ave.	-
6. Land	Tagaytay-Calamba Road, Brgy San Jose, Tagaytay City	14,542	Located along Tagaytay-Calamba Road	-
7. Building for lease	Evangelista St., Santolan, Pasig City	1,870	Located along Santolan, Pasig City	-
8. Condominium units for lease	Bank Drive, Ortigas	503	Building located at Bank Drive, Ortigas	-
9. Building for lease (Tagaytay Commercial Complex)	Tagaytay-Calamba Road, within Barangay San Jose, Tagaytay City	414	Located along Tagaytay-Calamba Road	-
10. Land	Taft Avenue Malate Manila	768	Located at Taft Avenue Malate Manila	-
11. Parking	Tagaytay-Calamba Road, within Barangay San Jose, Tagaytay City	56 slots	Located along Tagaytay-Calamba Road	-
Cityland Development Corporation				
1. Land & building	Corner Pioneer and Reliance Sts., partly located in Mandaluyong City & Pasig City	2,918	The property is located near MRT3 Boni Station; about a km. away from Ortigas Center and presently improved with warehouse buildings.	Metrobank / ₱200M
2. Land	Brgy. Punungyanan, Gen. Trias, Cavite	501,832	The land is adjacent to Eagle Ridge Golf Course and Gateway Business Park.	-
3. Land	Alabang Zapote Road, Almanza Uno, Las Piñas City	2,094	Lot is located at the northeast side of Alabang-Zapote Road	-
4. Building for lease (CityNet1)	Bo. Wack-Wack, Mandaluyong City	2,367	The property is located near POEA in front of Robinson's Galleria; along EDSA very near MRT3 Ortigas Station.	Security Bank/ ₱600M
5. Building for lease (CityNet Central)	Brgy, Highway Hills, Mandaluyong City	3,300	Building is located near EDSA Central & Shangri-La Mall in Shaw Blvd.	-
6. Office Condo	H.V. Dela Costa St., Salcedo Village, Makati City	891	This is an office condominium for lease and office use located at Cityland 10 Tower I&II in H.V.dela Costa corner Geronimo and Valero Sts., Makati City.	Metrobank / ₱200M

7. Land	Brgy. Bagong Pag-asa, Quezon City	2,025	Lot is located along North Avenue, Brgy. Bagong Pag-asa, Quezon City	-
8. Land	Brgy. Panungyanan, General Trias, Cavite	30,000	Lot is located along Amadeo-Tagaytay Road	-
9. Parking	EDSA corner Sultan St., Mandaluyong City	27 slots	Located at EDSA corner Sultan St., (fronting MRT Shaw) Mandaluyong City	-
10. Land	Brgy. Ugong, City of Pasig	2,292	Along E- Rodriguez Ave. right across Ortigas East Tiendesitas	-
11. Land	Brgy. Dela Paz, City of Pasig	2,625	Along Marcos Highway, a few minutes walk from Ayala Malls Feliz	-
City & Land Developers, Incorporated				
1. Land	Roxas Blvd. Cor. Seaside Drive, Brgy. Tambo, Parañaque City	3,154	Lot is located along Roxas Blvd. Property.	-
2. Land	Sct. Bayoran St. South Triangle Quadrangle, Quezon City	709.95	Lot is located along Sct. Bayoran Street in Quezon City	-
3. Land	Sct. Bayoran St. South Triangle Quadrangle, Quezon City	1,419.90	Lot is located along Sct. Bayoran Street in Quezon City	-

Ownership

The Group has complete ownership of the above-mentioned properties.

Plan to Purchase

The Group has intentions to acquire property(ies) within the next 12 months depending on the outcome of its negotiation with the prospective seller(s). The Group is also continuously receiving offers to purchase property but no definite property for acquisition is identified yet.

Leased Properties

Leased properties of the Group as of December 31, 2023 and the amount of consolidated rental income recognized for the year are as follows:

	Consolidated Rental Income
CityNet Central - Building for Lease	₱113,924,656
Citynet1 - Building for Lease	60,095,496
Saniwares - Pasig	12,761,113
Lots/Building for Lease - Mandaluyong	16,309,436
Grand Central Residences - Condominium Units	1,915,008
Cityland Condominium 10 Towers I and II -	

	Consolidated Rental Income
Condominium Units/Parking	2,336,365
The Manila Residences II - Condominium Units	3,337,708
North Residences - Condominium Units	2,153,586
Tagaytay Commercial Complex - Building	3,944,088
Grand Emerald Tower - Condominium Units/Parking	1,070,277
Tagaytay Prime Residences – Commercial Complex/Parking	3,110,151
The Manila Residences I - Condominium Units	277,194
BSA Twin Towers - Condominium Units	336,630
Makati Executive Towers III and IV - Condominium Units/Parking	508,415
Pines Peak Tower 1- Condominium Units	158,190
Pacific Regency	283,928
Other properties	24,437,666
Total	**₱246,959,907**

The Group has an existing non-cancellable operating lease contract with domestic corporations, convenience store, fast food, bank, coffee shop, shopping center and BPO companies as of December 31, 2023.

Throughout the government-imposed community quarantine, the Group waived rentals and offered deferral of payments to certain tenants. Such rental waivers and deferrals are accounted as a lease modification under PFRS 16 since COVID-19 is not contemplated by the parties upon inception of the lease contracts.

Investment properties as of December 31, 2023 and 2022 include the following buildings for lease registered with Philippine Economic Zone Authority (PEZA) which are leased out to third parties:

	PEZA Registration No.	Date Registered
CityNet1	EZ14-04	March 3, 2014
Citynet Central	EZ15-06	February 17, 2015

The Group entered into long-term lease contracts with terms ranging from 3 to 12 years. Other lease contracts range from one month to 1 year.

<u>*GROUP AS A LESSEE*</u>

The Group has lease contracts for various items of plant assets used in its operations. Leases of plant assets generally have lease terms between 2 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

It is the Group's policy to classify right-of-use assets as part of property and equipment. Prior to that date, all of the Group's leases are accounted for as operating leases in accordance with PAS 17, hence, not recorded on the statement of financial position. The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

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

Group as a Lessee

The Group has lease contracts for various items of plant assets used in its operations. Leases of plant assets generally have lease terms between 2 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed on the next page.

The following are the amounts recognized in consolidated statements of income:

	2023	2022	2021
Depreciation expense of right-of-use assets included in property and equipment	**₱4,534,474**	₱4,213,702	₱4,259,701
Interest expense on lease liabilities	**680,313**	207,967	368,475
Expenses relating to short term leases	**1,299,656**	197,447	901,475
Total amount recognized in consolidated statement of income	**₱6,514,443**	₱4,619,116	₱5,529,651
Cash outflows from leases	**₱6,437,999**	₱5,252,605	₱5,446,919

The rollforward analysis of lease liabilities are as follows:

	2023	2022
Balances at beginning of year	₱2,926,552	₱5,828,331
Additions	15,710,670	1,945,412
Interest expense	680,313	207,967
Payment	(5,138,343)	(5,055,158)
Balances at end of year	₱14,179,192	₱2,926,552

Shown below is the maturity analysis of the undiscounted lease payments:

	2023	2022
1 year	₱5,116,251	₱2,107,863
More than 1 years to 2 years	4,281,643	947,619
More than 2 years to 3 years	2,650,911	-
More than 3 years to 4 years	3,728,733	-

Item III. Legal Proceedings

The material legal proceedings to which the Group is a party or of which any of its property is subject during the past five (5) years up to latest date are on the next page.

COMPANY

A. Cityland, Inc.

Sps. Banson & Electra Cheng vs. Cityland Inc.
O.P. Case No. 15-G-201
Office of the President
Date Instituted: November 23, 2012

Spouses Cheng filed a Complaint for Specific Performance with Damages praying that Cityland comply and continue with the sale of condominium unit no 6017 and Parking Slot No. B-104 and B-105 of Tagaytay Prime Residences. Cityland stated in its Answer that no Deed of Absolute Sale or Contract to Sale was entered into by the parties. There was no meeting of minds to consummate a contract because there was no consent made by the seller (Cityland). The HLURB-Region IV Office decided in favor of the complainant. The Board of Commissioners in a Decision dated June 22, 2015 reversed and set aside the decision of the HLURB-Region IV, and rendered a new judgment dismissing the complaint. Office of the President issued a Decision which dismissed the appeal of Sps. Cheng and affirmed the Decision dated June 22, 2015 of the HLURB Board of Commissioners which is favorable to Cityland. Spouses Cheng filed their Motion for Reconsideration and Cityland filed its Comment/Opposition thereto which is now for resolution.

Tagaytay Executive Village Homeowners' Association, Inc. vs. Cityland, Inc.
("Petition for the Revocation of the Certificate of Completion [COC] issued in favor of CITYLAND, INC., owner and developer of TAGAYTAY EXEC. VILLAGE, Brgy. San Jose, Tagaytay City "
OP Case No. 12-C-045
Date Instituted: November 22, 2010

Tagaytay Executive Village Homeowners' Association, Inc. (TEVHAI) filed an Appeal Memorandum dated November 9, 2011 with the HLURB Board of Commissioners and received by Cityland last November 14, 2011. The case involves a petition to revoke the certificate of completion ("COC"), dated March 10, 2010 issued by the Regional Office, HLURB, Southern Tagalog Region, in favor of Cityland, Inc., owner and developer of Tagaytay Executive Village located at Brgy. San Jose, Tagaytay City. TEVHAI wants the Court to recall/cancel the COC and that Cityland be ordered to fully complete the alleged deficiencies in the amenities. The case was dismissed by the HLURB Board of Commissioners in a Decision dated February 2, 2012. The TEVHAI appealed this case before the Office of the President. Office of the President issued a Decision which dismissed the appeal of TEVHAI and affirmed the Decision dated February 2, 2012 of the HLURB Board of Commissioners which is favorable to Cityland. TEVHAI filed its Motion for Reconsideration and Cityland filed its Comment/Opposition thereto which is now for resolution.

Heirs of the Spouses Armando Almendras Cruzat and Maria Villanueva Bayot vs. Cityland, Inc., etal.
CA CV No. 121969
Court of Appeals
Date Instituted: July 31, 2018

This case is for annulment of titles, several in number, and for damages. The affected titles are within the vicinity of or adjacent to a condominium building of Cityland and involves as well some lots of other owners. This is patently baseless case because it seeks to annul titles covering lots in the name of Cityland on the ground that the certificates of title covering the same originated from a Decree of Registration that was originally registered in Batangas; clearly Heirs of Cruzat did not know that said decree of registration originated from the Batangas registry and covered areas previously within Batangas, instead of Cavite, but were eventually transferred to the Registry of Deeds of Tagaytay City, pursuant to Commonwealth Act No. 338 (Charter of Tagaytay), and Executive Order No. 336 dated April 1, 1941.

On August 26, 2022, the case was dismissed by RTC- Tagaytay City for lack of jurisdiction and Heirs of Cruzat's filed their Motion for Reconsideration which was denied also by the court. A Notice of Appeal to the Court of Appeals (CA) was filed by the Heirs of Cruzat. As of December 2023, follow-up, records were already elevated to the CA and we await the Order of CA for the submission of appeal briefs.

B. Cityland Development Corporation

Cristy Katsui vs. Cityland Development Corporation
OP Case No. 15-A-001
Office of the President
Date Instituted: June 26, 2012

Cristy Katsui filed a Complaint dated June 20, 2012 which was received by Cityland on July 20, 2012, seeking an order for the rescission of the Contract to Sell over a commercial unit no. G-11 in Makati Executive Tower IV and for the return of all the amortizations paid by her and her children in the total amount of P1,634,000.00.

Cityland stated in its Answer that it cancelled the above-mentioned Contract to Sell in compliance with the instruction of Katsui in her letter, in behalf of all the Buyers, dated June 21, 2011. She was informed that she is not entitled to any cash surrender value under R.A. No. 6552 that requires a minimum payment of 24 monthly installments. Katsui paid only 14 installments. Besides, the unit is a commercial unit which is not covered by the law which seeks to protect buyers of residential units. Unfavorable decision was rendered by the HLURB against Cityland, and the same was elevated to the

Office of the President which affirmed the HLURB decision. Cityland filed its Motion for Reconsideration which is now for resolution.

Gary Noble Esquivel vs. Cityland Dev. Corp., etal.
Human Settlements Adjudication Commission (HSAC)
Department of Human Settlements and Urban Development (DHSUD)
HSAC Case No. NCR-REM-220511-00500
Date Instituted: May 11, 2022

Gary Noble Esquivel filed a Complaint dated May 3, 2022 against Cityland for Specific Performance with Damages praying for full refund of all the payments made in the amount of Php1,264,426.45 for the purchase of Unit 2504 and Parking Slot P241 of Cityland's Pines Peak Tower 1, plus 6% interest and other damages due to alleged construction defects of the units and the building.

Cityland stated in its Answer that Complainant has defaulted in the payment of his obligations and that the units and the building were constructed in accordance with the approved plans. Furthermore, Cityland noted that all complaints were addressed.
In a Decision dated December 19, 2022, HSAC Adjudicator declared that the building was constructed according to the approved plans and gave Complainant four (4) months grace period from receipt of the Decision to settle all his obligations. Complainant has until May 13, 2023 to comply with the Decision. Complainant failed to comply with the Decision. Certificate of Finality was issued on May 29, 2023. Complainant filed a Motion for Issuance of Writ of Execution dated October 24, 2023, which was granted by the HSAC in an Order dated November 10, 2023.

C. City & Land Developers, Incorporated

Republic of the Philippines represented by the Department of Public Works and Highways (DPWH), through the Bureau of Design-Right of Way Office (BOD-ROWO) versus City & Land Developers, Inc. (CLDI)
Case No. CA G.R. No. CV-112245
Paranaque Regional Trial Court – Branch 274
Date Instituted: July 16, 2013

DPWH filed a Complaint for Expropriation of certain portions of the properties, including the improvements therein, of CLDI located in Barangay Tambo, Paranaque City, which will be part of the NAIA Expressway Project Phase II.

CLDI disputed the valuation made by the DPWH on the properties. The Court issued a Decision in favor of CLDI. The DPWH thru the Office of the Solicitor General (OSG) filed its Motion for Reconsideration which was granted by the new presiding Judge. CLDI filed a Notice of Appeal which was favorably granted by the Court of Appeals. The OSG filed its Motion for Reconsideration, then CLDI filed its Comment/Objection thereto. An Amended Decision was issued by the Court of Appeals as to the interest to be paid by the DPWH. Entry of Judgement has been issued by the Court of Appeals. Records were remanded to Parañaque RTC. CLDI filed Motion for Issuance of Writ of Execution but the Office of the Solicitor Genera; opposed and RTC denied the motion. Coordination is being made for the execution of the judgment.

Sta. Ana Village Homeowners' Assoc. Inc. (SAVHA) vs. City & Land Developers Inc. (CLDI)
Civil Case No. 12-009
Paranaque Regional Trial Court – Branch 274
Date Instituted: January 16, 2012

SAVHA filed a Complaint dated January 16, 2012 which was received by CLDI on March 3, 2012, to enjoin defendant and all persons allowed by said defendant CLDI from using Benedictine Street in Sta. Ana Village, Barangay Sun Valley, Paranaque City, and to order the defendant by way of a writ of mandatory injunction, to open another outlet to the main road without cost or liability to plaintiff.

CLDI stated in its Answer that plaintiff has not proven its claim over Benedictine Street because the Deed of Donation used by the plaintiff is a falsified and/or spurious document. Furthermore, there is a Right-of-Way Agreement for Benedictine Street. Case was dismissed. However, SAVHA filed a Motion for Reconsideration which was granted. SAVHA's unnotarized Judicial Affidavit of its first witness was expunged from the records of the case. SAVHA's legal counsel withdrew from the case. New counsel for SAVHA appeared. First witness of SAVHA was cross-examined by CLDI counsel – witness got confused as to identity of respondent and presented title of CI but they sued CLDI, hence, complainant sued the wrong corporation. SAVHA submitted its Motion for Leave to Admit Amended Complaint which CLDI opposed. The Court denied the Motion and its succeeding Motion for Reconsideration & ordered the continuation of the hearing for the case. SAVHA was not able to present any other witness. CLDI presented its first witness who was cross-examined. Next hearing will be on May 3, 2024 for presentation of 2nd witness. Judicial Affidavit of CLDI's second witness was filed on March 21, 2024 in compliance with the Court Order.

Item IV - Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this report.

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PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item V Market for Registrant's Common Equity and Related Stockholders Matters

1. Dividends Policy

Dividends declared by the Group are payable in cash or in additional shares of stock. The payment of dividends in the future will depend upon the earnings, cash flow, and financial condition of the Group. Events that may limit the Group in declaring dividends include bankruptcy, insolvency or whether funds are set aside for capital improvements. Cash dividends on common shares are deducted from retained earnings upon declaration by the Board of Directors (BOD). Stock dividends on common shares are measured based on the par value of declared stock dividends. The Group has no specific dividends policy but it ensures that it is compliant with the provisions of the Revised Corporation Code.

The Revised Corporation Code prohibits stock corporations from retaining surplus profits in excess of 100% of their paid-in capital stock, except when justified by definite corporate expansion projects or programs approved by the BOD, or when the corporation is prohibited under any loan agreement with any financial institution or creditor from declaring dividends without its consent, and such consent has not yet been secured, or when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation.

2. Dividends

The Parent Company declared dividends as follows:

	2023	2022	2021
Cash	₱1.118/ share	₱0.754/ share	₱0.521/ share
Stock	5%	--%	5%

Cash dividends on common shares were deducted from retained earnings upon declaration by the BOD. All cash dividends due during the year were paid. Stock dividends were deducted from retained earnings when the BOD's declaration is ratified by the stockholders of the Group.

3. Trading Market

The Parent Company is not a public corporation and is not listed with the Philippine Stocks Exchange (PSE). CDC and CLDI are both listed with the PSE.

4. Holders

a. The number of shareholders of record as of December 31, 2023 is 28.

b. The Stockholders as of December 31, 2023 are as follows:

	Name	No. of Shares Held	%
1.	Stephen C. Roxas	44,180,982	28.20%
2.	The Good Seed Sower Foundation, Inc.	23,498,542	15.00%
3.	Grace C. Liuson	23,142,505	14.77%
4.	Dr. Andrew I. Liuson	21,362,374	13.63%
5.	Lucy Fan	14,241,574	9.09%
6.	Helen C. Roxas	14,241,574	9.09%
7.	Cris Giovanni Chiong	4,984,542	3.18%
8.	Joel C. Gohoc	2,458,514	1.57%
9.	Johann C. Gohoc	2,458,513	1.57%
10.	Josef C. Gohoc	2,434,648	1.55%
11.	Josua C. Gohoc	2,433,085	1.55%
12.	Joanna C. Gohoc	845,523	0.54%
13.	Jefferson C. Roxas	91,920	0.06%
14.	Lincoln C. Roxas	91,920	0.06%
15.	Connor David Tan Roxas	35,017	0.02%
16.	Leon Lee Roxas	35,017	0.02%
17.	Olivia Kate Tan Roxas	35,017	0.02%
18.	Zino Lee Roxas	35,017	0.02%
19.	Aurora M. Pattugalan	28,463	0.02%
20.	Nathan Yip Gohoc	25,425	0.02%
21.	Cara Elise C. Gohoc	12,713	0.01%
22.	Casey Eloise C. Gohoc	12,712	0.01%
23.	Peter S. Dee	52	-
24.	Rebekah D. Ung	48	-
25.	John T. Gohoc	21	-
26.	Anastasia Y. Dy	11	-
27.	Benjamin I. Liuson	11	-
28.	Bp. Eduardo C. Villanueva	10	-
	TOTAL	**156,685,750**	**100.00**

5. Recent Sale of Unregistered Securities (including recent issuance of securities constituting an exempt transaction)

a. There was no sale of unregistered securities.
b. The total number of shares issued and outstanding of the Parent Company as of December 31, 2023 was 156,685,750 (net of 587,123 treasury shares).

Item VI Management’s Discussion and Analysis or Plan of Operations

The real estate industry in the Philippines has proven to be resilient and a significant contributor to the country's economy. This is due to various factors such as strong demand for both residential and commercial properties, government policies, infrastructure projects, increasing overseas Filipino workers' remittances, and favorable economic conditions.

In 2023, the real estate sector experienced notable growth, driven by economic growth and an increase in property demand and prices, especially for high-end and affordable housing. This growth is attributed to the growing middle class and the influx of foreign professionals and overseas Filipino workers. The government's efforts to improve policies, including tax policies to achieve affordable real estate properties, also contributed to the growth of the industry.

The Cityland Group's ongoing projects are located in Metro Manila, where there is a high demand for vertical developments like condominium projects due to its dense population. The "Build Build Build" program, which aims to improve the country's transportation and logistics infrastructure, has also provided more opportunities for real estate developers. Ongoing infrastructure projects, such as the development of the Metro Manila subway, new highways, and airport expansions, facilitate improved connectivity and accessibility, thereby rendering certain areas more appealing for real estate development and investment opportunities. These projects serve as catalysts for economic growth and urban development, providing seamless connectivity to various locations, and creating new job opportunities and business expansions.

The Philippines' full-year gross domestic product (GDP) growth rate in 2023 was 5.6%, outpacing major economies in Asia such as China, Vietnam, and Malaysia. Despite an elevated inflation rate and external challenges, there was also a stronger domestic demand noted in 2023. According to the Department of Finance Secretary, Ralph G. Recto, "The strong economic performance in 2023 is a clear testament to the government's efforts in creating an environment conducive to enhancing the purchasing power of Filipinos. We are firm in our commitment to ensure that our economic progress is felt in the day-to-day lives of our people." *(Source:https://www.dof.gov.ph/phs-full-year-2023-gdp-growth-strongest-among-major-asian-economies/)*

Overall, the Philippine real estate industry has shown significant growth and is expected to continue in the subsequent years. The Cityland Group of Companies will continue to monitor the demand in housing projects and implement strategies to cope with changes in the environment and an increase in demand.

Financial Performance

As of December 31, 2023, the Group is pre-selling the units of Two Premier, a project of CI, which is expected to be completed in June 2025 and One Hidalgo, a project of CLDI, which is expected to be completed in September 2027.

The Group is selling the following newly completed projects as of December 31, 2023:

- Pioneer Heights 1 (a project of CDC)
- 101 Xavierville (a project of CDC)

Also, the Group is selling the remaining units of the following completed and operational projects:

Cityland, Inc.

- Oner Premier
- The Manila Residences II
- Tagaytay Prime Residences
- The Manila Residences I
- Brentwood Mansion

Cityland Development Corporation

- Pines Peak Tower II
- Pines Peak Tower I
- One Premier *(a project of CI in which some condominium units and parking slots were assigned to CDC)*
- Grand Central Residences
- Makati Executive Tower IV

City & Land Developers, Incorporated

- One Taft Residences
- North Residences
- Grand Emerald Tower
- The Pacific Regency

The Group has also a number of prime lots reserved for future projects. Its land bank is situated in strategic locations ideal for horizontal and vertical developments.

Internal sources come from sales of condominium units and real estate projects, collection of installment contracts receivable, contract assets, rental income from leased properties, maturing short-term and long-term investments and notes receivable and other sources such as interest income and dividend income. External sources come from commercial papers.

<u>Plan of Operations</u>

The Group will continue to maintain a cautious stance in order to continuously achieve a healthy financial position. This will ensure that the development and construction of all its existing ongoing projects will be delivered on time or even ahead of its scheduled turnover. The Group will also continue to scout and develop quality projects suited for the middle and working class which will be situated at convenient locations with affordable and flexible payment terms. The Group's projects will be funded through cash generated from operations and issuance of commercial papers. The Group plans to remain liquid in order to avail attractive investment opportunities that meet the demands of the present growing economy.

Financial Condition (2023 vs. 2022)

The Group's financial position for the year ended December 31, 2023 showed an increase in total assets amounting to ₱568.32 million equivalents to increase of 3.12%. Total assets for the year ended December 31, 2023 remained at ₱ 18,758.82 million compared to ₱18,190.49 million as of December 31, 2022.

The increase in assets can be attributed to the sales and collections during the year which also allowed the Group to purchase real estate properties. Further, the completion of CDC's projects – Pioneer Heights 1 and 101 Xavierville contributed to the increase in real estate properties for sale. The continuous economic recovery also allowed CI to launch Two Premier in 2022. Further, CLDI launched its new project - One Hidalgo in February 2023.

Contract assets decreased due to collections received during the year. As of December 31, 2023, the financial position remained stable as cash and cash equivalents and short-term investments stood at ₱973.73 million and ₱1,533.30 million, respectively.

On the liabilities side, total liabilities resulted to ₱3,474.14 million, slightly lower by 8.96% than last year's amount of ₱3,815.89 million. The decrease in the account was attributed to the completion of CDC's projects - Pioneer Heights 1 and 101 Xavierville and the increase in percentage of completion of TNP which resulted to the decline in contract liabilities.

Total equity stood at ₱15,284.68 million as of December 31, 2023, higher by 6.33% compared with the 2022 year-end balance of ₱14,374.60 million. The increase was due to the total comprehensive income recognized in 2023 amounting to ₱ 1,204.15 million less cash dividends declared during the year.

As a result of the foregoing, the Company translated to a current and acid-test ratio of 4.45:1 and 1.92:1, 3.52:1 and 1.46:1, and 3.26:1 and 1.53:1 as of December 31, 2023, 2022 and 2021, respectively. Asset-to-liability and debt-to-equity registered at 5.41:1 and 0.17:1 as of December 31, 2023 from December 31, 2022 ratios of 4.77:1 and 0.17:1, respectively.

Financial Condition (2022 vs. 2021)

The Group's financial position for the year ended December 31, 2022 showed an increase of 7.16%. Total assets for the year ended December 31, 2022 remained at ₱18,190.42 million compared to ₱16,975.84 million as of December 31, 2021.

The increase in assets can be attributed to the increase in sales brought about by the economic recovery and collection of receivables during the year. Further, the completion of CLDI's project - One Taft Residences contributed to the increase in total sales as the revenue of the Group is based on percentage of completion. The progress in the construction phase of the Group's ongoing projects which are the Pioneer Heights 1, 101 Xavierville, One Premier and Two Premier also contributed to the increase in sales. The continuous economic recovery also allowed the CI to launch Two Premier in 2022. In addition to the launching of Two Premier, the increase in sales also allowed the Group to launch a new project under CLDI (One Hidalgo) in February 2023.

Contract assets also increased due to the completion of One Taft Residences and increase in the percentage of completion of the ongoing projects. As of December 31, 2022, the financial position remained stable as cash and cash equivalents and short-term investments stood at ₱1,424.59 million and ₱691.70 million, respectively.

On the liabilities side, total liabilities resulted to ₱3,815.89 million, slightly higher by 2.13% than last year's amount of ₱3,736.19 million. The increase in the account was attributed to the following:

- Continuous construction of the ongoing projects which increased the accounts payable and accrued expenses; and
- Increase in sales resulted to increase in income tax payable and deferred income tax liabilities.

Total equity stood at ₱14,374.60 million as of December 31, 2022, higher by 8.57% compared with the 2021 year-end balance of ₱13,239.65 million. The increase was due to the total comprehensive income recognized in 2022 amounting to ₱ 1,309.14 million less cash dividends declared during the year.

As a result of the foregoing, the Company translated to a current and acid-test ratio of 3.50:1 and 1.46:1, 3.26:1 and 1.53:1, and 3.14:1 and 1.58:1 as of December 31, 2022, 2021 and

2020, respectively. Asset-to-liability and debt-to-equity registered at 4.77:1 and 0.17:1 as of December 31, 2022 from December 31, 2021 ratios of 4.54:1 and 0.20:1, respectively.

Financial Condition (2021 vs. 2020)

The Group's balance sheet remained solid with total assets of ₱16,975.84 million, slightly higher by 5.94% as compared to the 2020 year-end balance of ₱16,023.93 million. The increase in assets can be attributed to sales and collections from clients, which resulted to increase in investments and increase in real estate properties for sale as a result of the continuous construction of the Group's ongoing projects. Funds were generated from sales and lease of condominium units and other real estate projects, while other financial sources came from the issuance of commercial papers with interest rates ranging from 0.56% to 1.13% and 0.69% to 1.77% in 2021 and 2020, respectively. Majority of the funds were utilized for operations and to finance the Group's construction of its ongoing projects namely One Premier, One Taft Residences, Pioneer Heights 1, and 101 Xavierville. Moreover, the cash position allowed the Group to distribute cash dividends amounting to ₱124.56 million. The Group's liquidity position remained stable as cash and cash equivalents and short-term investments as of December 31, 2021 stood at ₱1,272.29 million and ₱1,649.51 million, respectively.

On the liability side, the increase in total liabilities by ₱154.18 million or 4.30% was substantially due to the increase in accounts payable and accrued expenses amounting to ₱1,101.34 million or 37.11% higher compared to 2020 year-end balance of ₱803.23 million brought by the increase in the development costs as some of the Group's ongoing projects are already nearing its completion. Further, the increase can also be attributed to the increase in notes payable and contracts payable higher by ₱23.52 million or 1.43% higher compared to previous year balance of ₱1,649.34 million.

Total equity stood at ₱13,239.65 million as of December 31, 2021, higher by 6.41% from ₱12.441.91 million as of December 31, 2020 due to comprehensive income of ₱920.71 million less cash dividends declared and paid by the Group amounting to ₱124.56 million.

As a result of the foregoing, the Group's liquidity position remained stable with acid-test and current ratio of 1.53:1 and 3.26:1 as of December 31, 2021 compared to 1.58:1 and 3.14:1 as of December 31, 2020, respectively. On the other hand, debt to equity ratio slightly improved to 0.20:1 as of December 31, 2021 compared to 0.21:1 as of December 31, 2020.

Results of Operation (2023 vs. 2022)

Total consolidated revenue and income for the year 2023 resulted to ₱3,800.82 million as compared to ₱3,861.27 million for the year 2022. The slight decrease in the total revenue and income is significantly due to the decrease in sales from real estate properties reaching only ₱2,786.48 million in 2023 as compared to ₱3,019.73 million in 2022.

The ongoing project of CLDI, One Hidalgo, being in its early stage of construction affected the Group's sales since the revenue of the Group is based on percentage of completion. In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with up to 24 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10% which is not considered yet as sales for accounting purposes. The Group records these collections as

"Rental and customers' deposits" under "Accounts Payable and Accrued Expenses" account in the consolidated statements of financial position.

Other sources of income pertain to financial income, rental income and other income. Financial income which is composed of interest income from sale of real estate properties, cash in banks, cash equivalents, short-term and long-term investments, notes receivable and dividend income showed an increase by ₱137.53 million or equivalent to 28.41%. Increase in financial income for the year 2023 is attributed to the increase in interest income from short-term investment maturities and increase in interest rate.

Rental income posted an increase by ₱38.12 million or equivalent to 18.25% due to additional units leased out as a result of the completion of One Taft Residences, Pioneer Heights 1, 101 Xavierville and new lease contracts entered during the year. Net other income pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, penalties for buyers' late payments, sale of scraps, and net gains or losses on forfeiture/cancellation of sales. The Group revalues its forfeited units upon cancellation at fair market value less costs to sell. The increase in the valuation of repossessed units is recorded as part of "Other income – net" in the consolidated statements of income. In line with this, this account declined as a result also of the lower number of forfeited units brought about by the economic recovery.

On the cost side, costs of real estate sales, operating expenses increased due to higher sales recognized by CI and CDC while financial expenses decreased due lower finance charges.

As a result of the foregoing, the Company recorded a net income of ₱1,183.34 million, lower by 9.40% as compared to last year's generated net income of ₱1,306.05 million. Earnings per share and return on equity resulted to ₱4.39 and 7.19%, respectively in 2023 as compared to the previous year of ₱4.50 and 7.79%, respectively.

Results of Operation (2022 vs. 2021)

Total consolidated revenue and income for the year 2022 resulted to ₱3,861.27 million as compared to ₱2,479.19 million for the year 2021. The increase in the total revenue and income is significantly due to the increase in sales from real estate properties reaching ₱3,019.73 million in 2022 as compared to ₱1,595.33 million in 2021.

In May 2022, CLDI completed One Taft Residences which resulted to the following:

- Increase in sale of condominium units and parking slots; and
- Increase in revenue recognized as the Group's accounting policy in revenue recognition is based on percentage of completion.

Further, the increase in the percentage of completion of the ongoing projects also boosted the Group's sales reaching an increase in sales by 89.29%. In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with up to 24 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10%. The Group records these collections as "Rental and customers' deposits" under "Accounts Payable and Accrued Expenses" account in the consolidated statements of financial position.

Other sources of income pertain to financial income, rental income and other income. Financial income which is composed of interest income from sale of real estate properties, cash in banks, cash equivalents, short-term and long-term investments, notes receivable and and dividend income showed a decline by ₱16.93 million or equivalent to 3.38%. Although the sales increased, the interest income from sales of real estate properties did not increase as a result of the installment down payment payment scheme of the Group.

Rental income posted an increase by ₱10.31 million or equivalent to 5.20% due to additional units leased out as a result of the completion of One Taft Residences and new lease contracts entered during the year. Net other income pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, penalties for buyers' late payments, sale of scraps, and net gains or losses on forfeiture/cancellation of sales. The Group revalues its forfeited units upon cancellation at fair market value less costs to sell. The increase in the valuation of repossessed units is recorded as part of "Other income – net" in the consolidated statements of income. In line with this, this account declined as a result also of the lower number of forfeited units brought about by the economic recovery.

On the cost side, costs of real estate sales, operating expenses and financial expenses increased due to higher sales.

As a result of the foregoing, the Company recorded a net income of ₱1,306.05 million, higher by 43.36% as compared to last year's generated net income of ₱911.06 million. Earnings per share and return on equity resulted to ₱4.73 and 7.79%, respectively in 2022 as compared to the previous year of ₱3.92 and 6.91%, respectively.

Results of Operation (2021 vs. 2020)

The Group's sales from real estate properties in 2021 reached ₱1,595.33 million, higher by 24.68% as compared to ₱1,279.50 million last year. This can be attributed to higher sales contribution of CDC which amounted to ₱723.69 million or 45.36% of the Group's sales. The increase in CDC sales was due to higher sales in Pioneer Heights I with sales contribution of 28.21% of the Group's total sales.

CI also contributed 19.03% of the Group's sales resulting to a higher sales volume in 2021 amounting to ₱303.60 million. One Premier, CI's condominium project launched in 2018, has a percentage of completion of 98.46% as of December 31, 2021.

Moreover, 35.26% and 0.35% of total revenues on sales of real estate were generated from CLDI and CPI, respectively. Sales of real estate properties of CLDI reached ₱580.53 million as compared to ₱253.55 million in the prior year. The increase in sales is attributed to the higher revenue form One Taft Residences and North Residences. The percentage of completion (POC) of One Taft Residences at the end of 2021 was 92.63% resulting to sales contribution of 33.09% of the Group's total sales.

