Via Email
Email : msrd_covid19@sec.gov.ph
Cc : vgpfelizmenio@sec.gov.ph
eepmendinueto@sec.gov.ph
ldpacis@sec.gov.ph
cegaliza@sec.gov.ph

31 May 2021

SECURITIES AND EXCHANGE COMMISSION
Markets and Securities Regulation Department
Secretariat Building, PICC Complex
Roxas Boulevard, Metro Manila

Attention: **MR. VICENTE GRACIANO P. FELIZMENIO, JR.**
Director

Re: **2021 Definitive Information Statement and Management Report**

Gentlemen:

We refer to the checklist of comments of the Honorable Commission's Markets and Securities Regulation Department attached to its email dated 27 May 2021 regarding the Preliminary Information Statement (SEC Form 20-IS) and Management Report of **STA. LUCIA LAND, INC.** (the "Corporation"), which was duly received by the Honorable Commission on 20 May 2021 in connection with the Annual Stockholders' Meeting of the Corporation to be held on 25 June 2021 ("ASM").

We respectfully submit herewith the Definitive Information Statement and Management Report of the Corporation, which were prepared taking into account the aforementioned Checklist of Requirements. A table referencing the revisions made is attached as Annex "A" hereof. The Definitive Information Statement and Management Report, as well as the Notice of the ASM, shall be sent to all stockholders of record of the Corporation upon receipt of the Honorable Commission's clearance.

We trust that you will find the foregoing in order.

Very truly yours,

PATRICIA A. O. BUNYE
Corporate Secretary

Copy Furnished:
(Via Online Disclosure)

PHILIPPINE STOCK EXCHANGE, INC.
Disclosure Department
6F, PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City, Metro Manila

ANNEX “A”

STA. LUCIA LAND, INC.			
SEC Form 20-IS Preliminary filed on 20 May 2021			
SRC Rule 20.3.3.5 Information Statement and Management Report shall be uploaded to Issuer's Website for downloading by interested parties		Please upload SEC Form 20-IS and its attachments on the(1) Company's website and (2) PSE Edge, then send us (via msrd_covid19@sec.gov.ph) the links to access the uploaded DIS.	The Corporation shall upload the Definitive Information Statement (“DIS”) and Management Report to the Corporation’s website and PSE Edge after submission of the same to the Honorable Commission. Thereafter, the Corporation shall comply with the directive to submit the links to access the uploaded DIS to the Honorable Commission.
Checklist of Requirements	**Page No.**	**Remarks**	**SLI Response**
COVER SHEET		The company is advised of the Notice dated March 17, 2021 re: Alternative Mode for Distributing and Providing Copies of the Notice of Meeting, Information Statement and other documents in connection with the holding of meeting for 2021. In this regard, provide us the proof of publication.	Proof of publication of the Notice of the Annual Stockholders’ Meeting shall be submitted to the Honorable Commission upon publication of the Notice on 03 and 04 June 2021, in accordance with the requirements of the Notice dated 17 March 2021.
Part I.			
A. General Information			
ITEM 1. DATE, TIME AND PLACE OF MEETING			
Date, time, place of meeting		Not complied with. Please see Section 15 of MC 6, series 2020 which provides that the presiding officer shall call and prescribe the stockholders' meeting, whether regular or special, at the principal office of the corporation as provided in the articles of incorporation, or, if not practicable, in the city or municipality where the principal office of the corporation is located	Complied with. Please refer to pages 1-2 of the DIS.
ITEM 5. DIRECTORS & EXECUTIVE OFFICERS			
		Describe compliance of Recommendation No. 5.3 of SEC Memorandum Circular No 19, Series of	The independent directors of the Corporation, namely, Mr. Jose Ferdinand R. Guiang and Mr. Osmundo De Guzman, Jr.,

(A)(1) Identify Directors, including Independent Directors and Executive Officers		2016 Code of Corporate Governance For Publicly Listed Companies re: Term Limits for Independent Directors (ID).	have each served as independent directors for nine (9) years counted from 2012. Pursuant to Recommendation No. 5.3 of the Code of Corporate Governance for Publicly Listed Companies, the Corporation's Corporate Governance Committee pre-screened the qualifications of the nominees for election as Independent Director for the year 2021-2022, Messrs. Renato C. Francisco and Danilo A. Antonio. Please refer to pages 8-9 of the DIS.
ITEM 6. COMPENSATION OF DIRECTORS & EXECUTIVE OFFICERS		Compliance of Section 49 of Revised Corporation Code, re: compensation of each director.	During the 2020 Annual Stockholders' Meeting, the Chief Compliance Officer, Mr. Jeremiah T. Pampolina, discussed the Report on the Board of Directors, including among others, the compensation of each director. Please refer to item VI of the Minutes of the Annual Stockholders' Meeting dated 20 August 2020, which is attached herewith and available at https://stalucia land.com.ph/investor-relations/annual-stockholders-meeting/.
DISCUSSION ON THE COMPANY'S COMPLIANCE WITH SECTION 49 OF THE REVISED CORPORATION CODE (RCC)			
1) A description of the voting and vote tabulation procedures used in the previous meeting;		Indicate in the covering letter the explanation on the compliance of Section 49 of the Revised Corporation Code (RCC).	Please refer to the Minutes of the Annual Stockholders' Meeting dated 20 August 2020, which is attached herewith and available at https://stalucia land.com.ph/investor-relations/annual-stockholders-meeting/. 1) A description of the voting and vote tabulation procedures may be found in item IV of the Minutes; 2) A description of the opportunity given to
2) A description of the opportunity given to stockholders to ask questions and a record of the questions asked and answers given;			
3) the matters discussed and resolutions reached;			
4) a record of the voting results for each agenda item;			
5) A list of directors, officers and stockholders			

who attended the meeting; and			stockholders to ask questions and a record of the questions asked and answers given may be found in item XI of the Minutes; 3) The matters discussed and resolutions reached may be found in items IV to X of the Minutes; 4) A record of the voting results for each agenda item may be found in items V, VIII, IX and X of the Minutes; 5) A certification by the stock transfer agent of the Corporation on the total shares represented may be found in Annex "A" of the Minutes, and a list of directors, officers and stockholders who attended the meeting is attached herewith; 6) The Corporate Secretary discussed material information on the current stockholders and their voting rights, as may be found in item IV of the Minutes; 7) The Chief Compliance Officer discussed the Report on the Board of Directors, as may be found in item VI of the Minutes; and 8) Director disclosures on self-dealings and related party transactions may be found in item VI of the Minutes.
6) such other items that the Commission may require in the interest of good governance and the protection of minority stockholders.			
7) Appraisals and performance reports for the board and the criteria and procedure for assessment;			
8) director disclosures on self-dealings and related party transactions.			
MANAGEMENT REPORT			
Interim Financial Statements		Submit Unaudited Interim Consolidated Financial Statements for the Quarter ended March 31, 2021	Complied with. Please refer to the attached 2021 First Quarterly Report.
Management's Discussion and Analysis (MD&A) or Plan of Operation (Required by Part III(A) of "Annex C")			
All other registrants shall provide the following information:			
(4) Key Variable and Other Qualitative and Quantitative Factors.			

If Material:			
(i) Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)		Disclose, if any	There is no material information covered by such matters.
(ii) Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation			
(iii) All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.			
(iv) Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures			
(v) Any Known Trends, Events or Uncertainties (Material Impact on Sales)			
(vi) Any Significant Elements of Income or Loss (from continuing operations)			
(viii) Seasonal Aspects that has Material Effect on the FS			
(b) Interim Periods: Comparable discussion to assess material changes (last fiscal year and comparable interim period in the preceding year). *Disclose the required information under subparagraph (2)(a)(I) to (viii) above.*		Submit 1st Quarter Report for the period ended March 31, 2021.	Complied with. Please refer to pages 26-30 of the Management Report and the attached 2021 First Quarterly Report.

STA. LUCIA LAND, INC.
Penthouse, Building III, Sta. Lucia Mall
Marcos Highway corner Imelda Avenue, Cainta, Rizal

ANNUAL STOCKHOLDERS' MEETING
20 August 2020, 8:00 a.m.
Via Videoconference

I. ATTENDANCE

TOTAL NUMBER OF SHARES PRESENT IN PERSON	**1,425,999**
TOTAL NUMBER OF SHARES REPRESENTED BY PROXY	**6,701,005,767**
TOTAL NO. OF SHARES PRESENT/REPRESENTED	**6,702,431,766**
TOTAL NO. OF SHARES ISSUED & OUTSTANDING	**8,196,450,000**
PERCENTAGE OF SHARES PRESENT/REPRESENTED	**81.77%**

A copy of the List of Attendees as certified by the Corporation's Stock Transfer Agent is attached as Annex "A".

II. PRESIDING OFFICER; SECRETARY

The Chairman, **MR. VICENTE R. SANTOS**, presided over the meeting, while the Corporate Secretary, **MS. PATRICIA A. O. BUNYE,** recorded the minutes thereof.

III. PROOF OF NOTICE AND PROOF OF THE PRESENCE OF A QUORUM

At the request of the Chairman, the Corporate Secretary gave notice that the proceedings are being recorded in accordance with the Anti-Wiretapping Act, in relation to Securities and Exchange Commission ("SEC") Memorandum Circular No. 06, series of 2020, and certified that written notices of the Annual Stockholders' Meeting had been published in the business section of two (2) newspapers of general circulation, the Manila Times on 27 and 28 July 2020 and Business Mirror on 29 and 30 July 2020, in print and online format, in compliance with SEC Notice dated 20 April 2020. The Corporate Secretary then certified that a quorum was present for the transaction of business by the stockholders.

IV. MATERIAL INFORMATION ON THE CURRENT STOCKHOLDERS AND THEIR VOTING RIGHTS

At the request of the Chairman, the Corporate Secretary discussed the material information on the current stockholders, their voting rights and voting procedure pursuant to Section 49 of the Revised Corporation Code.

The Corporate Secretary discussed that, based on the List of Stockholders as of 17 July 2020 prepared by the Corporation's Stock Transfer Agent, the Corporation has 264 stockholders.

The Corporate Secretary then discussed the voting rights of each stockholder and voting procedure. Every stockholder shall be entitled to vote during all meetings, including the Annual Stockholders' Meeting, either in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact, through remote communication or *in absentia,* for each share of stock held by him which has voting power upon the matter in question.

A majority of the subscribed capital present in person or represented by proxy, shall be sufficient to constitute a quorum for the election of directors and for the transaction of any business whatsoever, except in those cases in which the Revised Corporation Code requires the affirmative vote of a greater portion.

The votes for the election of directors, and, except upon demand by any stockholder, the votes upon any question before the meeting except for the procedural questions determined by the Chairman of the meeting, shall be in accordance with the Guidelines for Participation via Remote Communication and Voting in *Absentia*, which is available on the Corporation's website.

A description of stockholders' voting rights was included in the Definitive Information Statement of the Corporation, copies of which are available on the Corporation's website and on PSE Edge.

V. READING AND APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON 28 JUNE 2019

The Chairman announced that the next item on the agenda was the review of the Minutes of the Annual Stockholders' Meeting held on 28 June 2019. Copies of the said Minutes were made available on the Corporation's website. Thereafter, the Corporate Secretary announced that the stockholders owning Six Billion Seven Hundred Two Million Four Hundred Thirty One Thousand Seven Hundred Sixty Six (6,702,431,766) shares, representing 81.77% of the outstanding capital stock of the Corporation, approved and adopted the following resolution:

> "**RESOLVED**, that the Minutes of the Annual Stockholders' Meeting held on 28 June 2019 is hereby approved and adopted."

VI. REPORT ON THE BOARD OF DIRECTORS

At the request of the Chairman, the Compliance Officer, **MR. JEREMIAH T. PAMPOLINA**, discussed the Report on the Board of Directors. The Compliance Officer discussed the profiles and qualifications of the directors, the compensation received by the directors, and related party transactions involving the Board of Directors. The foregoing matters were included in the Definitive Information Statement of the Corporation, copies of which were distributed to the stockholders together with the Notices.

Thereafter, the Compliance Officer reported on the attendance of the Board of Directors in Meetings of the Stockholders and Board of Directors from 28 June 2019 to 19 August 2020.

The Compliance Officer then proceeded with the Compensation Report. He stated that the Directors do not receive any form of compensation except, in the case of Directors, for a per diem of Fifteen Thousand Pesos (PhP15,000.00) per meeting of the Board of Directors.

Apart from the per diem in the amount of Fifteen Thousand Pesos (PhP15,000.00), there are no standard arrangements or other arrangements between the Corporation and the directors.

VII. REPORT OF THE PRESIDENT

The President, **MR. EXEQUIEL D. ROBLES**, delivered the President's Report, a copy of which is attached as Annex "B".

VIII. APPROVAL AND RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND OFFICERS FOR THE PERIOD FROM 28 JUNE 2019 TO 19 AUGUST 2020

The Chairman then announced that the next item on the agenda was the ratification of all acts of the Board of Directors and the Management of the Corporation for the period from 28 June 2019 to 19 August 2020, a list of which is attached as Annex "C". Thereafter, the Corporate Secretary announced that the stockholders owning Six Billion Seven Hundred Two Million Four Hundred Thirty One Thousand Seven Hundred Sixty Six (6,702,431,766) shares, representing 81.77% of the outstanding capital stock of the Corporation, approved the following resolution:

> "**RESOLVED,** that all acts of the Board of Directors and the Management of the Corporation for the period from 28 June 2019 to 19 August 2020 are hereby approved and ratified."