Other sources of income are financial income, rent income and other income. Financial income which is composed of interest income from installment contracts receivable, contract assets, notes receivable, cash equivalents, short-term and long-term investments and cash in bank, and guaranty deposits contributed ₱501.03 million or 20.21% of the total revenue. Likewise, rent income contributed ₱198.53 million or 8.01% of the total revenue, lower by 6.55% from the previous year's ₱212.44 million. Further, the other income – net which pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, trust fund income, penalties for buyers' late payments, sale of scraps, gain on sale of shares of stock, receipt of cash for the expropriated property contributed ₱184.30 million to the total revenue in the current year which is slightly lower by 1.31% compared to the ₱186.76 million in the prior year.

On the other hand, cost of real estate sales increased due to the higher sales as this moves in tandem with sales. Operating expenses increased also due to higher sales which resulted to increase in personnel expenses, professional fees, outside services, repairs and maintenance, membership dues and insurance. Lower interest rates and finance charges decreased financial expenses by 42.11%.

The Group ended 2021 with a consolidated net income of ₱911.06 million, 25.08% higher than the 2020 balance of ₱728.41 million, which translated to earnings per share and return on equity of 3.92 and 6.91%, respectively compared to the previous year's 3.07 and 5.77%, respectively.

Financial Ratios (2023 vs 2022 vs 2021)

Cityland, Inc. (Consolidated)	**2023**	2022	2021
Basic/diluted earnings per share	**₱4.39**	₱4.73	₱3.92
Return on equity	**7.19%**	7.79%	6.91%
Return on asset	**6.31%**	7.18%	5.37%
Net profit margin	**31.13%**	33.82%	36.75%
Solvency ratio	**0.36**	0.36	0.26
Interest rate coverage ratio	**382.30**	328.76	212.54
Asset to liability ratio	**5.41**	4.77	4.54
Asset to equity ratio	**1.96**	2.01	2.00
Debt to equity ratio	**0.17**	0.17	0.20
Current ratio	**4.45**	3.52	3.26
Acid - test ratio	**1.92**	1.46	1.53

Cityland Development Corporation (Consolidated)	**2023**	2022	2021
Basic/diluted earnings per share*	**₱0.18**	₱0.21	₱0.12
Return on equity	**8.68%**	10.93%	6.88%
Return on asset	**6.94%**	9.19%	5.57%
Net profit margin	**56.15%**	36.63%	34.03%
Solvency ratio	**0.45**	0.49	0.31
Interest rate coverage ratio	**545.78**	903.40	481.41
Asset to liability ratio	**6.04**	5.11	5.12
Asset to equity ratio	**1.36**	1.43	1.42
Debt to equity ratio	**0.12**	0.12	0.11
Current ratio	**5.13**	3.70	3.84
Acid - test ratio	**2.25**	1.57	1.79

**After retroactive effect of 5% stock dividends in 2023.*

City & Land Developers, Incorporated	**2023**	2022	2021
Basic/diluted earnings per share	**₱0.10**	₱0.27	₱0.12
Return on equity	**5.68%**	14.97%	7.31%
Return on asset	**5.17%**	13.88%	6.40%
Net profit margin	**30.71%**	35.22%	26.43%
Solvency ratio	**0.58**	1.90	0.51
Interest rate coverage ratio	**-**	-	-
Asset to liability ratio	**11.12**	13.71	8.01
Asset to equity ratio	**1.10**	1.08	1.14
Debt to equity ratio	**0.02**	-	-
Current ratio	**11.85**	17.39	4.98
Acid - test ratio	**2.93**	5.47	1.36

Cityplans, Incorporated	**2023**	2022	2021
Basic/diluted earnings per share	**₱0.07**	₱0.05	₱0.03
Return on equity	**3.21%**	2.31%	1.44%
Return on asset	**2.77%**	2.09%	1.24%
Net profit margin	**49.05%**	37.30%	26.40%
Solvency ratio	**0.69**	0.22	0.20
Asset to liability ratio	**9.59**	10.48	7.33
Asset to equity ratio	**1.14**	1.11	1.16
Current ratio	**16.08**	20.96	15.10
Acid - test ratio	**13.95**	19.93	13.72

Manner of Calculations:

$$\text{Basic/diluted earnings per share} = \frac{\text{Net income after tax}}{\text{Outstanding number of shares}}$$

$$\text{Return on equity ratio} = \frac{\text{Net income after tax}}{\text{Total Equity}}$$

$$\text{Return on asset ratio} = \frac{\text{Net income after tax}}{\text{Total Assets}}$$

$$\text{Net profit margin} = \frac{\text{Net income after tax}}{\text{Total Revenue}}$$

$$\text{Solvency ratio} = \frac{\text{Net income after tax + Depreciation expense}}{\text{Total liabilities}}$$

$$\text{Interest rate coverage ratio} = \frac{\text{Income before income tax + Depreciation expense + Interest expense on security deposit and others and lease liabilities}}{\text{Interest expense on security deposit and others and}}$$

		lease liabilities
Asset-to-liability ratio	=	Total assets / Total liabilities
Asset-to-equity ratio	=	Total assets / Total equity attributable to equity holders of the Parent Company (net of net changes in fair value of financial assets at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)
Debt-to-equity ratio	=	Notes and contracts payable / Total equity (net of net changes in fair value of financial assets at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)
Current ratio	=	Total current assets / Total current liabilities
Acid-test ratio	=	Cash and cash equivalents + Short-term cash investments + Current portion of installment contracts receivable + Current portion of contract assets +Current portion of notes receivable + Current portion of other receivables / Total current liabilities

1. Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

There are no known trends, events or uncertainties that can materially affect the Group's liquidity.

2. Internal and External Sources of Liquidity

Internal sources come from sales of condominiums and real estate projects, collection of installment contracts receivable and contract assets, maturing short-term and long-term investments and notes receivable, and other sources such as rental income, interest income and dividend income. External sources come from issuances of commercial papers.

3. Any Material Commitments for Capital Expenditures and Expected Sources of Funds of such Expenditures

The estimated development cost of ₱556.01 million as of December 31, 2023 representing the cost to complete the development of real estate projects sold and the contract payable amounting to approximately ₱46.56 million representing the liabilities from the contracts to purchase land held to future development will be sourced through:

a) Sales of condominium units and real estate projects;
b) Collection of installment contracts receivables and contract assets;
c) Maturing short-term and long-term investments and notes receivable; and
d) Issuances of commercial papers.

4. Any Known Trend or Events or Uncertainties (Material Impact on Net Sales or Revenues or Income)

There are no known trends, events or uncertainties that could materially affect the Group's sales or revenues or income.

5. Any Significant Elements of Income or Loss that did not arise from Registrant's Continuing Operations.

There were no significant elements of income or loss that did not arise from continuing operations.

6. Any Event that Will Trigger Direct or Contingent Financial Obligation that is Material to Company

There is no event that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

7. Causes for any Material Changes from Period to Period in One or More Line of the Registrant's Financial Statements

Financial Condition (2023 vs. 2022)

a. Decrease in Cash and Cash Equivalents was substantially due to shift of placements to short term and long term investments.
b. Increase in Short-term Investments was due to additional placements.
c. Increase in Installment Contract Receivables was due to sales of CPI during the year.
d. Decrease in Contract Assets was substantially due to collection and lower recognition of contract assets since CLDI's ongoing project- One Hidalgo is still at its early stage of construction.
e. Decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion the Group's ongoing projects and completion of Pioneer Heights 1 and 101 Xavierville.
f. Decrease in Notes Receivable was due to the proceeds of matured notes receivable.
g. Decease in Other Receivables was substantially due to collection of rent receivable, advances to customers, accrued interest and retention.
h. Increase in Real Estate Properties for Sale was primarily due to the transfer of properties from real estate held for future development, property and equipment and investment properties and additional development costs utilized for the construction of the Group's ongoing projects.
i. Increase in Investments in Trust Fund was due to additional investment made to the fund.

j. Decrease in Real Estate Properties Held for Future Development was due to transfer of properties to real estate properties for lease.
k. Increase in Investment Properties was due to the increase in properties held for capital appreciation.
l. Increase in Property and Equipment was due to renewal of lease contracts resulting to the increase in right of use assets.
m. Decrease in Retirement Plan Assets was due to was due to lower re-measurement gain recognized in 2023.
n. Net Increase in Other Assets was due to the reclassification of account code in CDC that cause in increase in FVOCI.
o. Decrease in Accounts Payable and Accrued Expenses was substantially due to lower estimated development cost and payment of accounts payable.
p. Increase in Notes and Contract Payable was due to increase in notes payable issued.
q. Decrease in Contract Liabilities was due to the increase in percentage of completion of the Group's ongoing projects which satisfied the payments made by the clients.
r. Increase in Income Tax Payable was substantially due to lower creditable withholding tax recognized during the year.
s. Decrease in Pre-need and Other Reserves was due to maturities and termination of pension plan that cause the valuation in actuarial to decline.
t. Increase in Retirement Benefits Liabilities was due to decrease in fair value of plan assets.
u. Increase in Deferred Income Tax Liabilities was due to recognition of deferred income tax liabilities on capital interest and reversal of sale below 10% collection.
v. Increase in Capital stock was due to stock dividend declaration.
w. Increase in Retained Earnings was due to net income recognized during the year, net of cash dividends declared and distributed.
x. Decrease in Unrealized Fair Value Changes on Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to decrease in market value of financial assets at FVOCI.
y. Increase in Accumulated Re-measurement Loss on Defined Benefit Plans was due to the actuarial loss on defined benefit obligation recognized during the year.
z. Increase in Non-Controlling Interest was due to net income of subsidiaries.

Financial Condition (2022 vs. 2021)

a. Increase in Cash and Cash Equivalents was substantially due to increase in sales, collection of receivables and shift to shorter term investments.
b. Decrease in Short-term Investments was due to shift to shorter term investments.
c. Decrease in Installment Contract Receivables was due to collection of past due accounts.
d. Increase in Contract Assets was substantially due to higher sales, completion of One Taft Residences and increase in the percentage of completion of the Group's ongoing projects.
e. Decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion of the Group's ongoing projects and completion of CLDI's project, One Taft Residences.
f. Increase in Notes Receivable was due to additional placements with financial institutions. Increase in Other Receivables was substantially due to higher advances to customers for the real estate property taxes of sold condominium units and expenses relating to the transfer of titles initially paid by the Group. In 2022, the advances to customers of CLDI also significantly increased due to the completion of One Taft Residences.

g. Increase in Real Estate Properties for Sale was primarily due to the transfer of properties from real estate held for future development, property and equipment and investment properties and additional development costs utilized for the construction of the Group's ongoing projects.
h. Decrease in Investments in Trust Fund was due to increase in withdrawals during the year brought about by the terminations/maturities of pension plans.
i. Decrease in Real Estate Properties Held for Future Development was due to transfer of properties to real estate properties for sale.
j. Increase in Investment Properties was due to additional properties purchased during the year and are currently being leased out to third parties.
k. Decrease in Property and Equipment was due to depreciation expense and transfer to real estate properties for sale.
l. Decrease in Retirement Plan Assets was due to was due to lower re-measurement gain recognized in 2022.
m. Net Increase in Other Assets was due to recognition of input VAT on the newly purchased properties.
n. Increase in Accounts Payable and Accrued Expenses was substantially due to higher rental and customers' deposit, accrued development costs, directors' fee, dividends payable, and withholding taxes payable.
o. Decrease in Notes and Contract Payable was due to payment of matured notes payable.
p. Decrease in Contract Liabilities was due to the completion of One Taft Residences and increase in percentage of completion of the Group's ongoing projects which satisfied the payments made by the clients.
q. Increase in Income Tax Payable was due to higher taxable income brought about by the increase in sales.
r. Decrease in Pre-need and Other Reserves was due to increase in return on investment used in the valuation of pension plans and decrease in the number of plans.
s. Increase in Retirement Benefits Liabilities was due remeasurement loss recognized by CPI in 2021 which significantly affected the balance of plan assets.
t. Increase in Deferred Income Tax Liabilities was due to increase in realized gain on sale of real estate transactions and accrued expenses.
u. Increase in Retained Earnings was due to net income recognized during the year net of cash dividends declared and distributed.
v. Decrease in Unrealized Fair Value Changes on Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to decrease in market value of financial assets at FVOCI.
w. Decrease in Accumulated Re-measurement Loss on Defined Benefit Plans was due to the actuarial gain on defined benefit obligation due to experience adjustments recognized during the year. This resulted to a re-measurement gain in the other comprehensive income.
x. Increase in Non-Controlling Interest was due to net income of subsidiaries.

<u>Financial Condition (2021 vs. 2020)</u>

a. Decrease in Cash and Cash Equivalents was substantially due to shift of placements to short term and long term investments, incurrence of additional development costs, partial payment of notes and accounts payable and accrued expenses and payment of income tax and cash dividends.

b. Increase in Short-term Investments was substantially due to higher sales which resulted to higher placements.
c. Decrease in Installment Contract Receivables was due to collection of past due accounts.
d. Decrease in Contract Assets was due to the right to consideration already delivered resulting to an increase in billed accounts reflected in the installments contracts receivable.
e. Increase in Notes Receivable was due to additional placements with financial institutions.
f. Decrease in Other Receivables was substantially due to lower rent receivable, advances to customers and retention on cash sales.
g. Increase in Real Estate Properties for Sale was primarily due to the transfer of properties from real estate held for future development, property and equipment and investment properties and additional development costs utilized for the construction of the Group's ongoing projects.
h. Increase in Investments in Trust Fund was due to additional contribution to the fund.
i. Decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion the Group's ongoing projects.
j. Decrease in Real Estate Properties Held for Future Development was due to transfer of properties to real estate properties for sale.
k. Decrease in Investment Properties was due to depreciation recognized on the buildings for lease and transfer of properties to real estate properties held for future development and real estate properties for sale.
l. Decrease in Property and Equipment was due to depreciation expense and transfer of properties to real estate properties for sale and to real estate held for future development.
m. Increase in Retirement Plan Assets was due to re-measurement gain recognized in 2021.
n. Net Increase in Other Assets was due to higher input VAT and advances to contractors.
o. Increase in Accounts Payable and Accrued Expenses was substantially due to higher rental and customers' deposit, accrued development costs, directors' fee, dividends payable, VAT payable and other payables which consist substantially of commission payable, unclaimed checks of pension holders and payable to government agencies.
p. Increase in Notes and Contract Payable was due to higher issuance of notes payable during the year.
q. Decrease in Contract Liabilities was due to increase in percentage of completion of the Group's ongoing projects which satisfied the payments made by the clients.
r. Decrease in Income Tax Payable was due to the effect of CREATE Law and creditable withholding tax during the year.
s. Decrease in Pre-need and Other Reserves was due to increase in return on investment used in valuation of pension plans and decrease in the number of plans.
t. Decrease in Retirement Benefits Liabilities was due to increase in the fair value of plan assets.
u. Increase in Deferred Income Tax Liabilities was substantially due to the impact of remeasurement due to the change in tax rate upon the implementation of the CREATE Law. and decrease in deferred income tax asset.
v. Increase in Retained Earnings was due to net income recognized during the year net of cash dividends declared and distributed.
w. Decrease in Unrealized Fair Value Changes on Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to decrease in market value of financial assets at FVOCI.
x. Decrease in Accumulated Re-measurement of Defined Benefit Plans was due to increase in value of plan assets.
y. Increase in Non-Controlling Interest was due to net income of subsidiaries.

Results of Operation (2023 vs. 2022)

a. Decrease in Sales of Real Estate Properties was due to the decline in sales of CLDI since the newly launched project is still under its early stage of percentage of completion.
b. Increase in Financial Income was due to higher interest income from installment contracts receivable and contract assets.
c. Increase in Rental Income was due to additional contracts entered during the year and higher income from units held for lease.
d. Decrease in Other Income – net was due to lower miscellaneous income for the year.
e. Increase in Costs of Real Estate Sales was due to increase in sales of CI and CDC.
f. Increase in Operating Expenses was due to increase in personnel expenses, salaries and wages, taxes and licenses, light, power and water expenses, repairs and maintenance, and miscellaneous expense.
g. Decrease in Financial Expenses was due to decrease in interest expense on security deposits and finance charges.
h. Decrease in Provision for Income Tax was due to the decrease in taxable income.
i. Decrease in Net Income was primarily due to decrease in sales of real estate properties.

Results of Operation (2022 vs. 2021)

a. Increase in Sales of Real Estate Properties was due to higher sales brought about by the recovery in the economy, increase in the percentage of completion of ongoing projects and the completion of One Taft Residences.
b. Decrease in Financial Income was due to lower interest income from installment contracts receivable and contract assets and notes receivable.
c. Increase in Rental Income was due to additional units rented out for lease by CLDI as a result of the completion of One Taft Residences. Further, additional contracts were also entered during the year.
d. Decrease in Other Income – net was due to lower number of forfeited units which caused the lower recognition of income from revaluation of repossessed units.
e. Increase in Costs of Real Estate Sales was due to higher sales of real estate properties as this move in tandem with sales.
f. Increase in Operating Expenses was due to higher sales which resulted to increase in personnel expenses, professional fees, brokers' commission, light, power and water expenses, outside services, repairs and maintenance, membership dues and donations.
g. Increase in Financial Expenses was due to increase in interest expense on security deposits and finance charges.
h. Increase in Provision for Income Tax was due to the increase in taxable income.
i. Increase in Net Income was primarily due to increase in sales of real estate properties brought about by the economic recovery, completion of One Taft Residences and increase in the percentage of completion of the Group's ongoing projects.

Results of Operation (2021 vs. 2020)

a. Increase in Sales of Real Estate Properties was due to higher sales brought by the recovery of the economy, loosening of quarantine restrictions and due to the increase in the percentage of completion of the Group's ongoing projects namely One Premier, 101 Xavierville, Pioneer Heights 1 and One Taft Residences.
b. Decrease in Financial Income was due to lower interest income from installment contracts receivable and contract assets, cash in banks, cash equivalents and investments and notes receivable.

c. Decrease in Rental Income was due to pre-terminated lease contracts and rent concessions provided to the tenants during the year.
d. Decrease in Other Income – net was due to the reversal of accrued directors' fees.
e. Increase in Cost of Real Estate Sales was due to higher sales of real estate properties as this move in tandem with sales.
f. Increase in Operating Expenses was due to higher sales which resulted to increase in personnel expenses, professional fees, outside services, repairs and maintenance, membership dues and insurance.
g. Decrease in Financial Expenses was due to lower interest rates and finance charges.
h. Decrease in Provision for Income Tax was due to the effect of CREATE Law wherein deferred taxes were remeasured.
i. Increase in Net Income was primarily due to the increase in sales of real estate properties and percentage of completion of the Group's ongoing projects.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
HORIZONTAL ANALYSIS

2023 vs 2022

	2023	2022	Change	% Change
ASSETS				
Current Assets				
Cash and cash equivalents	**973,729,405**	1,424,589,931	(450,860,526)	-31.65%
Short-term investments	**1,533,300,000**	691,700,000	841,600,000	121.67%
Current portion of:				
Installment contracts receivable	**23,004,339**	17,933,217	5,071,122	28.28%
Contract assets	**821,160,377**	751,183,602	69,976,775	9.32%
Cost to obtain contract	**2,612,516**	17,502,622	(14,890,106)	-85.07%
Investments in trust funds	**2,870,130**	9,196,033	(6,325,903)	-68.79%
Other receivables	**75,039,453**	80,139,535	(5,100,082)	-6.36%
Notes receivable	**1,252,000,000**	1,288,150,000	(36,150,000)	-2.81%
Real estate properties for sale	**6,081,342,060**	5,799,289,178	282,052,882	4.86%
Other current assets	**114,969,766**	152,179,841	(37,210,075)	-24.45%
Total Current Assets	**10,880,028,046**	10,231,863,959	648,164,087	6.33%
Noncurrent Assets				
Long-term investments	**205,337,329**	303,999,438	(98,662,109)	-32.45%
Installment contracts receivable - net of current portion	**25,666,335**	15,479,329	10,187,006	65.81%
Contract assets - net of current portion	**2,108,892,779**	2,439,744,668	(330,851,889)	-13.56%
Cost to obtain contract - net of current portion	**5,868,713**	785,182	5,083,531	647.43%
Notes receivable - net of current portion	**-**	100,000,000	(100,000,000)	-100.00%
Investments in trust funds - net of current portion	**34,080,497**	25,039,321	9,041,176	36.11%
Other receivables - net of current portion	**1,009,567**	868,040	141,527	16.30%
Real estate properties held for future development	**983,846,182**	1,126,655,558	(142,809,376)	-12.68%
Investment properties	**4,212,353,831**	3,833,328,526	379,025,305	9.89%
Property and equipment	**76,162,029**	57,806,195	18,355,834	31.75%
Net retirement plan assets	**5,877,044**	17,676,384	(11,799,340)	-66.75%
Other noncurrent assets	**219,694,172**	37,246,039	182,448,133	489.85%
Total Noncurrent Assets	**7,878,788,478**	7,958,628,680	(79,840,202)	-1.00%
TOTAL ASSETS	**18,758,816,524**	18,190,492,639	568,323,885	3.12%

LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	**754,018,844**	1,046,594,916	(292,576,072)	-27.96%
Current portion of contract liabilities	**39,655,166**	285,267,436	(245,612,270)	-86.10%
Notes and contracts payable	**1,593,056,450**	1,555,149,400	37,907,050	2.44%
Income tax payable	**54,538,571**	20,263,990	34,274,581	169.14%
Current portion of pre-need and other reserves	**1,115,430**	822,843	292,587	35.56%
Total Current Liabilities	**2,442,384,461**	2,908,098,585	(465,714,124)	-16.01%
Noncurrent Liabilities				
Accounts payable and accrued expenses - net of current portion	**358,162,604**	300,445,888	57,716,716	19.21%
Contract liabilities - net of current portion	**44,424,135**	7,318,931	37,105,204	506.98%
Pre-need and other reserves - net of current portion	**22,822,951**	23,192,535	(369,584)	-1.59%
Net retirement benefits liability	**8,349,683**	27,830	8,321,853	29902.45%
Deferred income tax liabilities - net	**597,995,513**	576,811,132	21,184,381	3.67%
Total Noncurrent Liabilities	**1,031,754,886**	907,796,316	123,958,570	13.65%
Total Liabilities	**3,474,139,347**	3,815,894,901	(341,755,554)	-8.96%
Equity				
Attributable to Equity Holders of the Parent Company				
Capital stock - ₱1 par value	**1,572,728,730**	1,498,116,570	74,612,160	4.98%
Additional paid-in capital	**-**	-	-	
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	**3,955,667**	354,784	3,600,883	1014.95%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	**(31,787,813)**	(20,689,845)	(11,097,968)	53.64%
Other equity reserves	**72,536,291**	72,536,291	-	0.00%
Retained earnings	**7,945,262,950**	7,499,190,499	446,072,451	5.95%
	9,562,695,825	9,049,508,299	513,187,526	5.67%
Non-controlling interests	**5,721,981,352**	5,325,089,439	396,891,913	7.45%
Total Equity	**15,284,677,177**	14,374,597,738	910,079,439	6.33%
TOTAL LIABILITIES AND EQUITY	**18,758,816,524**	18,190,492,639	568,323,885	3.12%

2022 vs 2021

	2022	2021	Change	% Change
ASSETS				
Current Assets				
Cash and cash equivalents	1,424,589,931	1,272,289,680	152,300,251	11.97%
Short-term investments	691,700,000	1,649,505,733	(957,805,733)	-58.07%
Current portion of:				
Installment contracts receivable	17,933,217	29,980,712	(12,047,495)	-40.18%
Contract assets	751,183,602	402,836,473	348,347,129	86.47%
Cost to obtain contract	17,502,622	13,691,167	3,811,455	27.84%
Investments in trust funds	9,196,033	9,995,944	(45,629,159)	-456.48%
Other receivables	80,139,535	54,825,192	(830,906,921)	-1515.56%
Notes receivable	1,288,150,000	911,046,456	(3,524,937,644)	-386.91%
Real estate properties for sale	5,799,289,178	4,813,087,644	5,789,293,234	120.28%
Other current assets	152,179,841	58,792,098	93,387,743	158.84%
Total Current Assets	10,231,863,959	9,216,051,099	1,015,812,860	11.02%
Noncurrent Assets				
Long-term investments	303,999,438	100,500,000	286,840,966	285.41%
Installment contracts receivable - net of current portion	15,479,329	17,158,472	(85,020,671)	-495.50%
Contract assets - net of current portion	2,439,744,668	2,090,343,706	349,400,962	16.72%
Cost to obtain contract - net of current portion	785,182	11,692,918	(10,907,736)	-93.28%
Notes receivable - net of current portion	100,000,000	357,150,000	(257,150,000)	-72.00%
Investments in trust funds - net of current portion	25,039,321	29,461,310	23,820,539	80.85%
Other receivables - net of current portion	868,040	1,218,782	(28,593,270)	-2346.05%
Real estate properties held for future development	1,126,655,558	1,552,432,517	(425,776,959)	-27.43%
Investment properties	3,833,328,526	3,455,881,541	377,446,985	10.92%
Property and equipment	57,806,195	62,374,791	(4,568,596)	-7.32%
Net retirement plan assets	17,676,384	18,179,914	(503,530)	-2.77%
Other noncurrent assets	37,246,039	63,399,740	(26,153,701)	-41.25%
Total Noncurrent Assets	7,958,628,680	7,759,793,691	198,834,989	2.56%
TOTAL ASSETS	18,190,492,639	16,975,844,790	1,214,647,849	7.16%

LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	1,046,594,916	890,618,613	155,976,303	17.51%
Current portion of contract liabilities	285,267,436	247,703,206	37,564,230	15.17%
Notes and contracts payable	1,555,149,400	1,672,857,660	(117,708,260)	-7.04%
Income tax payable	20,263,990	16,443,161	3,820,829	23.24%
Current portion of pre-need and other reserves	822,843	1,777,333	(954,490)	-53.70%
Total Current Liabilities	2,908,098,585	2,829,399,973	78,698,612	2.78%
Noncurrent Liabilities				
Accounts payable and accrued expenses - net of current portion	300,445,888	210,719,315	89,726,573	42.58%
Contract liabilities - net of current portion	7,318,931	184,302,169	(176,983,238)	-96.03%
Pre-need and other reserves - net of current portion	23,192,535	34,912,825	(11,720,290)	-33.57%
Net retirement benefits liability	27,830	2,533,292	(2,505,462)	-98.90%
Deferred income tax liabilities - net	576,811,132	474,322,942	102,488,190	21.61%
Total Noncurrent Liabilities	907,796,316	906,790,543	1,005,773	0.11%
Total Liabilities	3,815,894,901	3,736,190,516	79,704,385	2.13%
Equity				
Attributable to Equity Holders of the Parent Company				
Capital stock - ₱1 par value	1,498,116,570	1,498,116,570	-	0.00%
Additional paid-in capital	-	-	-	
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	354,784	499,622	(144,838)	-28.99%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	(20,689,845)	(22,891,845)	2,202,000	-9.62%
Other equity reserves	72,536,291	72,536,291	-	0.00%
Retained earnings	7,499,190,499	6,906,418,482	592,772,017	8.58%
	9,049,508,299	8,454,679,120	594,829,179	7.04%
Non-controlling interests	5,325,089,439	4,784,975,154	540,114,285	11.29%
Total Equity	14,374,597,738	13,239,654,274	1,134,943,464	8.57%
TOTAL LIABILITIES AND EQUITY	18,190,492,639	16,975,844,790	1,214,647,849	7.16%
	-	-	-	

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
VERTICAL ANALYSIS
2023 vs 2022 vs 2021

	2023	Percentage	2022	Percentage	2021	Percentage
ASSETS						
Current Assets						
Cash and cash equivalents	973,729,405	5.19%	1,424,589,931	7.83%	1,272,289,680	7.49%
Short-term investments	1,533,300,000	8.17%	691,700,000	3.80%	1,649,505,733	9.72%
Current portion of:						
Installment contracts receivable	23,004,339	0.12%	17,933,217	0.10%	29,980,712	0.18%
Contract assets	821,160,377	4.38%	751,183,602	4.13%	402,836,473	2.37%
Cost to obtain contract	2,612,516	0.01%	17,502,622	0.10%	13,691,167	0.08%
Notes receivable	1,252,000,000	6.67%	1,288,150,000	7.08%	911,046,456	5.37%
Investments in trust funds	2,870,130	0.02%	9,196,033	0.05%	9,995,944	0.06%
Other receivables	75,039,453	0.40%	80,139,535	0.44%	54,825,192	0.32%
Real estate properties for sale	6,080,768,113	32.42%	5,799,289,178	31.88%	4,813,087,644	28.35%
Other current assets	114,969,766	0.61%	152,179,841	0.84%	58,792,098	0.35%
Total Current Assets	10,879,454,099	58.00%	10,231,863,959	56.25%	9,216,051,099	54.29%
Noncurrent Assets						
Long-term investments	205,337,329	1.09%	303,999,438	1.67%	100,500,000	0.59%
Installment contracts receivable - net of current portion	25,666,335	0.14%	15,479,329	0.09%	17,158,472	0.10%
Contract assets - net of current portion	2,108,892,779	11.24%	2,439,744,668	13.41%	2,090,343,706	12.31%
Cost to obtain contract - net of current portion	5,868,713	0.03%	785,182	0.00%	11,692,918	0.07%
Notes receivable - net of current portion	-	0.00%	100,000,000	0.55%	357,150,000	2.10%
Other receivables - net of current portion	1,009,567	0.01%	868,040	0.00%	1,218,782	0.01%
Investments in trust funds - net of current portion	34,080,497	0.18%	25,039,321	0.14%	29,461,310	0.17%
Real estate properties held for future development	983,846,182	5.24%	1,126,655,558	6.19%	1,552,432,517	9.14%
Investment properties	4,212,927,778	22.46%	3,833,328,526	21.07%	3,455,881,541	20.36%
Property and equipment	76,162,029	0.41%	57,806,195	0.32%	62,374,791	0.37%
Net retirement plan assets	5,877,044	0.03%	17,676,384	0.10%	18,179,914	0.11%
Other noncurrent assets	219,694,172	1.17%	37,246,039	0.20%	63,399,740	0.37%
Total Noncurrent Assets	7,879,362,425	42.00%	7,958,628,680	43.75%	7,759,793,691	45.71%
TOTAL ASSETS	18,758,816,524	100.00%	18,190,492,639	100.00%	16,975,844,790	100.00%

LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and accrued expenses	754,018,844	4.02%	1,046,594,916	5.75%	890,618,613	5.25%
Current portion of contract liabilities	39,655,166	0.21%	285,267,436	1.57%	247,703,206	1.46%
Notes and contracts payable	1,593,056,450	8.49%	1,555,149,400	8.55%	1,672,857,660	9.85%
Income tax payable	54,538,571	0.29%	20,263,990	0.11%	16,443,161	0.10%
Current portion of pre-need and other reserves	1,115,430	0.01%	822,843	0.00%	1,777,333	0.01%
Total Current Liabilities	2,442,384,461	13.02%	2,908,098,585	15.99%	2,829,399,973	16.67%
Noncurrent Liabilities						
Accounts payable and accrued expenses - net of current portion	358,162,604	1.91%	300,445,888	1.65%	210,719,315	1.24%
Contract liabilities - net of current portion	44,424,135	0.24%	7,318,931	0.04%	184,302,169	1.09%
Pre-need and other reserves - net of current portion	22,822,951	0.12%	23,192,535	0.13%	34,912,825	0.21%
Net retirement benefits liability	8,349,683	0.04%	27,830	0.00%	2,533,292	0.01%
Deferred income tax liabilities - net	597,995,513	3.19%	576,811,132	3.17%	474,322,942	2.79%
Total Noncurrent Liabilities	1,031,754,886	5.50%	907,796,316	4.99%	906,790,543	5.34%
Total Liabilities	3,474,139,347	18.52%	3,815,894,901	20.98%	3,736,190,516	22.01%
Equity						
Attributable to Equity Holders of the Parent Company						
Capital stock - ₱1 par value	1,572,728,730	8.38%	1,498,116,570	8.24%	1,498,116,570	8.82%
Additional paid-in capital	-	0.00%	-	0.00%	-	0.00%
Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI)	3,955,667	0.02%	354,784	0.00%	499,622	0.00%
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect	(31,787,813)	-0.17%	(20,689,845)	-0.11%	(22,891,845)	-0.13%
Other equity reserves	72,536,291	0.39%	72,536,291	0.40%	72,536,291	0.43%
Retained earnings	7,945,262,950	42.35%	7,499,190,499	41.23%	6,906,418,482	40.68%
	9,562,695,825	50.98%	9,049,508,299	49.75%	8,454,679,120	49.80%
Non-controlling interests	5,721,981,352	30.50%	5,325,089,439	29.27%	4,784,975,154	28.19%
Total Equity	15,284,677,177	81.48%	14,374,597,738	79.02%	13,239,654,274	77.99%
TOTAL LIABILITIES AND EQUITY	18,758,816,524	100.00%	18,190,492,639	100.00%	16,975,844,790	100.00%

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
HORIZONTAL ANALYSIS

Comparative Balances for December 31, 2023, December 31, 2022 and December 31, 2021

2023 vs 2022

	2023	2022	Change	% Change
REVENUE				
Sales of real estate properties	2,786,477,995	3,019,729,206	(233,251,211)	-7.72%
Financial income	621,636,440	484,101,966	137,534,474	28.41%
Rent income	246,959,907	208,842,017	38,117,890	18.25%
Other income - net	145,741,929	148,600,975	(2,859,046)	-1.92%
	3,800,816,271	3,861,274,164	(60,457,893)	-1.57%
COST AND EXPENSES				
Cost of real estate sales	1,472,312,281	1,388,212,285	84,099,996	6.06%
Operating expenses	796,074,776	718,257,932	77,816,844	10.83%
Financial expenses	4,177,326	5,534,229	(1,356,903)	-24.52%
	2,272,564,383	2,112,004,446	160,559,937	7.60%
INCOME BEFORE INCOME TAX	1,528,251,888	1,749,269,718	(221,017,830)	-12.63%
PROVISION FOR INCOME TAX	344,908,940	443,221,104	(98,312,164)	-22.18%
NET INCOME	1,183,342,948	1,306,048,614	(122,705,666)	-9.40%

2022 vs 2021

	2022	2021	Change	% Change
REVENUE				
Sales of real estate properties	3,019,729,206	1,595,333,794	1,424,395,412	89.29%
Financial income	484,101,966	501,028,904	(16,926,938)	-3.38%
Rent income	208,842,017	198,527,363	10,314,654	5.20%
Other income - net	148,600,975	184,301,639	(35,700,664)	-19.37%
	3,861,274,164	2,479,191,700	1,382,082,464	55.75%
COST AND EXPENSES				
Cost of real estate sales	1,388,212,285	842,187,615	546,024,670	64.83%
Operating expenses	718,257,932	584,394,073	133,863,859	22.91%
Financial expenses	5,534,229	5,266,877	267,352	5.08%
	2,112,004,446	1,431,848,565	680,155,881	47.50%
INCOME BEFORE INCOME TAX	1,749,269,718	1,047,343,135	701,926,583	67.02%
PROVISION FOR INCOME TAX	443,221,104	136,286,408	306,934,696	225.21%
NET INCOME	1,306,048,614	911,056,727	394,991,887	43.36%

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
VERTICAL ANALYSIS

2023 vs 2022 vs 2021

	2023	Percentage	2022	Percentage	2021	Percentage
REVENUE						
Sales of real estate properties	2,786,477,995	73.31%	3,019,729,206	78.21%	1,595,333,794	64.35%
Financial income	621,636,440	16.36%	484,101,966	12.54%	501,028,904	20.21%
Rent income	246,959,907	6.50%	208,842,017	5.41%	198,527,363	8.01%
Other income - net	145,741,929	3.83%	148,600,975	3.85%	184,301,639	7.43%
	3,800,816,271	100.00%	3,861,274,164	100.00%	2,479,191,700	100.00%
COST AND EXPENSES						
Cost of real estate sales	1,472,312,281	38.74%	1,388,212,285	35.95%	842,187,615	33.97%
Operating expenses	796,074,776	20.94%	718,257,932	18.60%	584,394,073	23.57%
Financial expenses	4,177,326	0.11%	5,534,229	0.14%	5,266,877	0.21%
	2,272,564,383	59.79%	2,112,004,446	54.70%	1,431,848,565	57.75%
INCOME BEFORE INCOME TAX	1,528,251,888	40.21%	1,749,269,718	45.30%	1,047,343,135	42.25%
PROVISION FOR INCOME TAX	344,908,940	9.07%	443,221,104	11.48%	136,286,408	5.50%
NET INCOME	1,183,342,948	31.13%	1,306,048,614	33.82%	911,056,727	36.75%

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8. **Information on Independent Accountant**

Sycip Gorres Velayo & Co. is the Group's external auditor for the years 2023 and 2022. The engagement partners are Mr. Manolito R. Elle and Ms. Aileen L. Saringan, respectively.