IX. ELECTION OF DIRECTORS

Pursuant to Securities and Exchange Commission ("SEC") Memorandum Circular No. 16, Series of 2002, the Nomination Committee has the obligation to promulgate guidelines or criteria governing the conduct of the nomination procedure for the Corporation's Independent Directors. This procedure must be properly disclosed to the SEC and be incorporated in the Corporation's By-Laws. In this connection, the Chairman stated that the names of the short-listed nominees for Independent Directors were disclosed to the SEC prior to the Annual Stockholders' Meeting through the submission of the Corporation's Information Statement on SEC Form 20-IS. Section 2.01(d) of Article II of the Amended By-Laws of the Corporation provides for the nomination procedure for the Corporation's Independent Directors.

Under said nomination procedure, Mariza Santos-Tan and Exequiel D. Robles submitted their signed nominations to the Nomination Committee together with the resumes of their respective nominees. The Nomination Committee then pre-screened the nominations, and submitted the names of the nominees and their resumes to the SEC.

The Chairman announced that pursuant to the provisions of the Revised Corporation Code and the By-Laws of the Corporation, the remaining seven (7) members of the Board of Directors of the Corporation should be elected for the ensuing year.

Upon the request of the Chairman, the Corporate Secretary announced the nominees for Independent Directors of the Corporation for the year 2020-2021:

1. Osmundo De Guzman, Jr.; and
2. Jose Ferdinand R. Guiang.

This was followed by the announcement of the nomination of the following persons to serve as members of the Board of Directors of the Corporation for the year 2020–2021:

1. Vicente R. Santos ;
2. Exequiel D. Robles;
3. Antonio D. Robles;
4. Aurora D. Robles;
5. Mariza Santos-Tan;
6. Orestes R. Santos; and
7. Simeon S. Cua.

The qualifications of the foregoing nominees were included in the Definitive Information Statement of the Corporation, copies of which are available on the Corporation's website and on PSE Edge.

Upon the request of the Chairman, the Corporate Secretary announced that based on the tally of votes of the stockholders owning Six Billion Seven Hundred Two Million Four Hundred Thirty One Thousand Seven Hundred Sixty Six (6,702,431,766) shares, representing 81.77% of the outstanding capital stock of the Corporation, as confirmed by the transfer agent, Professional Stock Transfer, Inc., the two (2) nominees for Independent Directors and seven (7) nominees for Directors of the Corporation were declared duly elected as Directors of the Corporation for the year 2020-2021.

X. APPOINTMENT OF THE EXTERNAL AUDITOR OF THE CORPORATION FOR THE FISCAL YEAR 2020-2021

It was proposed that Sycip Gorres Velayo and Company be appointed as the external auditor of the Corporation for the calendar year 2020-2021. Thereafter, the Corporate Secretary announced that stockholders owning Six Billion Seven Hundred Two Million Four Hundred Thirty One Thousand Seven Hundred Sixty Six (6,702,431,766) shares, representing 81.77% of the outstanding capital stock of the Corporation unanimously approved the following resolution:

> "**RESOLVED,** that the appointment of Sycip Gorres Velayo and Company as the external auditor of the Corporation for the fiscal year 2020-2021 is hereby approved and adopted."

XI. OTHER MATTERS

Pursuant to the Guidelines for Participation via Remote Communication and Voting in *Absentia*, stockholders were given the opportunity to send their comments and questions by 13 August 2020. There being no questions or comments, the Chairman proceeded to the next item in the Agenda.

XII. ADJOURNMENT

There being no further business to transact, and upon motion made and duly seconded, the meeting was thereupon adjourned.

CERTIFIED CORRECT:

PATRICIA A. O. BUNYE
Corporate Secretary

ATTESTED BY:

VICENTE R. SANTOS
Chairman

Professional Stock Transfer, Inc.

August 17, 2020

STA. LUCIA LAND, INC.
Penthouse, Building III
Sta. Lucia East Grandmall
Felix Avenue cor. Marcos Highway
Cainta, Rizal

Attention: **Atty. Patricia A.O. Bunye**
Corporate Secretary

Subject: ASM of SLI on August 20, 2020

Gentlemen:

We submit the pre-registration documents that you need for your Annual Stockholders Meeting (ASM) scheduled on August 20, 2020, to wit:

1. Certification on the total shares represented in proxies and in persons
2. Tabulation of Proxies
3. List of Proxy Holders

We trust that you will find the above-cited documents in order.

Thank you.

Very truly yours,

JENNY C. SERAFICA
President

10th Floor Telecom Plaza Building, 316 Sen. Gil Puyat Avenue, Makati City
Telephone No. 687-4053 • 801-6123 Fax No. 687-2733 Web: www.professionalstocktransfer.com
Email add: contactus@professionalstocktransfer.com • profstocktransferinc@gmail.com

CERTIFICATION

August 17, 2020

I, Jenny C. Serafica, of legal age, Filipino and with office address at Professional Stock Transfer, Inc., 10th Flr., Telecom Plaza Building, 316 Sen. Gil Puyat Avenue, Makati City , hereby certify that:

1. I am the President of Professional Stock Transfer, Inc. (PSTI) a corporation duly organized and existing under and by virtue of the laws of the Philippines.

2. PSTI is the stock transfer agent of **STA. LUCIA LAND, INC. (SLI)** a corporation duly organized and existing under and by virtue of the laws of the Philippines with principal office at Penthouse, Building III, Sta. Lucia East Grandmall Felix Avenue corner Marcos Highway, Cainta, Rizal.

3. as stock transfer agent of SLI, PSTI maintains the shareholdings records of the shareholders of SLI.

4. that the total shares represented in proxies and in persons for the Annual Stockholders Meeting of Sta. Lucia Land, Inc. scheduled on August 20, 2020 is **6,702,431,766** shares equivalent to **81.7724%** of the total **8,196,450,000** outstanding shares of Sta. Lucia Land, Inc. as of July 17, 2020

This certification is for the Annual Stockholders' Meeting of Sta. Lucia Land, Inc. on August 20, 2020.

JENNY C. SERAFICA
President

STA. LUCIA LSND, INC.
ANNUAL STOCKHOLDERS' MEETING
August 20, 2020
(Total Outstanding Shares: 8,196,450,000)

TOTAL NUMBER OF VOTES

	NO. OF SHARES	%
PROXIES:	6,701,005,767	81.7550%
IN PERSON:	1,425,999	0.0174%
Total Votes	6,702,431,766	81.7724%

Submitted by:

JENNY C. SERAFICA
President

STA. LUCIA LAND, INC.
ANNUAL STOCKHOLDERS' MEETING
August 20, 2020
LIST OF PROXY HOLDER

Total Outstanding Shares : 8,196,450,000

	SHARES	%
Exaltacion R. Joseph **Chairman of the Meeting**		
Sta. Lucia Realty & Devt., Inc.	6,701,005,767	81.75%
GRAND TOTAL	6,701,005,767	81.75%

Submitted by:

JENNY C. SERAFICA
President

Annex B

PRESIDENT'S REPORT

Annual Stockholders Meeting 20 August 2020

Good morning to our stockholders, Sta. Lucia Land board of directors & officers and special VIP guests.

2019 was breakthrough year for Sta. Lucia Land Inc. as we went over and beyond our expectations.

Our business strategy of continued expansion and growth which we have been implementing the past 3 years has continued to reap rewards for the organization. SLI has continually focused on Growth through strategic landbanking, continuous nationwide real estate development and taking care of our customers and our people.

Another record breaking year in terms of our financial performance registered P 7.81 Billion in gross revenues resulting in a net income of P 1.74 Billion, a 94% and 63% increase respectively compared to that of 2018. We have continued to manage our balance sheet as total assets increased by 16%, from P 34.72 Billion to P 40.35 Billion.

As the Philippines has begun ramping up much needed infrastructure and development, SLI also continues to ramp up its growth plans. Last 2019, we increased our strategic landbank majority in the provinces through entering joint venture agreement and land bank acquisitions in the following areas:

1. Pasig City
2. Cavite
3. Laguna
4. Batangas
5. Rizal
6. Bulacan
7. Puerto Princessa, Palawan
8. Cebu
9. South Cotabato
10. Iloilo
11. Davao

Last August 2019, A. P. A. C. Magazine in the United Kingdom announced the 2019 South East Asia Business Awards Winners and Sta. Lucia Land Inc. was awarded as the Best Real Estate Development Company in 2019. Also, SLI was recognized as an Outstanding Developer in the Gold Category in the Visayas for one of its flagship projects - Arterra Cebu by F.I.A.B.C.I. Philippines, an internationally recognized federation based in Paris, France.

These seals of excellence are a continuing testament to the values that the company has instilled which are Service, Leadership and Integrity.

With regards to the Covid-19 and Community Quarantines, the Company has mitigated the effects in its operations by supporting our customers through proper sanitation, regular advisory updates, opening the supermarket to serve the needs of the public, condoned lease rental of mall tenants, amortized the mortgage payments to longer payment terms and strengthening our online payment channels.

For our people, we ensure proper protection for our frontliners, timely payment of salaries, work-from-home arrangements, providing access to relief funds and implementation of other pre-cautionary measures.

We will continue to monitor the socio-economic landscape and how it will affect our business. Meanwhile, we have been simulating models on how to be flexible in our financial management, particularly on how to balance our expansion plans in relation to our liquidity position. Rest assured that we will strive to continue our strong track record of excellence even amidst these difficult times.

We would like to thank our Board and our management team who are committed to provide quality real estate community developments to our clients and to our stakeholders.

Thank you.

MR. EXEQUIEL D. ROBLES
President

Annex C

STA. LUCIA LAND, INC.
Resolutions of the Board of Directors and Executive Committee
For the Period from 28 June 2019 to 19 August 2020

Organizational Meeting of the Board of Directors dated 28 June 2019	
1	Election of the Directors and Officers for the year 2020-2021
2	Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 07 May 2019
3	Resolutions authorizing the Corporation to acquire parcels of land in Batangas, Davao del Sur, Laguna, Bulacan, Palawan and Davao
4	Resolution authorizing the Corporation to enter into a joint venture involving the development of a project located in Laguna
5	Resolution authorizing the Corporation to open a PhP1.5 Billion credit line with Bank of the Philippine Islands
6	Resolution authorizing the Corporation to open and maintain an escrow account with China Banking Corporation – Trust and Asset Management Group
7	Resolution authorizing the Corporation to reactivate its dormant accounts with BDO Unibank, Inc.
8	Resolution authorizing the Corporation to renew its credit line with Bank of Commerce
9	Resolution approving the Fit and Proper Rule for the Selection of Directors and Officers
Executive Committee Meeting held on 28 June 2019	
10	Resolution authorizing the Corporation to acquire parcels of land located in Quezon City
Special Meeting of the Board of Directors dated 22 August 2019	
11	Resolution approving the Minutes of the Organizational Meeting of the Board of Directors held on 28 June 2019
12	Resolutions authorizing the Corporation to acquire parcels of land located in Batangas, Davao, and a condominium unit with appurtenant parking space located in Davao
13	Resolutions authorizing the Corporation to enter into joint ventures involving the development of projects located in Davao del Sur, Cavite and Rizal
14	Resolution approving the dividend policy of the Corporation
15	Disclosures contained in the Registration Statement for the registration of up to Three Billion (3,000,000,000) shares of stock of the Corporation
16	Ratification of the resolutions of the Executive Committee approving the financial statements of the Corporation as of 30 June 2019
17	Approval and ratification of the resolutions of the Executive Committee during its meeting held on 28 June 2019
18	Resolution authorizing the Corporation to open a credit line with Bank of the Philippine Islands
Special Meeting of the Board of Directors dated 08 October 2019	
19	Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 22 August 2019
20	Resolutions authorizing the Corporation to acquire parcels of land located in Batangas, Zambales, Davao and Rizal
21	Resolutions authorizing the Corporation to enter into joint ventures involving the development of projects located in Rizal and Davao
22	Resolutions approving the filing of the Registration Statement and Listing Application and related matters in connection with the Corporation's Follow-on Offering
23	Resolution adopting the Material Related Party Transactions Policy of the Corporation
24	Resolutions authorizing the Corporation to avail of the Cash Management Services of Robinsons Bank Corporation

Executive Committee Meeting held on 08 October 2019	
25	Resolution authorizing a representative to process and sign applications for Development Permits of Mindanao projects located in Davao City, General Santos City, Polomolok City, Digos City, Panabo City and Tagum City
Special Meeting of the Board of Directors dated 13 February 2020	
26	Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 08 October 2019
27	Resolutions authorizing the Corporation to acquire parcels of land located in Palawan, Iloilo, Batangas, Bataan, Laguna, Pangasinan, Rizal, Bulacan, Surigao del Norte and Davao City
28	Resolutions authorizing the Corporation to enter into joint ventures involving the development of projects located in Rizal, Bataan and Pangasinan
29	Resolutions approving the renewal and increase of the Corporation's Omnibus Line with China Bank Corporation of up to PhP2 Billion
30	Resolutions ratifying the borrowing of the Corporation from Sta. Lucia Realty & Development, Inc. of up to PhP2 Billion, the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Corporation's Material Related Party Transactions Policy
31	Resolutions authorizing the Corporation to open accounts with BDO Unibank, Inc.
32	Resolutions approving the appraisal made by Colliers International Philippines of the Corporation's assets as of 30 June 2019
33	Resolutions setting the date of the Annual Stockholders' Meeting of the Corporation for the year 2020 on Friday, 26 June 2020, 8:00 a.m., at Santorini Hotel Cafe, 3 Dama De Noche St., Cainta, Rizal
34	Resolutions setting the record date on 25 May 2020 for purposes of determining the list of stockholders of the Corporation who are entitled to notice of, and to vote at, the Annual Stockholders' Meeting, and all other deadlines to ensure timely and full compliance with the reportorial/disclosure requirements of both the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange ("PSE") for the Annual Stockholders' Meeting.
Special Meeting of the Board of Directors dated 21 May 2020	
35	Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 13 February 2020
36	Resolutions postponing the date of the Annual Stockholders' Meeting of the Corporation for the year 2020 to Thursday, 20 August 2020, 8:00 a.m., and authorizing the virtual conduct of the Annual Stockholders' Meeting
37	Resolutions authorizing the stockholders to participate and vote on matters in the 2020 Annual Stockholders' Meeting via remote communication or *in absentia*
38	Resolutions setting the record date on 17 July 2020 for purposes of determining the list of stockholders of the Corporation who are entitled to notice of, and to vote at, the Annual Stockholders' Meeting, and all other deadlines to ensure timely and full compliance with the reportorial/disclosure requirements of both the SEC and the PSE for the Annual Stockholders' Meeting
39	Resolution authorizing the Corporation to acquire a parcel of land located in San Mateo, Rizal

Annual Stockholders' Meeting
Sta. Lucia Land, Inc.
20 August 2020

List of directors, officers and stockholders in attendance:

A. Directors

1. Vicente R. Santos
2. Exequiel D. Robles
3. Antonio D. Robles
4. Aurora D. Robles
5. Mariza Santos-Tan
6. Orestes R. Santos
7. Simeon S. Cua
8. Jose Ferdinand R. Guiang
9. Osmundo C. De Guzman, Jr.

B. Officers

1. David M. Dela Cruz
2. Jeremiah T. Pampolina
3. Ace Franziz D. Cuntapay
4. Patricia A. O. Bunye
5. Crystal I. Prado
6. Pancho G. Umali

C. Stockholders

Sta. Lucia Realty & Devt., Inc. *via* proxy

STA.LUCIA LAND INC.

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO : **ALL STOCKHOLDERS**

Please be notified that the Annual Stockholders' Meeting of **STA. LUCIA LAND, INC.** (the "Corporation") will be held on **Friday, 25 June 2021,** at **8:00 a.m.** at Penthouse Building III, Sta. Lucia Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal, via remote communication, at which meeting the following matters will be taken up:

1. Opening of the Meeting by the Chairman
2. Proof of Notice
3. Proof of the Presence of a Quorum
4. Reading and Approval of the Minutes of the Annual Stockholders' Meeting held on 20 August 2020
5. Report of the President
6. Approval and Ratification of all Acts and Resolutions of the Board of Directors and Management for the Period from 20 August 2020 to 24 June 2021
7. Election of Members of the Board of Directors for 2021-2022
8. Amendment of the By-Laws of the Corporation to authorize the stockholders to vote through remote communication or in absentia
9. Re-ratification of the sale of up to Three Billion (3,000,000,000) shares of stock through a follow-on offering, as previously approved in the Annual Stockholders' Meeting held on 21 June 2013
10. Appointment of External Auditor
11. Other Matters
12. Adjournment

Electronic copies of the Corporation's Definitive Information Statement, Management Report, Annual Report and other pertinent documents may be accessed and downloaded from the Corporation's website at https://stalucialand.com.ph/investor-relations/annual-stockholders-meeting/ and PSE EDGE.

In relation to the Election of Members of the Board of Directors for 2021-2022 (Item 7), the requirements and procedure for the nomination and election of directors are as follows:

1. Nomination

Any stockholder of record of the Corporation may nominate any qualified individual as an Independent Director of the Corporation by submitting a signed nomination form. The nomination shall be accepted and conformed to by the nominated candidate, and submitted to the Nomination Committee of the Corporation not later than forty-five (45) days before the date of the Annual Stockholders' Meeting.

The Nomination Committee shall pre-screen the qualifications of each nominee and come up with the Final List of Candidates, which shall contain all relevant information pertaining to the nominated candidate, including the identity of the stockholder(s) who nominated the said candidate. The Final List of Candidates shall be submitted to the Securities and Exchange Commission in any report required by the Securities Regulation Code and its implementing rules and regulations, including, but not limited to, the Information Statement and Proxy Statement.

After the Final List of Candidates shall have been prepared by the Nomination Committee, no other nomination shall be entertained. Neither shall a nomination for Independent Directors be entertained or allowed on the floor during the annual meeting of stockholders.

2. Election

A majority of the subscribed capital present via remote communication or represented by proxy shall be sufficient to constitute a quorum for the election of directors.

At each meeting of the stockholders, every stockholder shall be entitled to vote via remote communication or by proxy, for each share of stock held by him which has voting power upon the matter in question.

The directors of the Corporation shall be elected by plurality vote and every stockholder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his share shall equal, or by distributing such votes at the same principle among any number of candidates. If the number of nominees is nine (9) or less, a motion shall be presented to the body that all votes be cast in favor of all nominees. However, if the minority stockholders nominate a candidate or if there are more than nine (9) nominees, the votes shall be cast. The results shall be counted/validated by the Corporate Secretary.

The Organizational Meeting of the new Board of Directors will be held immediately after the Annual Stockholders' Meeting.

By resolution of the Board of Directors, the close of business on Friday, 21 May 2021, has been fixed as the record date for the determination of the stockholders entitled to notice of, and to vote at, the Annual Stockholders' Meeting and any adjournment thereof.

Due to the COVID-19 pandemic, stockholders may only attend the meeting via remote communication or by proxy, and by complying with the Guidelines for Participation via Remote Communication and Voting *in Absentia,* which is available at the Corporation's website. Stockholders who have successfully registered and been duly verified may access the online livestreaming of the meeting and vote *in absentia*.

All stockholders who do not expect to attend the meeting via remote communication are urged to fill in, date, sign and return the enclosed proxy to the Corporation not later than Thursday, 17 June 2021, in accordance with the 2015 Revised Implementing Rules and Regulations of the Securities Regulation Code. Proxies received after the said deadline will not be recorded. Corporate stockholders are requested to attach to the proxy instrument their respective Secretary's Certificates containing the Board Resolution *vis-à-vis* the authority of their proxy(ies). **Management is not asking you for a proxy, and you are not requested to send management a proxy.** All proxies submitted on or before the deadline shall be validated by a Committee of Inspectors on Friday, 18 June 2021, at the principal office of the Corporation.

15 June 2021.

PATRICIA A. O. BUNYE
Corporate Secretary

STA. LUCIA LAND, INC.
ANNUAL STOCKHOLDERS' MEETING
25 June 2021, 8:00 a.m.
Via Web Conference

PROXY

KNOW ALL MEN BY THESE PRESENTS:

The undersigned stockholder of **STA. LUCIA LAND, INC.** (the "Corporation") does hereby name, constitute and appoint the Chairman of the Meeting as my/our/its proxy, to represent and vote all shares registered in his/her/its name in the books of said Corporation, at the Annual Stockholders' Meeting to be held on Friday, 25 June 2021, at 8:00 a.m., or at any adjournment thereof, for the purpose of acting on all of the following matters:

		Y	N	AB
1.	Reading and Approval of the Minutes of the 2020 Annual Stockholders' Meeting			
2.	Approval and Ratification of All Acts and Resolutions of the Board of Directors and the Management for the Period from 20 August 2020 to 24 June 2021			
3.	Election of Members of the Board of Directors for 2021-2022			
	A. Vote equally for all nominees in Annex "A"	A		
	B. Withhold authority to vote for all nominees in Annex "A"	B		
	C. Distribute or cumulate my shares to the nominee/s, as enumerated in Annex "A"	C		
4.	Amendment of the By-Laws of the Corporation to authorize the stockholders to vote through remote communication or *in absentia*			
5.	Re-ratification of the sale of up to Three Billion (3,000,000,000) shares of stock through a follow-on offering, as previously approved in the Annual Stockholders' Meeting held on 21 June 2013			
6.	Appointment of External Auditor			

IN WITNESS WHEREOF, the undersigned has hereunto set his/her/its hand this ___ day of _______________________ 2021.

Signature : ______________________________

Printed Name of Signatory / Stockholder : ______________________________
____

Position of Signatory : ______________________________

W I T N E S S E S:

________________________   ________________________

A proxy executed by a corporate stockholder shall be in the form of a board resolution duly certified by the Corporate Secretary or in this proxy form executed by a duly authorized corporate officer accompanied by a Corporate Secretary's Certificate quoting the board resolution authorizing the said corporate officer to execute the proxy.

This proxy should be received by the Corporate Secretary together with other documentary requirements on or before **17 June 2021**, the deadline for submission of proxies.

This proxy revokes any and all proxies which may have previously been executed in favor of a person or persons other than those named above. This proxy shall remain in full force and effect until specifically revoked through notice in writing lodged with the Corporate Secretary of said Corporation at any time prior to the scheduled time of the meeting, in accordance with the Corporation's By-Laws.

As applicable, the abovementioned stockholder hereby consents to the processing of his/her/its personal information for purposes of the corporation's Annual Stockholders' Meeting.

* Legend: Y – Yes; N – No; AB - Abstain

Annex "A"

STA. LUCIA LAND, INC.
ANNUAL STOCKHOLDERS' MEETING
25 June 2021, 8:00 a.m.

<u>Nominees for the Members of the Board of Directors for 2021-2022</u>

Kindly accomplish this form only if you checked item 3.C. in the Proxy.

Kindly indicate the number of shares to be voted for each nominee. The total no. of votes cast should not exceed the number of shares registered in your name multiplied by the number of available board seats (9).

Independent Directors	No. of Votes/Shares
1. Renato C. Francisco	____________
2. Danilo A. Antonio	____________
Regular Directors	**No. of Votes/Shares**
1. Vicente R. Santos	____________
2. Exequiel D. Robles	____________
3. Antonio D. Robles	____________
4. Aurora D. Robles	____________
5. Mariza Santos-Tan	____________
6. Orestes R. Santos	____________
7. Simeon S. Cua	____________

* Legend: Y – Yes; N – No; AB - Abstain

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS
INFORMATION STATEMENT PURSUANT TO SECTION 20 (3) (A)
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement
   [✓] Definitive Information Statement

2. Name of Registrant as specified in its charter
   STA. LUCIA LAND, INC.

3. Province, country or other jurisdiction of incorporation or organization
   METRO MANILA, PHILIPPINES

4. SEC Identification Number **31050**

5. BIR Tax Identification Code **000-152-291**

6. Address of principal office
   Penthouse, Building III, Sta. Lucia Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal

7. Registrant's telephone number, including area code **(632) 8681-7332**

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

   25 June 2021, 8:00 a.m., at Penthouse Building III, Sta. Lucia Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal. The meeting will be conducted virtually and participation will be via remote communication.

9. The approximate date on which the Information Statement will be sent or given to the security holders is on **03 June 2021**

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 of Common Stock Outstanding or Amount of Debt Outstanding
Common	**8,196,450,000**

11. Are any or all of Registrant's securities listed on a Stock Exchange?

    Yes __**x**__ No _____

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

Philippine Stock Exchange, Inc., Common Shares

INFORMATION STATEMENT

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY

GENERAL INFORMATION

Date, Time and Place of Meeting of Security Holders

Date : 25 June 2021
Time : 8:00 a.m.
Place : Penthouse Building III, Sta. Lucia Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal. The meeting will be conducted virtually and participation will be via remote communication.

The corporate mailing address of the principal office of the Registrant is Penthouse Building III, Sta. Lucia Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal.

The approximate date the definitive copies of the Information Statement will be sent or given to security holders is on 03 June 2021.

Dissenter's Right of Appraisal

There are no matters to be acted upon in the stockholders' meeting which may give rise to any rights of appraisal under Section 80, Title X, Appraisal Right, Revised Corporation Code of the Philippines.

A stockholder who shall have voted against any corporate action involving matters enumerated under Section 80, Title X, Appraisal Right, the Revised Corporation Code of the Philippines (the "dissenting stockholder") may exercise his appraisal right by making a written demand on the Registrant for the payment of the fair value of shares held within thirty (30) days after the Stockholders' Meeting date. Failure to make the demand within the prescribed period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the Registrant shall pay the dissenting stockholder upon surrender of the stock certificates representing his shareholdings in the Registrant based on the fair value thereof as of the day prior to the date of the Stockholders' Meeting, excluding any appreciation or depreciation in anticipation of such corporate action, provided that no payment shall be made to the dissenting stockholder unless the Registrant has unrestricted retained earnings to cause such payment.

Interest of Certain Persons in or Opposition to Matters to be acted upon

No director has informed the Registrant in writing that he intends to oppose any action to be taken at the meeting.

CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

(a) Number of shares outstanding as of 31 March 2021:

Common: 8,196,450,000

Each security holder shall be entitled to as many number of votes as the number of shares held.

(b) Record date: 21 May 2021

Cumulative Voting Rights

Pursuant to Section 1.06 of the Registrant's By-Laws, every holder of voting stock may vote during all meetings, including the Annual Stockholders' Meeting, either in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact.

Applying Section 23 of the Revised Corporation Code, each stockholder may vote in any of the following manner:

(a) he may vote such number for as many persons as there are directors to be elected;

(b) he may cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by his shares; or

(c) he may distribute them on the same principle among as many candidates as he shall see fit.

In any of the foregoing instances, the total number of votes cast by the shareholder should not exceed the number of shares owned by him as shown in the books of the Registrant multiplied by the whole number of directors to be elected.