	External Audit	
	2023	2022
Audit and audit-related fees (Parent Company)	**₱776,000**	₱693,000
Tax fees	–	–
All other fees	–	–
Total	**₱776,000**	₱693,000

The Parent Company availed non-audit services from SGV & Co for the review of its transfer pricing documentation.

The Audit Committee's approval policies and procedures consists of:

a. Discussion with the external auditors of the Audited Financial Statements;
b. Recommendation to the Board of Directors for the approval and release of the Audited Financial Statements; and
c. Recommendation to the Board of Directors the appointment of the external auditors.

During the Annual Stockholders' Meeting of the Company, the appointment of the external auditors is being presented for ratification by the stockholders.

Item VII Financial Statements

Please refer to attached Audited Consolidated Financial Statements.

Item VIII Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no changes in and disagreements with accountants on accounting and financial disclosure.

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PART I I I - CONTROL AND COMPENSATION INFORMATION

Item IX Directors and Executive Officers

1. Identify Directors, Independent Directors and Executive Officers:

   The following are the Directors and Executive Officers of the Company for the year 2023 with updated information as of March 20, 2024:

Name	Citizenship	Position(s)	Period of Service	Term of Office	Age	Family Relationship
Dr. Andrew I. Liuson	Filipino	Director Chairman of the Board Vice Chairman of the Board	05/15/1979 to Present 02/01/2022 to Present 01/16/2008 to 01/31/2022	1	79	Husband of Grace C. Liuson; and brother of Benjamin I. Liuson
Grace C. Liuson	Filipino	Director Vice Chairman of the Board Deputy Vice Chairman of the Board	05/15/1979 to Present 02/01/2022 to Present 02/01/2011 to 01/31/2022	1	78	Wife of Dr. Andrew I. Liuson; sister-in-law of Helen C. Roxas & Benjamin I. Liuson; and aunt of Josef C. Gohoc & Jefferson C. Roxas
Helen C. Roxas	Filipino	Director	05/15/1979 to Present	1	74	Sister-in-law of Dr. Andrew I. Liuson & Grace C. Liuson; and mother of Jefferson C. Roxas
Benjamin I. Liuson	Filipino	Director	11/19/2019 to Present	1	74	Brother of Dr. Andrew I. Liuson; and brother-in-law of Grace C. Liuson
Josef C. Gohoc	Filipino	Director President	06/29/2007 to Present 02/01/2011 to Present	1	54	Nephew of Dr. Andrew I. Liuson, Grace C. Liuson & Helen C. Roxas; and cousin of Jefferson C. Roxas
Jefferson C. Roxas	Filipino	Director	12/07/2021 to Present	1	41	Nephew of Dr. Andrew I. Liuson Grace C. Liuson; son of Helen C. Roxas; and cousin of Josef C. Gohoc
Peter S. Dee	Filipino	Independent Director Chairman-Audit & Risk Committee Chairman-Corporate Governance Committee	12/2006 to Present 01/2007 to Present 07/27/2018 to Present	1	82	-
Bp. Eduardo C. Villanueva	Filipino	Independent Director	09/23/2022 to Present	1	77	-

Name	Citizenship	Position(s)	Period of Service	Term of Office	Age	Family Relationship
Emma A. Choa	Filipino	Executive Vice President	01/01/2015 to Present	1	63	-
		Chief Operating Officer	06/21/2023 to Present			
		Treasurer	02/01/2011 to 06/20/2023			
Rudy Go	Filipino	Senior Vice President/Chief Financial Officer/ Compliance Officer/ Corporate Information Officer	01/01/2015 to Present	1	64	-
		Treasurer	06/21/2023 to Present			
		Data Protection Officer	08/29/2017 to Present			
		Investor Relations Officer	06/16/2021 to Present			
Melita M. Revuelta	Filipino	Vice President/ Assistant Corporate Secretary	01/16/2008 to 12/31/23	1	65	-
		Alternate Compliance Officer/Alternate Corporate Information Officer	01/01/2015 to 12/31/23			
		Head of Internal Audit Department	06/29/23 to 12/31/23			
Melita L. Tan	Filipino	Vice President	02/21/2004 to Present	1	63	-
Romeo E. Ng	Filipino	Vice President	01/10/2005 to 01/06/2024	1	62	-
Rosario D. Perez	Filipino	Vice President-Executive Affairs	02/09/2017 to Present	1	64	-
Winefreda R. Go	Filipino	Vice President-Purchasing Department	01/05/2018 to 12/31/2023	1	65	-
Dorothy U. So	Filipino	Asst. Vice President-Head of Internal Audit Department	07/2001 to 06/29/2023	1	65	-
Jocelyn C. De Asis	Filipino	Corporate Secretary	04/05/2021 to Present	1	54	-
Hazel Anne C. Paule	Filipino	Head of Internal Audit Department	01/01/2024 to Present	1	30	-

The following are the present and past position for the past five years of the Directors and Executive Officers in other institutions:

DR. ANDREW I. LIUSON

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director Chairman of the Board	Sept. 25, 1979 Dec. 13, 2017
City & Land Developers, Incorporated	Director Vice Chairman of the Board	June 28, 1988 Sept. 5, 2022
Febias College of Bible	Chairman	-
International Graduate School of Leadership	Chairman	-
Makati Gospel Church	President/Trustee	-
Past positions in other institutions:		
City & Land Developers, Incorporated	Chairman of the Board	Aug. 25, 2020 to Sept. 4, 2022
Cityplans, Incorporated	Director Chairman of the Board	Oct. 27, 1988 to Mar. 8, 2022 Sept. 25, 2006 to Mar. 8, 2022
Philippine Council of Evangelical Churches	Chairman	July 2015 to July 8, 2021

GRACE C. LIUSON

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director Vice Chairman of the Board	Sept. 25, 1979 Jan. 5, 2018
City & Land Developers, Incorporated	Director Deputy Vice Chairman of the Board	June 28, 1988 Sept. 5, 2022
Youth Gospel Center in the Philippines	Treasurer/Trustee	-
Makati Gospel Church	Treasurer/Trustee	-
Past positions in other institutions:		
Cityland Development Corporation	Deputy Vice Chairman of the Board	Feb. 1, 2011 to Jan. 4, 2018
City & Land Developers, Incorporated	Vice Chairman of the Board Deputy Vice Chairman of the Board	Aug. 25, 2020 to Sept. 4, 2022 Feb. 1, 2011 to Aug. 24, 2020
Cityplans, Incorporated	Director Executive Vice President/Treasurer	Oct. 27, 1988 to Mar. 8, 2022 Sept. 25, 2006 to Mar. 8, 2022

HELEN C. ROXAS

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director	Sept. 25, 1979
City & Land Developers, Incorporated	Director	June 28, 1988
Jefcon Incorporated	President	-
Obadiah Incorporated	President	-
Good Tidings Foundation Inc.	Treasurer	1992
Center for Community Transformation	Trustee	-
CCT Kaibigan Ministry	Corporate Secretary	-
Christian Executives Inc.	Treasurer	-
Past positions in other institutions:		
Cityplans, Incorporated	Director	Oct. 27, 1988 to Mar. 8, 2022
MGC New Life Christian Academy	Trustee	2015 to May 2020
Cityads, Incorporated	Director	-
Credit and Land Holding, Inc.	Director	-

BENJAMIN I. LIUSON

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director	June 6, 2019
City & Land Developers, Incorporated	Director	June 11, 2019
The Generics Pharmacy, Inc.	Chairman	2020
TGP Pharma Inc.	Chairman	2020
CL Realty Development Inc.	President	1989
Romans 828 Land, Inc.	President	2010
Silverwind Alloy Castings Inc.	Director	1989
Drugmakers Lab Inc.	Director	2012
Febias College of Bible	Trustee	2001
Center for Community Transformation, Inc.	Trustee	2001
Gospel Operation Phil. Inc.	Trustee	2011
Bless Foundation Inc.	Trustee	2014
Global Filipino Movement, Inc.	Trustee	2013
Makati Gospel Church	Trustee	1990
Jedidiah Inc.	President	1996
Keziah Inc.	President	1996
Past positions in other institutions:		
The Generics Pharmacy, Inc.	Vice Chairman	2016 to 2020

JOSEF C. GOHOC

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director	Jan. 4, 2011
	President	Feb. 1, 2011
City & Land Developers, Incorporated	Director	Jan. 4, 2011
	President	Feb. 1, 2011
Cityplans, Incorporated	Director/Chairman of the Board	Mar. 8, 2022
Cityads, Incorporated	President	Mar. 4, 2023
Credit and Land Holdings, Inc.	President	July 20, 2023
Asian Business Solutions, Inc.	Director	1996
Philippine Trading & Investment Corporation	Director	1997
Atlas Agricultural & Mercantile Development Corp.	Director	1997
Febias College of Bible	Board of Trustee	2015
International Graduate School of Leadership	Board of Trustee	-
The Good Seed Sower Foundation, Inc.	Board of Trustee/Chairman	February 1, 2024
CityLots Holdings Inc	Director	October 24, 2023
CityMerge Holdings Inc	Director	October 24, 2023

JEFFERSON C. ROXAS

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Director	Dec. 7, 2021
City & Land Developers, Incorporated	Director	Dec. 7, 2021
Cityplans, Incorporated	Director/President	Mar. 8, 2022
Cityads, Incorporated	Executive Vice President	Mar. 4, 2023
Credit and Land Holdings, Inc.	Director/Chairman of the Board	July 20, 2023
CityLots Holdings Inc	Director	October 24, 2023
CityMerge Holdings Inc	Director	October 24, 2023
The Good Seed Sower Foundation, Inc.	Board of Trustee	February 1, 2024

PETER S. DEE

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Alpolac, Inc.	Director	1994
China Banking Corporation	Director	1977
CBC Properties & Computer Center, Inc.	Director/President	1984
Cityland Development Corporation	Independent Director	Oct. 1979
	Chairman-Audit & Risk Committee	Aug. 2002
City & Land Developers, Incorporated	Independent Director/Chairman Audit & Risk Committee	-Nov. 22, 2004
Commonwealth Foods, Inc.	Director	May 2013

Name of Office	Position	Date Assumed
GDSK Development Corporation	Director	1990
Makati Curbs Holdings Corporation	Director	2012
Great Expectation Holdings, Inc.	Director/Chairman/President	Oct. 2012
The Big D Holdings Corporation	Director/Chairman/President	Apr. 2013
Past positions in other institutions:		
Cityplans, Incorporated	Independent Director Chairman-Compensation Committee/	July 17, 1990 to Mar. 8, 2022
	Chairman-Audit Committee/ Member-Nomination and Election Committee	2002 to Mar. 8, 2022
CBC Insurance Broker Inc.	Chairman of the Board	-
Can Lacquer, Inc.	Director	-
GPL Holdings, Inc.	Director	-
KK Converters Co. Ltd.	Director	-
MSD Company Inc.	Director	-
Prochem, Inc.	Director	-
Sinclair (Phils.) Inc.	Director	-
Sol Mar Y Tierra Resources	Director	-
Silver Falcon Insurance Agency	Director	-
Banker's Association of the Philippines	Director	-
China Banking Corp.	President & CEO	-
CBC Forex Corporation	Director/Chairman of the Board	-
Asean Finance Corporation Limited	Director	-
Hydee Management & Resources Corporation	Director	-
Kemwerke, Inc.	Director	-

BP. EDUARDO C. VILLANUEVA

Name of Office	Position	Date Assumed
Present positions in other institutions:		
House of Representatives	Chairperson, Committee on Sustainable Development Goals - 19th Congress	2022
	Representative, Citizens' Battle Against Corruption (CIBAC) party-list	2022
Jesus Is Lord Church Worldwide International	Founder/President & Spiritual Director	1978
Jesus Is Lord Colleges Foundation (JILCF), Inc.	Chancellor/Chairman of the Board	1984
Jesus the Healer Foundation, Inc.	President	June 1990
Bangon Pilipinas National Renewal Movement (ARISE PHILIPPINES)	Chairman/President	2004
Asia for Christ Movement (AFCM)	President	2011
JV ZOE Agape, Inc.	Chairman & President	2021
Cityland Development Corporation	Independent Director	Mar. 10, 2021
Rural Bank of Batac	Director	-

Name of Office	Position	Date Assumed
Past positions in other institutions:		
Agape Foods Corporation	Chairman & President	1997 to 2018
	Director	2019 to 2021
JV ZOE Agape, Inc.	Chairman & President/CEO	2012 to 2018
	Director	2019 to 2021
House of Representatives	Deputy Speaker for Good Governance & Moral Uprightness of the Philippine Congress	2019 to 2022
	Representative, CIBAC Party-list - 18th Congress	2019 to 2022

EMMA A. CHOA

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Executive Vice President	Jan. 1, 2015
	Chief Operating Officer	June 7, 2023
City & Land Developers, Incorporated	Director	Aug. 25, 2020
	Executive Vice President	Jan. 1, 2015
	Chief Operating Officer	June 13, 2023
Cityplans, Incorporated	Director	Mar. 8, 2022
Credit and Land Holdings, Inc.	Board Member	July 20, 2023
WorldNet Information and Services, Inc.	Treasurer	-
CityMerge Holdings Inc.	Director/Treasurer	October 24, 2023
Past positions in other institutions:		
Cityland Development Corporation	Treasurer	Feb. 1, 2011 to June 6, 2023
City & Land Developers, Incorporated	Treasurer	Feb. 1, 2011 to June 12, 2023
The Good Seed Sower Foundation, Inc.	Board of Trustee	May 28, 2021 – Jan. 31, 2024

RUDY GO

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Senior Vice President/Chief Financial Officer/Compliance Officer/Corporate Information Officer	Jan. 1, 2015
	Treasurer	June 7, 2023
	Data Protection Officer	Aug. 29, 2017
	Investor Relations Officer	June 6, 2018
City & Land Developers, Incorporated	Senior Vice President/Chief Financial Officer/ Compliance Officer/ Corporate Information Officer	Jan. 1, 2015

	Treasurer	June 13, 2023
	Data Protection Officer	Aug. 29, 2017
	Investor Relations Officer	June 14, 2018
Cityplans, Incorporated	Senior Vice President/Compliance Officer	Jan. 1, 2015
	Data Protection Officer	Aug. 29, 2017
Cityads, Incorporated	Treasurer	Mar. 4, 2023
Credit and Land Holdings, Inc.	Treasurer/Board Member	July 20, 2023
CityLots Holdings Inc	Director/Treasurer	October 24, 2023

MELITA M. REVUELTA *(retired effective December 31, 2023)*

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Vice President	Jan. 16, 2008
	Alternate Compliance Officer/Alternate Corporate Information Officer	Jan. 1, 2015
	Head of Internal Audit Department	June 29, 2023
City & Land Developers, Incorporated	Vice President	Jan. 16, 2008
	Alternate Compliance Officer/Alternate Corporate Information Officer	Jan. 1, 2015
	Head of Internal Audit Department	June 29, 2023
Cityplans, Incorporated	Vice President/Alternate Compliance Officer	Jan. 1, 2015
WorldNet Information and Services, Inc.	President	-

MELITA L. TAN

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Vice President	Feb. 21, 2004
City & Land Developers, Incorporated	Vice President	Feb. 21, 2004

ROMEO E. NG *(Retired effective January 6, 2024)*

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Vice President	Jan. 10, 2005
City & Land Developers, Incorporated	Vice President	Jan. 10, 2005

ROSARIO D. PEREZ

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Vice President-Executive Affairs	Feb. 9, 2017
City & Land Developers, Incorporated	Vice President-Executive Affairs	Feb. 9, 2017
WorldNet Information and Services, Inc.	Auditor	-

WINEFREDA R. GO (*Retired effective December 31, 2023)*

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Vice President-Purchasing Department	Jan. 5, 2018
City & Land Developers, Incorporated	Vice President-Purchasing Department	May 16, 2017
The Good Seed Sower Foundation, Inc.	Board of Trustee/Treasurer	May 28, 2021 – Jan. 25, 2024

DOROTHY U. SO *(Retired effective June 29, 2023)*

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland, Inc.	Asst. Vice President - Head of Internal Audit Department	July 2001
City & Land Developers, Incorporated	Asst. Vice President - Head of Internal Audit Department	July 2001

JOCELYN C. DE ASIS

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Assistant Corporate Secretary	April 5, 2021
City & Land Developers, Incorporated	Assistant Corporate Secretary	July 3, 2013
Cityplans, Incorporated	Corporate Secretary	Jan. 7, 2013

HAZEL ANNE C. PAULE

Name of Office	Position	Date Assumed
Present positions in other institutions:		
Cityland Development Corporation	Head of Internal Audit Department	Jan. 1, 2024
Cityland, Inc.	Head of Internal Audit Department	Jan. 1, 2024
Cityplans, Incorporated	Head of Internal Audit Department	Jan. 1, 2024

The attendance of the Board of Directors of the Parent Company on the Regular and Special Meetings for the year 2023 are as follows:

	No of Meetings Attended / Held
Dr. Andrew I. Liuson	22/22
Grace C. Liuson	22/22
Josef C. Gohoc	22/22
Peter S. Dee	22/22
Helen C. Roxas	22/22
Benjamin I. Liuson	22/22
Jefferson C. Roxas	22/22
Bp. Eduardo C. Villanueva *(appointed September 23, 2022)*	22/22

2. Identify Significant Employees

There is no identifiable significant employee because the Group expects each employee to do his/her share in achieving the corporation's set goal.

3. Independent Directors

An independent director is a person other than an officer or employee of the corporation, its parent or subsidiaries, or any other individual having a relationship with the corporation, which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

The independent directors of the Parent Company as of December 31, 2023 are Mr. Peter S. Dee and Bp. Eduardo C. Villanueva.

4. Involvement in Certain Legal Proceedings of Any of the Directors and Executive Officers, during the past five years

During the past five years and up to the latest date, there is no involvement in certain legal proceedings of any of the directors and executive officers such as:

(a) Any bankruptcy petition filed by or against any business of which such person was a general partner or executive his involvement in any type of business, securities, commodities or banking activities; and officer either at the time of the bankruptcy or within two years prior to that time;
(b) Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign;
(c) Being subject to any order, judgment, or decree, not subsequently reversed suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting; and
(d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

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Item X Executive Compensation

EXECUTIVE COMPENSATION SUMMARY TABLE

Name	Position	2024 (estimate)
Josef C. Gohoc Emma A. Choa Rudy Go Marcelina C. Clemeña Andre Anton S. Suarez	President Executive Vice President/Treasurer Senior Vice President Assistant Vice President - Purchasing Legal Counsel	X X X X X
Salaries		₱8,705,401
Bonus		2,224,950
Others		120,000
Total (Top 5)		**₱11,050,351**
Salaries		₱6,307,064
Bonus		1,655,349
Others		223,200
All officers & directors as a group unnamed		**₱8,185,613**
Grand Total		**₱19,235,964**

Name	Position	2023 (actual)
Josef C. Gohoc Emma A. Choa Rudy Go Melita M. Revuelta Andre Anton S. Suarez	President Executive Vice President/Treasurer Senior Vice President Vice President Legal Counsel	X X X X X
Salaries		₱8,713,381
Bonus		2,242,835
Others		7,565,061
Total (Top 5)		**₱18,521,277**
Salaries		₱8,566,347
Bonus		2,280,047
Others		3,906,347
All officers & directors as a group unnamed		**₱14,752,741**
Grand Total		**₱33,274,018**

Name	Position	2022 (actual)
Josef C. Gohoc Emma A. Choa Rudy Go Melita M. Revuelta Marcelina C. Clemeña	President Executive Vice President/Treasurer Senior Vice President Vice President Assistant Vice President - Purchasing	X X X X X
Salaries		₱7,655,410
Bonus		1,989,565
Others		5,583,951
Total (Top 5)		**₱15,228,926**
Salaries		₱8,735,162
Bonus		2,222,542
Others		6,009,634
All officers & directors as a group unnamed		**₱16,967,338**
Grand Total		**₱32,196,264**

The Group has no standard arrangements with regard to the remuneration of its directors. In 2023, 2022 and 2021, the BOD of the Group received an aggregate of ₱47.70 million, ₱30.41 million and ₱19.61 million, respectively (including per diem for every Board Meeting attended). Moreover, the Group has no standard arrangement with regard to the remuneration of its existing officers aside from the compensation received or any other arrangements in the employment contracts and compensatory plan. The Group does not have any arrangements for stock warrants or options offered to its employees.

Item XI Security Ownership of Certain Beneficial Owners and Management

1. Security Ownership of Record and Beneficial Owner owning more than 5% of the outstanding capital stock of the Registrant as of December 31, 2023:

Title of Class	Name, Address & Relationship with Issuer	Beneficial Owner & Relationship	Citizenship	No. of Shares Held	Percent age
Unclassified Common Shares	Stephen C. Roxas Stockholder	-	Filipino	44,180,982	28.20%
Unclassified Common Shares	The Good Seed Sower Foundation, Inc. 3F Cityland Condo 10 Tower I, 156 H.V. Dela Costa St., Ayala North,	-	Filipino	23,498,542	15.00%

Title of Class	Name, Address & Relationship with Issuer	Beneficial Owner & Relationship	Citizenship	No. of Shares Held	Percent age
	Makati City Stockholder				
Unclassified Common Shares	Grace C. Liuson	-	Filipino	23,142,505	14.77%
	Director & Vice Chairman of the Board				
Unclassified Common Shares	Dr. Andrew I. Liuson	-	Filipino	21,362,374	13.63%
	Director & Chairman of the Board				
Unclassified Common Shares	Lucy Fan	-	American	14,241,574	9.09%
	Stockholder				
Unclassified Common Shares	Helen C. Roxas	-	Filipino	14,241,574	9.09%
	Director				
Unclassified Common Shares	Cris Giovanni CO. Chiong	-	Filipino	4,984,542	3.18%
	Stockholder				

The person who will vote the shares of Good Seed Sower Foundation, Inc. is Mr. Joel Gohoc, the Treasurer and Director of the Foundation.

2. No change of control in the corporation has occurred since the beginning of its last fiscal year.

3. Security Ownership of Management as of December 31, 2023:

Title of Class	Name of Beneficial Owner / Position	Nature & Number of Shares Held		Citizenship	Percentage
DIRECTORS:					
Unclassified Common Shares	Dr. Andrew I. Liuson Director / Chairman of the Board	Direct	21,362,374	Filipino	13.63%
Unclassified Common Shares	Grace C. Liuson Director / Vice Chairman of the Board	Direct	23,142,505	Filipino	14.77%
Unclassified Common Shares	Josef C. Gohoc Director / President	Direct Indirect	2,434,648	Filipino	1.55%
Unclassified Common Shares	Helen C. Roxas Director	Direct	14,241,574	Filipino	9.09%
Unclassified Common Shares	Peter Dee Independent Director/ Chairman – Audit & Risk Committee/ Chairman – Corporate Governance Committee	Direct	52	Filipino	–
Unclassified Common Shares	Bp. Eduardo C. Villanueva / Director	Direct	10	Filipino	–
Unclassified Common Shares	Benjamin I. Liuson Director	Direct	11	Filipino	–
Unclassified Common Shares	Jefferson C. Roxas Director	Direct Indirect	91,920	Filipino	0.06%
EXECUTIVE OFFICERS:					
Unclassified Common	Dr. Andrew I. Liuson	Direct	–	Filipino	–

Title of Class	Name of Beneficial Owner / Position	Nature & Number of Shares Held		Citizenship	Percentage
Shares	Director / Chairman of the Board				
Unclassified Common Shares	Grace C. Liuson Director / Vice Chairman of the Board	Direct	–	Filipino	–
Unclassified Common Shares	Josef C. Gohoc Director / President	Direct	–	Filipino	–
Unclassified Common Shares	Emma A. Choa Executive Vice President / Treasurer Operating Officer	–	–	Filipino	–
Unclassified Common Shares	Rudy Go Senior Vice President, Chief Financial Officer / Compliance Officer & Corporate Information Officer / Data Protection Officer Treasurer	–	–	Filipino	–
Unclassified Common Shares	Melita M. Revuelta Vice President & Assistant Corporate Secretary / Alternate Compliance Officer & Alternate Corporate Information Officer Head of Internal Audit Department	–	–	Filipino	–
Unclassified Common Shares	Melita L. Tan Vice President	–	–	Filipino	–
Unclassified Common Shares	Romeo E. Ng Vice President	–	–	Filipino	–

Title of Class	Name of Beneficial Owner / Position	Nature & Number of Shares Held		Citizenship	Percentage
Unclassified Common Shares	Rosario D. Perez Vice President – Executive Affairs	–	–	Filipino	–
Unclassified Common Shares	Winefreda R. Go Vice President - Purchasing Department	–	–	Filipino	–
Unclassified Common Shares	Jocelyn C. De Asis Corporate Secretary	–	–	Filipino	–
Unclassified Common Shares	Dorothy U. So Assistant Vice President - Head of Internal Audit Department	–	–	Filipino	–

Note: The above security ownership of management consists of unclassified common shares of 61,273,094 (consists of direct and indirect shares) which is equivalent to 39.12%.

It is the policy of the Group to have a timely and accurate disclosures to regulatory agencies. Any change in the shareholdings of the Group resulting from transactions entered into by the directors and executive officers, either by acquisition or disposal are reported to the SEC and PSE (for CLDI & CDC) within five days from the date of the transaction. The Group requires its directors and officers to report to the Group immediately any plan to transact with the shares of the companies within the Group.

For the past five (5) years, there were no trading by insiders. The Group continues to adhere with existing government regulations.

4. Voting Trust Holders of 5% or More

There is no voting trust or similar arrangement holding 5% of a class securities.

Item XII Certain Relationships and Related Party Transactions

1. Advances to/from affiliates

The Parent Company has an existing agreement with CLDI, CDC and CPI whereby personnel costs and common recurring expenses such as water, electricity, rental, and other expenses for which the companies have benefited from such service shall be shared among the companies and billed with a pre-agreed mark-up rate. These are recorded as part of "Operating expenses" in the statements of income. The income recognized as a result of the mark-up charged is recorded as "Other income - net" in the statements of income. These are unsecured, unguaranteed, noninterest bearing, and due within 30-60 days.

Please refer to Note 26, *Related Party Transactions* of the Notes to Audited Consolidated Financial Statements for the detailed discussion of related party transactions.

2. Management Agreement

Prior to December 2021, CI has an existing management agreement with CDC wherein CI provides management services to CDC. The agreement is for a period of five years renewable automatically for another five years unless either party notifies the other six months prior to expiration. The management fee is based on a certain percentage of the net income as mutually agreed upon by both parties. The management fees for 2021, 2020, and 2019 were waived by CI. There are no conditions attached to the waiver of these management fees. In December 2021, CI and CDC amended its management agreement thereby terminating such contract.

There are no transactions (or series of similar transactions) with or involving the company or any of its subsidiaries with a director, executive officer, any nominee for election as a director and any security holder owning 10% or more of the company's outstanding share.

Item XIII Corporate Governance

The evaluation system employed by the Corporation is thru a periodic self-rating system based on the criteria on the leading practices and principles on good governance.

1) Measures being undertaken by the company to fully comply with the adopted Leading Practices on Good Corporate Governance.

   We have implemented the periodic self-rating system.

2) Any deviation from the company's manual of corporate governance (including a disclosure of the name and position of the persons involved and sanctions imposed on said individual).

   There were no major deviations that require sanctions.

3) Any plan to improve corporate governance of the company.

   Based on the outcome of the periodic self-rating, necessary actions/procedures shall be undertaken to improve the Company's corporate governance.

   Pursuant to SEC Memorandum Circular No. 5, Series of 2013, the Corporate Governance Section of the Annual Report has been deleted and to be submitted separately to Securities and Exchange Commission.

PART IV - EXHIBITS AND SCHEDULES

Item XIV Exhibits and Reports on SEC Form 17-A

Exhibits - See accompanying Index to Exhibits

The following exhibit is filled as a separate section of this report:

(Exhibit 18) Majority Owned Subsidiaries of the Registrant

The other exhibits, as indicated in the Index to Exhibits are either not applicable to the Company or require no answer.

Reports on SEC Form 17-C for the Year 2023

Report Date	Events Reported
March 29, 2023	Board Approval of the Annual Financial Statements
May 5, 2023	Notice of Annual Stockholders' Meeting of June 20, 2023
May 8, 2023	Declaration of Stock Dividends
June 14, 2023	Declaration of Cash Dividends
June 20, 2023	Result of Annual Stockholders' Meeting for the year 2023
June 21, 2023	Result of the BOD Organizational Meeting for the year 2023
October 31, 2023	SEC Approval of the Certificate of Incorporation of CityLots Holdings, Inc.
October 31, 2023	SEC Approval of the Certificate of Incorporation of CityMerge Holdings, Inc.
December 13, 2023	Retirement and Appointment of Officers
December 22, 2023	SEC Approval of Php400.00 million worth of Commercial papers

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SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 177 of the Revised Corporation Code, this SEC Form 17-A is signed on behalf of CITYLAND, INC. by the undersigned, thereunto duly authorized, in the City of PASIG CITY on APR 08 2024

By:

Josef C. Gohoc
President / Chief Executive Officer

Rudy Go
Senior Vice President / Chief Finance Officer / Treasurer
Comptroller/ Principal Accounting Officer

Jocelyn C. de Asis

Jocelyn C. De Asis
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 08 2024 affiants exhibiting to me their Social Security System (SSS) Numbers, as follows:

Name	SSS No.
Josef C. Gohoc	
Rudy Go	—
Jocelyn C. De Asis	

Doc. No. 331
Page No. 68
Book No. V
Series of 2024.

ATTY. ANDRE ANTON S. SUAREZ
NOTARY PUBLIC FOR THE CITIES OF PASIG, SAN JUAN
AND MUNICIPALITY OF PATEROS
UNTIL DECEMBER 31, 2024
APPOINTMENT NO
IBP ROLL NO
IBP NO
PTR NO

INDEX TO EXHIBITS

Form 17-A

* These exhibits are either not applicable to the Group or require no answer.

ARTICLE IV
CERTIFICATE OF STOCK

Each stockholder whose share of stock has been paid in full shall be entitled to a stock certificate or certificates for such shares of stock.

The certificate of stock shall be in such form and design as may be determined by the Board of Directors. Every certificate shall be signed by the President and countersigned by the Secretary and shall be sealed with the Corporate seal and shall state on its face its number, the date of issue, the number of shares for which it was issued, and the name of the person in whose favor it was issued.

Each share of stock will represent a pro-rate equity in the assets of the Corporation and the rights represented in each and every share of stock shall be identical in all respects and shall be stated herein.

The stockholders shall have no pre-emptive right to subscribe to any issue or disposition of shares of any class and all the stockholders, their transferees and/or assignees take the shares subject to this condition.

ARTICLE V
TRANSFER OF SHARES OF STOCK

Shares of stock shall be transferred by delivery of the certificate endorsed by the owner or his attorney-in-fact or other person legally authorized to make the transfer, but no transfer shall be valid except as between the parties until the transfer is annotated in the books of the Corporation.

No surrendered certificate shall be cancelled by the Secretary before a new certificate in lieu thereof is issued, and the Secretary shall keep the cancelled certificate as a proof of substitution. Any person claiming a certificate of stock to be lost or destroyed shall make an affidavit of that fact and shall advertise the same in such manner as the Board may require, and shall give the Corporation a bond of indemnity, in the form and with the sureties satisfactory to the Board, in the sum at least double the par value of such certificate in lieu of the one alleged to be lost or destroyed, always subject to the approval of the Board, and provided further that the requirements of Republic Act No. 201 are first complied with.

ARTICLE VII
STOCKHOLDERS' MEETING

1. Place – All meetings of the stockholders shall be held at the principal office of the Corporation, unless written notices of such meetings should fix another place within the City of Manila.

2. Proxy – Stockholders may vote at all meetings either in person or by proxy. All proxies, voting trusts, and other voting arrangements must be received by the Corporate Secretary or the Assistant Corporate Secretary at the corporation's head office not later than five (5) working days before the date of the meeting. Before the deadline such proxies, voting trusts and other voting arrangements may be accepted or rejected by a special committee of inspectors if they do not have the appearance of prima facie authenticity.

3. Quorum – No stockholders' meeting shall be competent to decide any matter or to transact any business unless a majority of the subscribed capital stock is present or represented thereat, except in those cases in which the Corporation law requires the affirmative vote of a greater proportion.