Security Ownership of Certain Beneficial Owners and Management

- Security Ownership of Certain Record and Beneficial Owners

Stockholders who/which are directly/indirectly the record/beneficial owners of more than 5% of the Registrant's voting securities as of 31 March 2021:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Number of Shares Held	Percentage Held
Common	Sta. Lucia Realty & Development, Inc. ("SLRDI")[1] Ground Floor State Financing Center Building, Ortigas Center, Pasig City	Same as record owner	Domestic	6,701,005,767	81.75%

[1] Based on its latest General Information Sheet ("GIS") on file with the Securities and Exchange Commission, the majority stockholders of SLRDI are Mariza Santos-Tan, Vicente R. Santos, Orestes R. Santos, Felizardo R. Santos, and Leodegario R. Santos, all Filipino citizens. They each hold 10% of the outstanding capital stock of SLRDI. SLRDI has not yet submitted its proxy for the 2021 Annual Stockholders' Meeting of the Registrant since the deadline for submission is on 17 June 2021.

Common	PCD Nominee Corporation Ground Floor, MKSE Building, 6767 Ayala Avenue, 1226 Makati City Relationship with Issuer: N/A	1. Various beneficial owners 2. Cualoping Securities Corporation	Domestic	1,464,962,606	17.87%

The voting of the shares of the foregoing corporate stockholders of the Registrant during the stockholders' meeting is directed by the majority vote of the members of their respective board of directors.

- Security Ownership of Management (as of 31 March 2021)

Title of class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percentage of Class
Common	VICENTE R. SANTOS Chairman Evangelista St., Brgy. Santolan Pasig City	712,494 Direct 233,000 Indirect	Filipino	0.01%
Common	EXEQUIEL D. ROBLES President and Director F. Pasco Ave., Dumandan Compound, Santolan, Pasig City	712,500 Direct 230,000 Indirect	Filipino	0.01%
Common	MARIZA R. SANTOS-TAN Treasurer and Director G/F, State Centre II Ortigas Ave., Mandaluyong City	1 Direct 0 Indirect	Filipino	-
Common	AURORA D. ROBLES Assistant Treasurer and Director Alexandra Condominium Meralco Ave., Pasig City	1 Direct 0 Indirect	Filipino	-
Common	SIMEON S. CUA Director 1765 P.M. Guazon Street Paco, Manila 1007	999 Direct 0 Indirect	Filipino	0.00%
Common	ANTONIO D. ROBLES Director Odyssey St., Acropolis Green Subd. Libis, Quezon City	1 Direct 0 Indirect	Filipino	-
Common	ORESTES R. SANTOS Director Odyssey St., Acropolis Quezon City	1 Direct 0 Indirect	Filipino	-

Common	JOSE FERDINAND R. GUIANG Independent Director #71 K-6 St., East Kamias Road Quezon City	1 Direct 0 Indirect	Filipino	-
Common	OSMUNDO C. DE GUZMAN, JR. Independent Director 43 Walnut St. New Marikina Subd. San Roque, Marikina City	1 Direct 0 Indirect	Filipino	-
Common	DAVID M. DELA CRUZ Executive Vice President, CFO, and Chief Risk Officer 31 La Naval Street Remmanville Subdivision Better Living, Parañaque	0 Direct 0 Indirect	Filipino	-
Common	ATTY. PATRICIA A. O. BUNYE Corporate Secretary One Orion 11th Avenue cor. University Parkway Bonifacio Global City 1634 Metro Manila	0 Direct 0 Indirect	Filipino	-
Common	ATTY. CRYSTAL I. PRADO Assistant Corporate Secretary N409, Phase 4, El Pueblo One Condominium, King Christian St. Kingspoint Subd., Novaliches Quezon City, Philippines	0 Direct 0 Indirect	Filipino	-
Common	ATTY. PANCHO G. UMALI Assistant Corporate Secretary One Orion 11th Avenue cor. University Parkway Bonifacio Global City 1634 Metro Manila	0 Direct 0 Indirect	Filipino	-
Common	JEREMIAH T. PAMPOLINA Chief Compliance Officer and VP for Investor Relations & Corporate Planning 67C J.P. Rizal Street, Project 4 Quezon City	0 Direct 0 Indirect	Filipino	-
Common	ACE FRANZIZ D. CUNTAPAY Internal Auditor and Data Protection Officer Unit 3020, GA Tower 2, EDSA Mandaluyong City	0 Direct 0 Indirect	Filipino	-

- Security Ownership of Nominees for Election as Independent Director (The Nominees purchased 1,000 shares each in the Registrant on 25 May 2021. The shares are pending upliftment and are expected to be registered in the names of the respective Nominees by 25 June 2021.)

Common	RENATO C. FRANCISCO Nominee as Independent Director No. 8 Sparrow Street New Marikina Subdivision Marikina City	1,000* Direct 0 Indirect	Filipino	-
Common	DANILO A. ANTONIO Nominee as Independent Director 2731 Taft Avenue Extension Brgy. San Rafael Pasay City	1,000* Direct 0 Indirect	Filipino	-

MANAGEMENT AND CERTAIN SECURITY HOLDERS

- Directors and Executive Officers as a Group
(The Nominees purchased 1,000 shares each in the Registrant on 25 May 2021. The shares are pending upliftment and are expected to be registered in the names of the respective Nominees by 25 June 2021)

Title of class	Name of Beneficial Owner	Amount of Ownership Percent of Class as Director & Officers	Percent of class
Common	DIRECTORS & EXECUTIVE OFFICERS	1,890,999*	0.02%

Changes in Control

As previously disclosed, SLRDI purchased the Registrant's shares owned by Farmix Fertilizers Corp., John Andreas Djoewardi and Juanita Tan, who initiated a derivative suit, pursuant to the *Judgment* dated 17 April 2006 approving the *Compromise Agreement* dated 10 February 2006. Based on the *Compromise Agreement* dated 10 February 2006, SLRDI has agreed to buy, and Farmix Fertilizers Corp., John Andreas Djoewardi and Juanita Tan have agreed to sell, in cash, all of the latter's shares, rights, interests, and participation in and to the Registrant as stipulated in the *Appraisal Certificate* jointly signed and executed by the parties simultaneously with the execution of the *Compromise Agreement* dated 10 February 2006.

Moreover, the Securities and Exchange Commission ("SEC") approved the increase in the Registrant's Authorized Capital Stock in the amount of Fourteen Billion Pesos (P14,000,000,000.00). In this regard, pursuant to the resolutions passed by the Registrant's Board on 15 June 2007 and resolutions passed by the Registrant's Stockholders on 16 July 2007, as fully disclosed to the SEC and the Philippine Stock Exchange, Inc. ("PSE"), SLRDI subscribed to Ten Billion Pesos (P10,000,000,000.00) of the said increase in Authorized Capital Stock.

The said subscription by SLRDI was under the following terms and conditions: (a) subscription shall be at par value; (b) payment of subscription shall be by way of transfer of assets; and (c) the value of the assets to be transferred by SLRDI to the Registrant in payment of the subscription should be acceptable to the Registrant's Board and, in any event, shall be subject to a reasonable discount on the market. In the meeting held on 16 August 2010 which was previously disclosed, the Registrant's Board of Directors approved the following matters in relation to SLRDI's subscription, subject to the approval of the SEC: (a) removal of the three (3) lots covered by TCT Nos. 1002784, 1002748 and 196218 from the properties to be assigned, transferred and conveyed by SLRDI to the Registrant as payment for the subscription; (b) correction of the amounts of loans for which some of the SLRDI properties are used as collateral ("Loan Amounts"); and (c) treatment of the excess of the aggregate fair market value of the SLRDI properties over the shares to be issued by the Registrant to SLRDI, after deducting the Loan Amounts: (i) as additional paid in capital of the Registrant to the extent of Three Hundred Million Pesos (P300,000,000.00); and (ii) with the balance of such excess to be treated as a discount.

By virtue of the foregoing transactions, SLRDI directly and beneficially owned 97.22% of voting securities in the Registrant.

To settle the intercompany advances, SLRDI and the Parent Company entered into a Deed of Assignment on 08 July 2014 ("Deed of Assignment") rescinding the assignment of "Saddle and Clubs Leisure Park" and agreed to convey 3,000,000,000 shares out of SLRDI's shareholdings in the Registrant in two tranches as follows:

Tranche 1 – 2,250,000,000 shares at P.40 per share to be transferred within 30 days from the signing of the Deed of Assignment

Tranche 2 – 750,000,000 shares at P1.20 per share to be transferred within one year from the date of the Deed of Assignment, or when the Registrant accumulates more than P901,107,601.00 in Unrestricted Retained Earnings, whichever is earlier

On 17 September 2014, the Registrant successfully completed Tranche 1 involving the assignment of Two Billion Two Hundred Fifty Million (2,250,000,000) shares from SLRDI to the Registrant.

On 27 December 2018, pursuant to the Deed of Assignment, SLRDI and the Registrant executed the Second tranche in the Deed of Assignment. The Registrant acquired Seven Hundred Fifty Million (750,000,000) treasury shares at the price of P1.20 per share to cover the settlement of the advances in the amount of Nine Hundred Million Pesos (PhP900,000,000.00) made by the Registrant to SLRDI.

Please note that, as of 31 March 2021, SLRDI directly and beneficially owns Six Billion Seven Hundred One Million Five Thousand Seven Hundred Sixty Seven (6,701,005,767) shares, representing 81.75% of the voting securities in the Registrant.

<u>Voting Trust Holders</u>

The Registrant is not a party to any voting trust. No shareholder of the Registrant holds more than 5% of the outstanding capital stock of the Registrant through a voting trust or other similar agreements.

Directors and Executive Officers of the Registrant

<u>Directors</u>

VICENTE R. SANTOS	Chairman
EXEQUIEL D. ROBLES	President
MARIZA R. SANTOS-TAN	Treasurer
AURORA D. ROBLES	Assistant Treasurer
ANTONIO D. ROBLES	Director
ORESTES R. SANTOS	Director

SIMEON S. CUA	Director
JOSE FERDINAND R. GUIANG	Independent Director
OSMUNDO DE GUZMAN, JR.	Independent Director

Executive/Corporate Officers

VICENTE R. SANTOS	Chairman
EXEQUIEL D. ROBLES	President
DAVID M. DELA CRUZ	Executive Vice-President, Chief Financial Officer, and Chief Risk Officer
MARIZA SANTOS-TAN	Treasurer
AURORA D. ROBLES	Assistant Treasurer
ACE FRANZIZ D. CUNTAPAY	Internal Auditor and Data Protection Officer
JEREMIAH T. PAMPOLINA	Chief Compliance Officer and VP for Investor Relations & Corporate Planning
PATRICIA A. O. BUNYE	Corporate Secretary
PANCHO G. UMALI	Assistant Corporate Secretary
CRYSTAL I. PRADO	Assistant Corporate Secretary

To the Registrant's knowledge, there is no substantial interest, direct or indirect, by security holdings or otherwise, of each of the foregoing persons in any matter to be acted upon. The Certifications executed by the Board of Directors and Officers stating that they do not work in the Philippine government are attached.

On 11 May 2021, Mr. Vicente R. Santos and Mr. Exequiel D. Robles, stockholders of the Registrant, jointly nominated Messrs. Renato C. Francisco and Danilo A. Antonio as Independent Directors of the Registrant for the year 2021-2022 pursuant to Section 2.01 of Article II of the amended By-laws of the Registrant, to wit:

> "**Section 2.01.** xxx
>
> (d) *Nomination Process for Independent Directors* - Any stockholder of record of the Corporation who may nominate any qualified individual as an Independent Director of the Corporation by submitting a signed nomination form. The nomination shall be accepted and conformed to by the nominated candidate, and submitted to the Nomination Committee of the Corporation not later than forty-five (45) days before the date of the Annual Stockholders' Meeting.
>
> (e) *Screening Process* - The Nomination Committee shall pre-screen the qualifications of each nominee and come up with the Final List of Candidates, which shall contain all relevant information pertaining to the nominated candidate, including the identity of the stockholder(s) who nominated the said candidate. The Final List of candidates shall be submitted to the Securities and Exchange Commission in any report required by the Securities Regulation Code and its implementing rules and regulations, including, but not limited to, the Information Statement and Proxy Statement.
>
> (f) *Restrictions on Nominations* – After the Final List of Candidates shall have been prepared by the Nomination Committee no

other nomination shall be entertained. Neither shall a nomination for Independent Directors be entertained or allowed on the floor during the annual meeting of stockholders."

In compliance with the Registrant's By-Laws, the Registrant's Corporate Governance Committee, which performs the functions of the Nomination Committee, has pre-screened the qualifications of the nominees and included them in the Final List of Candidates. Mr. Vicente R. Santos and Mr. Exequiel D. Robles are not related by affinity, consanguinity, contract or agreement to Mr. Renato C. Francisco and Mr. Danilo A. Antonio. The Certifications on Qualifications and Disqualifications executed by Messrs. Renato C. Francisco and Danilo A. Antonio are attached.

The members of the Audit Committee are the following:

Osmundo C. De Guzman, Jr. - Chairman
Vicente R. Santos
Jose Ferdinand R. Guiang

The members of the Corporate Governance Committee are the following:

Jose Ferdinand R. Guiang – Chairman
Osmundo C. De Guzman, Jr.
Vicente R. Santos

The following persons are nominees for election as directors for the year 2021-2022 :

Nominees	Regular/Independent Director
VICENTE R. SANTOS	Regular
EXEQUIEL D. ROBLES	Regular
MARIZA R. SANTOS-TAN	Regular
AURORA D. ROBLES	Regular
ANTONIO D. ROBLES	Regular
ORESTES R. SANTOS	Regular
SIMEON S. CUA	Regular
RENATO C. FRANCISCO	Independent
DANILO A. ANTONIO	Independent

RESUME OF DIRECTORS/EXECUTIVE OFFICERS [COVERING THE PAST FIVE (5) YEARS]

VICENTE R. SANTOS – Chairman

Term of Office	Five years (2016-2021)
Address	Evangelista St., Brgy. Santolan, Pasig City
Age	64
Citizenship	Filipino
Positions Held	Executive Vice President, Sta. Lucia Realty & Development, Inc.; EVP, Valley View Realty Dev't Corp.; EVP, RS Maintenance & Services Corp.; EVP, Sta. Lucia East Cinema Corp.; EVP, Sta. Lucia Waterworks Corp.; EVP Rob-San East Trading Corp.; EVP, Sta. East Commercial Corp.; EVP, RS Night Hawk Security &

	Investigation Agency; EVP, Sta. Lucia East Bowling Center, Inc.; EVP, Sta. Lucia East Department Store, Inc.; President, Acropolis North; Corporate Secretary, Lakewood Cabanatuan; Chairman, Orchard Golf & Country Club
Directorships held	Orchard Golf & Country Club; Eagle Ridge Golf & Country Club; Sta. Lucia Land, Inc.

EXEQUIEL D. ROBLES – President/Director

Term of Office	Five years (2016-2021)
Address	F. Pasco Avenue, Dumandan Compound, Santolan, Pasig City
Age	66
Citizenship	Filipino
Positions Held	President and General Manager, Sta. Lucia Realty & Development, Inc.; President, Sta. Lucia East Cinema Corporation; President, Sta. Lucia East Commercial Corporation; President, Sta. Lucia East Bowling Center, Inc.; President, Sta. Lucia East Department Store; President, Valley View Realty and Development Corporation; President, RS Maintenance & Services, Inc.; President, Rob-San East Trading Corporation; President, RS Night Hawk Security & Investigation Agency
Directorships Held	Sta. Lucia Realty & Development, Inc., Sta. Lucia East Cinema Corporation, Sta. Lucia Waterworks Corporation, Sta. Lucia East Commercial Corporation, Sta. Lucia East Department Store, Sta. Lucia East Bowling Center, Inc., Valley View Realty Development Corporation, RS Maintenance & Services, Inc.

MARIZA R. SANTOS-TAN – Treasurer

Term of Office	Five years (2016-2021)
Address	G/F, State Center II, Ortigas Avenue, Mandaluyong City
Age	63
Citizenship	Filipino
Positions Held	Vice President for Sales, Sta. Lucia Realty & Development, Inc.; Vice President, Valley View Realty Development, Inc.; Corporate Secretary, RS Maintenance & Services Corporation; Corporate Secretary, Sta. Lucia East Cinema Corporation; Corporate Secretary, Sta. Lucia Waterworks Corporation; Corporate Secretary, Rob-San East Trading Corporation; Corporate Secretary, Sta. Lucia East Commercial Corporation; Corporate Secretary, RS Night Hawk Security & Investigation Agency; Corporate Secretary, Sta. Lucia East Bowling Center, Inc.; Corporate Secretary, Sta. Lucia East Department Store, Inc.; President, Royale Tagaytay Golf & Country Club; Assistant Corporate Secretary, Alta Vista Golf & Country Club; Treasurer, Manila Jockey Club; Corporate Secretary, Worlds of Fun; Corporate Secretary, Eagle Ridge Golf & Country Club
Directorships Held	Sta. Lucia Realty & Development, Inc., Valley View Realty Development, Inc., Orchard Golf & Country Club, Alta Vista Golf & Country Club, Manila Jockey Club, True Value Workshop, Consolidated Insurance Company, Unioil Resources Holdings, Inc.; EBEDEV, Inc.

AURORA D. ROBLES – Assistant Treasurer/Director

Term of Office	Five years (2016-2021)
Address	The Alexandra Condominiums, Meralco Avenue, Pasig City
Age	54
Citizenship	Filipino
Positions Held	Purchasing Manager, Sta. Lucia Realty & Development, Inc.; Stockholder, Valley View Realty Dev't Corp.; Stockholder, RS Maintenance & Services Corp.; Chief Administrative, Sta. Lucia East Cinema Corp.; Chief Administrative, Sta. Lucia Waterworks Corp.; Chief Administrative, Rob-San East Trading Corp.; Stockholder, Sta. East Commercial Corp.; Stockholder, RS Night Hawk Security & Investigation Agency
Directorships Held	CICI General Insurance Corp.

SIMEON S. CUA – Director

Term of Office	Three years (2018-2021)
Address	1765 P.M. Guazon St., Paco Manila 1007
Age	63
Citizenship	Filipino
Positions Held	President and CEO, Philippine Racing Club, Inc.; President, Cualoping Securities, Inc.
Directorships held	Philippine Racing Club, Inc., Cualoping Securities, Inc.

ANTONIO D. ROBLES – Director

Term of Office	Five years (2016-2021)
Address	Odyssey, Acropolis, Quezon City
Age	57
Citizenship	Filipino
Positions Held	Stockholder, Sta. Lucia Realty & Development, Inc.; Stockholder, Valley View Realty Dev't Corp.; Stockholder, RS Maintenance & Services Corp.; Treasurer, Orchard Marketing Corporation; Stockholder, Sta. Lucia East Commercial Corp.; Stockholder, RS Night Hawk Security & Investigation Agency; Stockholder, Exan Builders Corp.; Owner, Figaro Coffee; Owner, Cabalen
Directorships held	Exan Builders Corp.

ORESTES R. SANTOS – Director

Term of Office	Five years (2016-2021)
Address	Odyssey St., Acropolis, Quezon City
Age	60
Citizenship	Filipino
Positions Held	Project Manager, Sta. Lucia Realty & Development, Inc.; President, RS Superbatch, Inc.
Directorships held	City Chain Realty

JOSE FERDINAND R. GUIANG – Independent Director

Term of office	Five years (2016-2021)

Address	Unit 4 Cornhill Villas, Kaimito Ave. Town & Country Exec. Vill., Antipolo
Age	56
Citizenship	Filipino
Positions Held	President, Pharmazel Incorporated; Member, Filipino Drug Association, Inc.; Area Sales Supervisor, Elin Pharmaceuticals, Inc.

OSMUNDO C. DE GUZMAN, JR. – Independent Director

Term of office	Five years (2016-2021)
Address	43 Walnut St. New Marikina Subd., San Roque, Marikina City
Age	66
Citizenship	Filipino
Positions Held	Treasurer, Sunflower Circle Corp.

RENATO C. FRANCISCO – Nominee for Election as Independent Director

Address	No. 8 Sparrow Street, New Marikina Subdivision, Marikina City
Age	72
Citizenship	Filipino
Positions Held	Associate Justice, Court of Appeals (2012-2018; retired in 2018)

DANILO A. ANTONIO – Nominee for Election as Independent Director

Address	2731 Taft Avenue Extension, Brgy. San Rafael, Pasay City
Age	66
Citizenship	Filipino
Positions Held	CEO, Land-Excel Consulting Inc.; President, West Palawan Premiere; Professor of Entrepreneurship, Ateneo de Manila University Graduate School of Business; Management Committee Member and Advisor, AIM Conference Center Manila

DAVID M. DE LA CRUZ – Executive Vice President, Chief Financial Officer and Chief Risk Officer

Term of Office	Five years (2016-2021)
Address	#31, La Naval Street Remmanville Subdivision Better Living, Parañaque City
Age	56
Citizenship	Filipino
Positions Held	VP and CFO – Atlas Consolidated Mining and Development Corp.; SAVP – Corporate Credit Risk Management - BDO; President – AC&D Corporate Partners; President / CFO – Geograce Resources Phils. Inc.; Vice President / Head of Sales Amsteel Securities Philippines Inc; Senior Manager – Investment Banking Deutsche Morgan Grenfell Hong Kong Limited; Acting General Manager & Marketing Head – UBP Securities / Manager - Investment Banking - UBP Capital Corporation; Senior Auditor, SGV & Co.

ATTY. PATRICIA A. O. BUNYE – Corporate Secretary

Term of Office	Five years (2016-2021)

Address	9th, 10th, 11th & 12th Floors, One Orion, 11th Avenue cor. University Parkway, Bonifacio Global City, Metro Manila
Age	52
Citizenship	Filipino
Positions Held	Senior Partner, Cruz Marcelo & Tenefrancia; Past President, Licensing Executives Society International; Founding President, Diwata-Women in Resource Development, Inc.; Past President, Integrated Bar of the Philippines (Pasay, Parañaque, Las Piñas & Muntinlupa Chapter); Corporate Secretary, PTFC Redevelopment Corporation; Corporate Secretary, Lawphil Investments, Inc.; President, CVCLAW Center Condominium Corporation; Fellow, Institute of Corporate Directors.
Directorships Held	Baskerville Trading Corporation; Belmont Equities, Inc.; DineEquity Philippines Holdings, Inc.; Lawphil Investments, Inc.; Mianstal Holdings, Inc.; Quaestor Holdings, Inc.; Westminster Trading Corporation; Winchester Trading Corporation; Windermere Marketing Corporation; CVCLAW Center Condominium Corporation; TDF Holdings, Inc.

ATTY. CRYSTAL I. PRADO – Assistant Corporate Secretary

Term of Office	Five years (2016-2021)
Address	N409, Phase 4, El Pueblo One Condominium, King Christian St., Kingspoint Subd., Novaliches, Quezon City
Age	39
Citizenship	Filipino
Positions Held	Legal Counsel, Sta. Lucia Land, Inc.; College Instructor, St. Joseph's College of Quezon City; Legal Officer/Executive Assistant/Marketing Head, Principalia Management and Personnel Consultants, Inc.; Court Interpreter III, Supreme Court; English Teacher, Call `n Talk; English Teacher, Top English Center; English Teacher, CNN Language Center; English

ATTY. PANCHO G. UMALI – Assistant Corporate Secretary

Term of Office	Five years (2016-2021)
Address	9th, 10th, 11th & 12th Floors, One Orion, 11th Avenue cor. University Parkway, Bonifacio Global City, Metro Manila
Age	44
Citizenship	Filipino
Positions Held	Partner, Cruz Marcelo & Tenefrancia; First Vice President, The Law Foundation of Makati, Inc.; Treasurer, Taguig Lawyers League; Assistant Corporate Secretary, Lawphil Investments, Inc.; Assistant Corporate Secretary, PTFC Redevelopment Corporation; Corporate Secretary, Philippine Equity Partners, Inc.; Assistant Corporate Secretary, CVCLAW Center Condominium Corporation; Corporate Secretary, Haw Par Tiger Balm (Philippines), Inc.
Directorships Held	Catania Property Holdings, Inc.; China Systems Technology Corporation; Cosmo System Corporation; Junabejo Trading Corporation; Junabejo Food Corporation; Loscano Holdings, Inc.; Haw Par Tiger Balm (Philippines), Inc.; IAMSPA, Inc.; Sun East Asia Corporation; Sincere Facade Philippines, Inc.; Sincere Facade

Innovations, Inc.; Synchrogenix Philippines, Inc.; Union Earn Holdings, Inc.; Wooloomooloo Steakhouse Philippines, Inc.

ACE FRANZIZ CUNTAPAY – Internal Auditor and Data Protection Officer

Term of Office	Three years (2018-2021)
Address	Unit 3020, GA Tower 2, EDSA, Mandaluyong City
Age	27
Citizenship	Filipino
Positions Held	Associate Auditor, SGV & Co.

JEREMIAH T. PAMPOLINA – Chief Compliance Officer and VP for Investor Relations & Corporate Planning

Term of Office	Three years (2018-2021)
Address	67C J.P. Rizal Street, Project 4, Quezon City
Age	44
Citizenship	Filipino
Positions Held	Junior Bank Officer, Union Bank of the Philippines; Business Development & Strategic Planning Manager, P. J. Lhuillier Group of Companies; Supply Chain and Operations Manager, Technomarine Philippines; Business Development & Operations Manager, Aboitiz-Jebsen; Associate Lecturer - Strategic Management, De La Salle University

The entire workforce of the Registrant is considered significant as each of its employees has his own responsibilities which are supposed to achieve the Registrant's goals and objectives.

Family Relationships

EXEQUIEL D. ROBLES, ANTONIO D. ROBLES, and AURORA D. ROBLES are siblings and they are first cousins with VICENTE R. SANTOS, MARIZA R. SANTOS-TAN, and ORESTES R. SANTOS, who are likewise siblings.