4. Vote – Voting upon all questions at all meetings of the stockholders shall be by shares of stock and not per capital.

5. Annual Meeting – The annual meeting of the stockholders shall be held on the third Tuesday of June of each calendar year, when the Board of Directors shall be elected by plurality of votes by ballot system or viva voce.

   Written notice of the annual meeting of the Corporation shall be sent to each registered stockholder at least fifteen (15) working days prior to the date of such meeting. Waiver of such notice may only be made in writing.

   Only stockholders of record at the close of business hours thirty (30) calendar days prior to the date of such meeting shall be entitled to receive the notice of said meeting and to vote and be voted thereat.

6. Special Meeting – Special meetings of the stockholders may be called by the President at his discretion, or on demand of stockholders holding the majority of the subscribed capital stock of the Corporation.

   A written notice stating the day and place of the meeting and the general nature of the business to be transacted shall be sent to each stockholder at least fifteen (15) working days before the date of such special meeting; provided, that this requisite may be waived in writing by the stockholders.

   Only stockholders of record at the close of business hours thirty (30) calendar days prior to the date of such meeting shall be entitled to receive the notice of said meeting and to vote and be voted thereat.

7. Minutes – Minutes of all meeting of the stockholders shall be kept and carefully preserved as a record of the business transacted at such meetings. The minutes shall contain such entries as may be required by law.

ARTICLE VIII

AMENDMENTS

The provisions of these By-Laws may be amended or repealed by a majority vote of the Board of Directors and the owners of at least a majority of the outstanding capital stock at a regular or special meeting called for the purpose.

The power to amend or repeal these By-Laws may be delegated to the Board of Directors in the manner provided by law.

EXHIBIT 18 SUBSIDIARIES OF THE REGISTRANT

The following are the subsidiaries of Cityland, Inc.:

	Percentage of Ownership	Jurisdiction
Direct:		
CAI	100.00	Philippines
CLHI	100.00	Philippines
CLI	100.00	Philippines
CMHI	100.00	Philippines
CDC	50.98	Philippines
Indirect through CDC (including direct ownership of the Parent Company in CLDI of 29.54% and CPI of 9.18%):		
CLDI	54.89	Philippines
CPI	55.47	Philippines

C O V E R   S H E E T
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number
8 6 1 8 8

COMPANY NAME

C I T Y L A N D , I N C . A N D
S U B S I D I A R I E S

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

2 / F a n d 3 / F C i t y l a n d
C o n d o m i n i u m 1 0 T o w e r I ,
1 5 6 H . V . d e l a C o s t a S t r e e t ,
M a k a t i C i t y

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A C F S	M S R D	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
ci_rg@cityland.net	8-893-6060	0962-072-2479

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
28 (As of December 31, 2023)	3rd Tuesday of June	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
RUDY GO	cdc_rg@cityland.net	8-893-6060	0962-072-2479

CONTACT PERSON'S ADDRESS

3/F Floor Cityland Condominium 10, Tower II, 154 H.V. Dela Costa Street, Makati City

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

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

CITYLAND e-MAIL

Cityland FMSD <fmsd@cityland.net>

Your BIR AFS eSubmission uploads were received

1 message

eafs@bir.gov.ph <eafs@bir.gov.ph> Mon, Apr 15, 2024 at 11:43 AM
To: FMSD@cityland.net
Cc: CDC_RG@cityland.net

Hi CITYLAND, INC.,

Valid files

- EAFS000662829TCRTY122023-01.pdf
- EAFS000662829TCRTY122023-02.pdf
- EAFS000662829AFSTY122023.pdf
- EAFS000662829RPTTY122023.pdf
- EAFS000662829ITRTY122023.pdf
- EAFS000662829OTHTY122023.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-244SVWXM0PPXQVNQVQYPVZZWY0M2ZX2YTV**
Submission Date/Time: **Apr 15, 2024 11:43 AM**
Company TIN: **000-662-829**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

CITYLAND
INCORPORATED

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR CONSOLIDATED FINANCIAL STATEMENTS

The Management of **Cityland, Inc.** (the Company) is responsible for the preparation and fair presentation of the consolidated balance sheets as at December 31, 2023 and 2022, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2023 and notes to the consolidated financial statements, including a summary of significant accounting policies and schedules attached therein, in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders, has audited the consolidated financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

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DR. ANDREW I. LIUSON
Chairman of the Board

JOSEF C. GOHOC
President / Chief Executive Officer

RUDY GO
Senior Vice President / Chief Financial Officer

Signed this 20th day of March 2024.

SUBSCRIBED AND SWORN to before me this day of MAR 2 0 2024 MAKATI CITY affiant(s) exhibiting to me their Social Security System Numbers, as follows:

Name	Type of Identification	Number
Dr. Andrew I. Liuson	SSS	
Josef C. Gohoc	SSS	
Rudy Go	SSS	

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Book No. I
Series of 2024.

ATTY. EMMA G. JULARBAL
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2024
APPOINTMENT NO.
IBP ROLL NO.
IBP NO.
PTR No.

SGV
Building a better working world

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

Tel: (632) 8891 0307
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INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Cityland, Inc.
3/F, Cityland Condominium 10, Tower I
156 H.V. de la Costa Street
Makati City

Opinion

We have audited the consolidated financial statements of Cityland, Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2023, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group as at December 31, 2023 and 2022, and for each of the three years in the period ended December 31, 2023 are prepared in all material respects, in accordance with Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission (SEC), as described in Note 2 to the consolidated financial statements.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2 to the consolidated financial statements which indicates that the consolidated financial statements have been prepared in accordance with PFRSs, as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic. The impact of the application of the financial reporting reliefs issued on the 2022 consolidated financial statements are discussed in detail in Note 2. Our opinion is not modified in respect of this matter.

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Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A or Annual Report for the year ended December 31, 2023, but does not include the financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A or Annual Report for the year ended December 31, 2023 are expected to be made available to us after the date of this auditor's report

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements in accordance with PFRSs, as modified by the application of financial reporting reliefs issued and approved by the SEC, as described in Note 2 to the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in accordance with PFRSs, as modified by the application of financial reporting reliefs issued and approved by the SEC, as described in Note 2 to the consolidated financial statements.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SYCIP GORRES VELAYO & CO.

Manolito R. Elle
Partner
CPA Certificate No. 106471
Tax Identification No. 220-881-929
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
BIR Accreditation No. 08-001998-128-2023, January 25, 2023, valid until January 24, 2026
PTR No. 10079932, January 5, 2024, Makati City

March 20, 2024

CITYLAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	**₱973,729,405**	₱1,424,589,931
Short-term investments (Note 4)	**1,533,300,000**	691,700,000
Current portion of:		
Installment contracts receivable (Note 6)	**23,004,339**	17,933,217
Contract assets (Note 6)	**821,160,377**	751,183,602
Costs to obtain contracts (Note 6)	**2,612,516**	17,502,622
Notes receivable (Note 7)	**1,252,000,000**	1,288,150,000
Investments in trust funds (Note 5)	**2,870,130**	9,196,033
Other receivables (Note 8)	**75,039,453**	80,139,535
Real estate properties for sale (Note 9)	**6,081,342,060**	5,799,289,178
Other current assets (Note 12)	**114,969,766**	152,179,841
Total Current Assets	**10,880,028,046**	10,231,863,959
Noncurrent Assets		
Long-term investments (Note 4)	**205,337,329**	303,999,438
Installment contracts receivable - net of current portion (Note 6)	**25,666,335**	15,479,329
Contract assets - net of current portion (Note 6)	**2,108,892,779**	2,439,744,668
Costs to obtain contracts - net of current portion (Note 6)	**5,868,713**	785,182
Notes receivable - net of current portion (Note 7)	**–**	100,000,000
Investments in trust funds - net of current portion (Note 5)	**34,080,497**	25,039,321
Other receivables - net of current portion (Note 8)	**1,009,567**	868,040
Real estate properties held for future development (Note 10)	**983,846,182**	1,126,655,558
Investment properties (Note 10)	**4,212,353,831**	3,833,328,526
Property and equipment (Note 11)	**76,162,029**	57,806,195
Net retirement plan assets (Note 23)	**5,877,044**	17,676,384
Other noncurrent assets (Note 12)	**219,694,172**	37,246,039
Total Noncurrent Assets	**7,878,788,478**	7,958,628,680
TOTAL ASSETS	**₱18,758,816,524**	₱18,190,492,639
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses (Note 13)	**₱754,018,844**	₱1,046,594,916
Contract liabilities (Note 6)	**39,655,166**	285,267,436
Notes and contracts payable (Note 14)	**1,593,056,450**	1,555,149,400
Income tax payable	**54,538,571**	20,263,990
Current portion of pre-need and other reserves (Note 5)	**1,115,430**	822,843
Total Current Liabilities	**2,442,384,461**	2,908,098,585
Noncurrent Liabilities		
Accounts payable and accrued expenses - net of current portion (Note 13)	**358,162,604**	300,445,888
Contract liabilities - net of current portion (Note 6)	**44,424,135**	7,318,931
Pre-need and other reserves - net of current portion (Note 5)	**22,822,951**	23,192,535
Net retirement benefits liability (Note 23)	**8,349,683**	27,830
Deferred income tax liabilities - net (Note 24)	**597,995,513**	576,811,132
Total Noncurrent Liabilities	**1,031,754,886**	907,796,316
Total Liabilities	**3,474,139,347**	3,815,894,901

(Forward)

	December 31	
	2023	2022
Equity		
Attributable to Equity Holders of the Parent Company		
Capital stock - ₱10 par value (Note 15)		
Authorized - 185,000,000 shares		
Issued - 156,685,750 shares and 149,224,534 (net of 587,123 treasury shares) as of December 31, 2023 and December 31, 2022, respectively by 28 equity holders	**1,572,728,730**	₱1,498,116,570
Outstanding - 156,685,750 shares and 149,224,534 shares held by 28 equity holders as of December 31, 2023 and 2022, respectively		
Treasury - 587,123 shares (Note 25)	**–**	–
Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect (Note 23)	**(31,787,813)**	(20,689,845)
Unrealized fair value changes on financial assets at FVOCI (Note 12)	**3,955,667**	354,784
Other equity reserves	**72,536,291**	72,536,291
Retained earnings (Note 15)	**7,945,262,950**	7,499,190,499
	9,562,695,825	9,049,508,299
Non-controlling interests (Note 16)	**5,721,981,352**	5,325,089,439
Total Equity	**15,284,677,177**	14,374,597,738
TOTAL LIABILITIES AND EQUITY	**₱18,758,816,524**	₱18,190,492,639

See accompanying Notes to Consolidated Financial Statements.

CITYLAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31		
	2023	2022	2021
REVENUE AND INCOME			
Sales of real estate properties (Note 6)	**₱2,786,477,995**	₱3,019,729,206	₱1,595,333,794
Financial income (Note 20)	**621,636,440**	484,101,966	501,028,904
Rent income (Note 10)	**246,959,907**	208,842,017	198,527,363
Other income - net (Note 22)	**145,741,929**	148,600,975	184,301,639
	3,800,816,271	3,861,274,164	2,479,191,700
COSTS AND EXPENSES			
Costs of real estate sales (Note 9)	**(1,472,312,281)**	(1,388,212,285)	(842,187,615)
Operating expenses (Note 17)	**(796,074,776)**	(718,257,932)	(584,394,073)
Financial expenses (Note 21)	**(4,177,326)**	(5,534,229)	(5,266,877)
	(2,272,564,383)	(2,112,004,446)	(1,431,848,565)
INCOME BEFORE INCOME TAX	**1,528,251,888**	1,749,269,718	1,047,343,135
PROVISION FOR INCOME TAX (Note 24)	**(344,908,940)**	(443,221,104)	(136,286,408)
NET INCOME	**₱1,183,342,948**	₱1,306,048,614	₱911,056,727
Attributable to:			
Equity holders of the Parent Company	**₱687,517,747**	₱705,287,314	₱584,295,400
Non-controlling interests (Note 16)	**495,825,201**	600,761,300	326,761,327
	₱1,183,342,948	₱1,306,048,614	₱911,056,727
BASIC/DILUTED EARNINGS PER SHARE (Note 28)	**₱4.39**	₱4.50	₱3.73

See accompanying Notes to Consolidated Financial Statements.

CITYLAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2023	2022	2021
NET INCOME	**₱1,183,342,948**	₱1,306,048,614	₱911,056,727
OTHER COMPREHENSIVE INCOME (LOSS)			
Not to be reclassified to profit or loss in subsequent periods:			
Changes in fair value of financial assets at FVOCI (Note 12)	**7,177,348**	(276,696)	7,375
Re-measurement gain (loss) on defined benefit plan, net of income tax effect (Note 23)	**(17,208,939)**	3,239,929	9,646,631
	(10,031,591)	2,963,233	9,654,006
TOTAL COMPREHENSIVE INCOME	**₱1,173,311,357**	₱1,309,011,847	₱920,710,733
Attributable to:			
Equity holders of the Parent Company	**₱680,020,662**	₱707,344,476	₱590,293,789
Non-controlling interests (Note 16)	**493,290,695**	601,667,371	330,416,944
	₱1,173,311,357	₱1,309,011,847	₱920,710,733

See accompanying Notes to Consolidated Financial Statements.

CITYLAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	Attributable to Equity Holders of the Parent Company								
	Capital Stock (Note 15)	Stock dividends distributable (Note 15)	Other Equity Reserves	Unrealized Fair Value Changes on Financial Assets at FVOCI (Note 12)	Accumulated Re-measurement Loss on Defined Benefit Plan - Net of Deferred Income Tax Effect (Note 23)	Retained Earnings (Note 15)	Subtotal	Non-controlling Interests (Note 16)	Total
BALANCES AT DECEMBER 31, 2020	₱1,297,858,770	₱129,198,620	₱72,536,291	₱538,326	(₱28,928,938)	₱6,465,675,373	₱7,936,878,442	₱4,505,036,236	₱12,441,914,678
Net income	–	–	–	–	–	584,295,400	584,295,400	326,761,327	911,056,727
Other comprehensive income (loss)	–	–	–	(38,704)	6,037,093	–	5,998,389	3,655,617	9,654,006
Total comprehensive income (loss)	–	–	–	(38,704)	6,037,093	584,295,400	590,293,789	330,416,944	920,710,733
Impact of CREATE Law on deferred tax liability recognized in retained earnings - deemed cost adjustment (Note 24)	–	–	–	–	–	1,550,821	1,550,821	1,229,181	2,780,002
Issuance of stock dividends - 10%	129,198,620	(129,198,620)	–	–	–	–	–	–	–
Declaration and issuance of stock dividends - 5%	71,059,180	–	–	–	–	(71,059,180)	–	–	–
Cash dividends - ₱0.521 per share	–	–	–	–	–	(74,043,799)	(74,043,799)	–	(74,043,799)
Cash dividends to non-controlling interests (Note 16)	–	–	–	–	–	–	–	(51,707,207)	(51,707,207)
Fractional shares	–	–	–	–	–	(133)	(133)	–	(133)
BALANCES AT DECEMBER 31, 2021	₱1,498,116,570	₱–	₱72,536,291	₱499,622	(₱22,891,845)	₱6,906,418,482	₱8,454,679,120	₱4,784,975,154	₱13,239,654,274
BALANCES AT DECEMBER 31, 2021	₱1,498,116,570	₱–	₱72,536,291	₱499,622	(₱22,891,845)	₱6,906,418,482	₱8,454,679,120	₱4,784,975,154	₱13,239,654,274
Net income	–	–	–	–	–	705,287,314	705,287,314	600,761,300	1,306,048,614
Other comprehensive income (loss)	–	–	–	(144,838)	2,202,000	–	2,057,162	906,071	2,963,233
Total comprehensive income (loss)	–	–	–	(144,838)	2,202,000	705,287,314	707,344,476	601,667,371	1,309,011,847

(Forward)

	Attributable to Equity Holders of the Parent Company							
	Capital Stock (Note 16)	Other Equity Reserves	Unrealized Fair Value Changes on Financial Assets at FVOCI (Note 12)	Accumulated Re-measurement Loss on Defined Benefit Plan - Net of Deferred Income Tax Effect (Note 23)	Retained Earnings (Note 15)	Subtotal	Non-controlling Interests (Note 16)	Total
Cash dividends - ₱0.754 per share	₱–	₱–	₱–	₱–	(₱112,515,297)	(₱112,515,297)	₱–	(₱112,515,297)
Cash dividends to non-controlling interests (Note 16)	–	–	–	–	–	–	(61,553,086)	(61,553,086)
BALANCES AT DECEMBER 31, 2022	₱1,498,116,570	₱72,536,291	₱354,784	(₱20,689,845)	₱7,499,190,499	₱9,049,508,299	₱5,325,089,439	₱14,374,597,738
BALANCES AT DECEMBER 31, 2022	**₱1,498,116,570**	**₱72,536,291**	**₱354,784**	**(₱20,689,845)**	**₱7,499,190,499**	**₱9,049,508,299**	**₱5,325,089,439**	**₱14,374,597,738**
Net income	–	–	–	–	**687,517,747**	**687,517,747**	**495,825,201**	**1,183,342,948**
Other comprehensive income (loss)	–	–	**3,600,883**	**(11,097,968)**	–	**(7,497,085)**	**(2,534,506)**	**(10,031,591)**
Total comprehensive income (loss)	–	–	**3,600,883**	**(11,097,968)**	**687,517,747**	**680,020,662**	**493,290,695**	**1,173,311,357**
Cash dividends - ₱1.118 per share	–	–	–	–	**(166,833,029)**	**(166,833,029)**	–	**(166,833,029)**
Cash dividends to non-controlling interests (Note 16)	–	–	–	–	–	–	**(96,398,782)**	**(96,398,782)**
Fractional Shares	–	–	–	–	**(107)**	**(107)**	–	**(107)**
Declaration and issuance of stock dividends – 5%	**74,612,160**	–	–	–	**(74,612,160)**	–	–	–
BALANCES AT DECEMBER 31, 2023	**₱1,572,728,730**	**₱72,536,291**	**₱3,955,667**	**(₱31,787,813)**	**₱7,945,262,950**	**₱9,562,695,825**	**₱5,721,981,352**	**₱15,284,677,177**

See accompanying Notes to Consolidated Financial Statements.

CITYLAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱1,528,251,888**	₱1,749,269,718	₱1,047,343,135
Adjustments for:			
Interest income (Note 20)	**(621,610,687)**	(484,067,231)	(501,002,230)
Depreciation (Notes 10, 11, 17 and 19)	**64,569,408**	64,606,116	66,801,893
Retirement benefits costs (Note 23)	**6,072,983**	7,023,132	8,447,344
Trust fund income (Notes 5 and 22)	**(4,583,069)**	(437,236)	(832,463)
Interest expense - net of amounts capitalized (Note 21)	**1,775,372**	3,755,064	4,207,028
Interest expense on lease liabilities (Notes 13 and 21)	**680,313**	207,967	368,475
Dividend income (Note 20)	**(25,753)**	(34,735)	(26,674)
Operating income before working capital changes	**975,130,455**	1,340,322,795	625,306,508
Decrease (increase) in:			
Installment contracts receivable	**(15,258,128)**	13,726,638	19,835,902
Contract assets	**260,875,114**	(697,748,091)	159,028,433
Other receivables	**21,798,369**	(17,038,863)	6,954,686
Real estate properties for sale	**(282,052,881)**	(180,731,530)	(855,381,912)
Cost to obtain contracts	**9,806,575**	7,096,281	12,595,624
Other assets	**41,153,509**	(67,382,431)	(2,112,525)
Increase (decrease) in:			
Accounts payable and accrued expenses	**(246,237,831)**	246,264,455	301,385,768
Contract liabilities	**(208,507,066)**	(139,419,008)	(159,055,092)
Pre-need and other reserves	**(76,997)**	(12,674,780)	(4,789,207)
Cash generated from operations	**556,631,119**	492,415,466	103,768,185
Interest received (Note 20)	**604,770,873**	476,142,493	497,089,738
Income taxes paid, including creditable and final withholding taxes (Note 24)	**(282,943,716)**	(337,992,061)	(136,433,954)
Contributions to the plan assets (Note 23)	**(8,897,044)**	(4,705,159)	(4,705,159)
Net cash flows from operating activities	**869,561,232**	625,860,739	459,718,810
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Investment properties (Notes 10 and 14)	**(249,017,965)**	(818,093,637)	(820,412)
Property and equipment (Note 11)	**(9,989,286)**	–	(519,758)
Real estate properties held for future development	**(5,416,198)**	9,153,239	(26,976,207)
Proceeds from matured (purchase of):			
Investments (Note 4)	**(742,937,891)**	754,306,295	(573,920,744)
Financial assets at FVOCI (Note 12)	**(180,007,500)**	–	–
Notes receivable (Note 7)	**136,150,000**	(119,953,544)	(1,011,046,456)
Withdrawals from trust funds (Note 5)	**1,891,127**	9,140,959	2,595,931
Contributions to investments in trust funds (Note 5)	–	(3,610,130)	(4,812,773)
Dividends received (Note 20)	**25,753**	34,735	26,674
Net cash flows used in investing activities	**(1,049,301,960)**	(169,022,083)	(1,615,473,745)

(*Forward*)

	Years Ended December 31		
	2023	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of notes payable (Note 14)	**(₱7,085,315,894)**	(₱8,838,767,343)	(₱8,052,860,826)
Proceeds from issuance of notes payable (Note 14)	**7,084,215,894**	8,714,767,343	8,075,623,218
Dividends paid (Note 13)	**(263,077,306)**	(171,723,630)	(124,560,281)
Payment of lease liabilities (Note 13)	**(5,138,343)**	(5,055,158)	(4,545,444)
Interest paid, net of capitalized borrowing costs (Notes 13 and 14)	**(1,804,149)**	(3,759,617)	(4,233,089)
Net cash flows used in financing activities	**(271,119,798)**	(304,538,405)	(110,576,422)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(450,860,526)**	152,300,251	(1,266,331,357)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**1,424,589,931**	1,272,289,680	2,538,621,037
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	**₱973,729,405**	₱1,424,589,931	₱1,272,289,680

See accompanying Notes to Consolidated Financial Statements.

CITYLAND, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Cityland, Inc. (the Parent Company) was incorporated in the Philippines on May 15, 1979. The Parent Company has a majority owned subsidiary, namely, Cityland Development Corporation (CDC), a publicly listed company, and four (4) wholly-owned subsidiaries, namely, Credit & Land Holding, Inc. (CLHI), Cityads, Incorporated (CAI), CityLots Holdings, Inc. (CLI) and CityMerge Holdings, Inc. (CMHI).

CDC has two majority owned subsidiaries, namely, City & Land Developers, Incorporated (CLDI), another publicly listed company, and Cityplans, Incorporated (CPI).

The primary purpose of the Parent Company and its subsidiaries (the Group), which are all incorporated and domiciled in the Philippines, is to acquire, develop, improve, subdivide, cultivate, lease, sublease, sell, exchange, barter and/or dispose of agricultural, industrial, commercial, residential and other real properties, as well as to construct, improve, lease, sublease, sell and/or dispose of houses, buildings and other improvements thereon, and to manage and operate subdivisions and housing projects or otherwise engage in the financing and trading of real estate. In addition, CPI is engaged in the business of establishing, organizing, developing, maintaining, conducting, operating, marketing and selling pension plans.

CLI and CMHI were incorporated on October 24, 2023 with its primary purpose to invest in, purchase, or otherwise acquire, own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose real and personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations. Their registered office and principal place of business is at 3rd Floor Cityland Condominium 10 Tower 1, 156 H.V. Dela Costa St., Salcedo Village Bel-air, City of Makati , Fourth District, National Capital Region (NCR), 1209.

The Group's registered office and principal place of business is 2nd and 3rd Cityland Condominium 10 Tower I, 156 H.V. de la Costa Street, Makati City.

The consolidated financial statements of the Group as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023 were authorized for issuance by the Board of Directors (BOD) on March 20, 2024.

2. Summary of Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements of the Group have been prepared using the historical cost basis, except for financial assets measured at fair value through other comprehensive income (FVOCI) that have been measured at fair values. The financial statements are presented in Philippine peso (₱), which is the Group's functional and presentation currency. All values are rounded to the nearest Peso except when otherwise indicated.

The consolidated financial statements have been prepared under the going concern assumption.

Statement of Compliance
The Group's financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs) as modified by the application of the following financial reporting reliefs issued and approved by the Securities and Exchange Commission (SEC) in response to the COVID-19 pandemic:

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

  a. Assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04); and
  b. Treatment of land in the determination of the percentage-of-completion (POC).

  Item b was already implemented by the Group prior to the issuance of the PIC Q&A 2018-12 and the Group continued its accounting treatment despite the deferral mentioned.

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

Changes in Accounting Policies
The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

  The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

  - Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
  - Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

  The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the consolidated financial statements.

- Amendments to PAS 8, *Definition of Accounting Estimates*

  The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

The amendments had no impact on the consolidated financial statements because the Group's accounting policies are aligned with the amendments to PAS 8.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

  The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

  The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

  The amendments had no impact on the consolidated financial statements because the Group's accounting policies are aligned with the amendments to PAS 12.

- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

  The amendments introduce a mandatory exception in PAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

  The amendments also clarify that PAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes', respectively.

  The temporary exception from recognition and disclosure of information about deferred taxes and requirement to disclose the application of the exception, apply immediately and retrospectively upon adoption of the amendments in June 2023.

  Meanwhile, the disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after January 1, 2023.

Basis of Consolidation

The consolidated financial statements consist of the financial statements of the Parent Company and its subsidiaries as of the period presented. The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using consistent accounting policies.

These subsidiaries and the percentage of ownership of the Parent Company as of December 31, 2023 and 2022 are as follows:

	Percentage of Ownership		Nature of
	2023	2022	Activity
Direct:			
CAI	**100.00**	100.00	Advertising
CLHI	**100.00**	100.00	Holding
CDC	**50.98**	50.98	Real estate
CHI	**100.00**	–	Holding
CMHI	**100.00**	–	Holding

(Forward)

	Percentage of Ownership		Nature of
	2023	2022	Activity
Indirect through CDC (including direct ownership of the Parent Company in CLDI of 29.54% and CPI of 9.18%):			
CLDI	**54.89**	54.89	Real estate
CPI	**55.47**	55.47	Pre-need plans

A subsidiary is an entity that is controlled by the Parent Company. Control is achieved when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- exposure, or rights, to variable returns from its involvement with the investee
- the ability to use its power over the investee to affect its returns

When the Parent Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Parent Company's voting rights and potential voting rights

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. In such circumstances, the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received shall be recognized directly in equity and attributed to the owners of the parent.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill, if any), liabilities, non-controlling interest and other components of equity while any resulting gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Non-controlling Interests

Non-controlling interests represent the interests in the subsidiaries not held by the Parent Company and are presented separately in the consolidated statements of income, consolidated statements of comprehensive income and within the equity section of the consolidated statements of financial position, separate from the Parent Company's equity.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial Instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets
Initial recognition and measurement
Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, FVOCI, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Installment contracts receivable and contract assets are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)
This category is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

(a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes cash and cash equivalents, short-term and long-term investments, installment contracts receivable, contract assets, notes receivable, other receivables and deposits under "Other noncurrent assets".

Financial assets at FVOCI (debt instruments)
The Group measures debt instruments at FVOCI if both of the following conditions are met:
(a) The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and sell the financial asset; and
(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

As of December 31, 2023 and 2022, the Group's investment in trust fund has debt instruments at FVOCI.

Financial assets designated at FVOCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as financial assets at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to impairment assessment.

The Group elected to classify irrevocably its listed equity investments under this category.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidated statement of income.

The Group's investments in trust fund have financial assets at fair value through profit or loss as of December 31, 2023 and 2022.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or,
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognized an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For installment contracts receivable and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include accounts payable and accrued expenses, notes and contracts payable.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in consolidated statement of income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of income.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of income.

Investments in Trust Funds
The trust fund assets and liabilities are recognized in accordance with the provisions of the applicable PAS and PFRSs and their interpretations.

Investments in trust funds are restricted to cover CPI's pre-need reserves. These are classified as current assets to the extent of the currently maturing pre-need reserves. The remaining portion is classified as noncurrent assets in the consolidated statement of financial position.

Real Estate Properties for Sale
Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as real estate properties for sale and measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Land cost
- Amounts paid to contractors for construction
- Borrowing costs directly attributable to the acquisition, development and construction of real estate projects
- Planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs to complete and the estimated costs necessary to make the sale. The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known.

Upon repossession, real estate properties for sale arising from sale cancellations and forfeitures are measured at fair value less estimated costs to make the sale. Any resulting gain or loss is credited or charged to "Other income – net" in the consolidated statement of income.

Real Estate Properties Held for Future Development and Investment Properties
Real estate properties held for future development and investment properties, which represent real estate properties for capital appreciation and for lease, are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of existing investment properties at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of the property. The carrying values of revalued properties transferred to investment properties on January 1, 2004 were considered as the assets' deemed cost as of said date.

Subsequent to initial measurement, real estate properties held for future development and investment properties, except land, are carried at cost less accumulated depreciation and amortization and any impairment in value. Land is carried at cost less any impairment in value. Buildings for lease are depreciated over their useful life of 25 years while the building improvements are depreciated over their useful life of 5 to 15 years or the remaining useful life of the building using the straight-line method.

Real estate properties held for future development and investment properties are derecognized when either they have been disposed of or when the property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment properties are recognized in the consolidated statement of income in the year of retirement or disposal.

Transfers are made to real estate properties held for future development and investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party, or ending of construction or development. Transfers are made from real estate properties held for future development and investment properties when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

Transfers between real estate properties for future development and investment properties, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

Construction in progress is stated at cost. This includes costs of construction and other direct costs related to the investment property being constructed. Construction in progress is not depreciated until such time when the relevant assets are complete and ready for use. When such construction is completed and assets are ready for use, the costs of the said assets are transferred to specific classification under "Investment properties" account.

Property and Equipment

The Group's property and equipment consist of land, building, equipment and right-of-use assets that do not qualify as real estate properties for future development and investment properties.

Property and equipment, except for office premises, are stated at cost less accumulated depreciation and any impairment in value. Office premises are stated at appraised values (asset's deemed cost) as determined by SEC-accredited and independent firms of appraisers at the date of transition to PFRSs, less accumulated depreciation and any impairment in value. Subsequent additions to office premises are stated at cost less accumulated depreciation and any impairment in value.

The initial cost of property and equipment consists of the purchase price and any directly attributable cost of bringing the assets to their working condition and location for their intended use. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance costs, are normally charged to the consolidated statement of income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation of an item of property and equipment begins when the asset becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations*, and the date the asset is derecognized.

Depreciation is computed using the straight-line method over the estimated useful lives of the properties as follows:

	Years
Office premises	25
Building	25
Furniture, fixtures and office equipment	5-15
Transportation and other equipment	5

The assets' useful lives and depreciation method are reviewed periodically to ensure that these are consistent with the expected pattern of economic benefits from items of property and equipment.

When property and equipment are sold or retired, the cost and related accumulated depreciation and any impairment in value are removed from the accounts, and any gains or losses from their disposal is included in the consolidated statement of income.

The Group's property and equipment consist of land, building, equipment and right-of-use assets that do not qualify as investment properties.

Property and equipment, except for land, are carried at cost less accumulated depreciation and amortization and any impairment in value. Land is carried at cost less any impairment in value. The initial cost of property and equipment comprises its construction cost or purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use, including borrowing costs.

It is the Group's policy to classify right-of-use assets as part of property and equipment. The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

Impairment of Nonfinancial Assets
The carrying values of investment properties and property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are either written down to their recoverable amount or provided with valuation allowance. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value-in-use. Impairment losses, if any, are recognized in the consolidated statement of income.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

The Group assesses at each reporting period whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. The Group considers external and internal sources of information in its assessment of the reversal of previously recognized impairment losses. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income. After such a reversal, the depreciation is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Value-added Tax (VAT)
Revenue, expenses, assets and liabilities are recognized net of the amount of VAT, except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position to the extent of the recoverable amount.

The net amount of VAT recoverable from or payable to, the taxation authority is included as part of "Other current assets" or "Accounts payable and accrued expenses," respectively, in the consolidated statement of financial position.

Pre-Need Reserves (PNR)
PNR for pension plans are calculated on the basis of the methodology and assumptions set out in Pre-Need Rule 31, as Amended, as follows:

- The amount of provision is the present value of the funding expected to be required to settle the obligation with due consideration of the different probabilities as follows:
  i. Provision for termination values applying the inactivity and surrender rate experience of CPI.
  ii. The liability is equivalent to the present value of future maturity benefits reduced by the present value of future trust fund contributions required per Product Model discounted at the lower of attainable rate or discount rate provided by the IC for SEC-approved plans and the pricing discount rate for IC-approved plans.

- The rates of surrender, cancellation, reinstatement, utilization, and inflation considered the actual experience of CPI in the last three years.

- The computation of the foregoing assumptions has been validated by the internal qualified actuary of CPI.

- Based on CPI's experience, the probability of pre-termination or surrender of fully paid plans is below 5% and therefore considered insignificant. The derecognition of liability shall be recorded at pre-termination date.

In 2023 and 2022, CPI follows IC Circular Letter No. 23-2012 dated November 28, 2012 which sets the guidelines below for the discount rate to be used in the valuation of PNR:

- Discount interest rate for the PNR

  The transitory discount interest rate per year shall be used in the valuation of PNR shall not exceed the lower of the attainable rates as certified by the trustee banks and the following rates below:

Year	Discount interest rate
2012 – 2016	8.00%
2017	7.25%
2018	6.50%
2019 and onwards	6.00%

- Transitory PNR (TPNR)

  In effecting the transition in the valuation of reserves for old basket of plans, the IC shall prescribe a PNR with a maximum transition period of 10 years.

  For each of the pre-need plan categories, the TPNR shall be computed annually on the old basket of plans outstanding at the end of each year from 2012 to 2023 using the discount interest rates provided above. If the actual trust fund balance is higher than or equal to the resulting PNR then the liability setup shall be the PNR.

  However, if the resulting PNR is greater than the actual trust fund balance at the end of the year, TPNR shall be computed.

  The actual trust fund balance shall be the trust fund balance at the end of the year net of any receivables by CPI from the trustee for the contractual benefits outstanding as of the end of the year.

  The TPNR liability shall be recognized each year. As of December 31, 2023, the actual trust fund balance is higher than the resulting PNR and, as of December 31, 2022, the CPI's actual trust fund balance is lower than the resulting PNR (see Note 5).

Other reserves
CPI sets up other provisions in accordance with PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, to cover obligations such as Insurance Premium Reserves (IPR), pension bonus, and trust fund deficiency.

Unless the IC shall so specifically require, CPI may, at its option, set up other provisions as a prudent measure.

Capital Stock
Capital stock is measured at par value for all shares issued and outstanding. When the Group issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as a deduction from proceeds, net of tax.