<u>Legal Proceedings</u> [covering the past five (5) years]

	CASE TITLE	NATURE OF CASES	PROPERTY INVOLVED	COURT	CASE NO.	AMOUNT INVOLVED	STATUS
1	**FELICISIMA BALAGTAS AND OFELIA ALVAREZ VS. STA. LUCIA LAND, MICHAEL ROBLES AND MILESTONE FARMS, INC.**	CANCELLATION OF SALE, REFUND OF ALL PAYMENTS TO THE RESPONDENTS AND THE CORRESPONDING VAT WITH INTEREST AND DAMAGES ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**PALO ALTO PCOM B1 L30**	HLURB QUEZON CITY	HLURB REM 060314-15410		**FILED APPEAL MEMORANDUM AT OFFICE OF THE PRESIDENT**
2	**SHERRYL ADRIANO VS. STA. LUCIA LAND**	REFUND ***HANDLED BY: ATTY. CRYSTAL I. PRADO***		HLURB CALAMBA LAGUNA	HLURB CASE NO. RIV-102317-4813		**PENDING/ FOR SETTLEMENT**

3	**CECILIA CORDERO VS. STA. LUCIA LAND**	***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**PONTE VERDE BATANGAS P5 B7 L12**	HLURB, CALAMBA LAGUNA	RIV-012318-4877		**WAITING FOR ORDER**
4	**MANUEL MORATO ET. AL, VS. EXEQUIEL D. ROBLES, STA. LUCIA LAND, INC. AND LIDERATO D. ROBLES ET. AL**	INJUNCTION WITH PRAYER OF PRELIMINARY INJUNCTION AND/OR TEMPORARY RESTRAINING ORDER		REGIONAL TRIAL COURT BR 215 QUEZON CITY	R-QZN-18-04305-CV		**FILED COMMENT/ OPPOSITION** **PARTIAL DISMISSAL; MR FILED**
5	**MANUEL MORATO ET. AL, VS. EXEQUIEL D. ROBLES, VICENTE R SANTOS AND LIDERATO D. ROBLES ET. AL**	SYNDICATED ESTAFA		PROSECU-TORS OFFICE QUEZON CITY	XV-03-INV-18F–05949		**DISMISSED (NOV 2018)** **FILED PETITION FOR RENEWAL AT DOJ**
6	**JOSEPHINE M. RAYMUNDO B VS. STA. LUCIA LAND, INC. & ROYAL HOMES MARKETING CORP.**	REFUND		HSAC	RIVA-REM-201008-00078		**FOR FILING OF ANSWER**
7	**ANTONINA CORAZON A ROXAS, ANGELO GABRIEL SILAPAN VS. STA. LUCIA LAND, INC.**	WAIVER OF PENALTIES; REFUND OF LOAN DIFFERENCE		HSAC	N/A		**TERMINATED**
	DISMISSED/TERMINATED/ SETTLED						
1	**ELECTRICOM NETWORK TRADING VS. STA. LUCIA LAND, INC.**	SPECIFIC PERFORMANCE (SURRENDER OF TCT) ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**METROPOLI LIBIS B2 L4**	RTC BR. 222 QUEZON CITY	CIVIL CASE NO. R-QZN-13-05521-CV		**DISMISSED**
2	**SPS. VINCENT ORTIZ AND AUBREY ORTIZ VS. STA. LUCIA LAND, INC.**	REFUND ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**NEOPOLI-TAN CONDO ST1 OUG P1**	HLURB QUEZON CITY	HLURB CON-LSG-060613-8177		**TERMINATED**
3	**CONRADO ASEO VS. STA. LUCIA LAND, INC.**	SPECIFIC PERFORMANCE WITH DAMAGES ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**ANTIPOLO GREENLAND P2 B7 L10**	HLURB Q.C.	HLURB 092013-15197	**CONTINUE PAYMENT**	**COMPLAI-NANT WITHDREW THE CASE**
4	**MARIA BENGAN VS. STA. LUCIA LAND EDR, VRS, MST ET., AL.**	VIOLATION OF PD 957 ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**EAST BEL-AIR**	PROSEC. CAINTA	NPS XV18M-INV-151-03540	**LACK OF PROBABLE CAUSE**	**DISMISSED**
5	**ORVILLE CHESTER DAVE VS. STA. LUCIA LAND, MA LOURDES CONCEPCION**	CANCELLATION OF SALE, REFUND OF ALL PAYMENTS TO THE RESPONDENTS AND THE CORRESPONDING VAT WITH INTEREST AND DAMAGES ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**PALO ALTO P1 B101 L18**	HLURB QUEZON CITY	HLURB REM-012017-16149	**REFUND P2,233,963.44**	**SETTLED**
6	**CONCHITA TOLEDO WHITE VS. SLRDI (SLLI LOT)**	REFUND WITH DAMAGES	**SOUTHFIELD** PHASE 1 B 12 L 26	HLURB CALAMBA	HLURB RIV-051217-4710	**REFUND P85,000.00**	**SETTLED**

		HANDLED BY: ATTY. CRYSTAL I. PRADO	B 26 L 13				
7	**PHARMAZEL INC. VS. ELECTRICOM VS. STA. LUCIA LAND** **THIRD PARTY COMPLAINT**	SPECIFIC PERFORMANCE ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**METROPOLI LIBIS B2 L4**	RTC BR. 81 QUEZON CITY	CIVIL CASE NO. R-QZN-13-02350		**DISMISSED**
8	**PEDRO FERNANDO AFP & MARILOU FERNANDO VS. SLRDI & AFP RETIREMENT & SEPARATION BENEFITS SYSTEM (RSBS)**	REVISION OF DEED OF ABSOLUTE SALE AND DEED OF RESTRICTION	**ANTIPOLO GREENLAND** **PH1A BLK02 LOT 9**	HLURB, QUEZON CITY	LSG-CON-041818-12876		**MEDIA-TION POSSIBLE SETTLEMENT**
9	**TERRY STEVEN DEL PINO VS. SLLI SLRDI MEGA EAST, CHINA BANK**	REFUND (SUMMONS RECEIVED ON: FEBRUARY 17, 2018)	**EAST BEL AIR STRADELLA 4-11 STUDIO**	HLURB, QUEZON CITY	REM-021318-16489		**FILED ANSWER ON MARCH 19, 2018**

The following investigations involve the Registrant's directors and officers:

	CASE TITLE	**NATURE OF CASES**	**PROPERTY INVOLVED**	**PENDING COURT**	**CASE NO.**	**STATUS**
1	**DOMINADOR TAN VS. EXEQUIEL D. ROBLES AND SLRDI**	Recovery of ownership and possession with application for the issuance of a temporary order and/or preliminary injunction ***Date Instituted: March 26, 2013*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	Portion of SOUTH SPRING	RTC, Binan, Laguna	Civil Case No. B-9022	**FOR DISMISSAL** **ONGOING JV NEGOTIATION**
2	**LA MIRADA ROYALE RESIDENTIAL I,II,III,IV AND V VS. VICENTE R. SANTOS AND LA MIRADA ROYALE RESIDENTIAL ASSOCIATION**	CANCELLATION OF CERTIFICA-TES OF REGISTRATION ***Date Instituted: August 22, 2013*** ***HANDLED BY: ATTY. JERRY B. DELA CRUZ***	LA MIRADA	HLURB QUEZON CITY	HLURB CASE NO. NTR-HOA-082213-575	**FILED APPEAL MEMORANDUM AT OP** **PENDING**
3	**BAYBREEZE EXECUTIVE VILLAGE HOMEOWNERS ASS. VS. EXEQUIEL D. ROBLES AND VICENTE R. SANTOS AND SLRDI**	Development ***Date Instituted: November 26, 2013*** ***HANDLED BY: ATTY. JERRY B. DELA CRUZ***	BAYBREEZE	OFFICE OF THE PRESIDENT	HLURB CASE NO. NCRHOA-112613-1932	**FILED APPEAL MEMORANDUM AT OP** **PENDING**
4	**ROSALINA HONRADO VS. EXEQUIEL D. ROBLES, ET., AL. AND SLRDI**	Pay the decreased in area and/or lot replacement ***Date Instituted: August 12, 2014*** ***HANDLED BY: ATTY. EDINBURGH P. TUMURAN***	ORCHARD RES. Phase 02 Block 12 Lot 60	HLURB Calamba, Laguna	RIV-081214-4114	**FILED MOTION TO DISMISS September 15, 2014** **PENDING**

5	**PTOLYME DIMENSIONS INC AND SIAPORE MICRO VS. EXEQUIEL D. ROBLES AND VICENTE R. SANTOS AND SLRDI, EAGLERIDGE AND RS**	Fraudulent machinations, unsound business practice, election of HOA officers, Annulment of property management contract, quo warranto with prayer for the issuance of a cease and desist order/ application for temporary restraining order and/or writ of preliminary injunction ***Date Instituted: April 13,, 2015*** ***HANDLED BY: ATTY. JERRY B. DELA CRUZ (RS) ATTY. EDINBURGH P. TUMURAN (SLRDI) ATTY. GLEN E. DARADAL (EAGLE RIDGE)***	EAGLE RIDGE	OFFICE OF THE PRESIDENT	HLURB CASE NO. RIV-041315-0741	**FILED APPEAL MEMORANDUM AT OP** **PENDING**
6	**GRACE PENDON ET. AL. VS. EXEQUIEL D. ROBLES ET. AL.**	HUMAN RIGHTS ***Summons received on: July 01, 2015*** ***HANDLED BY: ATTY. AQUINO MARTIN V. NILLO***	RIZAL TECHNO-PARK	CHR QUEZON CITY	CHR NO. 2015-0217	**FILED COUNTER-AFFIDAVIT** **PENDING**
7	**VISTA VERDE COUNTRY HOMES VS. EXEQUIEL D. ROBLES, JOHNIELLE KEITH NIETO**	VIOLATION OF SEC. 3 (A) GRAVE MISCON-DUCT OPPRESSION AND CONDUCT PREJUDICIAL TO THE BEST INTEREST OF THE SERVICE ***Summons received on: July 30, 2015*** ***HANDLED BY: ATTY. AQUINO MARTIN V. NILLO***	VISTA VERDE COUNTRY HOME	OFFICE OF THE OMBUDS-MAN	OMB-L-C-15-0169	**DISMISSED** **WITH APPEAL AT SC** **FILED COMMENT**
8	**RENATO CABILZO VS. EXEQUIEL D. ROBLES VICENTE R. SANTOS MARIZA SANTOS-TAN EXALTACION R. JOSEPH FELIZARDO R. SANTOS ANTONIO D. ROBLES LIBERATO D. ROBLES**	OTHER DECEITS SYNDICATED ESTAFA LARGE SCALE ESTAFA ***Date Instituted: September 18, 2015*** ***HANDLED BY: ATTY. EDINBURGH P. TUMURAN***	ACROPOLIS MANDALU-YONG B 5 L4, 5, 6	DOJ MANILA	XV-1-INV-151-02516	**DISMISSED WITH APPEAL AT DOJ**
9	**SPS. MARTIN ERICSON CRUEL AND CZARINA CRUEL VS. MARIZA SANTOS-TAN, SLRDI**	*Specific Performance* ***Date Instituted: December 23, 2015*** ***HANDLED BY: ATTY. Z19 S. JAVIER***	VALLEY VIEW EXEC. P 1C B 2 L 12	HLURB QUEZON CITY	REM-122315-15873	**PENDING**

10	**CLOVIS RANCHO, AMADO JOSE GARCIA ET., AL. VS. EXEQUIEL D. ROBLES, MARIZA SANTOS-TAN, VICENTE R. SANTOS ET.AL.**	*Violation of PD 957 And Art. 318 of RPC* ***ASSISTED BY: ATTY. EDINBURGH P. TUMURAN***	ROYALE CEBU ESTATE	PROSECUTORS OFFICE OF CEBU	I.S. NO. VII-INV-16G-0925	**FILED COUNTER AFFIDAVIT** **PENDING**
11	**TIMOTHY JASON PERALEJO VS. EXEQUIEL D. ROBLES, VICENTE R. SANTOS, MARIZA SANTOS-TAN, EXALTACION R. JOSEPH, LIBERATO D. ROBLES, FELIZARDO R. SANTOS, IGMIDIO D. ROBLES, LEODEGARIO R. SANTOS, AURORA D. ROBLES, ORESTES R. SANTOS, ROBERTO D. ROBLES, DOMINGA R. ROBLES, ANTONIO D. ROBLES, ANDREA R. ANDRES,**	PD 957 ***Date Instituted: November 27, 2017*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	VISTA REAL CLASSICA P UPM B 9 L 10	PROSECUTORS OFFICE OF QUEZON CITY	NPS XV-03-INV-17K-11187	**DISMISSED (JUNE 2018)** **FILED PETITION FOR REVIEW AT DOJ**
12	**JERRY GALOPE VS. EXEQUIEL D. ROBLES, SLRDI, ET. AL.**	*Quieting of Title* ***Date Instituted: April 20, 2016*** ***HANDLED BY: ATTY. Z19 S. JAVIER***	MEADO-WOOD CAVITE	REGIONAL TRIAL COURT BR. 19 BACOOR, CAVITE	BSC-2016-04	**FILED ANSWER ON JULY 06, 2018** **WITH MOTION TO SET PRE-TRIAL** **PENDING**
13	**DEPT. OF AGRARIAN REFORM/PROVINCIAL TASK FORCE VS. EXEQUIEL D. ROBLES, IGMIDIO D. ROBLES, ET. AL.**	*Section 73, RA 6657 as Amended 25 of RA 9700* ***Date Instituted: June 20, 2018*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	BLUEMOUN-TAIN ANTIPOLO	PROSECUTORS OFFICE OF ANTIPOLO	XV-01-INV-18F-00688	**DISMISSED (OCT. 2018)** **FILED MR**
14	**RUSSEL MIRAFLOR VS. EXEQUIEL D. ROBLES, ET. AL.**	*Estafa* ***Date Instituted: June 13, 2018*** ***HANDLED BY: ATTY. EDINBURGH P. TUMURAN***	VISTA VERDE QUEZON P 2 B 41 L 35	PROSECUTORS OFFICE OF LUCENA	NPS-IV-16-INV-12E-00232	**FILED COUNTER AFFIDAVIT ON AUG. 2018**
15	**CECILIA CORDERO VS. EXEQUIEL D. ROBLES**	*Violation of Sections 4 & 5 in rel to Sec. 39 of PD 957* ***Complaint received on: Oct. 13, 2014*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	PONTE VERDE BATANGAS P5 B7 L12	PROSECUTORS OFFICE OF TANAUAN	NPSD NO. IV-02-INV-171-01384	**DISMISSED ON MARCH 2018** **FILED PETITION FOR REVIEW AT DOJ**
16	**MANUEL MORATO ET., AL. VS. EXEQUIEL D. ROBLES, STA. LUCIA LAND INC. AND LIBERATO D. ROBLES, ET. AL.**	*Injunction with prayer for Issuance of preliminary Injunction and/or Temporary Restraining Order (TRO)* ***HANDLED BY: ATTY. CRYSTAL I. PRADO***		REGIONAL TRIAL COURT BR. 215 QUEZON CITY	R-QZN-18-04305-CV	**FILED COMMENT/ OPPOSITION**

17	**MANUEL MORATO ET., AL. VS. EXEQUIEL D. ROBLES, VICENTE R. SANTOS AND LIBERATO D. ROBLES, ET., AL.**	Syndicated Estafa ***HANDLED BY: ATTY. CRYSTAL I. PRADO***		PROSECUTORS OFFICE OF QUEZON CITY	XV-03-INV-18F-05949	**DISMISSED (NOV. 2018)** **FILED PETITION FOR REVIEW AT DOJ**
18	**ROMEO LADANO VS. DENNIS BELMONTE EUFEMIA ABEDES EXEQUIEL ROBLES IGMIDIO ROBLES**	Malicious Mischief ***Complaint received on Jan. 23, 2018*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	BLUEMOUNTAIN ANTIPOLO	PROSECUTORS OFFICE OF ANTIPOLO	XV-01-INV-17J-01001	**DISMISSED** **WITH MR**
19	**NELSON ZAPEDA VS. EXEQUIEL D. ROBLES**	Estafa ***HANDLED BY: ATTY. EDINBURGH P. TUMURAN***	GREENWOODS TAYTAY	NATIONAL BUREAU OF INVESTIGA-TION Manila	NBI-CCN-C-18-06295	**ONGOING INVESTIGATION**

Other than in the above-mentioned cases, the Registrant, its directors, officers or affiliates, any owner of record of more than 10% of its securities, or any associate of any such director, officer or affiliate, or security holder are not, to the knowledge of the Registrant, parties to any material legal proceeding during the past five (5) years up to date, involving any bankruptcy petition, conviction by final judgment, subject of an order, judgment or decree, and violation of a Securities or Commodities Law.