When the shares are sold at premium, the difference between the proceeds and the par value is credited to the "Additional paid-in capital" account. When shares are issued for a consideration other than cash, the proceeds are measured by the fair value of the consideration received. In case the shares are issued to extinguish or settle the liability of the Group, the shares shall be measured either at the fair value of the shares issued or fair value of the liability settled, whichever is more reliably determinable.

Retained Earnings

Retained earnings represent the cumulative balance of net income or loss, dividend distributions, effects of changes in accounting policy and other capital adjustments.

Unappropriated retained earnings represent that portion of retained earnings which can be declared as dividends to stockholders after adjustments for any unrealized items which are considered not available for dividend declaration. Appropriated retained earnings represent that portion of retained earnings which has been restricted and therefore is not available for any dividend declaration.

The retained earnings include deemed cost adjustments on real estate properties for sale, investment properties and property and equipment that arose when the Group transitioned to PFRSs in 2005. The deemed cost adjustment will be realized through depreciation in profit or loss for depreciable assets (property and equipment and investment properties) and through sale for inventories (classified under real estate properties for sale) and land (classified under investment properties).

Dividend distributions

Cash dividends on common shares are deducted from retained earnings upon declaration by the BOD.

Stock dividends on common shares are measured based on the total par value of declared stock dividend. Stock dividends are deducted from retained earnings when the BOD's declaration is ratified by the stockholders of the Group and the increase for authorized capital stock is approved by the SEC in cases of stock dividends issued to cover an increase in authorized capital stock. Unissued stock dividends are recorded as "Stock dividends distributable" and credited to "Capital stock" upon issuance.

Dividends for the year that are declared after the end of the reporting period but before the approval for issuance of consolidated financial statements are dealt with as an event after the reporting period.

Treasury Stock

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statement of income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in the share premium.

Revenue Recognition

Revenue from contract with customers

The Group primarily derives its real estate revenue from the sale of completed real estate projects and undeveloped land. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is acting as a principal in all of its revenue arrangements, except for the provisioning of water, electricity, air-conditioning and common use service area in its office leasing activities, wherein it is acting as agent.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Sales of real estate properties (CI, CDC and CLDI)
CI, CDC and CLDI derive its real estate revenue from sale of lots and condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or POC) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Revenue from sales of completed real estate properties and undeveloped land is recognized when control of the goods is transferred to the customer.

In measuring the progress of its performance obligation over time, the Group uses input method. Input method recognizes revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation. Progress is measured based on actual resources consumed such as materials, labor hours expended and actual overhead incurred relative to the total expected inputs to the satisfaction of that performance obligation, or the total estimated development costs of the real estate project. The Group uses the cost accumulated by the accounting department to determine the actual resources used. Input method excludes the effects of any inputs that do not depict the entity's performance in transferring control of goods or services to the buyer.

If the criteria for revenue recognition are not satisfied, any cash received by the Group is recorded as part of "Rental and customers' deposits" account which is included under "Accounts payable and accrued expenses" in the consolidated statement of financial position until all the conditions for recognizing the sale are met.

Estimated development costs of the real estate project include costs of land, land development, building costs, professional fees, depreciation of equipment directly used in the construction, payments for permits and licenses. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts, form part of total project costs on a prospective basis.

Any excess of progress of work over the right to an amount of consideration is recorded either as installment contracts receivable (unconditional) or contract asset (conditional) while the excess of collection over progress of work is recorded as contract liability.

Any excess of collections over the total of recognized installment contracts receivable is included in the "Contract liabilities" account in the liabilities section of the consolidated statement of financial position.

Sales of real estate properties (CPI)
CPI derives its revenue from sale of condominium units. Revenue from the sale of these real estate projects is recognized at a point in time when control of the asset is transferred to the buyer, generally when the condominium units are delivered to and accepted by the buyer. The payment is collectible in monthly installments for periods ranging from 1 to 10 years.

Costs of real estate sales
The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as land and connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

Costs of real estate sales is recognized consistent with the revenue recognition method applied. Costs of real estate properties sold before completion is determined using the POC used for revenue recognition applied on the acquisition cost of the land plus the total estimated development costs of the property.

In addition, the Group recognizes as an asset only costs that give rise to resources that will be used in satisfying performance obligations in the future and that are expected to be recovered.

The cost of inventory recognized in profit or loss on disposal (costs of real estate sales) is determined with reference to the specific and allocated costs incurred on the sold property taking into account the POC. The costs of real estate sales also include the estimated development costs to complete the real estate property, as determined by independent project engineers, and taking into account the POC. The accrued development costs account is presented under "Accounts payable and accrued expenses" in the consolidated statement of financial position.

Any changes in estimated development costs used in the determination of the amount of revenue and expenses are recognized in consolidated statement of income in the period in which the change is made.

Cost recognition (CPI)
CPI recognizes costs relating to satisfied performance obligations as these are incurred.

<u>*Contract Balances*</u>
Receivables
A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs its obligation based on the contract.

The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Costs to obtain contract
The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the "Operating expenses" account in the consolidated statement of income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Amortization and derecognition of capitalized costs to obtain a contract
CI, CDC, and CLDI amortizes capitalized costs to obtain a contract to cost of sales over the expected construction period using POC following the pattern of real estate revenue recognition. The amortization is included within operating expenses.

Capitalized costs to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

Sales of pre-need plans
Premiums from sale of pre-need plans, included under "Other income – net" account in the consolidated statement of income are recognized as earned when collected.

Cost of contracts issued
This account pertains to (a) the increase or decrease in PNR as at the current year as compared to the provision for the same period of the previous year; (b) amount of trust funds contributed during the year including any trust fund deficiency; and (c) documentary stamp tax and SEC registration fees.

If there is a decrease in the PNR as a result of new information or developments, the amount shall be deducted from the cost of contracts issued in the current period. In case of material prior period errors, the requirements of PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, shall be complied with by CPI.

Interest income
Interest income from cash in banks, cash equivalents and short-term and long-term investments, installment contracts receivable, contract assets, guaranty deposits and notes receivable is recognized as the interest accrues taking into account the effective yield on interest.

Dividend income
Dividend income is recognized when the Group's right to receive the payment is established.

Trust fund income
Trust fund income mainly pertains to rental income on investment properties under the trust fund account, as well as, trading gains and losses from buying and selling and changes in fair value of financial assets and financial liabilities categorized upon initial recognition as at fair value through profit or loss investments under the trust fund account.

Leases
The Group assesses at contract inception whether a contract is, or contains, a lease. It constitutes that the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and lease of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Lease liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the

Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of office space and transportation equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. The Group does not have any lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Operating leases – Group as a lessor
Operating leases represent those leases under which substantially all the risks and rewards of ownership of the leased assets remain with the lessors. Rent income from operating leases is recognized as income when earned on a straight-line basis over the term of the lease agreement. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Lease modification
Lease modification is defined as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease e.g., addition or termination of the right to use one or more underlying assets, or the extension or shortening of the contractual lease term.

In case of a lease modification, the lessor shall account for any such modification by recognizing a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease. In case of change in lease payments for an operating lease that does not meet the definition of a lease modification, the lessor shall account for any such change as a negative variable lease payment and recognize lower lease income.

Financial Expenses
Financial expenses consist of interest incurred on notes payable. Interest attributable to a qualifying asset is capitalized as part of the cost of the asset while others are expensed as incurred.

Interest costs are capitalized if they are directly attributable to the acquisition, development and construction of real estate projects as part of the cost of such projects. Capitalization of interest cost (1) commences when the activities to prepare the assets for their intended use are in progress and expenditures and interest costs are being incurred, (2) is suspended during extended periods in which active development is interrupted, and (3) ceases when substantially all the activities necessary to prepare the assets for their intended use are complete. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

Retirement Benefits Cost
The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Retirement benefits cost comprises the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Re-measurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated statement of income.

Re-measurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in the consolidated statement of comprehensive income in the period in which they arise. Re-measurements are not reclassified to the consolidated statement of income in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Employee leave entitlement
Employee entitlements to annual leave are recognized as a liability when they are earned by the employees. The undiscounted liability for leave expected to be settled within 12 months after the end of the reporting period is recognized for services rendered by employees up to the end of the reporting period.

Provisions and Contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of income net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the effective future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provisions due to the passage of time is recognized as an interest expense.

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the consolidated financial statements but disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

Income Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of reporting period.

Current income tax for current and prior periods shall, to the extent unpaid, be recognized as a liability under "Income tax payable" account in the consolidated statement of financial position. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset under "Other current assets" account in the consolidated statement of financial position.

Deferred income tax

Deferred income tax is recognized on all temporary differences at the end of reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except (a) where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and (b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred income tax assets and deferred income tax liabilities are not recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each end of reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each end of reporting period and are recognized to the extent that it has become probable that sufficient future taxable profits will allow the deferred income tax asset to be recovered.

Deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period.

Deferred income tax relating to items recognized directly in equity is recognized in equity and those directly in comprehensive income such as re-measurement of defined benefit plan are recognized in the consolidated statement of comprehensive income and not in the consolidated statement of income.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Segment Reporting
The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on business segments is presented in Note 29 in the consolidated financial statements. The Group's asset-producing revenues are located in the Philippines (i.e., one geographical location). Therefore, geographical segment information is no longer presented.

Events After the Reporting Period
Post year-end events that provide additional information about the Group's financial position at the end of reporting period (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

Standards Issued but not yet Effective
Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

  The amendments clarify:
  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. The Group does not expect that the amendments will have a significant impact on its financial statements.

- Amendments to PFRS 16*, Lease Liability in a Sale and Leaseback*

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed.

  The Group has no sale and leaseback transaction.

- Amendments to PAS 7 and PFRS 7*, Disclosures: Supplier Finance Arrangements*

  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier adoption is permitted and that fact must be disclosed.

  The Group has no supplier-finance arrangements, thus, the impact is not material to the consolidated financial statements.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

  PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

  The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

  - A specific adaptation for contracts with direct participation features (the variable fee approach)
  - A simplified approach (the premium allocation approach) mainly for short-duration contracts

  On December 15, 2021, the FRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB.

  PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

The Group has assessed that the impact of this standard is not material to the consolidated financial statements.

- Amendments to PAS 21, *Lack of exchangeability*

  The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

  The Group does not expect that the amendments will have a significant impact on its consolidated financial statements.

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

  The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

  On January 13, 2016, the FRSC deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures. The amendments have no impact to the Group.

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes.

In the opinion of management, these consolidated financial statements reflect all adjustments necessary to present fairly the results for the periods presented. Actual results could differ from such estimates.

<u>Judgments</u>
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which has the most significant effect on the amounts recognized in the consolidated financial statements:

Revenue recognition
Selecting the appropriate revenue recognition method for a particular real estate transaction requires certain judgments based on the following, among others:

a. *Existence of a contract*
The Group's primary document for a contract with a buyer is a signed contract to sell. It has determined however, that in cases wherein contract to sell are not signed by both parties, the combination of other signed documentation such as reservation agreement, official receipts and other documents, would contain all the criteria to qualify as a contract with the customer under PFRS 15.

In addition, part of the assessment process of the Group before revenue recognition is to assess the probability that the Group will be able to collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the buyer. In evaluating whether collectability of an amount of consideration is probable, an entity considers the significance of the buyer's initial payments in relation to the total contract price. Collectability is also assessed by considering factors such as the credit standing and financial capacity of the buyer, age and location of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of buyers' equity before commencing revenue recognition.

a. *Revenue recognition method and measure of progress*
The Group, except for CPI, concluded that revenue for real estate sales is to be recognized over time because (a) the Group's performance does not create an asset with an alternative use and; (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the buyer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the buyer is contractually obliged to make payments to the developer up to the performance completed to date.

The Group, except for CPI, has determined that input method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the buyers.

b. *Identifying performance obligation*
The Group has various contracts to sell covering its sale of condominium units and other real estate properties. The Group concluded that there is one performance obligation in each of these contracts because it has the obligation to deliver the condominium unit duly constructed in a specific lot and fully integrated into the serviced land in accordance with the approved plan. For the sale of real estate properties such as raw land, the Group integrates certain activities to the said property to be able to deliver the guaranteed property based on the contract with the buyer. Included also in this performance obligation is the Group's service is to transfer the title of the real estate unit to the buyer.

c. *Principal versus agent considerations*
The contract for the Group's buildings for lease to its tenants includes the right to charge for the electricity usage, water usage, air conditioning charges and CUSA like maintenance, janitorial and security services.

For the electricity and water usage, the Group determined that it is acting as an agent because the commitment of the Group to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility company, and not the real estate developer, is primary responsible for the provisioning of the utilities while the Group administers the leased spaces and coordinates with the utility companies to ensure that tenants have access to these utilities. The Group does not have the discretion on the pricing of the services provided since the price is based on the actual rate charged by the utility providers.

For the provision of air conditioning and services in the CUSA, the Group acts as a principal. This is because it is the Group who retains the right to direct the service provider of CUSA as it chooses and the party responsible to provide proper ventilation and air conditioning to the leased premises. The right to the services mentioned never transfers to the tenant and the Group has the discretion on how to price the CUSA and air conditioning charges.

Distinction between investment properties (real estate properties held for lease or for capital appreciation) and property and equipment
The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by the Group. Property and equipment generate cash flows that are attributable not only to the property but also to the other assets used for administrative purposes.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use for administrative purposes. If these portions cannot be sold separately at the reporting date, the property is accounted for as investment property only if an insignificant portion is held for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Distinction between real estate properties for sale and investment properties (real estate properties held for lease or for capital appreciation) or real properties held for future development
The Group determines whether a property is classified as for sale, for lease or for capital appreciation. Real estate properties, which the Company develops and intends to sell within the normal operating cycle, are classified as real estate properties for sale.

Real estate properties which are not occupied substantially for use by, or in the operations of the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation are classified as investment properties. On the other hand, real estate held for future development pertain to properties retained by the Group as part of its strategic land banking activities, and there is no concrete plan yet on the development of the properties.

Determination of impairment indicators on real estate properties held for future development, investment properties and property and equipment
The Group determines whether its nonfinancial assets such as real estate properties held for future development, investment properties and property and equipment are impaired when impairment indicators exist such as significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends. When an impairment indicator is noted, the Group makes an estimation of the value-in-use of the cash-generating units to which the assets belong. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose an appropriate discount rate in order to calculate the present value of those cash flows.

Lease modification – the Group as Lessor
Throughout the government-imposed community quarantine, the Group waived rentals and offered deferral of payments to certain tenants. Such rental waivers and deferrals are accounted as a lease modification under PFRS 16 since impact of COVID-19 pandemic is not contemplated by the parties upon inception of the lease contracts.

Estimates
The key assumptions concerning the future and other key sources of estimation uncertainty at the end of reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Measuring the progress of performance obligation over time and application of input method as the measure of progress in determining the real estate revenue
The measurement of progress for revenue recognition requires management to make use of estimates and assumptions. The Group's real estate sales is based on the POC method measured principally on the basis of total actual cost of resources consumed such as materials, labor hours expended and actual overhead incurred over the total estimated development cost of the project. Estimated development costs of the project include costs of land, land development, building costs, professional fees, depreciation of equipment directly used in the construction, payments for permits and licenses. The estimated development costs are prepared by the Group's project engineers and are independently reviewed by the Group's third-party independent project engineers. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts, form part of total project costs on a prospective basis and is allocated between costs of sales and real estate inventories.

The amounts of sales of real estate properties are disclosed in Note 6 while the amounts of costs of real estate sales are disclosed in Note 9.

Leases – Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

The information about the Group's lease liabilities are disclosed in Note 13.

Provision for expected credit losses of installment contract receivables and contract assets
The Group uses a provision matrix to calculate ECLs for installment contract receivables and contract assets. The provision rates are based on past collection history and other factors, which include, but are not limited to the length of the Group's relationship with the buyer, the buyer's payment behavior and known market factors that affect the collectability of the accounts.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information such as the inflation rate, gross domestic product, interest rate and unemployment rate. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the real estate sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions such as inflation rate, gross domestic product, interest rate and unemployment rate and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of buyer's actual default in the future. The information about the ECLs on the Group's installment contracts receivables, contract assets, notes receivable and other receivables is disclosed in Note 26.

No impairment of receivables was recognized in 2023, 2022 and 2021 (see Notes 6, 7 and 8).

There was no provision for ECL on receivables in 2023 and 2022. As of December 31, 2023 and 2022, the carrying amounts of installment contracts receivable, contract assets and other receivables are disclosed in Notes 6, 7 and 8.

Determination of net realizable value of real estate properties for sale
The Group's estimates of net realizable value of real estate properties for sale are based on the most reliable evidence available at the time the estimates are made, or the amount that the real estate properties for sale and held for future development are expected to be realized. These estimates consider the fluctuations of price or cost directly relating to events occurring after the end of the reporting period to the extent that such events confirm conditions existing at the end of the period. A new assessment is made of net realizable value in each subsequent period. When the circumstances that previously caused the real estate properties for sale to be written down below cost no longer exist or when there is a clear evidence of an increase in net realizable value because of changes in economic circumstances, the amount of the write-down is reversed so that the new carrying amount is the lower of the cost and the revised net realizable value. The carrying amounts of real estate properties for sale as of December 31, 2023 and 2022 are disclosed in Note 9.

Estimation of useful lives of investment properties and property and equipment
The Group estimates the useful lives of investment properties and property and equipment based on the internal technical evaluation and experience with similar assets. Estimated lives of investment properties and property and equipment are reviewed periodically and updated if expectations differ from previous estimates due to wear and tear, technical and commercial obsolescence and other limits on the use of the assets.

As of December 31, 2023 and 2022, net book value of depreciable investment properties are disclosed in Note 10. Net book value of depreciable property and equipment as of December 31, 2023 and 2022 are disclosed in Note 10.

Determination of the fair value of investment properties and real estate properties held for future development
The Group discloses the fair values of its investment properties and real estate properties held for future development in accordance with PAS 40, *Investment Property.* The Group engaged SEC-accredited and independent valuation specialists to assess fair value as of December 31, 2023 and 2022. The Group's investment properties consist of land and building pertaining to commercial properties while real estate properties held for future development pertain to land. These are valued by reference to sales of similar or substitute properties and other related market data had these properties been transacted in the market. The significant unobservable inputs used in determining the fair value are the sales price per square meter of similar or substitute property, location, size, shape of lot and the highest and best

use. Another method used in determining the fair value of land properties is based on the market data approach. The value of land is based on sales and listings of comparable property registered within the vicinity. This requires adjustments of comparable property by reducing reasonable comparative sales and listings to a common denominator by adjusting the difference between the subject property and those actual sales and listings regarded as comparables. The comparison is premised on the factors of location; size and shape of the lot; time element and others (see Note 26).

The fair value of these properties as of December 31, 2023 and 2022 are disclosed in Notes 10 and 26 while the carrying amounts of these properties as of December 31, 2023 and 2022 are disclosed in Note 10.

Estimation of retirement benefits cost
The cost of the defined benefit plan and the present value of the defined benefit obligation are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. These assumptions include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the various tenors, rates for intermediate durations were interpolated and the rates were then weighted by the expected benefits payments at those durations to arrive at the single weighted average discount rate.

The mortality rate is based on publicly available mortality table in the Philippines. Future salary increases are based on expected future inflation rates. Further details about assumptions used are given in Note 23.

The carrying amounts of net retirement benefits liabilities/plan assets as of December 31, 2023 and 2022 are disclosed in Note 23.

Estimation of pre-need reserves
Reserves are set up for all pre-need benefits guaranteed and payable by CPI as defined in the pre-need plan contracts. The determination of CPI's reserves is based on the actuarial formula, methods, and assumptions allowed by applicable SEC and IC circulars.

As of December 31, 2023, the principal assumptions used in determining the PNR was based on the IC Circular Letter No. 23-2012 dated November 28, 2012. The transitory discount interest rate that shall be used in the valuation of pre-need reserves shall not exceed the lower of the attainable rates as certified by the Trustee of 3.66% and 3.95% in 2023 and 2022, respectively, and the IC rate of 6.00%. The following are the assumptions used in the computation of pre-need reserves:

December 31, 2023:

a. Currently-Being-Paid Pension Plans – Actively Paying Plans

   Plans issued prior to 2006 and after – 3.66% discount rate (ROI rate) and no surrender/lapse rates were used.

b. Currently-Being-Paid Pension Plans – Lapsed Plans

   Plans issued prior to 2006 and after – reserves equal the termination values (as originally computed) at the date of lapse and no reinstatement rate was assumed.

c. Fully paid plans – Availing and Not Yet Availing

Plans with maturity dates in years 2022 and after – 3.66% discount rate (ROI rate) and no surrender rates were assumed for fully paid plans.

December 31, 2022:

a. Currently-Being-Paid Pension Plans – Actively Paying Plans

Plans issued prior to 2006 and after – 3.95% discount rate (ROI rate) and no surrender/lapse rates were used.

b. Currently-Being-Paid Pension Plans – Lapsed Plans

Plans issued prior to 2006 and after – reserves equal the termination values (as originally computed) at the date of lapse and no reinstatement rate was assumed.

c. Fully paid plans – Availing and Not Yet Availing

Plans with maturity dates in years 2022 and after – 3.95% discount rate (ROI rate) and no surrender rates were assumed for fully paid plans.

December 31, 2021:

a. Currently-Being-Paid Pension Plans – Actively Paying Plans

Plans issued prior to 2006 and after – 2.51% discount rate (ROI rate) and no surrender/lapse rates were used.

b. Currently-Being-Paid Pension Plans – Lapsed Plans

Plans issued prior to 2006 and after – reserves equal the termination values (as originally computed) at the date of lapse and no reinstatement rate was assumed.

c. Fully paid plans – Availing and Not Yet Availing

Plans with maturity dates in years 2021 and after – 2.98% discount rate (ROI rate) and no surrender rates were assumed for fully paid plans.

Management believes that the amount of pre-need reserves and other reserves recorded in the books closely reflect potential plan claims as of end of reporting period. The pre-need reserve and other reserves balance as of December 31, 2023 and 2022 are disclosed in Note 5

Recognition of deferred income tax assets
The Group reviews the carrying amounts of deferred income tax assets at the end of each reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of deferred income tax assets to be utilized.

The carrying amounts of deferred income tax assets as of December 31, 2023 and 2022 are disclosed in Note 24.

4. Cash and Cash Equivalents and Investments

Cash and cash equivalents consist of:

	2023	2022
Cash on hand and in banks	**₱146,261,289**	₱114,271,815
Cash equivalents	**827,468,116**	1,310,318,116
	₱973,729,405	₱1,424,589,931

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at the respective cash investment rates.

Short-term investments consist of:

	2023	2022
Short-term cash investments	**₱1,216,100,000**	₱656,100,000
Short-term bond investments	**317,200,000**	35,600,000
	₱1,533,300,000	₱691,700,000

Short-term investments pertain to cash and bond investments that have maturities of more than three months to one year from dates of acquisition and earn interest at the prevailing market interest rates.

Long-term investments pertain to cash and bond investments amounting to ₱205.34 million and ₱304.00 million as of December 31, 2023 and 2022, respectively, which have maturities of more than one year from the date of acquisition.

Interest income earned from cash in banks, cash equivalents, and short-term and long-term investments are disclosed in Note 20.

5. Investments in Trust Funds and Pre-need and Other Reserves

Investments in Trust Funds

Pursuant to the provisions of the SEC Memorandum Circular No. 6, *Guidelines on the Management of the Trust Fund of Pre-Need Corporation* (SEC Circular No. 4), the SEC requires, among others, that companies engaged in the sale of pre-need plans and similar contracts to planholders set up a trust fund to guarantee the delivery of property or performance of service in the future. Withdrawals from these trust funds are limited to, among others, payments of pension plan benefits, bank charges and investment expenses in the operation of the trust funds, termination value payable to plan holders, contributions to the trust funds of cancelled plans and final taxes on investment income of the trust funds.

In accordance with the SEC requirements, CPI has funds deposited with two local trustee banks with net assets aggregating to ₱36.95 million and ₱34.24 million as of December 31, 2023 and 2022, respectively, which are recorded under "Investments in trust funds" account in the consolidated statement of financial position.

The details of CPI's investments in trust funds as of December 31 are as follows:

	2023	2022
Assets		
Cash and cash equivalents:		
Cash in banks	**₱240,533**	₱345,592
Cash equivalents	**2,629,197**	5,261,980
Financial assets at amortized cost	**20,509,410**	20,626,003
Financial assets at FVOCI	**681,559**	658,226
Financial assets at FVPL	**4,572,274**	1,514,821
Loans and receivables – net	**1,977,981**	2,255,630
Investment properties	**6,839,400**	4,121,603
Other assets	**297,573**	290,245
	37,747,927	35,074,100
Liabilities		
Accrued trust fees	**27,126**	35,972
Accrued taxes	**141,915**	146,018
Unrealized gain on sale of investment property	**353,601**	382,098
Other liabilities	**274,658**	274,658
	797,300	838,746
Net equity	**36,950,627**	34,235,354
Less noncurrent portion	**(34,080,497)**	(25,039,321)
Current portion	**₱2,870,130**	₱9,196,033

Based on the appraisal reports by SEC-accredited and independent firms of appraisers using market data and sales comparison approach at various dates in 2021 and 2022, the fair values of the investment properties held in trust fund amounted to ₱6.84 million and ₱6.71 million, as of dates of appraisal in 2023 and 2022, respectively.

Details of the net equity as of December 31 are shown below:

	2023	2022
Net Equity		
Fund balances at beginning of year	**₱34,235,354**	₱39,457,254
Additional contributions	**–**	3,610,130
Withdrawals	**(1,891,127)**	(9,140,959)
Trust fund income	**4,583,069**	437,236
Other comprehensive loss for the year:		
Unrealized fair value changes on financial assets at FVOCI	**23,331**	(128,307)
Fund balances at end of year	**₱36,950,627**	₱34,235,354

Total contributions to the trust funds amounted to nil, ₱3.61 million and ₱4.81 million in 2023, 2022 and 2021, respectively. Total withdrawals from the trust funds amounted to ₱1.89 million, ₱9.14 million and ₱2.60 million in 2023, 2022 and 2021, respectively.

Mark-to-market gain (loss) of CPI's financial assets at FVOCI amounted to ₱0.02 million, (₱0.13) million and (₱0.10) million in 2023, 2022 and 2021, respectively.

Movements in unrealized fair value changes on financial assets at FVOCI in 2023, 2022 and 2021 are as follows:

	2023	2022	2021
Balances at January 1	**₱75,628**	₱203,935	₱300,024
Market to market gain (loss) for the year	**23,331**	(128,307)	(96,089)
Balances at December 31	**₱98,959**	₱75,628	₱203,935

Pre-need and Other Reserves

Details of reserves are as follows:

	2023	2022
PNR	**₱23,771,931**	₱23,833,017
Pension bonus reserve	**126,278**	137,117
Insurance premium reserve	**40,172**	45,244
	23,938,381	24,015,378
Less noncurrent portion	**(22,822,951)**	(23,192,535)
	₱1,115,430	₱822,843

Net contractual liabilities comprise the PNR and reserve for trust fund deficiency. In the opinion of management and the independent actuary, CPI's net contractual liabilities amounting to ₱23.77 million and ₱23.83 million as of December 31, 2023 and 2022, respectively, which is based on the actuarial reports, closely reflect actual potential plan claims as of those dates.

In accordance with IC Circular Letter No. 23-2012 issued on November 28, 2012, the Group computed for the transitory PNR which amounted to ₱23.77 million and ₱23.83 million as of December 31, 2023 and 2022, respectively. If the resulting pre-need reserve is greater than the actual trust fund balance at the end of the year, the transitory pre-need reserves shall be computed in accordance with the schedule provided in the IC Circular Letter.

As of December 31, CPI has recognized trust fund surplus (deficiency) as follows:

	2023	2022	2021
Pre-need reserves	**(₱23,771,931)**	(₱23,833,017)	(₱36,319,707)
Adjusted fund balance available for reserves per actuarial report	**28,933,494**	28,787,460	32,709,578
Trust fund surplus (deficiency)	**₱5,161,563**	₱4,954,443	(₱3,610,129)

The trust fund deficiency as of December 31, 2021 amounting to ₱3.61 million was funded by the Company in May 2022. It was funded within the deadline set forth by IC.

The trust fund deficiency for the year represents the difference of pre-need reserve and trust fund investment, net of investment in trust funds allocated to pension bonus and unrealized gains.

The following presents the breakdown of the pre-need reserves by maturity dates as of December 31:

	2023	2022
Within one year	**₱1,115,430**	₱822,843
More than one year	**22,656,501**	23,010,174
	₱23,771,931	₱23,833,017

IC Circular Letter No. 2018-58

On November 14, 2018, the IC issued Circular Letter 2018-58 providing Regulatory Relief for the Pre-need Industry due to High Volatility in the Philippine Market. The circular provides the following regulatory relief:

a. Valuation of Publicly Listed Equity Securities

   For listed equity securities acquired on or before December 31, 2017, pre-need companies shall have the option to use the prevailing market rate prescribed by PFRSs or the market rate as of December 31, 2017.

   For listed equity securities acquired after December 31, 2017, pre-need companies shall have the option to use the prevailing market rate prescribed by PFRSs or the acquisition cost.

   The above options apply provided the equity securities are not intended for sale in the short-term.

b. Valuation of Fixed Income Debt Securities

   Pre-need companies shall have the option to value all the fixed income debt securities at amortized cost.

c. Pre-need reserves

   Pre-need companies shall have the option to use the prevailing market rate or the discount rate for the reserves under Circular Letter 23-2012 in the valuation of pre-need reserves.

As of December 31, 2023 and 2022, CPI did not avail of the above regulatory relief on the valuation of asset and pre-need reserves. Hence, the assets and pre-need reserves are valued using market rates.

6. Revenue from Contracts with Customers

Disaggregated Revenue Information

The Group derives revenue from the real estate sales overtime in different product type and geographical location. The disaggregation of each source of revenue from contracts with customers are presented below:

Real estate sales

Type of Product	2023	2022	2021
High-rise condominium	**₱2,649,974,084**	₱2,886,115,039	₱1,515,415,320
Parking slots and others	**136,503,911**	133,614,167	79,918,474
Total	**₱2,786,477,995**	₱3,019,729,206	₱1,595,333,794

Geographical Location	2023	2022	2021
Metro Manila	**₱2,681,143,014**	₱2,949,319,790	₱1,577,013,204
Tagaytay	**105,334,981**	70,409,416	18,320,590
Total	**₱2,786,477,995**	₱3,019,729,206	₱1,595,333,794

All of the Group's real estate sales, except for CPI, are revenue from contracts with customers recognized over time and are reported under "Sales of real estate properties" segment. For CPI, real estate sales are revenue from contracts with customers recognized at a point in time.

Sales for real estate properties and rental income arose from contracts with external buyers. There were no intercompany sales/transactions made on the said years.

Contract Balances

	December 31, 2023	December 31, 2022
Installment contracts receivable		
Current	**₱23,004,339**	₱17,933,217
Noncurrent	**25,666,335**	15,479,329
Contract asset		
Current	**821,160,377**	751,183,602
Noncurrent	**2,108,892,779**	2,439,744,668
Contract liabilities		
Current	**(39,655,166)**	(285,267,436)
Noncurrent	**(44,424,135)**	(7,318,931)

Installment contracts receivable arises from sale of real estate properties and is collectible in monthly installments for periods ranging from (1) to (10) years which bear monthly interest rates of 0.92% to 1.33% in 2023 and 2022 and 0.67% to 2.00% in 2021 computed on the diminishing balance.

Interest income earned from installment contracts receivable and contract assets are disclosed in Note 20.

The Group entered into contract of guaranty under Retail Guaranty Line with Philippine Guarantee Corporation (PHILGUARANTEE). The amount of installment contracts receivable enrolled and renewed by these companies amounted to ₱1.45 billion and ₱1.40 billion in 2023 and 2022, respectively. These companies paid a guarantee premium of 1.00% based on the outstanding principal balance of the receivables enrolled in 2023, 2022 and 2021 (see Note 17).

Contract asset represents the right to consideration that was already delivered by the Group in excess of the amount recognized as installment contracts receivable. This is reclassified as installment contracts receivable when the monthly amortization of the buyer is already due for collection.

Contract liabilities amounting to ₱84.08 million and ₱292.59 million as of December 31, 2023 and 2022, respectively, refer to excess of collections over the good and services transferred by the Group based on POC. Revenue included in the contract liability is recognized based on the movement of the POC. Contract liabilities amounting to ₱285.26 million, ₱240.70 million and ₱304.66 million were recognized as revenue in 2023, 2022 and 2021, respectively. The balance of contract liabilities amounting to ₱39.66 million is expected to be recognized as revenue by year 2024.

Movement in contract liabilities in 2023, 2022 and 2021 were recognized as income based on the POC of the ongoing projects.

No provision for ECL was recorded for the Company's installment contract receivables and contract assets in 2023, 2022 and 2021 (see Note 26).

Performance Obligations

Information about the Group's performance obligations are summarized below:

Real estate sales

The Group entered into contracts to sell with one identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

The sale of real estate unit may cover either the lot and condominium unit and the Group concluded that there is one performance obligation in each of these contracts. The Group, except for CPI, recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction. CPI recognizes revenue from the sale of these real estate projects at a point in time when control of the asset is transferred to the buyer, generally when the condominium units are delivered to and accepted by the buyer.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the buyer. The financing scheme would include down payment of generally 5% to 10% of the contract price with the remaining balance payable through in-house financing which ranges from one (1) month to ten (10) years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the buyer does not necessarily coincide with the progress of construction, which results to either a contract asset or contract liability.

In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with 6 to 24 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10%. The Group records these collections as "Rental and customers' deposits" under "Accounts payable and accrued expenses" account in the statement of financial position.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31 are as follows:

	2023	2022
Within one year	**₱163,363,598**	₱729,155,193
More than one year	**432,492,782**	47,759,754
	₱595,856,380	₱776,914,947

The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Group's real estate projects. The Group's condominium units are generally completed within three years to five years from start of construction.

Costs to Obtain Contract

The balances below pertain to the cost to obtain contracts as of December 31 as presented in the consolidated statement of financial position:

	2023	2022
Balances at beginning of year	**₱18,287,804**	₱25,384,085
Additions	**54,924,547**	46,715,128
Amortization	**(64,731,122)**	(53,811,409)
Balances at end of year	**8,481,229**	18,287,804
Less noncurrent portion	**(5,868,713)**	(785,182)
Current portion	**₱2,612,516**	₱17,502,622

7. Notes Receivable

Notes receivable pertain to short-term and long-term investments placed by the Group with different financial institutions, which earn interest at the prevailing market interest rates ranging from 1.55% to 5.30% and 1.55% to 5.30% as of December 31, 2023 and 2022, respectively. Details of the notes receivable are as follows:

	2023	2022
Notes receivable	**₱1,252,000,000**	₱1,388,150,000
Less noncurrent portion	–	(100,000,000)
Current portion	**₱1,252,000,000**	₱1,288,150,000

There were no properties offered as collaterals for the notes receivable.

Details of notes receivable as of December 31, 2023 and 2022 are as follows:

Date of Placement	Amount	Maturity Date
December 2023	**₱141,000,000**	March 2024
November 2023	**125,000,000**	November 2024
November 2023	**287,000,000**	February 2024
November 2023	**45,000,000**	January 2024
October 2023	**82,000,000**	October 2024
October 2023	**317,000,000**	January 2024
September 2023	**80,000,000**	March 2024
August 2023	**25,000,000**	August 2024
May 2023	**50,000,000**	May 2024
July 2021	**100,000,000**	July 2024
Balance as of December 31, 2023	**₱1,252,000,000**	

Date of Placement	Amount	Maturity Date
December 2022	₱245,000,000	March 2023
December 2022	260,000,000	January 2023
November 2022	165,000,000	February 2023
October 2022	146,000,000	January 2023
September 2022	215,000,000	January 2023
July 2021	100,000,000	July 2024
May 2018	257,150,000	November 2023
Balance as of December 31, 2022	₱1,388,150,000	

Interest income earned from notes receivable is disclosed in Note 20. No provision for ECL was recorded for the Group's notes receivable in 2023, 2022 and 2021.

8. Other Receivables

Other receivables consist of:

	2023	2022
Advances to customers	**₱15,617,557**	₱26,520,855
Rent receivable	**11,988,300**	23,993,663
Accrued interest	**37,334,550**	20,494,736
Advances to condominium corporations	**8,169,017**	4,300,991
Retention	**1,702,090**	3,042,088
Others	**1,237,506**	2,655,242
	76,049,020	81,007,575
Less noncurrent portion	**(1,009,567)**	(868,040)
Current portion	**₱75,039,453**	₱80,139,535

Advances to customers are receivables of the Group for the real estate property taxes of sold condominium units initially paid by the Group. Rent receivable arose from the investment properties rented-out under non-cancellable long-term operating lease contracts (see Note 10). Accrued interest pertains to interest income earned as of December 31 but not yet received by the Group. Advances to condominium corporations pertain to disbursements which are collectible from condominium corporations. Retention pertains to the amount held on cash sale of real estate properties. Other receivables include employees' advances and receivables from buyers for expenses initially paid by Group. No provision for ECL was recorded for the Group's other receivables in 2023, 2022 and 2021 (see Note 26).

9. Real Estate Properties for Sale

Real estate properties for sale consist of costs incurred in the development of condominium units and residential lots and housing units for sale. Real estate properties for sale includes deemed cost adjustment amounting to ₱3.22 million and ₱3.48 million as of December 31, 2023 and 2022, respectively (see Note 15). The deemed cost adjustment arose when the Group transitioned to PFRSs in 2005.

The movements in real estate properties for sale are as follows:

	2023	2022
Balances at beginning of year	**₱5,799,289,178**	₱4,813,087,644
Construction/development costs incurred	**1,754,552,860**	1,510,023,576
Disposals (costs of real estate sales)	**(1,472,312,281)**	(1,388,212,285)
Transfer from investment properties (Note 10)	–	240,620,710
Borrowing costs capitalized (Note 21)	**15,450,944**	16,006,641
Transfer from real estate properties held for future development (Note 10)	–	564,849,294
Other adjustments – net	**(15,638,641)**	42,913,598
Balances at end of year	**₱6,081,342,060**	₱5,799,289,178

Real estate properties for sale account include capitalized borrowing costs incurred during each year in connection with the development of the properties. The average capitalization rates used to determine the amount of borrowing costs eligible for capitalization were 1.09% in 2023 and 2022 and 1.19% in 2021.

Other adjustments include realized deemed cost adjustment and the revaluation of repossessed real estate properties at fair value less cost to sell at the date of repossession.

10. Real Estate Properties Held for Future Development and Investment Properties

Real Estate Properties Held for Future Development
Real estate properties held for future development pertain to properties retained by the Group as part of its strategic land banking activities, and there is no concrete plan yet on the development of the properties.

Movements in real estate properties held for future development are as follows:

	2023	2022
Balances at beginning of year	**₱1,126,655,558**	₱1,552,432,517
Additions	**5,416,198**	10,393,846
Transfer from (to) investment properties (Note 10)	**(148,225,574)**	148,225,574
Transfer to real estate properties for sale (Note 9)	**–**	(564,849,294)
Cost adjustment	**–**	(45,895,169)
	983,846,182	1,100,307,474
Recovery on inventory-write down	**–**	26,348,084
Balances at end of year	**₱983,846,182**	₱1,126,655,558

In 2019, the Parent Company recognized provision for inventory write-down in its real estate properties held for future development relating to certain land improvements of ₱26.35 million, which was sold in October 2022. Accordingly, the corresponding provision was reversed in 2022.

Cost adjustment in 2022 amounting to ₱45.90 million pertains to adjustment in the development costs incurred in the previous years allocated to the Parent Company's properties under the "Real estate properties for future development" account.

Investment Properties
Investment properties consist of the following:

	2023	2022
Real estate properties for lease	**₱3,278,790,475**	₱2,866,851,412
Real estate properties held for capital appreciation	**933,563,356**	966,477,114
	₱4,212,353,831	₱3,833,328,526

Movements in investment properties are as follows:

	2023			
	Land	**Building**	**Building Improvements**	**Total**
Cost				
Balances at beginning of year	**₱2,922,435,197**	**₱1,156,249,323**	**₱214,003,418**	**₱4,292,687,938**
Additions	**293,039,255**	**–**	**–**	**293,039,255**
Cost adjustment (Note 14)	**(5,014,240)**	**–**	**–**	**(5,014,240)**
Transfer from real estate properties held for future development (Note 10)	**148,225,574**	**–**	**–**	**148,225,574**
Transfer to real estate properties for sale (Note 9)	**–**	**(12,425,179)**	**–**	**(12,425,179)**
Balances at end of year	**3,358,685,786**	**1,143,824,144**	**214,003,418**	**4,716,513,348**

(Forward)

	2023			
	Land	**Building**	**Building Improvements**	**Total**
Depreciation				
Balances at beginning of year	**₱–**	**₱359,120,877**	**₱100,238,535**	**₱459,359,412**
Depreciation for the year (Notes 17 and 19)	**–**	**45,779,456**	**11,445,828**	**57,225,284**
Transfer to real estate properties for sale (Note 9)	**–**	**(12,425,179)**	**–**	**(12,425,179)**
Balances at end of year	**–**	**392,475,154**	**111,684,363**	**504,159,517**
Net Book Value	**₱3,358,685,786**	**₱751,348,990**	**₱102,319,055**	**₱4,212,353,831**

	2022			
	Land	Building	Building Improvements	Total
Cost				
Balances at beginning of year	₱2,488,372,640	₱1,158,809,430	₱213,806,989	₱3,860,989,059
Additions	822,908,841	1,280,107	196,429	824,385,377
Transfer to real estate properties held for future development (Note 10)	(148,225,574)	–	–	(148,225,574)
Transfer to real estate properties for sale (Note 9)	(240,620,710)	(3,840,214)	–	(244,460,924)
Balances at end of year	2,922,435,197	1,156,249,323	214,003,418	4,292,687,938
Accumulated Depreciation				
Balances at beginning of year	–	316,444,803	88,662,715	405,107,518
Depreciation for the year (Notes 17 and 19)	–	46,516,288	11,575,820	58,092,108
Transfer to real estate properties for sale (Note 9)	–	(3,840,214)	–	(3,840,214)
Balances at end of year	–	359,120,877	100,238,535	459,359,412
Net Book Value	₱2,922,435,197	₱797,128,446	₱113,764,883	₱3,833,328,526

Investment properties as of December 31, 2023 and 2022 include the following buildings for lease registered with Philippine Economic Zone Authority (PEZA) which are leased out to third parties:

	PEZA Registration No.	Date Registered
CityNet1	EZ14-04	March 3, 2014
Citynet Central	EZ15-06	February 17, 2015

The net book values of land and building include net deemed cost adjustment amounting to ₱1,390.88 million as of December 31, 2023 and 2022 (see Note 15). The deemed cost adjustment arose when the Group transitioned to PFRSs in 2005.

Based on the appraisal reports by SEC-accredited and independent firms of appraisers using market data and sales comparison approach at various dates in 2023 and 2022, appraised value of these investment properties amounted to ₱14,702.26 million and ₱12,592.30 million and real estate properties held for future development amounted to ₱3,914.10 million and ₱3,553.99 million as of the dates of appraisal in 2023 and 2022, respectively (see Note 26).

Rental agreements
The Group entered into lease agreements for its building for lease with the following identified performance obligations: (a) lease of space, (b) provisioning of water and electricity, (c) provision of air conditioning and CUSA services and (d) administration fee. Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations is recognized when services are rendered. The tenant is required to issue post-dated checks on the monthly rental payments. In case of delay in payments, a penalty of about 4% per annum is charged for the amount due for the duration of delay. The lease arrangement for the Group's term lease transactions would typically require a tenant to pay advance rental equivalent to three (3) months and a security deposit equivalent to three (3) months rental to cover any breakages after the rental period, with the excess returned to the tenant.

The following are the non-cancellable operating lease contracts entered by the Parent Company as of December 31, 2023:

Commencement Date	Lessees (Third Parties)	Term
2023	Bank	5 years
2023	Domestic Corporation	3 years
2023	Boutique	3 years
2022	Convenience Store	5 years
2022	Signage Space	3 years
2022	Aesthetic Center	3 years
2022	Office	3 years
2021	Parking Lot	5 years
2018	Shopping Center	12 years

CDC and CLDI also entered the following non-cancellable operating lease contracts with various third parties as of December 31, 2023:

Commencement Date	Lessees (Third Parties)	Term
2023	Shopping Center	5 years
2023	Domestic Corporation	3 years
2023	Convenience Store	5 years
2023	Domestic Corporation	3 years
2023	Domestic Corporation	5 years
2023	Convenience Store	5 years
2023	Domestic Corporation	3 years
2023	Domestic Corporation	2 years
2022	Oil Company	8 years
2022	Convenience Store	5 years
2022	Domestic Corporation	3 years
2022	Domestic Corporation	5 years
2022	Domestic Corporation	5 years
2021	Fast Food	5 years
2021	Domestic Corporation	3 years
2021	Domestic Corporation	5 years
2020	Domestic Corporation	5 years
2020	Domestic Corporation	5 years
2020	Domestic Corporation	5 years
2020	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2019	Domestic Corporation	5 years
2017	Fast Food	10 years

The lease contracts include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions.

For CDC, three (3) and one (1) lease contracts were terminated in 2023 and 2022, respectively.

The future minimum lease payments for these lease agreements as of December 31 are as follows:

	2023	2022
Not later than one year	**₱147,195,469**	₱192,534,894
After one year but not more than five years	**193,120,538**	296,101,350
Later than five years	**3,961,514**	27,535,683
	₱344,277,521	₱516,171,927

Other lease agreements with third parties are generally for a one-year term renewable every year.

Rent income from investment properties amounted to ₱246.96 million, ₱208.84 million and ₱198.53 million in 2023, 2022 and 2021, respectively. Lease incentives granted are recognized as an integral part of the rental income, and are also spread over the term of the lease. Direct operating expenses on investment properties pertaining to depreciation, real estate taxes and other expenses amounted to ₱140.88 million, ₱104.71 million and ₱113.05 million in 2023, 2022 and 2021, respectively (see Note 29).

11. Property and Equipment

Property and equipment consist of:

	2023						
	Land	**Building**	**Office Premises**	**Furniture, Fixtures and Office Equipment**	**Transportation and Other Equipment**	**Right-of-use Assets**	**Total**
At Cost							
Balances at beginning of year	**₱44,124,342**	**₱9,169,134**	**₱–**	**₱21,869,033**	**₱3,395,510**	**₱13,950,664**	**₱92,508,683**
Cash additions	–	–	–	**8,910,713**	**1,078,573**	–	**9,989,286**
Noncash additions	–	–	–	–	–	**15,710,672**	**15,710,672**
Disposal/retirement	–	–	–	**(5,407,500)**	–	**(12,005,251)**	**(17,412,751)**
Balances at end of year	**44,124,342**	**9,169,134**	–	**25,372,246**	**4,474,083**	**17,656,085**	**100,795,890**
Accumulated Depreciation							
Balances at beginning of year	–	**1,412,731**	–	**18,549,909**	**3,391,249**	**11,348,599**	**34,702,488**
Depreciation (Notes 17 and 19)	–	**385,378**	–	**2,388,319**	**35,952**	**4,534,475**	**7,344,124**
Disposal/retirement	–	–	–	**(5,407,500)**	–	**(12,005,251)**	**(17,412,751)**
Balances at end of year	–	**1,798,109**	–	**15,530,728**	**3,427,201**	**3,877,823**	**24,633,861**
Net Book Value	**44,124,342**	**7,371,025**	–	**9,841,518**	**1,046,882**	**13,778,262**	**76,162,029**
At Deemed Cost							
Balances at beginning and end of year	–	–	**253,365,628**	–	–	–	**253,365,628**
Accumulated Depreciation							
Balances at beginning and end of year	–	–	**253,365,628**	–	–	–	**253,365,628**
Net Deemed Cost	–	–	–	–	–	–	–
Total	**₱44,124,342**	**₱7,371,025**	**₱–**	**₱9,841,518**	**₱1,046,882**	**₱13,778,262**	**₱76,162,029**

	2022						
	Land	Building	Office Premises	Furniture, Fixtures and Office Equipment	Transportation and Other Equipment	Right-of-use Assets	Total
At Cost							
Balances at beginning of year	₱44,124,342	₱9,169,134	₱–	₱25,842,247	₱3,395,510	₱14,031,094	₱96,562,327
Noncash additions	–	–	–	–	–	1,945,412	1,945,412
Disposal/retirement	–	–	–	(3,973,214)	–	(2,025,842)	(5,999,056)
Balances at end of year	44,124,342	9,169,134	–	21,869,033	3,395,510	13,950,664	92,508,683
Accumulated Depreciation							
Balances at beginning of year	–	1,066,756	–	20,568,924	3,391,249	9,160,739	34,187,668
Depreciation (Notes 17 and 19)	–	345,975	–	1,954,199	–	4,213,702	6,513,876
Disposal/retirement	–	–	–	(3,973,214)	–	(2,025,842)	(5,999,056)
Balances at end of year	–	1,412,731	–	18,549,909	3,391,249	11,348,599	34,702,488
Net Book Value	44,124,342	7,756,403	–	3,319,124	4,261	2,602,065	57,806,195
At Deemed Cost							
Balances at beginning and end of year	–	–	253,365,628	–	–	–	253,365,628
Accumulated Depreciation							
Balances at beginning of year	–	–	253,365,496	–	–	–	253,365,496
Depreciation (Notes 17 and 19)	–	–	132	–	–	–	132
Balances at end of year	–	–	253,365,628	–	–	–	253,365,628
Total	₱44,124,342	₱7,756,403	₱–	₱3,319,124	₱4,261	₱2,602,065	₱57,806,195

Other lease contracts entered by the Group pertain to short-term leases of office space and transportation equipment with rent expense amounting to ₱1.30 million, ₱0.20 million and ₱0.90 million incurred for the years ended December 31, 2023, 2022 and 2021, respectively (see Note 17). The Group does not have any lease contracts pertaining to low-value assets. Further, the Group does not have any sublease and leaseback transactions. Thus, there were no income arising from sublease, sale and leaseback transaction.

The cost of fully depreciated property and equipment still used in operations amounted to ₱5.88 million and ₱11.29 million as of December 31, 2023 and 2022, respectively.

12. Other Assets

Other current assets amounting to ₱114.97 million and ₱152.18 million as of December 31, 2023 and 2022, respectively, consist of input VAT, advances to contractors and prepaid real estate taxes.

Other noncurrent assets consist of:

	2023	2022
Refundable deposits	**₱25,007,572**	₱26,228,743
Advances to contractors	**5,022,072**	8,003,288
Financial assets at FVOCI	**187,872,580**	1,059,202
Unused input VAT	**203,571**	366,429
Others	**1,588,377**	1,588,377
	₱219,694,172	₱37,246,039

Refundable deposits represent payments made by the Group to various utility companies for the installation of electric and water meters for unsold condominium units.

Advances to contractors are advances made by the Group for the contractors' supply requirements.

Financial assets at FVOCI consist of investments in listed equity securities. The fair values of these financial assets were determined based on published prices in an active market. The movement of fair value changes follows:

	2023	2022
Balance at beginning of year	**₱354,784**	₱499,622
Realized gain	**(170,115)**	–
Unrealized gain (loss) for the year	**3,770,998**	(144,838)
Balance at end of year	**₱3,955,667**	₱354,784

Other noncurrent assets pertain to insurance premium fund and other prepayments made by the Group.

13. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of:

	2023	2022
Trade payables	**₱208,153,743**	₱204,253,747
Rental and customers' deposits	**138,935,787**	121,549,146
Accrued expenses:		
Development costs	**556,012,430**	830,220,089
Sick leave (Note 23)	**62,703,390**	46,784,025
Directors' fee (Note 25)	**31,571,135**	40,933,292
Interest	**1,779,219**	1,807,996
Taxes, premiums and others	**1,749,100**	825,869
Deferred rent income	**51,861,994**	51,358,963
Withholding taxes payable	**13,679,665**	19,734,387
Dividends payable	**16,745,878**	16,591,266
VAT payable	**8,836,796**	53,100
Lease liabilities	**14,179,192**	2,926,552
Others	**5,973,119**	10,002,372
	1,112,181,448	1,347,040,804
Less noncurrent portion	**(358,162,604)**	(300,445,888)
Current portion	**₱754,018,844**	₱1,046,594,916

Trade payables consist of payables to suppliers, contractors and other counterparties. Rental and customers' deposits pertain to security deposits made by the lessees on the Group's properties for lease which are typically equivalent to three (3) months rental. This account also includes buyers' reservation fees, collections pertaining to sales transactions with below 10% percentage of collection and collected deposits for water and electric meters of the sold units. Accrued development costs represent the corresponding accrued expenses for the completed and sold condominium units of the Group. Deferred rent income pertains to rent received from long-term operating lease. Other payables consist substantially of commission payable, unclaimed checks of pension holders and payables due to government agencies.

Lease liabilities pertain to the present value of the lease payments that are not yet paid during the remaining lease period. Interest expense related to the lease liabilities amounted to ₱0.68 million, ₱0.21 million and ₱0.37 million in 2023, 2022 and 2021, respectively (see Note 21). There were no expenses relating to variable lease payments that were not included in the measurement of lease liability.

Group as a lessee
The Group has lease contracts for various items of plant assets used in its operations. Leases of plant assets generally have lease terms between 2 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

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

	2023	2022	2021
Depreciation expense of right-of-use assets included in property and equipment (Note 11)	**₱4,534,474**	₱4,213,702	₱4,259,701
Interest expense on lease liabilities (Note 21)	**680,313**	207,967	368,475
Expenses relating to short-term leases (Notes 11 and 17)	**1,299,656**	197,447	901,475
Total amount recognized in consolidated statement of income	**₱6,514,443**	₱4,619,116	₱5,529,651
Cash outflows from leases	**₱6,437,999**	₱5,252,605	₱5,446,919

The rollforward analysis of lease liabilities as of December 31 are as follows:

	2023	2022
Balances at beginning of year	**₱2,926,552**	₱5,828,331
Additions	**15,710,670**	1,945,412
Interest expense (Note 21)	**680,313**	207,967
Payments	**(5,138,343)**	(5,055,158)
Balances at end of year	**₱14,179,192**	₱2,926,552

Shown below is the maturity analysis of the undiscounted lease payments:

	2023	2022
1 year	**₱5,116,251**	₱2,107,863
More than 1 year to 2 years	**4,281,643**	947,619
more than 2 years to 3 years	**2,650,911**	–
more than 3 years to 4 years	**3,728,733**	–
5 years and above	–	–

Other payables consist of deferred credit and payable to employees.

The movements in dividends payable and accrued interest are as follows:

	January 1, 2023	**Noncash movements**	**Cash flow movement**	**December 31, 2023**
Dividends payable (Note 15)	**₱16,591,266**	**₱263,231,918**	**(₱263,077,306)**	**₱16,745,878**
Accrued interest (Note 14)	**1,807,996**	**1,775,372**	**(1,804,149)**	**1,779,219**
	₱18,399,262	**₱265,007,290**	**(₱264,881,455)**	**₱18,525,097**

	January 1, 2022	Noncash movements	Cash flow movement	December 31, 2022
Dividends payable (Note 15)	₱14,246,513	₱174,068,383	(₱171,723,630)	₱16,591,266
Accrued interest (Note 14)	1,812,549	3,755,064	(3,759,617)	1,807,996
	₱16,059,062	₱177,823,447	(₱175,483,247)	₱18,399,262

14. Notes and Contracts Payable

The details of notes and contracts payable are as follows:

	2023	2022
Notes payable	**₱1,546,500,000**	₱1,547,600,000
Contracts payable	**46,556,450**	7,549,400
	₱1,593,056,450	₱1,555,149,400

The notes payable pertains to commercial papers with varying maturities ranging from 30 to 365 days and annual interest rates ranging from 0.56% to 1.13% as of December 31, 2023 and 2022.

On various dates in 2023 and 2022, the SEC authorized the Parent Company and CDC to issue the total aggregated amount of ₱1,500.00 million and ₱2,000.00 million, respectively worth of commercial papers registered with the SEC, in accordance with the provisions of the Securities Regulation Code and its implementing rules and regulations and other applicable laws and orders.

Outstanding commercial papers issued by the Parent Company and CDC as of December 31, 2023 and 2022 aggregated to ₱1,546.50 million and ₱1,547.60 million, respectively.

The movements in notes payable are as follows:

	2023	2022
Beginning balances	**₱1,547,600,000**	₱1,671,600,000
Availments	**7,084,215,894**	8,714,767,343
Payments	**(7,085,315,894)**	(8,838,767,343)
Ending balances	**₱1,546,500,000**	₱1,547,600,000

Interest expense related to notes payable amounted to ₱15.45 million, ₱18.05 million and ₱19.33 million in 2023, 2022 and 2021, respectively (see Note 21). Capitalized borrowing costs amounted to ₱15.45 million, ₱16.01 million and ₱16.67 million in 2023, 2022 and 2021, respectively (see Notes 9, 10 and 21).

The Parent Company, CDC, CLDI and CPI (the Group) have credit lines with financial institutions aggregating to about ₱2,300.00 million as of December 31, 2023 and 2022 of which ₱1,800.00 million is available for drawing by any of the companies in the Group.

CDC has specific credit lines amounting to ₱500.00 million in 2023 and 2022 which is not available for drawing by the other companies. No loans were availed by the Group from the credit line in 2023 and 2022.

The carrying values of CDC's investment properties and real estate properties for sale that will be used as collaterals that will be used for the Group's credit lines as of December 31, 2023 and 2022 are as follows:

Investment properties	₱146,666,172
Real estate properties for sale	51,220,833
Total	₱197,887,005

Contracts payable amounting to ₱46.56 million and ₱7.55 million as of December 31, 2023 and 2022, respectively, represents liability arising from contracts entered into by the Group to purchase parcels of land (see Note 10).

The movements in contracts payable are as follows:

	2023	2022
Beginning balances	**₱7,549,400**	₱1,127,660
Noncash additions	**293,724,882**	886,750,000
Payments	**(249,703,592)**	(880,328,260)
Cost adjustment (Note 10)	**(5,014,240)**	–
Ending balances	**₱46,556,450**	₱7,549,400

Cost adjustment pertains to adjustment in the purchase price of one of the properties acquired by CDC. Noncash additions pertain to contract payable arising from acquisition of investment properties (see Note 10).

15. Equity

a. The Parent Company has 28 and 27 equity holders owning 157,272,873 and 149,224,534 shares as of December 31, 2023 and 2022, respectively.

The following table summarizes the reconciliation of the issued and outstanding shares of capital stock for each of the following:

	2023		2022		2021	
	Shares	**Amount**	Shares	Amount	Shares	Amount
Authorized shares - ₱10 par value						
Beginning and end of year	**185,000,000**	**₱1,850,000,000**	185,000,000	₱1,850,000,000	185,000,000	₱1,850,000,000
Issued, beginning of year	**149,811,657**	**₱1,498,116,570**	149,811,657	₱1,498,116,570	129,785,877	₱1,297,858,770
Stock dividends declared	**7,461,216**	**74,612,160**	–	–	20,025,780	200,257,800
Issued, end of year	**157,272,873**	**₱1,572,728,730**	149,811,657	₱1,498,116,570	149,811,657	₱1,498,116,570
Outstanding	**156,685,750**	**₱1,566,857,500**	149,224,534	₱1,492,245,340	149,224,534	₱1,492,245,340
Treasury stock	**(587,123)**	**₱–**	(587,123)	₱–	(587,123)	₱–

b. Dividends declared and issued/paid by the Parent Company in 2023, 2022 and 2021 are as follows:

Dividends	BOD Approval Date	Stockholders' Approval Date	Per Share	Stockholders of Record Date	Date Issued/Paid
Cash	June 14, 2023	–	₱1.118	July 14, 2023	August 09, 2023
	June 10, 2022	–	₱0.754	June 28, 2022	July 15, 2022
	June 11, 2021	–	₱0.521	July 9, 2021	August 4, 2021
Stock	June 20, 2023	June 21, 2023	5%	July 20, 2023	August 15, 2023
	April 30, 2021	June 15, 2021	5%	July 15, 2021	August 10, 2021

Fractional shares of stock dividends were paid in cash by the Company to its stockholders based on the par value. No stock dividends were declared in 2022.

As of December 31, 2023 and 2022, the unappropriated retained earnings attributable to equity holders of the Parent Company and the non-controlling interest include the remaining balance of net deemed cost adjustment which arose when the Group transitioned to PFRSs in 2005.

The components of deemed cost adjustment, net of deferred income tax liabilities included in equity, as of December 31 are as follows:

	2023	2022
Real estate properties for sale (Note 9)	**₱3,224,128**	₱3,484,608
Investment properties (Note 10)	**1,390,875,526**	1,390,875,526
Deemed cost adjustment	**1,394,099,654**	1,394,360,134
Deferred income tax liability (Note 24)	**(348,524,916)**	(348,590,035)
Net deemed cost adjustment	**₱1,045,574,738**	₱1,045,770,099

The net deemed cost adjustment is allocated in the consolidated statement of changes in equity as follows:

	2023	2022
Attributable to:		
Equity holders of the Parent Company	**₱986,580,120**	₱986,679,719
Non-controlling interest	**58,994,618**	59,090,380
	₱1,045,574,738	₱1,045,770,099

The balance of retained earnings is restricted for the payment of dividends to the extent of the following:

	2023	2022
Undistributed earnings of subsidiaries	**₱5,201,605,160**	₱4,846,401,439
Net deemed cost adjustment in properties	**1,045,574,738**	1,045,770,099
Fair value measurement of repossessed inventories, net of tax	**107,073,209**	69,575,859
Deferred income tax assets (Note 24)	**31,365,516**	28,140,501
	₱6,385,618,623	₱5,989,887,898

16. **Material Partly Owned Subsidiary**

Below are summarized financial information of the subsidiaries that have non-controlling interests that are material to the Group. The amounts disclosed are based on financial information included in the consolidated financial statements before intercompany eliminations.

Proportion of equity interest held by non-controlling interests as of December 31, 2023 and 2022 are as follows:

Direct:	
CDC	49.02%
Indirect through CDC (including direct ownership of the Parent Company in CLDI of 29.54% and CPI of 9.18%):	
CLDI	45.11%
CPI	44.53%

As of December 31, the summarized statements of financial position of subsidiaries are as follows:

	2023		
	CDC	**CLDI**	**CPI**
Total assets	**₱10,631,334,847**	**₱3,042,314,903**	**₱384,247,229**
Total liabilities	**(2,000,699,506)**	**(273,613,353)**	**(40,796,281)**
Equity	**(8,630,635,341)**	**(2,768,701,550)**	**(343,450,948)**
Attributable to non-controlling interest	**(4,234,292,791)**	**(1,333,511,444)**	**(153,888,118)**

	2022		
	CDC	CLDI	CPI
Total assets	₱10,317,414,546	₱2,969,632,422	₱349,443,088
Total liabilities	(2,384,029,134)	(216,525,807)	(33,349,861)
Equity	(7,933,385,412)	(2,753,106,615)	(316,093,227)
Attributable to non-controlling interest	(3,891,227,025)	(1,292,308,578)	(141,553,8360)

Summarized statements of income for the years ended December 31 are as follows:

	2023		
	CDC	**CLDI**	**CPI**
Revenue and income	**₱2,542,823,553**	**₱512,672,389**	**₱70,612,634**
Costs and expenses	**(1,468,784,057)**	**(314,021,143)**	**(36,236,373)**
Provision for income tax	**(232,586,929)**	**(41,230,162)**	**(6,681,446)**
Net income	**841,452,567**	**157,421,084**	**27,694,815**
Attributable to non-controlling interest	**412,480,048**	**71,012,651**	**12,332,501**
Cash dividends paid to non-controlling interest	**68,938,520**	**27,749,261**	**–**

	2022		
	CDC	CLDI	CPI
Revenue and income	₱2,238,283,623	₱1,170,362,612	₱19,593,155
Costs and expenses	(1,148,403,449)	(630,722,980)	(11,915,182)
Provision for income tax	(249,459,570)	(127,386,207)	(368,969)
Net income	840,420,604	412,253,425	7,309,004
Attributable to non-controlling interest	411,974,180	185,967,520	2,819,600
Cash dividends paid to non-controlling interest	38,342,279	22,816,212	394,595

	2021		
	CDC	CLDI	CPI
Revenue and income	₱1,329,401,747	₱660,076,455	₱16,731,787
Costs and expenses	(711,797,041)	(437,326,468)	(13,325,839)
Benefit from (provision for) income tax	(115,564,088)	(48,316,078)	1,026,750
Net income	502,040,618	174,433,909	4,432,698
Attributable to non-controlling interest	246,100,311	78,687,136	1,973,880
Cash dividends paid to non-controlling interest	47,822,503	3,884,704	–

Summarized statements of comprehensive income for the years ended December 31 are as follows:

	2023		
	CDC	**CLDI**	**CPI**
Net income	**₱841,452,567**	**₱157,421,084**	**₱27,694,815**
Other comprehensive loss	**(970,546)**	**(4,567,776)**	**(337,094)**
Total comprehensive income	**840,482,021**	**152,853,308**	**27,357,721**
Attributable to non-controlling interest	**412,004,287**	**68,952,127**	**12,182,393**

	2022		
	CDC	CLDI	CPI
Net income	₱840,414,907	₱412,253,425	₱7,309,004
Other comprehensive income	789,798	1,223,780	(33,300)
Total comprehensive income	841,204,705	413,477,205	7,275,704
Attributable to non-controlling interest	412,358,546	186,519,567	3,239,871

	2021		
	CDC	CLDI	CPI
Net income	₱502,040,618	₱174,433,909	₱4,432,698
Other comprehensive income	5,886,459	1,920,747	1,203,687
Total comprehensive income	507,927,077	176,354,656	5,636,385
Attributable to non-controlling interest	248,985,854	79,553,585	1,877,505

Summarized statements of cash flows for the years ended December 31 are as follows:

	2023		
	CDC	**CLDI**	**CPI**
Cash flows from operating activities	**₱265,555,317**	**₱170,662,684**	**₱38,179,602**
Cash flows from (used in) investing activities	**(652,464,880)**	**41,065,183**	**(59,485,451)**
Cash flows used in financing activities	**(87,129,333)**	**(137,040,798)**	**–**

	2022		
	CDC	CLDI	CPI
Cash flows from operating activities	₱456,783,494	₱213,561,409	₱319,280
Cash flows used in investing activities	(81,163,578)	(276,361,364)	35,518,119
Cash flows from (used in) financing activities	70,604,597	(45,162,080)	–

	2021		
	CDC	CLDI	CPI
Cash flows from operating activities	₱312,712,046	₱142,894,130	₱13,049,286
Cash flows used in investing activities	(1,419,931,186)	(90,624,566)	(30,138,656)
Cash flows used in financing activities	(235,341,627)	(19,567,213)	–

17. **Operating Expenses**

Operating expenses consist of:

	2023	2022	2021
Personnel (Note 18)	**₱324,448,603**	₱298,699,034	₱251,512,201
Taxes and licenses	**126,912,394**	92,637,116	93,748,907
Depreciation (Note 19)	**64,569,408**	64,606,116	66,801,893
Professional fees	**59,840,408**	63,885,135	41,982,292
Light, power and water	**53,083,086**	48,521,356	31,809,882
Outside services	**33,521,591**	32,015,283	27,200,013
Brokers' commission	**30,412,576**	24,967,547	8,646,910
Membership dues	**23,303,809**	19,284,591	11,778,701
Repairs and maintenance	**29,132,132**	16,149,781	13,784,059
Insurance (Note 6)	**13,351,259**	15,320,520	15,599,345
Donations	**1,921,500**	15,202,000	1,200,000
Postage, telephone and telegraph	**2,873,221**	3,414,956	3,609,606
Rent expense (Notes 11 and 13)	**2,431,905**	2,145,124	1,622,018
Transportation and travel	**2,763,000**	2,047,789	1,227,488
Stationery and office supplies	**2,030,567**	1,825,589	1,206,758
Advertising and promotions	**2,145,647**	1,614,425	2,340,847
Others	**23,333,670**	15,921,570	10,323,153
	₱796,074,776	₱718,257,932	₱584,394,073

Rent expense pertains to the lease payments on the short-term lease transactions entered into by the Group. Others include representation expense, pre-need expense and plan benefits.