Certain Relationships and Related Transactions

As previously disclosed, SLRDI entered into a Property-for-Equity Swap with the Registrant in exchange for 10,000,000,000 shares of the latter. As of 31 March 2021, the Corporation has a total of 2,600,000 treasury shares which arose from the settlement of intercompany advances between the Registrant and SLRDI.

The Registrant's President, EXEQUIEL D. ROBLES, is the President and General Manager of SLRDI. The Registrant’s directors, ANTONIO D. ROBLES, a stockholder of SLRDI, and AURORA D. ROBLES, the Purchasing Manager of SLRDI, are siblings of EXEQUIEL D. ROBLES who are all first cousins of MARIZA R. SANTOS-TAN, the Vice-President for Sales of SLRDI, VICENTE R. SANTOS, the Executive Vice-President of SLRDI, and ORESTES R. SANTOS, Project Manager of SLRDI, who, in turn, are siblings.

A director, president and chief executive officer of Philippine Racing Club Inc. and president of Cualoping Securities Corporation, namely Simeon S. Cua is also a director of the Registrant.

Independent Public Accountant

As previously disclosed to the SEC and to the PSE, on 20 August 2020, at the Annual Stockholders’ Meeting, the stockholders agreed to retain Sycip Gorres Velayo & Company (“SGV & Co.”) as the external auditor of the Registrant for the year 2020-2021. SGV & Co. is recommended for re-appointment for the year 2021-2022.

The Registrant will comply with Rule 68 (3)(b)(iv) of the SRC Implementing Rules, which pertinently provides:

"iv. The external auditors shall be rotated every after five (5) years of engagement. In case of a firm, the signing partner shall be rotated every after said period. The reckoning date for such rotation shall commence in year 2002."

The members of the Audit Committee are the following:

Osmundo C. De Guzman, Jr. - Chairman
Vicente R. Santos
Jose Ferdinand R. Guiang

Compensation of Directors and Officers

The Directors and Officers do not receive any form of compensation except, in the case of Directors, for a per diem of Fifteen Thousand Pesos (P15,000.00) per meeting of the Board of Directors.

Apart from the per diem in the amount of Fifteen Thousand Pesos (P15,000.00), there are no standard arrangements or other arrangements between the Registrant and the directors and executive officers.

Projected Compensation
2021
(in Thousands)

(a) Name and Principal Position	**(b) Year**	**(c) Salary**	**(d) Bonus**	**(e) Other Annual Compensation**
I. Executive Officers		Estimated	Estimated	Estimated
Vicente R. Santos – Chairman	2021	XXX	XXX	XXX
Exequiel D. Robles – President/Director	2021	XXX	XXX	XXX
David M. Dela Cruz – Executive Vice President	2021	XXX	XXX	XXX
Mariza Santos-Tan – Treasurer/Director	2021	XXX	XXX	XXX
Aurora D. Robles – Assistant Treasurer/Director	2021	XXX	XXX	XXX
Total for Above		7,450	2,580	XXX
II. CEO and Four Most Highly Compensated Executive Officers		7,450	2,580	XXX
III. All Other Officers as a Group Unnamed		2,130	365	XXX

Actual Compensation
2020
(in Thousands)

(a) Name and Principal Position	**(b) Year**	**(c) Salary**	**(d) Bonus**	**(e) Other Annual Compensation**
IV. Executive Officers		Estimated	Estimated	Estimated
Vicente R. Santos – Chairman	2020	XXX	XXX	XXX
Exequiel D. Robles – President/Director	2020	XXX	XXX	XXX
David M. Dela Cruz – Executive Vice President	2020	XXX	XXX	XXX
Mariza Santos-Tan – Treasurer/Director	2020	XXX	XXX	XXX
Aurora D. Robles – Assistant Treasurer/Director	2020	XXX	XXX	XXX
Total for Above		7,450	2,580	XXX
V. CEO and Four Most Highly Compensated Executive Officers		7,450	2,580	XXX
VI. All Other Officers as a Group Unnamed		2,130	365	XXX

Actual Compensation
2019
(in Thousands)

(a) Name and Principal Position	(b) Year	(c) Salary	(d) Bonus	(e) Other Annual Compensation
I. Executive Officers		Estimated	Estimated	Estimated
Vicente R. Santos – Chairman	2019	XXX	XXX	XXX
Exequiel D. Robles – President/Director	2019	XXX	XXX	XXX
David M. Dela Cruz – Executive Vice President	2019	XXX	XXX	XXX
Mariza Santos-Tan – Treasurer/Director	2019	XXX	XXX	XXX
Aurora D. Robles – Assistant Treasurer/Director	2019	XXX	XXX	XXX
Total for Above		7,450	2,580	XXX
II. CEO and Four Most Highly Compensated Executive Officers		7,450	2,580	XXX
III. All Other Officers as a Group Unnamed		2,130	365	XXX

Standard Arrangements

Other than payment of reasonable per diem in the amount of Fifteen Thousand Pesos (P15,000.00), there are no standard arrangements pursuant to which directors of the Registrant are compensated, directly or indirectly, for any services provided as a director for the last completed fiscal year and the ensuing year.

Other Arrangements

There are no other arrangements pursuant to which any director of the Registrant was compensated, or is to be compensated, directly or indirectly, during the Registrant's last completed year, and the ensuing year, for any service provided as a director.

Employment Contracts and Termination of Employment and Change-in-Control Arrangement

There are no special employment contracts between the Registrant and the named executive officers. There is no compensatory plan or arrangement with respect to a named executive officer.

Warrants and Options Outstanding

There are no outstanding warrants or options held by the Registrant's CEO, the named executive officers, and all officers and directors as a group.

ISSUANCE AND EXCHANGE OF SECURITIES

Authorization or Issuance of Securities Other than for Exchange

As previously disclosed to the SEC and to the PSE, at the Special Meeting of the Board of Directors held on 15 June 2007 and at the Annual Stockholders' Meeting held on 16 July 2007, the Board of Directors and the Stockholders of the Registrant authorized, among others, the increase in the Authorized Capital Stock of the Registrant from Two Billion Pesos (PhP2,000,000,000.00) to Sixteen Billion Pesos (PhP16,000,000,000.00). The securities authorized to be issued are common shares with the same dividend, voting and preemption rights as the existing shares. There are no provisions in its Articles of Incorporation or By-Laws that would delay, defer or prevent a change in the control of the Registrant.

In connection with the increase in the Authorized Capital Stock in the amount of Fourteen Billion Pesos (PhP14,000,000,000.00), the Board approved the subscription by SLRDI, one of the principal shareholders of the Registrant, of up to the maximum of Ten Billion Pesos (PhP10,000,000,000.00), under the following terms and conditions:

1. Subscription shall be at par value;
2. Payment of subscription shall be by way of transfer of assets; and
3. The value of the assets to be transferred by SLRDI to the Registrant in payment of the subscription should be acceptable to the Registrant's Board and, in any event, shall be subject to a reasonable discount on the market value.

On 20 May 2008, the SEC approved the increase in the Registrant's authorized capital stock to Sixteen Billion Pesos (PhP16,000,000,000.00). The total number of issued and outstanding shares of the Registrant after the increase is Ten Billion Seven Hundred Ninety Six Million Four Hundred Fifty Thousand (10,796,450,000), as a result of the subscription of SLRDI, one of the principal shareholders of the Registrant, to Ten Billion Pesos (PhP10,000,000,000.00) out of the increase in the Registrant's authorized capital stock of Fourteen Billion Pesos (PhP14,000,000,000.00) (the "Swap Shares").

In the meeting held on 16 August 2010 which was previously disclosed, the Registrant's Board of Directors approved the following matters in relation to SLRDI's subscription, subject to the approval of SEC: (a) removal of the three (3) lots covered by TCT Nos. 1002784, 1002748 and 196218 from the properties to be assigned, transferred and conveyed by SLRDI to the Registrant as payment for the subscription; (b) correction of the Loan Amounts; and (c) treatment of the excess of the aggregate fair market value of the SLRDI properties over the shares to be issued by the Registrant to SLRDI, after deducting the Loan Amounts: (i) as additional paid in capital of the Registrant to the extent of Three Hundred Million Pesos (PhP300,000,000.00); and (ii) with the balance of such excess to be treated as a discount.

On 26 October 2010, a listing application for the Swap Shares was filed with the PSE. On 12 January 2011, the Board of Directors of PSE approved the said listing application, and set the listing of the Swap Shares on 07 March 2011. In compliance with the 180-day lock-up requirement of the PSE, the Registrant submitted a Lock-up Agreement executed on 18 February 2011 among the Registrant, SLRDI and Philippine Commercial Capital, Inc.

Following the listing of the Swap Shares and the release of the same from escrow, the Registrant intends to undertake a Placing and Subscription Transaction ("PST") to raise funds for its various projects. Under the transaction, a portion of the Swap Shares will be sold after which SLRDI will subscribe to new common shares of the Registrant not to exceed the number of shares offered in the placing transaction at a subscription price equivalent to the placing price.

In its Special Meeting held on 18 April 2013, the Board of Directors approved the sale of up to Three Billion (3,000,000,000) of its shares of stock through a follow-on offering, and list the same with the PSE. The said follow-on offering may be done through a PST, as described above, or through a direct public offering of shares, as may subsequently be determined by the Board of Directors.

The rights of existing security holders will not be affected by the PST considering that common shares will be offered and sold under the PST. There are no provisions in its Articles of Incorporation or By-Laws of the Registrant that would delay, defer or prevent a change in the control of the Registrant.

The consideration to be received by the Registrant under the PST will be in the form of cash and which will be used to fund the expansion of the business of the Registrant.

On 18 April 2013, the Board of Directors also authorized, subject to the approval by the Registrant's shareholders, the SEC and PSE, the grant of up to One Hundred Million (100,000,000) shares of stock as stock options for the employees and consultants of the Registrant, and the listing thereof with the PSE. The stock option plan shall also be subject to terms and conditions as may be subsequently approved by the Registrant's Board.

Also, the Board of Directors authorized the Registrant to borrow money in the form of direct loan – onshore or offshore US$ - denominated bonds, in the amount of up to Six Billion Pesos (PhP6,000,000,000.00), subject the approval of the Registrant's shareholders.

The proceeds of the follow-on offer and issuance of bonds will be used for the expansion of the business of the Registrant. It is expected that the foregoing shall improve the financial standing of the Registrant and benefit the existing security holders of the Registrant.

On 21 June 2013, the shareholders of the Registrant, subject to compliance with applicable legal requirements and disclosure at the appropriate time, authorized and empowered the Board of Directors to purchase up to One Billion Pesos (P1,000,000,000.00) worth of outstanding shares of the Registrant under such terms and conditions that the Board of Directors shall deem required and necessary.

On 01 April 2014, the Board of Directors, subject to the ratification by the Registrant's shareholders, approved resolutions authorizing the purchase of up to One Billion Pesos (P1,000,000,000.00) worth of outstanding shares of the Registrant. Management would like to have the flexibility to reacquire shares if it feels that the market price does not reflect the underlying value of the Issuer.

In July 2014, to settle the intercompany advances, SLRDI and the Registrant entered into a Deed of Assignment on 08 July 2014 ("Deed of Assignment") rescinding the assignment of "Saddle and Clubs Leisure Park" and agreed to convey Three Billion (3,000,000,000) shares out of SLRDI's shareholdings in the Registrant in two tranches as follows:

Tranche 1 – 2,250,000,000 shares at P0.40 per share to be transferred within 30 days from the signing of the Deed of Assignment

Tranche 2 – 750,000,000 shares at P1.20 per share to be transferred within one year from the date of the Deed of Assignment, or when the Registrant accumulates more than P901,107,601.00 in Unrestricted Retained Earnings, whichever is earlier

In September 2014, the Registrant successfully completed Tranche 1 involving the assignment of Two Billion Two Hundred Fifty Million (2,250,000,000) shares from SLRDI to the Registrant.

On 22 December 2015, the Registrant sold Four Hundred Million (400,000,000) shares which increase the outstanding shares to Eight Billion Nine Hundred Forty Six Million Four Hundred Fifty Thousand (8,946,450,000) shares.

Also, on 22 December 2015, the Group issued a total of Four Million Pesos (PhP4,000,000.00) Unsecured Fixed-rated Peso bonds, broken down into Two Million Pesos (PhP2,000,000.00) Series A Bonds due 2018 at a fixed rate equivalent to 6.7284% p.a. and a Two Million Pesos (PhP2,000,000.00) Series B Bonds due 2021 at a fixed rate equivalent to 6.7150% p.a. The Bonds have been rated by the Credit Rating and Investors Services Philippines Inc. on 16 October 2015. The bonds shall constitute the direct, unconditional, and unsecured obligations of the Issuer and shall at all times rank pari passu and ratably without preference among themselves and among any present and future unsecured obligations of the Issuer, except for any statutory preference or priority established under Philippine law.

The net use of proceeds of the bonds are intended to be used by the Group to fully refinance existing secured loans, for capital expenditure requirements, and/or general corporate purposes.

The Bonds shall be repaid at par (or 100% of face value), plus any outstanding interest, on the relevant maturity date of each series or on 22 December 2018 for the Series A Bonds, on 22 March 2021 for the Series B Bonds, unless the Registrant exercises its early redemption option for the Series A or Series B Bonds.

Interest on the Bonds shall be payable quarterly in arrears every 22 March, 22 June, 22 September and 22 December of each year, starting on 22 March 2016.

On 27 December 2018, pursuant to the Deed of Assignment, SLRDI and the Registrant executed the Second tranche in the Deed of Assignment. The Registrant acquired Seven Hundred Fifty Million (750,000,000) treasury shares at the price of P1.20 per share to cover the settlement of the advances in the amount of Nine Hundred Million Pesos (PhP900,000,000.00) made by the Registrant to SLRDI.

Among other debt covenants, the Group is required to maintain a maximum of debt-to-equity ratio of 1.50:1:00, a minimum current ratio of 1.00:1.00 and a minimum debt service coverage ratio of 1.25. The Group has complied with the debt covenant.

Debt services coverage ration means the ratio of: (i) EBIDTA to (ii) total debt service reduced by the amounts raised for refinancing, by reference to the immediately preceding 12 months of the period review.

As discussed above, in its Special Meeting held on 18 April 2013, the Board of Directors approved the sale of up to Three Billion (3,000,000,000) of its shares of stock through a follow-on offering (FOO), and listing of the same with the PSE. The final terms and conditions of the FOO shall be determined by the Board of Directors.

The rights of existing security holders will not be affected by the FOO considering that common shares will be offered and sold under the FOO. There are no provisions in its

Articles of Incorporation or By-Laws of the Registrant that would delay, defer or prevent a change in the control of the Registrant.

The consideration to be received by the Registrant under the FOO will be in the form of cash and which may be used to fund the Registant's capital expenditures for projects, land banking, or for such other purposes as may be determined by the Board of Directors. It is expected that the foregoing shall improve the financial standing of the Registrant and benefit the existing security holders of the Registrant.

Acquisition or Disposition of Property

Acquisition

As previously discussed, SLRDI shall transfer assets to the Registrant in exchange for the latter's shares.

As discussed above, pursuant to the approval of the increase in the Registrant's Authorized Capital Stock in the amount of Fourteen Billion Pesos (PhP14,000,000,000.00), and pursuant to the resolutions passed by the Registrant's Board on 15 June 2007 and resolutions passed by the Registrant's Stockholders on 16 July 2007, as fully disclosed to the SEC and the PSE, SLRDI subscribed to Ten Billion Pesos (PhP10,000,000,000.00) of the said increase in Authorized Capital Stock. The said subscription by SLRDI is under the following terms and conditions: (a) subscription shall be at par value; (b) payment of subscription shall be by way of transfer of assets; and (c) the value of the assets to be transferred by SLRDI to the Registrant in payment of the subscription should be acceptable to the Registrant's Board and, in any event, shall be subject to a reasonable discount on the market. The Registrant and SLRDI jointly intend to engage independent and SEC-registered appraisal companies to determine the valuation of SLRDI assets and the reasonable discount based on fair market value. In the meeting held on 16 August 2010 which was previously disclosed, the Registrant's Board of Directors approved the following matters in relation to SLRDI's subscription, subject to the approval of SEC: (a) removal of the three (3) lots covered TCT Nos. 1002784, 1002748 and 196218 from the properties to be assigned, transferred and conveyed by SLRDI to the Registrant as payment for the subscription; (b) correction of the Loan Amounts; and (c) treatment of the excess of the aggregate fair market value of the SLRDI properties over the shares to be issued by the Registrant to SLRDI, after deducting the Loan Amounts: (i) as additional paid in capital of the Registrant to the extent of Three Hundred Million Pesos (PhP300,000,000.00); and (ii) with the balance of such excess to be treated as a discount.

SLRDI is one of the principal shareholders of the Registrant. Its principal office is at the Building II, Sta. Lucia East Grand Mall, Marcos Hi-way cor. Felix Ave., Cainta, Rizal.

Disposition

As previously disclosed by the Registrant on 04 March 2008, the Board, at its meeting held on even date, granted the Registrant authority to sell, transfer and convey all of its rights and interests in its property along Ayala Avenue in Makati City (the "Subject Properties"), for such amount and under such terms and conditions as may be in the best interests of the Registrant.

The Subject Properties consist of the following: (a) a parcel of land, with improvements thereon, located in Makati City, Metro Manila, with an area of One Thousand Two Hundred square meters (1,200 sq.m.), more or less, covered by TCT No.

206431 issued by the Register of Deeds for Makati City; (b) a parcel of land, with improvements thereon, located in Makati City, Metro Manila with an area of One Thousand Two Hundred square meters (1,200 sq.m.), more or less, covered by TCT No. 206432 issued by the Register of Deeds for Makati City.

Pursuant to such authority, on 01 April 2008, the Registrant entered into a Contract to Sell and Buy of even date with Alphaland Corporation ("Alphaland") for the current fair market value of the Subject Properties.

In the Contract, the Registrant agreed to sell, transfer and convey all of its rights, title and interests in and to the Subject Properties to Alphaland, and Alphaland agreed to purchase, acquire and accept the same from the Registrant, for and in consideration of the total amount of Eight Hundred Twenty Million Pesos (PhP820,000,000.00), inclusive of value-added tax, to be remitted in the following manner:

1. Subject to the delivery of various documents, a downpayment in the total amount of One Hundred Million Pesos (PhP100,000,000.00) to be paid and remitted by Alphaland to the Registrant simultaneously with the execution of the Contract; and

2. Subject to the delivery of various documents, the balance in the total amount of Seven Hundred Twenty Million Pesos (PhP720,000,000.00), less the amount of creditable withholding tax, shall be paid and remitted by Alphaland to the Registrant on the date falling on the sixtieth (60^{th}) day from the date of the Contract, or on 31 May 2008.

Alphaland is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at the Alphaland Southgate Tower, 2258 Chino Roces Avenue corner EDSA, Makati City, and represented in the foregoing transaction by its President, Mario A. Oreta.

The Registrant is unaware of any material relationship between the Alphaland and the Registrant or any of the latter's affiliates, director or officer, or any associate of any such director or officer.

<u>Voting Procedures</u>

1. Vote Required for Approval or Election

A majority of the subscribed capital present via remote communication or represented by proxy, shall be sufficient at a stockholders meeting to constitute a quorum for the election of directors and for the transaction of any business whatsoever, except in those cases in which the Revised Corporation Code requires the affirmative vote of a greater portion.

2. Method by which the Votes will be Counted

At each meeting of the stockholders, every stockholder shall be entitled to vote via remote communication or by proxy, for each share of stock held by him which has voting power upon the matter in question.

The votes for the election of directors, and, except upon demand by any stockholder, the votes upon any question before the meeting except for the procedural questions determined by the Chairman of the meeting, shall be counted by the Corporate Secretary. The Registrant's stock transfer agent, in conjunction with its external auditor, both independent parties, are also tasked to count votes on any matter properly brought to the vote of the shareholders, including the election of directors.

Stockholders as of record date of 21 May 2021 who have successfully registered their intention to participate in the annual meeting via remote communication and to vote *in absentia*, as duly verified and validated by the Registrant, shall be provided with log-in credentials for the online voting system. The Guidelines for Participation via Remote Communication and Voting *in Absentia* shall be accessible on the Registrant's website.

The directors of the Registrant shall be elected by plurality vote at the annual meeting of the stockholders for that year at which a quorum is present. At each election for directors, every stockholder shall have the right to vote, via remote communication or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his share shall equal, or by distributing such votes at the same principle among any number of candidates.

If the number of nominees is nine (9) or less, a motion shall be presented to the body that all votes be cast in favor of all nominees. However, if the minority stockholders nominate a candidate or if there are more than nine (9) nominees, the votes shall be cast. The results shall be counted/validated by the Corporate Secretary.

OTHER MATTERS

A. The Minutes of the Annual Stockholders' Meeting held on 20 August 2020 will be submitted for the approval of the security holders. The minutes reflect the approval by the stockholders of the following matters:

1. Elected the following as members of the Board of Directors of the Corporation for the year 2020-2021:

   VICENTE R. SANTOS
   EXEQUIEL D. ROBLES
   ANTONIO D. ROBLES
   AURORA D. ROBLES
   MARIZA SANTOS-TAN
   ORESTES R. SANTOS
   SIMEON S. CUA
   JOSE FERDINAND R. GUIANG
   OSMUNDO C. DE GUZMAN, JR.

2. Messrs. Osmundo C. De Guzman, Jr. and Jose Ferdinand R. Guiang were elected as independent directors of the Corporation for the year 2020-2021, pursuant to Rule 38 of the Securities Regulation Code.

3. Appointed Sycip Gorres & Velayo [SGV & Co.] as the Corporation's external auditor for fiscal year 2020-2021.

4. Ratified all acts and resolutions of the Board of Directors and Management for the period from 28 June 2019 to 19 August 2020.

B. The Resolutions of the Board of Directors and Executive Committee of the Corporation for the period from 20 August 2020 to 24 June 2021 will be submitted for the approval of the security holders. The list of the foregoing resolutions is attached.

C. The proposed amendment of the By-Laws of the Corporation to authorize the stockholders to vote through remote communication or in absentia will be submitted for the approval of the security holders. A description of the proposed amendments is attached.

D. The re-ratification of the proposed sale of up to Three Billion (3,000,000,000) shares of stock through a follow-on offering as approved in the Annual Stockholders' Meeting held on 21 June 2013 will be submitted for the approval of the security holders.

SIGNATURE PAGE

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 Taguig on 15 June 2021.

STA. LUCIA LAND, INC.
Registrant

By:

PATRICIA A. O. BUNYE
Corporate Secretary

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **RENATO CRUZ FRANCISCO,** Filipino, of legal age, and a resident of No. 8 (50 old no.) Sparrow St. New Marikina Subd. San Roque, Marikina City, after having been duly sworn to accordance with law, do hereby declare that:

1. I am a nominee for Independent Director of **STA. LUCIA LAND, INC.**

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

Company / Organization	Position / Relationship	Period of Service
Court of Appeals	Retired Justice	2018 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **STA. LUCIA LAND, INC.**, as provided in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations.

4. I am related to the following director/officer/substantial shareholder of **STA. LUCIA LAND, 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
N/A		

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

6. I am not employed by nor work in the Philippine government.

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.

8. I shall inform the Corporate Secretary of **STA. LUCIA LAND, INC.** of any changes in the abovementioned information within five days from its occurrence.

Done this 19 May 2021 in MANDALUYONG CITY.

Affiant

19 MAY 2021

SUBSCRIBED AND SWORN to before me this ___ day of May 2021 in MANDALUYONG CITY affiant presenting competent evidence of his/her identity, ________________________, bearing his/her photograph and signature, issued by ______________________________ and valid until ____________________.

Doc. No. 480;
Page No. 97;
Book No. XXX;
Series of 2021.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. [illegible]
[illegible]
IBP No. [illegible]
PTR No. [illegible]
MCLE Compliance No. VI-0025921/04.25.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **DANILO ANTONIO,** Filipino, of legal age, and a resident of 2731 Taft Avenue Extension Brgy. San Rafael Pasay City, after having been duly sworn to accordance with law, do hereby declare that:

1. I am a nominee for Independent Director of **STA. LUCIA LAND, INC.**

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

Company / Organization	Position / Relationship	Period of Service
Landexcel Consulting Inc.	President & CEO	22

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **STA. LUCIA LAND, INC.**, as provided in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations.

4. I am related to the following director/officer/substantial shareholder of **STA. LUCIA LAND, 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
N/A		

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

6. I am not employed by nor work in the Philippine government.

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.

8. I shall inform the Corporate Secretary of **STA. LUCIA LAND, INC.** of any changes in the abovementioned information within five days from its occurrence.

Done this 19 MAY 2021 May 2021 in ________________.

Affiant

SUBSCRIBED AND SWORN to before me this 1 9 MAY 2021 ___ day of May 2021 in MANDALUYONG CITY ____________, affiant presenting competent evidence of his/her identity, ____________, bearing his/her photograph and signature, issued by ____________ and valid until ____________.

Doc. No. 401;
Page No. 98;
Book No. XXX;
Series of 2021.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. [illegible]
Roll Number [illegible]