18. **Personnel Expenses**

Personnel expenses consist of:

	2023	2022	2021
Salaries and wages	**₱140,147,224**	₱129,937,796	₱123,605,634
Bonuses and other employee benefits	**116,565,598**	93,405,851	89,743,894
Commission	**61,662,798**	68,332,255	29,715,329
Retirement benefits cost (Note 24)	**6,072,983**	7,023,132	8,447,344
	₱324,448,603	₱298,699,034	₱251,512,201

19. **Depreciation**

Depreciation consists of:

	2023	2022	2021
Investment properties (Note 10)	**₱57,225,284**	₱58,092,108	₱59,611,146
Property and equipment (Note 11)	**7,344,124**	6,514,008	7,190,747
	₱64,569,408	₱64,606,116	₱66,801,893

20. Financial Income

Financial income consists of:

	2023	2022	2021
Interest income from:			
Installment contracts receivable and contract assets (Note 6)	**₱368,547,042**	₱361,595,141	₱404,449,381
Cash equivalents and investments (Note 4)	**149,149,446**	77,644,612	58,700,392
Notes receivable (Note 7)	**101,795,302**	44,677,817	37,702,732
Cash in banks (Note 4)	**2,118,897**	149,661	149,725
Dividend income	**25,753**	34,735	26,674
	₱621,636,440	₱484,101,966	₱501,028,904

21. Financial Expenses

Financial expenses consist of:

	2023	2022	2021
Interest expense on notes payable (Note 15)	**₱15,450,944**	₱18,054,771	₱19,327,891
Less capitalized borrowing costs (Notes 9, 11 and 15)	**(15,450,944)**	(16,006,641)	(16,671,139)
	–	2,048,130	2,656,752
Interest expense on security deposits	**1,775,372**	1,706,934	1,550,276
Finance charges and others	**1,721,641**	1,571,198	691,374
Interest expense on lease liabilities (Note 14)	**680,313**	207,967	368,475
	₱4,177,326	₱5,534,229	₱5,266,877

22. Other Income - Net

Other income - net amounting to ₱145.74 million, ₱148.60 million and ₱184.30 million in 2023, 2022 and 2021, respectively, pertains to the gain or loss arising from forfeiture or cancellation of prior years' real estate sales arising from the difference between the outstanding balance of receivables and the original cost of the inventories. In addition, other income - net includes penalties for customers' late payments and sale of scraps, income from mark-up on sharing of expenses and forfeiture of reservations and down payments received on sales which were not consummated.

23. Employee Benefits

Under the existing regulatory framework, Republic Act No. 7641, *The Philippine Retirement Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided, however, that the employees retirement benefit under the collective bargaining and other agreements shall not be less than provided under the law. The law does not require minimum funding of the plan.

Retirement benefits cost
The Group, jointly with affiliated companies, has a funded, noncontributory defined benefit retirement plan, covering all of its permanent employees. This provides for payment of benefits to covered employees upon retirement subject to certain condition which is based on a certain percentage of employee's final monthly salary and the number of years of service.

The fund is administered by a third-party trustee bank under the supervision of the Retirement Committee of the plan. The committee is responsible for investment strategy of the plan.

The details of net retirement benefits cost which is included in "Personnel expenses" account (see Note 18) are as follows:

	2023	2022	2021
Current service cost	**₱7,327,796**	₱7,802,272	₱8,544,572
Net interest income on benefit obligation	**(1,254,813)**	(779,140)	(97,228)
Net retirement benefits cost	**₱6,072,983**	₱7,023,132	₱8,447,344

The details of re-measurement loss (gain) recognized in the consolidated statement of comprehensive income comprises the following:

	2023	2022	2021
Actuarial loss (gain) on defined benefit obligation:			
Due to change in financial assumption	**₱16,361,276**	(₱8,011,795)	(₱10,277,818)
Due to experience adjustments	**4,999,491**	1,252,177	(2,543,343)
Actuarial loss (gain) on plan assets excluding amounts included in net interest cost	**1,584,487**	2,439,713	(3,908,074)
Re-measurement gain	**22,945,254**	(4,319,905)	(16,729,235)
Tax effect (Note 24)	**(5,736,315)**	1,079,976	7,082,604
	₱17,208,939	(₱3,239,929)	(₱9,646,631)

The details of the net retirement plan assets are as follows:

	2023	2022
Present value of defined benefit obligation	**₱125,489,392**	₱102,690,349
Fair value of plan assets	**(123,016,753)**	(120,338,903)
Net retirement plan liabilities (assets)	**₱2,472,639**	(₱17,648,554)

The details of the net retirement benefits assets (liabilities) are as follows:

	2023	2022
Net retirement plan assets:		
Parent Company	**₱–**	₱16,443,792
CDC	**5,877,044**	–
CLDI	–	1,232,592
	5,877,044	17,676,384
Net retirement benefit liabilities:		
Parent Company	**(4,780,401)**	(24,061)
CLDI	**(3,551,831)**	–
CPI	**(17,451)**	(3,769)
	8,349,683	(27,830)
Net retirement plan assets (liabilities)	**(₱2,472,639)**	₱17,648,554

Movements in net retirement plan assets (benefits liabilities) are as follow:

	2023	2022
Beginning balances	**₱17,648,554**	₱15,646,622
Retirement benefits cost	**(6,072,983)**	(7,023,132)
Re-measurement gain (loss)	**(22,945,254)**	4,319,905
Contributions	**8,897,044**	4,705,159
Ending balances	**(₱2,472,639)**	₱17,648,554

Changes in present value of defined benefit obligation are as follows:

	2023	2022
Defined benefit obligation, January 1	**₱102,690,349**	₱112,737,758
Current service cost	**7,327,796**	7,802,272
Interest cost on benefit obligation	**7,301,283**	5,609,049
Benefits paid	**(13,190,803)**	(16,699,112)
Actuarial loss (gain)	**21,360,767**	(6,759,618)
Defined benefit obligation, December 31	**₱125,489,392**	₱102,690,349

Changes in fair value of plan assets are as follows:

	2023	2022
Fair value of plan assets, January 1	**₱120,338,903**	₱128,384,380
Interest income on benefit obligation	**8,556,096**	6,388,189
Actuarial loss excluding amount recognized in net interest cost	**(1,584,487)**	(2,439,713)
Contributions to the plan	**8,897,044**	4,705,159
Benefits paid	**(13,190,803)**	(16,699,112)
Fair value of plan assets, December 31	**₱123,016,753**	₱120,338,903

The major categories of plan assets of the Group with its affiliated companies as a percentage of the fair value of net plan assets are as follows:

	2023	2022
Investment properties	**52.82%**	51.79%
Cash and cash equivalents	**43.68%**	44.74%
Investments in equity securities	**3.41%**	3.37%
Receivables	**0.15%**	0.17%
Payables	**(0.06%)**	(0.07%)
	100.00%	100.00%

Cash and cash equivalents consist of savings deposits and short-term time deposits with maturities of less than three months. Investment properties pertain to condominium units which are held for lease and are stated at fair value (see Note 26). Investments in equity securities consist of investment in shares of stock of listed companies. Investments in equity securities have quoted market prices in an active market. Receivables include loans to individuals and accrued interest income.

The actual return amounted to ₱6.97 million and ₱3.95 million in 2023 and 2022, respectively.

The Group does not currently employ any asset-liability matching strategy.

The latest actuarial valuation report is as of December 31, 2023. The principal assumptions used in determining retirement benefits cost for the Group's plan as of January 1 are as follows:

	2023	2022
Discount rate per annum	**7.11% - 7.12%**	4.80% - 4.98%
Future annual increase in salary	**4.00%**	3.00%
Mortality rate	**1994 GAM***	1994 GAM*
	1952 Disability	1952 Disability
Disability rate	**Study**	Study

**Group Annuity Mortality Table*

As of December 31, 2023, the discount rate is 6.08% to 7.12% and future increase in salary is 4.00%-5.00%.

The defined benefit obligation is subject to several key assumptions. The sensitivity analysis has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of December 31, 2023 and 2022, assuming all other assumptions were held constant.

The Group expects to contribute ₱8.91 million to the retirement fund in 2024.

	Increase (decrease) in basis points (bps)	Increase (decrease) in defined benefit obligation	
		2023	2022
Discount rate	+0.50%	**(₱1,070,121)**	(₱4,011,508)
	-0.50%	**1,211,649**	4,382,964
Salary increase rate	+1.00%	**2,539,497**	9,034,929
	-1.00%	**(2,021,415)**	(5,243,331)

There are no changes in the method of computing for sensitivity analysis for the years ended December 31, 2023 and 2022.

Shown below is the maturity analysis of the undiscounted expected benefit payments as of December 31, 2023:

Plan year	Number of retirees	Total benefits
One year and less	4	₱18,705,490
More than one year to five years	13	51,287,349
More than five years to 10 years	23	61,598,329
More than 10 years to 15 years	13	61,969,974
More than 15 years to 20 years	17	69,627,347
More than 20 years	175	986,784,817
	245	₱1,249,973,306

The average duration of the defined benefit obligation of each company as of December 31 are as follows:

	2023	2022
Parent Company	**23 years**	21 years
CLDI	**22 years**	22 years
CPI	**28 years**	28 years
CDC	**22 years**	21 years

Accrued sick leave
Employees are entitled to paid sick leave of 15 days per year of service after issuance of regular appointment, computed at 1.25 days per month of service, enjoyable only after one year of regular service. Unused sick leaves are cumulative and convertible to cash based on the employee's salary at the time that the employee is leaving the Group. Accrued sick leave, presented under "Accounts payable and accrued expenses - noncurrent portion" account, amounted to ₱62.70 million and ₱46.78 million as of December 31, 2023 and 2022, respectively (see Note 13).

24. **Income Taxes**

a. Provision for income tax consists of:

	2023	2022	2021
Current	**₱266,620,869**	₱317,323,069	₱115,477,219
Deferred	**27,690,643**	101,408,213	1,501,897
	294,311,512	418,731,282	116,979,116
Final tax on interest income	**50,597,428**	24,489,822	19,307,292
	₱344,908,940	₱443,221,104	₱136,286,408

b. The components of the net deferred income tax liabilities are as follows:

	2023	2022
Deferred income tax assets on:		
Accrued expenses	**₱22,287,597**	₱21,874,864
Unearned rent revenue	**7,428,486**	4,725,301
Unamortized past service cost	**1,549,200**	1,459,214
Lease liabilities (Notes 11 and 13)	**100,233**	81,122
	31,365,516	28,140,501
Deferred income tax liabilities on:		
Deemed cost adjustment in properties (Note 15)	**(₱334,624,903)**	(₱334,690,022)
Difference between tax basis and book basis of accounting for real estate transactions	**(256,959,861)**	(225,257,184)
Capitalized borrowing costs	**(23,987,924)**	(23,606,380)
Net retirement plan assets	**(11,756,501)**	(11,171,551)
Cost to obtain contract (Note 6)	**(2,120,307)**	(4,571,951)
Rent receivable, net of unearned rent revenue	**(435,317)**	(442,014)
	(629,884,813)	(599,739,102)
	(598,519,297)	(571,598,601)
Deferred income tax liability recognized in retained earnings upon realization - deemed cost adjustment (Note 15)	**(13,900,013)**	(13,900,013)
Deferred income tax asset recognized in other comprehensive income - actuarial gain on defined benefit plan	**14,423,797**	8,687,482
Net deferred income tax liabilities	**(₱597,995,513)**	(₱576,811,132)

The breakdown of net deferred income tax liabilities as of December 31 per entity follows:

	2023	2022
Deferred income tax liabilities - net:		
Parent Company	**(₱360,812,953)**	(₱361,173,314)
CDC	**(224,550,428)**	(193,856,246)
CLDI	**(8,622,624)**	(19,637,281)
CPI	**(4,009,508)**	(2,144,291)
	(₱597,995,513)	(₱576,811,132)

Provision for deferred income tax recognized in other comprehensive income amounted to ₱5.74 million, ₱1.08 million and ₱7.08 million in 2023, 2022 and 2021, respectively (see Note 23). Benefit from deferred income tax recognized in retained earnings amounted to nil in 2023 and 2022 and ₱2.78 million in 2021.

c. The reconciliation of income tax computed at statutory tax rate to the provision for income tax follows:

	2023	2022	2021
Income tax at statutory tax rate	**₱382,062,972**	₱437,317,430	₱261,835,784
Adjustments to income tax resulting from:			
Tax-exempt interest income	**(28,830,829)**	(31,336,946)	(34,645,125)
Interest income subjected to final tax	**(63,262,074)**	(30,612,277)	(24,138,212)
Final tax on interest income	**50,597,428**	24,489,822	19,307,292
Nondeductible interest expense	**4,306,579**	4,022,554	5,069,698
Trust fund income subjected to final tax	**(1,145,767)**	(109,309)	(208,116)
Non-taxable dividend income	**(6,438)**	(5,319)	(6,669)
Effect of CREATE Law	**–**	–	(88,735,631)
Others - net (Note 26)	**1,187,069**	39,455,149	(2,192,615)
Provision for income tax	**₱344,908,940**	₱443,221,104	₱136,286,406

d. On March 26, 2021, the President of the Philippines signed into law Republic Act No. 11534, Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, which took effect on April 11, 2021. The CREATE Act introduces reforms to the corporate income tax and incentive systems by implementing changes to the current tax regulations. Some of these changes, which became effective beginning July 1, 2020, are as on the next page:

- Reduction in the RCIT rate from 30% to 20% for entities with net taxable income not exceeding ₱5.0 million and with total assets not exceeding ₱100.0 million (excluding the value of land on which the business entity's office, plant and equipment are situated);
- Reduction in the RCIT rate from 30% to 25% for all other corporations;
- Reduction in the MCIT rate from 2% to 1% of gross income for 3 years or until June 30, 2023; and
- Repeal of the imposition of 10% improperly accumulated earnings tax (IAET).

25. **Related Party Transactions**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by or under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

The Group discloses the nature of the related party relationship and information about the transactions and outstanding balances necessary for an understanding of the potential effect of the relationship on the consolidated financial statements, including, as a minimum, the amount of outstanding balances and its terms and conditions including whether they are secured, and the nature of the consideration to be provided in settlement.

All individual material related party transactions shall be approved by at least two-thirds vote of the BOD, with at least a majority of the independent directors voting to approve the material related party transactions. In the event that the majority of the independent directors' vote is not secured, the material related party transactions may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock. Material related party transactions refer to any related party transaction, either individually or in the aggregate over a twelve-month period with the same related party, with an amount equivalent to at least 10% of the Group's consolidated total assets.

The Group, in the normal course of business, has transactions and account balances with related parties consisting mainly of the following:

	Amount of Transactions			Outstanding balance Payable (Note 13)		
	2023	2022	2021	**2023**	2022	Terms and Conditions
Retirement plans						
Contributions to the plans (Note 25d)	**₱8,897,044**	₱4,705,159	₱4,705,159	**₱–**	₱–	Settled in cash

	Amount of Transactions			Outstanding balance Payable (Note 13)		
	2023	2022	2021	**2023**	2022	Terms and Conditions
Key management personnel						
Salaries and other compensation (Note 25g)	**₱44,321,478**	₱31,023,430	₱27,087,995	**₱–**	₱–	Settled in cash
Board of Directors						
Directors' fees	**46,054,192**	22,352,174	18,382,606	**(31,571,135)**	(40,933,292)	Settled in cash

The transactions of the Parent Company with CDC, CLDI, CPI, CAI and CLHI are eliminated in the consolidated statement of financial position and consolidated statement of income.

a. In 2019, the Parent Company entered into a Memorandum of Agreement with CDC whereby CDC shall assign its parcel of land to the Parent Company in exchange of certain number of condominium units and parking lots on One Premier, a project that is currently being constructed by the Parent Company. The said land is recorded under "Real Estate Properties Held for Future Development" account. In 2021, additional units were allocated to CDC.

In 2022, the project was completed and the Parent Company and CDC executed a Deed of Exchange relating to the exchange of properties. Other income recognized by the Parent Company and CDC from the said exchange amounted to ₱4.26 million and ₱155.56 million, respectively. The said income was eliminated in the consolidated statement of income. The income tax effect of the exchange of properties amounted to ₱39.95 million is included as adjustment in the reconciliation of income tax under Others - net (see Note 24).

b. The Parent Company has dividend receivable pertaining to cash dividend declared by CLHI.

c. The Parent Company has an existing agreement with CLDI, CDC and CPI whereby personnel costs and common recurring expenses such as water, electricity, rental, and other expenses for which the companies have benefited from such service shall be shared among the companies and billed with a pre-agreed mark-up rate. These are recorded as part of "Operating expenses" in the consolidated statement of income. The income recognized as a result of the mark-up charged is recorded as "Other income - net" in the statement of income. These are unsecured, unguaranteed, noninterest bearing, and due within 30-60 days.

d. The Group, jointly with affiliated companies under common control, has a trust fund for the retirement plan of their employees. The trust fund is being maintained by a third-party trustee bank under the supervision of the Retirement Committee of the plan. The committee is responsible for the investment strategy of the plan. The fair value of the Group's plan assets amounted to ₱118.82 million and ₱120.34 million as of December 31, 2023 and 2022, respectively. The Group's share in the carrying value of plan assets is equivalent to its share in the fair value.

   The major categories of plan assets are cash and cash equivalents, investments in equity securities, loans and receivables and investment properties (see Note 23). Investments in equity securities of plan assets include investment in shares of CDC. The third-party trustee bank exercises the voting rights over the shares. The fair value of the investment in CDC amounted to ₱4.44 million and ₱4.27 million as of December 31, 2023 and 2022, respectively, with original cost of ₱3.40 million. Unrealized gain on changes of fair value of these investments amounted to nil as of December 31, 2023 and 2022. Loans and receivables of plan assets include installment contracts receivable purchased in prior years on a non-recourse basis from CDC amounting to ₱0.20 million as of December 31, 2023 and December 31, 2022. The retirement plan assets as of December 31, 2023 and 2022 include investment properties held for lease amounting to ₱68.91 and ₱65.60 million, respectively which was purchased from CDC in 2013. The sale was conducted in the normal course of business and was measured at current selling price and settled in cash.

   Contributions to the fund amounted to ₱4.70 million and ₱4.71 million in 2023 and 2022, respectively (see Note 23).

e. Shares of stock of the Company held by members of the BOD aggregated to about 61,273,021 and 58,355,322 shares equivalent to ₱612.73 million and ₱583.55 million as of December 31, 2023 and 2022, respectively. In December 2021, one of the members of the BOD retired resulting to the decline in the shares held by the BOD as of December 2021.

f. The Parent Company, CDC and CLDI, through CLHI, issued a cash bond aggregating to ₱257.15 million in favor of HLURB in relation to the construction and development of its ongoing projects which was recorded as part of "Notes receivable" in 2023 and 2022 consolidated statement of financial position. The said amount was placed by CLHI with financial institutions with a maturity of three (3) to five (5) years. In various dates in 2022, the Parent Company and CLDI issued a cash bond amounting to ₱40.00 million and ₱62.99 million, respectively, while in

June 2021, cash bond amounting to ₱70.00 million have already matured. Interest income earned amounted to ₱19.56 million, ₱14.60 million and ₱15.87 million in 2023, 2022 and 2021, respectively, and was eliminated during consolidation.

g. Compensation of key management personnel are as follows:

	2023	2022	2021
Short-term benefits:			
Salaries	**₱14,939,616**	₱13,319,162	₱12,202,963
Bonuses	**3,886,237**	3,446,659	3,170,061
Other benefits	**21,928,410**	11,333,589	9,175,233
Long-term benefits	**3,567,215**	2,924,020	2,539,738
	₱44,321,478	₱31,023,430	₱27,087,995

Other benefits consist of incentives and performance bonuses.

The Group has no standard arrangements with regard to the remuneration of its directors. In 2023, 2022 and 2021, the BOD received a total of ₱46.05 million, ₱22.35 million and ₱18.38 million, respectively. Moreover, the Group has no standard arrangement with regard to the remuneration of its existing officers aside from the compensation received or any other arrangements in the employment contracts and compensatory plan. The Group does not have any arrangements for stock warrants or options offered to its employees.

h. The following are the balances and transactions among related parties which are eliminated during consolidation:

Amounts owed by	Amounts owed to	Nature	**2023**	2022	2021
CDC	Parent Company	Sharing of expenses	**₱11,975,233**	₱1,057,854	₱7,827,645
CPI	Parent Company	Sharing of expenses	**732,463**	33,192	82,092
CLDI	Parent Company	Sharing of expenses	**3,408,926**	72,429	4,885,931
CLHI	Parent Company	Dividend income	**980,000**	289,000	95,000
CLHI	CI , CLDI and CDC	Investment placement	**199,637,329**	361,149,438	257,150,000
CMHI	Parent Company	Advances	**930**	–	–
CLI	Parent Company	Advances	**930**	–	–

Revenue and income by	Capitalizable cost and expensed by	Nature	**2023**	2022	2021
Parent Company	CPI	Retention	**₱1,702,090**	₱150,000	₱150,000
CLDI	CPI	Sale of real estate properties	**3,979,808**	–	–
Parent Company	CDC	Shares of Stock	**73,010,722**	54,948,128	49,974,277
Parent Company	CLDI	Shares of Stock	**40,543,082**	13,407,494	5,827,008
Parent Company	CDC	Exchange of property	–	4,225,623	–
CDC	Parent Company	Exchange of Property	–	155,559,698	–

Dividend declared to	Dividend declared by	**2023**	2022	2021
Parent Company	CDC	**₱73,010,722**	₱54,948,128	₱49,974,277
Parent Company	CLDI	**40,543,082**	13,407,494	5,827,008
Parent Company	CLHI	**980,000**	289,000	95,000
CLHI	CLDI	**706,882**	233,747	102,642

26. **Financial Instruments and Fair Value Measurements**

Financial Risk Management Objectives and Policies
The Group's principal financial instruments comprise cash and cash equivalents, short-term and long-term investments and notes and contracts payable. The main purpose of these financial instruments is to finance the Group's operations. The Group's other financial instruments consist of financial assets at fair value through profit or loss and financial assets at FVOCI, which are held for investing purposes and investments in trust funds to cover pre-need reserves obligation. The Group has various other financial instruments such as installment contracts receivable, contract assets, notes receivable, other receivables and accounts payable and accrued expenses, which arise directly from its operations.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are market risks (i.e., cash flow interest rate and equity price risks), credit risk, and liquidity risk.

The BOD reviews and approves policies for managing these risks and they are summarized as follows:

Market risk
Cash flow interest rate risk
Cash flow 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 Group's exposure to the risk for changes in market interest rates relates primarily to the Group's short-term notes payable, all with repriced interest rates.

The Group's policy in addressing volatility in interest rates includes maximizing the use of operating cash flows to be able to fulfill principal and interest obligations even in periods of rising interest rates.

The following table demonstrates the sensitivity of the Group's income before income tax to a reasonably possible change in interest rates based on forecasted and average movements of interest rates (with all other variables held constant):

	Change in bps	**Effect on income before income tax**
December 31, 2023	**-/+ 21 bps**	**-/+₱3,317,243**
December 31, 2022	-/+ 11 bps	-/+₱16,367,418

There is no impact on the Group's equity other than those already affecting income before income tax.

Equity price risk
Equity price risk is the risk that the fair values of investments in equity securities will decrease as a result of changes in the market value of individual shares of stock. The Group is exposed to equity price risk because of investments held by the Group classified as financial assets at FVOCI included under "Other noncurrent assets" account in the consolidated statement of financial position. The Group employs the service of a third-party stockbroker to manage its investments in shares of stock.

The following table demonstrates the sensitivity analysis of the Group's equity to a reasonably possible change in equity price based on forecasted and average movements of equity prices (with all other variables held constant):

	Change in equity price	Effect on equity
2023	**+/- 0.03**	**+/- ₱7,721,563**
2022	+/- 0.07	+/- ₱205,059

Credit risk

Credit risk arises when the Group will incur a loss because its buyers, clients or counterparties failed to discharge their obligations. The Group trades only with recognized, creditworthy third parties. It is the Group's policy that all buyers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the objective that the Group's exposure to bad debts is not significant. The risk is further mitigated because the Group holds the title to the real estate properties with outstanding installment contracts receivable balance and the Group can repossess such real estate properties upon default of the buyer in paying the outstanding balance. The Group's policy is to enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risk. There are no significant concentrations of credit risk within the Group.

The tables below show the Group's exposure to credit risk for the components of the consolidated statement of financial position. The exposure as of December 31, 2023 and 2022 is shown at gross, before taking the effect of mitigation through the use of collateral agreements and other credit enhancements, and at net, after taking the effect of mitigation through the use of collateral agreements and other credit enhancements.

December 31, 2023:

	Gross maximum exposure	Fair value of collaterals/credit enhancements	Net exposure	Financial effect of collaterals/credit enhancement
Financial assets				
Investments in trust funds	**₱36,950,627**	**₱–**	**₱36,950,627**	**₱–**
Cash and cash equivalents, excluding cash on hand*	**973,503,905**	–	**973,503,905**	–
Short-term investments	**1,533,300,000**	–	**1,533,300,000**	–
Long-term investments	**205,337,329**	–	**205,337,329**	–
Installment contracts receivable	**48,670,674**	**694,748,751**	–	**48,670,674**
Refundable deposits	**25,007,572**	–	**25,007,572**	–
Notes receivable	**1,252,000,000**	–	**1,252,000,000**	–
Other receivables:				
Advances to customers	**15,617,557**	–	**15,617,557**	–
Rent receivable	**11,988,300**	–	**11,988,300**	–
Accrued interest	**37,334,550**	–	**37,334,550**	–
Advances to condominium corporations	**8,169,017**	–	**8,169,017**	–
Retention	**1,702,090**	–	**1,702,090**	–
Others	**1,237,506**	–	**1,237,506**	–
Contract assets	**2,930,053,156**	**6,486,380,751**	–	**2,930,053,156**
Total credit risk exposure	**₱7,080,872,283**	**₱7,181,129,502**	**₱4,102,148,453**	**₱2,978,723,830**

**Excluding cash on hand amounting to ₱225,500.*

December 31, 2022:

	Gross maximum exposure	Fair value of collaterals/credit enhancements	Net exposure	Financial effect of collaterals/credit enhancement
Financial assets				
Investments in trust funds	₱34,235,354	₱–	₱34,235,354	₱–
Cash and cash equivalents, excluding cash on hand*	1,424,378,663	–	1,424,378,663	–
Short-term investments	691,700,000	–	691,700,000	–
Long-term investments	303,999,438	–	303,999,438	–
Installment contracts receivable	33,412,546	392,982,177	–	33,412,546
Refundable deposits	26,228,743	–	26,228,743	–
Notes receivable	1,388,150,000	–	1,388,150,000	–
Other receivables:				
Advances to customers	26,520,855	–	26,520,855	–
Rent receivable	23,993,663	–	23,993,663	–
Accrued interest	20,494,736	–	20,494,736	–
Advances to condominium corporations	4,300,991	–	4,300,991	–
Retention	3,042,088	–	3,042,088	–
Others	2,655,242	–	2,655,242	–
Contract assets	3,190,928,270	6,925,684,770	–	3,190,928,270
Total credit risk exposure	₱7,174,040,589	₱7,318,666,947	₱3,949,699,773	₱3,224,340,816

** Excluding cash on hand amounting to ₱211,268.*

The Group has performed an ECL calculation for its financial assets at amortized cost. The ECL is a product of the probability of default, loss given default and exposure at default.

In determining the probability of default, the Group used historical default rates for the last five years for the installment sales from its buyers and last two years for other receivables. The Group applied the possible effects of macroeconomic factors to the historical loss rate. For loss given default, the Group determined that the fair value less cost of repossession of collaterals upon default is higher than the exposure at default. Thus, no expected credit loss was recognized for the Group's installment contract receivables, contract assets and other receivables from its buyer.

The Group considers its cash and cash equivalent and short-term and long-term investments as high grade since these are placed in financial institution of high credit standing. Accordingly, ECL relating to cash and cash equivalents and short-term and long-term investment rounds to nil.

The Group considers installment contract receivables, notes receivable, guaranty deposits, refundable deposits and other receivables from third parties and related parties as medium grade. Third parties are primarily managed through screening based on credit history and financial information submitted. Whereas, related parties have low risk of default and have a strong capacity to meet their contractual cash flows in the near term.

The following tables summarize the aging analysis of receivables and contract assets on which expected credit loss rate was applied:

December 31, 2023:

			Days past due				
	Contract asset	**Current and Not Yet Due**	**Less than 30 days**	**30-60 days**	**61-90 days**	**Over 90 days**	**Total**
Installment contracts receivable	**₱–**	**₱29,273,708**	**₱13,313,988**	**₱604,169**	**₱511,199**	**₱4,967,610**	**₱48,670,674**
Contract assets	**2,930,053,156**	–	–	–	–	–	**2,930,053,156**
Notes receivable	–	**1,252,000,000**	–	–	–	–	**1,252,000,000**
Refundable deposits	–	**25,007,572**	–	–	–	–	**25,007,572**
Other receivables:							
Advances to customers	–	**13,557,756**	–	**107,005**	**231,549**	**1,721,247**	**15,617,557**
Rent receivable	–	**11,988,300**	–	–	–	–	**11,988,300**
Accrued interest	–	**37,334,550**	–	–	–	–	**37,334,550**
Advances to condominium corporations	–	**8,169,017**	–	–	–	–	**8,169,017**
Retention	–	**1,702,090**	–	–	–	–	**1,702,090**
Others	–	**1,237,506**	–	–	–	–	**1,237,506**
	₱2,930,053,156	**₱1,380,270,499**	**₱13,313,988**	**₱711,174**	**₱742,748**	**₱6,688,857**	**₱4,331,780,422**

December 31, 2022:

	Contract asset	Current	Days past due Less than 30 days	30-60 days	61-90 days	Over 90 days	Total
Installment contracts receivable	₱–	₱16,810,767	₱15,200,914	₱513,723	₱184,168	₱702,974	₱33,412,546
Contract assets	3,190,928,270	–	–	–	–	–	3,190,928,270
Notes receivable	–	1,388,150,000	–	–	–	–	1,388,150,000
Refundable deposits	–	26,228,743	–	–	–	–	26,228,743
Other receivables:							
Advances to customers	–	24,269,427	–	137,011	197,661	1,916,756	26,520,855
Rent receivable	–	23,993,663	–	–	–	–	23,993,663
Accrued interest	–	20,494,736	–	–	–	–	20,494,736
Advances to condominium corporations	–	4,300,991	–	–	–	–	4,300,991
Retention	–	3,042,088	–	–	–	–	3,042,088
Others	–	2,655,242	–	–	–	–	2,655,242
	₱3,190,928,270	₱1,509,945,657	₱15,200,914	₱650,734	₱381,829	₱2,619,730	₱4,719,727,134

The tables below show the credit quality by class of asset for loan-related consolidated statement of financial position lines based on the Group's credit rating system:

December 31, 2023:

	High Grade*	Medium Grade**	Total
Financial assets			
Investments in trust funds	**₱36,950,627**	**₱–**	**₱36,950,627**
Cash and cash equivalents, excluding cash on hand***	**973,503,905**	**–**	**973,503,905**
Short-term investments	**1,533,300,000**	**–**	**1,533,300,000**
Long-term investments	**205,337,329**	**–**	**205,337,329**
Refundable deposits	**–**	**25,007,572**	**25,007,572**
Installment contracts receivable	**–**	**48,670,674**	**48,670,674**
Notes receivable	**–**	**1,252,000,000**	**1,252,000,000**
Other receivables:			
Advances to customers	**–**	**15,617,557**	**15,617,557**
Rent receivable	**–**	**11,988,300**	**11,988,300**
Accrued interest	**–**	**37,334,550**	**37,334,550**
Advances to condominium corporations	**–**	**8,169,017**	**8,169,017**
Retention	**–**	**1,702,090**	**1,702,090**
Others	**–**	**1,237,506**	**1,237,506**
Contract assets	**–**	**2,930,053,156**	**2,930,053,156**
Total	**₱2,749,091,861**	**₱4,331,780,422**	**₱7,080,872,283**

**High Grade – financial assets with reputable counterparties and which management believes to be reasonably assured to be recoverable.*
***Medium Grade – financial assets for which there is low risk of default of counterparties.*
****Excluding cash on hand amounting to ₱225,500.*

December 31, 2022:

	High Grade*	Medium Grade**	Total
Financial assets			
Investments in trust funds	₱34,235,354	₱–	₱34,235,354
Cash and cash equivalents, excluding cash on hand***	1,424,378,663	–	1,424,378,663
Short-term investments	691,700,000	–	691,700,000
Long-term investments	303,999,438	–	303,999,438
Refundable deposits	–	26,228,743	26,228,743
Installment contracts receivable	–	33,412,546	33,412,546
Notes receivable	–	1,388,150,000	1,388,150,000
Other receivables:			
Advances to customers	–	26,520,855	26,520,855
Rent receivable	–	23,993,663	23,993,663
Accrued interest	–	20,494,736	20,494,736
Advances to condominium corporations	–	4,300,991	4,300,991
Retention	–	3,042,088	3,042,088
Others	–	2,655,242	2,655,242
Contract assets	–	3,190,928,270	3,190,928,270
Total	₱2,454,313,455	₱4,719,727,134	₱7,174,040,589

**High Grade – financial assets with reputable counterparties and which management believes to be reasonably assured to be recoverable.*
***Medium Grade – financial assets for which there is low risk of default of counterparties.*
****Excluding cash on hand amounting to ₱211,268.*

Liquidity risk
Liquidity risk is defined as the risk that the Group would not be able to settle or meet its obligations on time or at a reasonable price.

The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of commercial papers.

The tables below summarize the maturity analysis of the Group’s financial assets held for managing liquidity and financial liabilities based on contractual undiscounted payments.

December 31, 2023:

	30 days	31 – 90 days	91 – 180 days	181 – 365 days	Above 1 year	Total
Financial Liabilities						
Accounts payable and accrued expenses*	₱625,883,001	₱1,176,672	₱32,579,557	₱1,931,565	₱219,588,900	₱881,159,695
Lease liabilities**	428,195	856,391	1,293,737	2,537,928	10,661,287	15,777,538
Notes payable and contracts payable**	688,630,530	717,643,589	157,095,103	46,556,450	–	1,609,925,672
Pre-need reserves	59,300	363,243	285,099	407,788	22,822,951	23,938,381
	1,315,001,026	720,039,895	191,253,496	51,433,731	253,073,138	2,530,801,286
Financial Assets						
Cash and cash equivalents	624,229,405	349,500,000	–	–	–	973,729,405
Short-term investments***	570,564,983	889,960,875	82,700,182	–	–	1,543,226,040
Long-term investments***	–	–	–	–	228,758,739	228,758,739
Installment contracts receivable****	13,351,160	1,398,473	1,600,100	6,913,407	25,955,081	49,218,221
Notes receivable****	119,431,592	757,538,381	385,147,222	–	–	1,262,117,195
Refundable deposits	–	–	–	–	25,007,572	25,007,572
Other receivables	30,061,291	34,311,839	4,600,338	6,070,526	1,005,026	76,049,020
Financial assets at FVOCI	–	–	–	–	187,872,580	187,872,580
Contract assets*****	86,064,288	160,662,177	227,909,767	355,762,201	2,132,617,823	2,963,016,256
	1,443,702,719	2,193,371,745	701,957,609	368,746,134	2,601,216,821	7,308,995,028
Liquidity Position (Gap)	₱128,701,693	₱1,473,331,850	₱510,704,113	₱317,312,403	₱2,348,143,683	₱4,778,193,742

**Excludes statutory liabilities amounting to ₱24,265,261, interest payable amounting to ₱1,779,219, deferred rent income amounting to ₱51,861,994, rental and customers’ deposits amounting to ₱138,935,787, and lease liabilities amounting to ₱14,179,192.*
***Includes forecasted interest expense until the end of lease term of lease liabilities amounting to ₱1,598,345 and interest expense until maturity amounting to ₱16,869,222.*
****Includes future interest cash flows until maturity for short-term investments amounting to ₱9,926,039 and long-term investments amounting to ₱23,421,409.*
*****Includes future interest cash flows until maturity for installment contracts receivable amounting to ₱547,546 and notes receivable amounting to ₱10,117,195.*
******Includes future interest cash flows until maturity for contract assets amounting to ₱32,963,099.*

December 31, 2022:

	30 days	31 – 90 days	91 – 180 days	181 – 365 days	Above 1 year	Total
Financial Liabilities						
Accounts payable and accrued expenses*	₱984,137,273	₱3,142,182	₱26,962,860	₱1,864,003	₱132,678,473	₱1,148,784,791
Lease liabilities**	428,195	538,319	624,466	516,883	947,619	3,055,482
Notes payable and contracts payable**	740,626,361	742,951,400	80,870,960	7,549,400	–	1,571,998,121
Pre-need reserves	70,000	134,600	201,900	416,343	23,192,535	24,015,378
	1,725,261,829	746,766,501	108,660,186	10,346,629	156,818,627	2,747,853,772
Financial Assets						
Cash and cash equivalents	870,589,931	554,000,000	–	–	–	1,424,589,931
Short-term investments***	128,292,389	414,496,139	121,786,632	31,062,833	–	695,637,993
Long-term investments***	–	–	–	–	327,021,888	327,021,888
Installment contracts receivable****	9,459,378	4,746,997	1,492,976	2,259,513	15,829,573	33,788,437
Notes receivable****	125,098,958	381,721,730	528,705,532	259,503,099	104,245,578	1,399,274,897
Refundable deposits	–	–	–	–	26,228,743	26,228,743
Other receivables	34,744,478	22,492,321	9,317,703	12,234,639	2,218,434	81,007,575
Financial assets at FVOCI	–	–	–	–	1,059,202	1,059,202
Contract assets*****	97,983,669	150,096,891	153,252,613	358,301,245	2,467,191,796	3,226,826,214
	1,266,168,803	1,527,554,078	814,555,456	663,361,329	2,943,795,214	7,215,434,880
Liquidity Position (Gap)	(₱459,093,026)	₱780,787,577	₱705,895,270	₱653,014,700	₱2,786,976,587	₱4,467,581,108

**Excludes statutory liabilities amounting to ₱20,613,356, interest payable amounting to ₱1,807,996, deferred rent income amounting to ₱51,358,963, rental and customers’ deposits amounting to ₱121,549,146, and lease liabilities amounting to ₱2,926,552.*
***Includes forecasted interest expense until the end of lease term of lease liabilities amounting to ₱128,930 and interest expense until maturity amounting to ₱16,848,721.*
****Includes future interest cash flows until maturity for short-term investments amounting to ₱3,937,993 and long-term investments amounting to ₱23,022,450.*
*****Includes future interest cash flows until maturity for installment contracts receivable amounting to ₱375,891 and notes receivable amounting to ₱11,124,897.*
******Includes future interest cash flows until maturity for contact assets amounting to ₱35,897,944.*

Fair Values

The following tables provide fair value hierarchy of the Group's financial assets, investment properties and real estate properties held for future development, other than those with carrying amounts which are reasonable approximations of fair values:

Date of Valuation: December 31, 2023

	Fair value		
	Level 1	**Level 2**	**Level 3**
Assets measured at fair value			
Investments in trust funds			
Financial assets at FVPL	**₱4,572,274**	**₱–**	**₱–**
Financial assets at FVOCI	**681,559**		
Investment properties	**–**	**–**	**6,839,400**
Financial assets at FVOCI	**187,872,580**	**–**	**–**
Assets for which fair values are disclosed			
Investment properties	**–**	**–**	**14,702,257,205**
Real estate properties held for future development			**3,914,096,612**

Date of Valuation: December 31, 2022

	Fair value		
	Level 1	Level 2	Level 3
Assets measured at fair value			
Investments in trust funds			
Financial assets at FVPL	₱1,514,821	₱–	₱–
Financial assets at FVOCI	658,226		
Investment properties	–	–	6,706,000
Financial assets at FVOCI	1,059,202	–	–
Assets for which fair values are disclosed			
Investment properties	–	–	12,592,300,668
Real estate properties held for future development			3,533,986,000

The following method and assumptions were used to estimate the fair value of each class of financial instruments, repossessed real estate properties for sale and investment properties, for which it is practicable to estimate such value.

Cash and cash equivalents, short-term and long-term investments, notes receivable, contract assets, installment contracts receivable, other receivables, refundable deposits, accounts payable and accrued expense, notes and contracts payable.

Due to the short-term nature of the transactions, the fair values of cash and cash equivalents, short-term and long-term investments, notes receivable, other receivables, refundable deposits, accounts payable and accrued expenses, notes and contracts payable approximate their carrying amounts. The fair values of short-term and long-term investments, notes receivable, installment contracts receivable and contract assets approximate their carrying amounts as they carry interest rates that approximate the interest rates for comparable instruments in the market.

Financial assets at FVPL and financial assets at FVOCI

Financial assets at FVPL and financial asset at FVOCI are stated at fair value based on quoted market prices.

Investment properties and real estate properties held for future development
The fair value of certain investment properties and real estate properties held for future development is determined using sales comparison. Sales comparison approach considers the sales of similar or substitute properties and other related market data had these properties been transacted in the market. The significant unobservable inputs used in determining the fair value are the sales price per square meter of similar or substitute property, location, size, shape of lot and the highest and best use.

Another method used in determining the fair value of other land properties is based on the market data approach. The value of land is based on sales and listings of comparable property registered within the vicinity. This requires adjustments of comparable property by reducing reasonable comparative sales and listings to a common denominator by adjusting the difference between the subject property and those actual sales and listings regarded as comparables. The comparison is premised on the factors of location; size and shape of the lot; time element and others.

The fair values of the above properties as of December 31, 2023 and 2022 approximate and represent the highest and best use of the said properties.

27. Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. It monitors its use of capital using leverage ratios on both gross debt and debt coverage basis. Debt consists of short-term debt. Debt coverage includes short-term debt less cash and cash equivalents and short-term investments. The Group considers as capital the equity holders of the parent company excluding unrealized fair value changes on financial assets at FVOCI and accumulated re-measurement on defined benefit plan.

The Group was able to meet its capital management objectives as of December 31, 2023 and 2022. As of December 31, 2023 and 2022, the Group has the following ratios:

	2023	2022
Notes and contracts payable	**₱1,593,056,450**	₱1,555,149,400
Total equity holders of the Parent Company	**9,562,695,825**	9,049,508,299
Add (less):		
Unrealized fair value changes on equity securities at FVOCI	**(3,955,667)**	(354,784)
Accumulated re-measurement on defined benefit plan	**31,787,813**	20,689,845
Capital	**₱9,590,527,971**	₱9,069,843,360
Debt to capital ratio	**0.17:1**	0.17:1

	2023	2022
Cash and cash equivalents	**₱973,729,405**	₱1,424,589,931
Short-term investments	**1,533,300,000**	691,700,000
Current portion of notes receivable	**1,252,000,000**	1,288,150,000
Notes and contracts payable	**(1,593,056,450)**	(1,555,149,400)
Current portion of lease liabilities	**(4,513,979)**	(2,006,370)
Debt coverage	**₱2,161,458,976**	₱1,847,284,161

As of December 31, 2023 and 2022, the Group has no externally imposed capital requirements.

28. Basic/Diluted Earnings Per Share

Basic/diluted earnings per share amounts were computed as follows:

	2023	2022	2021
Net income attributable to equity holders of the parent	**₱687,517,747**	₱705,287,314	₱584,295,400
Weighted average number of outstanding shares	**156,685,750**	156,685,750*	156,685,750*
Basic/diluted earnings per share	**₱4.39**	₱4.50	₱3.73

**After retroactive effect of 5% stock dividends in 2023.*

The Group has no potential dilutive common shares as of December 31, 2023, 2022 and 2021. Thus, the basic and diluted earnings per share are the same as of those dates.

29. Business Segments

The Group derives its revenues primarily from the sale and lease of real estate properties and its investments in trust funds. These are the operating segments classified as business groups which are consistent with the segments reported to the BOD, its Chief Operating Decision Maker (CODM).

The Group does not have any major buyers and all sales and leases of real estate properties are made to external buyers.

Segment Revenue and Expenses

	2023			
	Sales of Real Estate Properties	**Lease of Real Estate Properties**	**Pension Plan Operations**	**Total**
Revenue:				
Sales of real estate	**₱2,786,477,995**	**₱–**	**₱–**	**₱2,786,477,995**
Financial income	**620,022,229**	**–**	**1,614,211**	**621,636,440**
Rent income	**–**	**246,959,907**	**–**	**246,959,907**
Other income - net	**141,195,350**	**–**	**4,546,578**	**145,741,929**
Costs of real estate sales	**(1,472,312,281)**	**–**	**–**	**(1,472,312,281)**
Operating expenses				
Personnel	**(323,964,657)**	**–**	**(483,946)**	**(324,448,603)**
Taxes and licenses	**(89,649,123)**	**(37,252,658)**	**(10,613)**	**(126,912,394)**
Depreciation	**(1,792,238)**	**(57,225,285)**	**(5,551,885)**	**(64,569,408)**
Outside services	**(33,521,591)**	**–**	**–**	**(33,521,591)**
Insurance	**(13,345,380)**	**–**	**(5,879)**	**(13,351,259)**
Others	**(193,780,252)**	**(37,776,381)**	**(1,714,888)**	**(233,271,521)**
Financial expenses	**(4,177,326)**	**–**	**–**	**(4,177,326)**
Benefit from (provision for) income tax	**(318,539,700)**	**(28,676,396)**	**2,307,156**	**(344,908,940)**
Net income	**₱1,096,613,027**	**₱86,029,187**	**₱700,734**	**₱1,183,342,948**

	2022			
	Sales of Real Estate Properties	Lease of Real Estate Properties	Pension Plan Operations	Total
Revenue:				
Sales of real estate	₱3,019,729,206	₱–	₱–	₱3,019,729,206
Financial income	483,990,179	–	111,787	484,101,966
Rent income	–	208,842,017	–	208,842,017
Other income - net	148,143,086	–	457,889	148,600,975
Costs of real estate sales	(1,388,212,285)	–	–	(1,388,212,285)
Operating expenses				
Personnel	(298,033,278)	–	(665,756)	(298,699,034)
Taxes and licenses	(63,342,072)	(29,280,035)	(15,009)	(92,637,116)
Depreciation	(10,556,423)	(52,596,273)	(1,453,420)	(64,606,116)
Outside services	(32,015,283)	–	–	(32,015,283)
Insurance	(15,320,520)	–	–	(15,320,520)
Others	(190,104,113)	(22,833,228)	(2,042,522)	(214,979,863)
Financial expenses	(5,534,229)	–	–	(5,534,229)
Benefit from (provision for) income tax	(401,598,192)	(44,104,193)	2,481,281	(443,221,104)
Net income (loss)	₱1,247,146,076	₱60,028,288	(₱1,125,750)	₱1,306,048,614

	2021			
	Sales of Real Estate Properties	Lease of Real Estate Properties	Pension Plan Operations	Total
Revenue:				
Sales of real estate	₱1,595,333,794	₱–	₱–	₱1,595,333,794
Financial income	500,770,808	–	258,096	501,028,904
Rent income	–	198,527,363	–	198,527,363
Other income - net	183,336,379	–	965,260	184,301,639
Costs of real estate sales	(842,187,615)	–	–	(842,187,615)
Operating expenses				
Personnel	(250,609,474)	–	(902,727)	(251,512,201)
Taxes and licenses	(63,224,996)	(30,505,958)	(17,953)	(93,748,907)
Depreciation	(7,190,748)	(59,611,145)	–	(66,801,893)
Outside services	(27,200,013)	–	–	(27,200,013)
Insurance	(15,599,345)	–	–	(15,599,345)
Others	(100,034,742)	(22,934,797)	(6,562,175)	(129,531,714)
Financial expenses	(5,266,877)	–	–	(5,266,877)
Benefit from (provision for) income tax	(118,003,870)	(21,368,866)	3,086,328	(136,286,408)
Net income (loss)	₱850,123,301	₱64,106,597	(₱3,173,171)	₱911,056,727

Segment Assets and Liabilities

December 31, 2023:

	Sales of Real Estate Properties	**Lease of Real Estate Properties**	**Pension Plan Operations**	**Total**
Total assets	**₱14,453,589,495**	**₱4,212,353,831**	**₱90,873,198**	**₱18,758,816,524**
Total liabilities	**(3,442,938,699)**	**(891,767)**	**(30,308,881)**	**(3,474,139,347)**
Additions to:				
Real estate properties held for future development	**5,416,198**	**–**	**–**	**5,416,198**
Investment properties	**–**	**293,039,255**	**–**	**293,039,255**

December 31, 2022:

	Sales of Real Estate Properties	Lease of Real Estate Properties	Pension Plan Operations	Total
Total assets	₱14,258,952,672	₱3,833,328,526	₱98,211,441	₱18,190,492,639
Total liabilities	(3,783,735,628)	(2,926,552)	(29,232,721)	(3,815,894,901)
Additions to:				
Real estate properties held for future development	10,393,846	–	–	10,393,846
Investment properties	–	824,385,377	–	824,385,377

Revenues are all coming from Philippines based on the locations of the customers. The noncurrent operating assets of the Group are also located in the Philippines. The Group does not have any customer that accounts for more than 10% of its total revenue.

30. Contingencies

The Group is contingently liable for certain lawsuits or claims filed by third parties which are either pending decisions by the courts or are under negotiation, the outcomes of which are not presently determinable. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material effect on the consolidated financial statement. Hence, no provision was recognized as of December 31, 2023 and 2022.

SyCip Gorres Velayo & Co.
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INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Cityland, Inc.
3/F, Cityland Condominium 10, Tower I
156 H.V. de la Costa Street
Makati City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Cityland, Inc. and its subsidiaries (the Group) as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023 and have issued our report thereon dated March 20, 2024. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole, are prepared in all material respects, in accordance with Philippine Financial Reporting Standards, as modified by the application of financial reporting reliefs issued and approved by the Securities and Exchange Commission, as described in Note 2 to the consolidated financial statements.

SYCIP GORRES VELAYO & CO.

Manolito R. Elle

Manolito R. Elle
Partner
CPA Certificate No. 106471
Tax Identification No. 220-881-929
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
BIR Accreditation No. 08-001998-128-2023, January 25, 2023, valid until January 24, 2026
PTR No. 10079932, January 5, 2024, Makati City

March 20, 2024

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INDEPENDENT AUDITOR'S REPORT ON
COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Cityland, Inc.
3/F, Cityland Condominium 10, Tower I
156 H.V. de la Costa Street
Makati City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Cityland, Inc. and its subsidiaries (the Group) as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023, and have issued our report thereon dated March 20, 2024. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission (SEC), as described in Note 2 to the consolidated financial statements, and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRSs, as modified by the application of the financial reporting reliefs issued and approved by the SEC, as described in Note 2 to the consolidated financial statements. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Manolito R. Elle
Partner
CPA Certificate No. 106471
Tax Identification No. 220-881-929
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
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PTR No. 10079932, January 5, 2024, Makati City

March 20, 2024

CITYLAND, INC. AND SUBSIDIARIES

INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

CITYLAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
DECEMBER 31, 2023

Unappropriated Retained Earnings, December 31, 2022		**₱1,509,302,602**
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	₱–	
Effect of restatements or prior-period adjustments	–	
Others	–	–
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	(241,445,189)	
Retained Earnings appropriated during the reporting period	–	
Effect of restatements or prior-period adjustments	–	
Others	–	
Sub-total		(241,445,189)
Unappropriated Retained Earnings, as adjusted		**1,267,857,413**
Add: Net income for the current year		**326,261,666**
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)	–	
Equity in net income of associate/joint venture, net of dividends declared	–	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	–	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Unrealized fair value gain of investment property	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–	
Sub-total		–
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	–	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	

Realized fair value gain of investment property	–	
Fair value adjustment arising from repossessed inventories	33,572,001	
Sub-total		33,572,001
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	–	
Reversal of previously recorded fair value adjustment (mark-to market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Reversal of previously recorded fair value gain of investment property	–	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	–	
Sub-total		–
Adjusted Net Income		**359,833,667**
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	–	
Sub-total		–
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	–	
Total amount of reporting relief granted during the year	–	
Others	–	
Sub-total		–
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	–	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(902,647)	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	–	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	–	
Others	–	
Sub-total		(902,647)
Total Retained Earnings available for dividend declaration, December 31, 2023		**₱1,626,788,433**

SCHEDULE II

CITYLAND, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-E

Schedule A. Financial Assets

Name of Issuing Entity and Description of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statements of Financial Position	Value Based on Market Quotations at Statements of Financial Position Date	Income Received and Accrued
Cash and Cash Equivalents				
Cash on hand and in banks	₱–	₱146,261,289	₱146,261,289	₱2,118,897
Cash equivalents				
Amalgamated Investment Bancorporation	–	–	–	11,519,608
Citysavings Banks	–	115,500,000	115,500,000	33,700,050
China Bank Savings		162,000,000	162,000,000	12,292,255
Metrobank		–	–	383,611
First Metro Investment Corporation	–	–	–	7,302,661
FEBTC	–	–	–	2,222
Philippine Savings Bank	–	–	–	3,451,337
Malayan Bank	–	–	–	2,649,444
PCCI	–	–	–	198
Philippine National Bank	–	–	–	2,892,150
Philippine Trust Company	–	98,000,000	98,000,000	28,931,512
RCBC Savings	–	–	–	87,381
UCPB Savings Bank	–	451,968,116	451,968,116	23,550,200
	₱–	**₱973,729,405**	**₱973,729,405**	**₱128,881,526**

Name of Issuing Entity and Description of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statements of Financial Position	Value Based on Market Quotations at Statements of Financial Position Date	Income Received and Accrued
Short-Term Investments				
China Bank Savings	₱–	₱94,300,000	₱94,300,000	₱3,239,205
Citysavings Banks	–	456,600,000	456,600,000	4,563,191
Amalgamated Investment Bancorporation	–	217,200,000	217,200,000	2,535,567
First Metro Investment Corporation	–	100,000,000	100,000,000	483,137
Philippine National Bank	–	513,500,000	513,500,000	9,285,966
UCPB Savings Bank	–	151,700,000	151,700,000	1,282,087
	₱–	**₱1,533,300,000**	**₱1,533,300,000**	**₱21,389,153**
Long-Term Investments				
First Metro Investment Corporation	**₱–**	**₱205,337,329**	**₱205,337,329**	**₱997,664**

Name of Issuing Entity and Description of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statements of Financial Position	Value Based on Market Quotations at Statements of Financial Position Date	Income Received and Accrued
Financial Assets at FVOCI				
Ayala Land B -Preferred	25,539	157,118	157,118	–
Ayala Land B –Common	37	1,275	1,275	–
Cebu Holdings	13,125	79,800	79,800	–
Filinvest	270,995	159,887	159,887	–
SMC Preferred Shares – Series 2L	1,333,400	105,338,600	105,338,600	–
SMC Preferred Shares – Series 2N	1,066,700	82,135,900	82,135,900	–
	2,709,796	**187,872,580**	**187,872,580**	**–**
Investments in Trust Funds	**–**	**36,950,627**	**36,950,627**	**–**
Installment Contracts Receivable and Contract Assets	**–**	**2,978,723,830**	**2,978,723,830**	**368,547,042**
Notes Receivable	**–**	**1,252,000,000**	**1,252,000,000**	**101,795,302**
Refundable Deposit	**–**	**25,007,572**	**25,007,572**	**–**
Other Receivables	**–**	**75,049,020**	**75,049,020**	**–**
	–	**4,367,731,049**	**4,367,731,049**	**470,342,344**
	309,696	**₱7,267,970,363**	**₱7,267,970,363**	**₱621,610,687**

SCHEDULE B. AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)

Name of Designation or Debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not Current	Balance at end of period

Not applicable, no directors, officers, employees, and principal stockholders (other than related parties) from whom an aggregate indebtedness of more than P100,000 or one per cent of total assets, whichever is less, is owed.

SCHEDULE C. AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING CONSOLIDATION OF FINANCIAL STATEMENTS

Name and Designation of Debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at end of period
CDC (subsidiary)	₱1,057,854	₱38,674,979	₱27,757,600	₱–	₱11,975,233	₱–	₱11,975,233
CLDI (subsidiary)	672,041	14,542,231	11,805,346	–	3,408,926	–	3,408,926
CPI (subsidiary)	33,192	2,075,880	1,376,609	–	732,463	–	732,463
CLHI (subsidiary)	361,149,438	95,637,890	257,150,000	–	94,300,000	105,337,328	199,637,328
CLHI (subsidiary)	289,000	980,000	289,000	–	980,000	–	980,000
CMHI (subsidiary)	–	930	–	–	930	–	930
CLI (subsidiary)	–	930	–	–	930	–	930

The Group's transactions with CDC, CLDI, CPI, CLHI, CAI, CLI and CMHI are eliminated in the consolidated statements of financial position.

SCHEDULE D. INTANGIBLE ASSETS - OTHER ASSETS

Description	Beginning Balance	Additions at cost	Charged to cost and expenses	Charged to other accounts	Other changes additions (deductions)	Ending balance

Not Applicable. The Group has no intangible assets.

SCHEDULE E. LONG-TERM DEBT

Title of Issue and type of Obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related statements of financial position	Amount shown under caption "Long-Term Debt" in related statements of financial position
	Not applicable, the Group has no long-term debt.		

SCHEDULE F. INDEBTEDNESS TO RELATED PARTIES

Name of related parties	Balance at beginning of period	Balance at end of period
Directors' fees	₱40,933,292	₱31,571,135

SCHEDULE G. GUARANTEES OF SECURITIES OF OTHER ISSUERS

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
	Not applicable, the Group has no guarantees of securities of other issuers.			

SCHEDULE H. CAPITAL STOCK

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held By		
				Affiliates	Directors, Officers and Employees	Others
Common Stock - ₱10 par value	185,000,000	156,685,750		–	63,731,535	92,954,215

SCHEDULE III

CITYLAND, INC.
SCHEDULE OF GROSS & NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of December 31, 2023

SEC-MSRD Order No. 89, Series of 2022 dated December 12, 2022

A. As stated in the Final Prospectus (December 12, 2022 to December 12, 2023)

Gross Proceeds		**₱500,000,000**
Less: Expenses		
Documentary Stamps Tax	₱3,750,000	
Registration Fees	441,875	
Exemptive Relief	50,500	
Printing Costs	25,000	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	4,311,275
Net Proceeds		**₱495,688,725**
Use of Proceeds		
Project-related Costs		₱311,750,000
Payment of Maturing Notes		178,556,725
Interest Expense		5,382,000
Total		**₱495,688,725**

B. Use of Proceeds

Total Gross Proceeds (December 12, 2022 to December 12, 2023)		**₱1,686,950,000**
Less: Expenses		
Documentary Stamps Tax	₱2,617,085	
Registration Fees	441,875	
Exemptive Relief	50,500	
Printing Costs	27,300	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	3,180,660
Total Net Proceeds		₱1,683,769,340
Less: Use of Proceeds		
Payment of Maturing Notes	₱1,443,028,298	
Project-related Costs	239,381,224	
Interest Expense	1,216,224	1,683,625,746
Balance of Proceeds as of December 12, 2023		₱143,594

C. Outstanding Commercial Papers as of December 31, 2023

SEC-MSRD Order No. 89, Series of 2022 dated December 12, 2022	**₱355,500,000**

CITYLAND, INC.

SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of December 31, 2022

SEC-MSRD Order No. 90, Series of 2021 dated December 13, 2021

A. As stated in the Final Prospectus (December 13, 2021 to December 13, 2022)

Gross Proceeds		**₱500,000,000**
Less: Expenses		
Documentary Stamps Tax	₱3,750,000	
Registration Fees	441,875	
Exemptive Relief	50,500	
Printing Costs	25,000	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	4,311,275
Net Proceeds		**₱495,688,725**
Use of Proceeds		
Project-related Costs		₱315,000,000
Payment of Maturing Notes		175,333,225
Interest Expense		5,355,500
Total		**₱495,688,725**

B. Use of Proceeds (December 13, 2021 to December 13, 2022)

Gross Proceeds as of September 30, 2022	₱1,655,900,000	
Add: Issued Notes (October 1 to December 13, 2022)	389,550,000	
Total Gross Proceeds as December 31, 2022		₱2,045,450,000
Less: Expenses		
Documentary Stamps Tax	₱2,979,197	
Registration Fees	441,875	
Exemptive Relief	50,500	
Publication Fees	23,900	
Printing Costs	29,500	
Legal and Accounting Fees	20,000	3,544,972
Total Net Proceeds		₱2,041,905,028
Less: Use of Proceeds		
Payment of Maturing Notes	₱1,448,110,004	
Project-related Costs	593,795,024	2,041,905,028
Balance of Proceeds as of December 31, 2022		₱–

CITYLAND, INC.
SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of December 31, 2022

SEC-MSRD Order No. 89, Series of 2022 dated December 12, 2022

A. As stated in the Final Prospectus (December 12, 2022 to December 12, 2023)

Gross Proceeds		**₱500,000,000**
Less: Expenses		
Documentary Stamps Tax	₱3,750,000	
Registration Fees	441,875	
Exemptive Relief	50,500	
Printing Costs	25,000	
Publication Fees	23,900	
Legal and Accounting Fees	20,000	4,311,275
Net Proceeds		**₱495,688,725**
Use of Proceeds		
Project-related Costs		₱311,750,000
Payment of Maturing Notes		178,556,725
Interest Expense		5,382,000
Total		**₱495,688,725**

B. Use of Proceeds (December 13, 2022 to December 31, 2022)

Gross Proceeds as of September 30, 2022	₱–	
Add: Issued Notes (December 13 to December 31, 2022)	16,850,000	
Total Gross Proceeds as December 31, 2022		₱16,850,000
Less: Expenses		
Registration Fees	₱441,875	
Exemptive Relief	50,500	
Publication Fees	23,900	
Documentary Stamps Tax	23,459	
Legal and Accounting Fees	20,000	
Printing Costs	100	559,834
Total Net Proceeds		₱16,290,166
Less: Use of Proceeds		
Project-related Costs		16,290,166
Balance of Proceeds as of December 31, 2022		₱–

C. Outstanding Commercial Papers as of December 31, 2022

SEC-MSRD Order No. 90, Series of 2021 dated December 13, 2021	₱404,900,000
SEC-MSRD Order No. 89, Series of 2022 dated December 12, 2022	16,850,000
TOTAL	**₱421,750,000**

CITYLAND DEVELOPMENT CORPORATION

SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of December 31, 2023

SEC-MSRD Order No. 72, Series of 2022 dated October 20, 2022

A. As stated in the Final Prospectus (October 20, 2022 to October 20, 2023)

Gross Proceeds		**₱1,500,000,000**
Less: Expenses		
Documentary Stamps Tax	₱11,250,000	
Registration Fees	757,500	
Printing Costs	75,000	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	12,175,800
Net Proceeds		**₱1,487,824,200**
Use of Proceeds		
Project-related Costs		₱1,189,730,000
Payment of Maturing Notes		281,723,200
Interest Expense		16,371,000
Total		**₱1,487,824,200**

B. Use of Proceeds

Total Gross Proceeds (October 20, 2022 to October 20, 2023)		**₱5,350,000,000**
Less: Expenses		
Documentary Stamps Tax	₱7,953,495	
Registration Fees	757,500	
Printing Costs	67,050	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	8,871,345
Total Net Proceeds		**₱5,341,128,655**
Less: Use of Proceeds		
Payment of Maturing Notes	₱4,442,324,710	
Project-related Costs	898,803,945	5,341,128,655
Balance of Proceeds as of October 20, 2023		-

CITYLAND DEVELOPMENT CORPORATION

SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of December 31, 2023

SEC-MSRD Order No. 59, Series of 2023 dated October 19, 2023

A. As stated in the Final Prospectus (October 19, 2023 to October 19, 2024)

Gross Proceeds		**₱1,100,000,000**
Less: Expenses		
Documentary Stamps Tax	₱8,250,000	
Registration Fees	656,500	
Printing Costs	55,000	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	9,054,800
Net Proceeds		**₱1,090,945,200**
Use of Proceeds		
Project-related Costs		₱1,000,000,000
Payment of Maturing Notes		78,958,500
Interest Expense		11,986,700
Total		**₱1,090,945,200**

B. Use of Proceeds

Total Gross Proceeds (October 19, 2023 to December 31, 2023)		**₱1,044,500,000**
Less: Expenses		
Documentary Stamps Tax	₱1,801,027	
Registration Fees	656,500	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	
Printing Costs	11,450	2,562,277
Total Net Proceeds		**₱1,041,937,723**
Less: Use of Proceeds		
Payment of Maturing Notes	₱824,948,522	
Project-related Costs	216,989,201	1,041,937,723
Balance of Proceeds as of December 31, 2023		**-**

C. Outstanding Commercial Papers as of December 31, 2023

SEC-MSRD Order No. 72, Series of 2022 dated October 20, 2022	**₱208,000,000**
SEC-MSRD Order No. 59, Series of 2023 dated October 19, 2023	**983,000,000**
TOTAL	**₱1,191,000,000**

CITYLAND DEVELOPMENT CORPORATION

SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of December 31, 2022

SEC-MSRD Order No. 69, Series of 2021 dated October 20, 2021

A. As stated in the Final Prospectus (October 20, 2021 to October 20, 2022)

Gross Proceeds		**₱1,500,000,000**
Less: Expenses		
Documentary Stamps Tax	₱11,250,000	
Registration Fees	757,500	
Printing Costs	75,000	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	12,175,800
Net Proceeds		**₱1,487,824,200**
Use of Proceeds		
Project-related Costs		₱952,700,000
Payment of Maturing Notes		517,217,200
Interest Expense		17,907,000
Total		**₱1,487,824,200**

B. Use of Proceeds (October 20, 2021 to October 20, 2022)

Gross Proceeds as of September 30, 2022	₱6,070,450,000	
Add: Issued Notes (October 1 to October 20, 2022)	381,750,000	
Total Gross Proceeds as of December 31, 2022		₱6,452,200,000
Less: Expenses		
Documentary Stamps Tax	₱8,773,634	
Registration Fees	757,500	
Printing Costs	80,750	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	9,705,184
Total Net Proceeds		₱6,442,494,816
Less: Use of Proceeds		
Payment of Maturing Notes	₱5,836,642,452	
Project-related Costs	600,563,926	
Interest Expense	5,288,438	6,442,494,816
Balance of Proceeds as of December 31, 2022		₱-

CITYLAND DEVELOPMENT CORPORATION

SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
As of December 31, 2022

SEC-MSRD Order No. 72, Series of 2022 dated October 20, 2022

A. As stated in the Final Prospectus (October 20, 2022 to October 20, 2023)

Gross Proceeds		**₱1,500,000,000**
Less: Expenses		
Documentary Stamps Tax	₱11,250,000	
Registration Fees	757,500	
Printing Costs	75,000	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	12,175,800
Net Proceeds		**₱1,487,824,200**
Use of Proceeds		
Project-related Costs		₱1,189,730,000
Payment of Maturing Notes		281,723,200
Interest Expense		16,371,000
Total		**₱1,487,824,200**

B. Use of Proceeds (October 20, 2022 to December 31, 2022)

Gross Proceeds as of September 30, 2022	**₱-**	
Add: Issued Notes (October 20 to December 31, 2022)	992,250,000	
Total Gross Proceeds as of December 31, 2022		₱992,250,000
Less: Expenses		
Documentary Stamps Tax	₱1,598,903	
Registration Fees	757,500	
Exemptive Relief	50,500	
Publication Fees	22,800	
Legal and Accounting Fees	20,000	
Printing Costs	11,300	2,461,003
Total Net Proceeds		₱989,788,997
Less: Use of Proceeds		
Payment of Maturing Notes	₱792,819,725	
Project-related Costs	196,969,272	989,788,997
Balance of Proceeds as of December 31, 2022		-

C. Outstanding Commercial Papers as of December 31, 2022

SEC-MSRD Order No. 69, Series of 2021 dated October 20, 2021	₱185,050,000
SEC-MSRD Order No. 72, Series of 2022 dated October 20, 2022	940,800,000
TOTAL	**₱1,125,850,000**

SCHEDULE IV

CITYLAND, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Ratio	December 31		
	2023	2022	2021
Basic/diluted earnings per share	**4.39**	4.50	3.73
Return on equity	**7.19%**	7.79%	6.91%
Return on asset	**6.31%**	7.18%	5.37%
Net profit margin	**31.13%**	33.82%	36.75%
Solvency	**0.36**	0.36	0.26
Interest rate coverage	**382.30**	328.76	212.54
Asset-to-liability	**5.40**	4.77	4.54
Asset-to-equity	**1.96**	2.01	2.00
Debt-to-equity	**0.17**	0.17	0.20
Current ratio	**4.45**	3.52	3.26
Acid-test ratio	**1.92**	1.46	1.53

Manner of Calculation:

Basic/diluted earnings per share	=	Net income after Tax / Outstanding shares
Return on equity ratio	=	Net Income after Tax attributable to Parent Company / Stockholder's Equity attributable to Parent Company
Return on asset ratio	=	Net Income after Tax / Total Assets
Net profit margin	=	Net Income after Tax / Total Revenue and Income
Solvency ratio	=	Net Income after Tax + Depreciation Expense / Total Liabilities
Interest rate coverage ratio	=	Net Income Before Tax + Depreciation Expense + Interest expense on security deposits and others + Interest expense on lease liabilities / Interest expense on security deposits and others + Interest expense on lease liabilities
Asset-to-liability ratio	=	Total Assets / Total Liabilities
Asset-to-equity ratio	=	Total Assets / Total equity attributable to equity holders of the Parent Company (net of unrealized fair value changes on financial assets at fair value through FVOCI and accumulated re-measurement on defined benefit plan)
Debt-to-equity ratio	=	Notes and Contracts Payable / Total equity (net of unrealized fair value changes on financial assets at fair value through FVOCI and accumulated re-measurement on defined benefit plan)
Current ratio	=	Total Current Assets / Total Current Liabilities
Acid-test ratio	=	Cash and Cash Equivalents + Short-term Investments + Installment Contracts Receivable, current + Contract Assets, current + Notes Receivable, current + Other Receivables, current / Total Current Liabilities

SCHEDULE V

CITYLAND, INC.
MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP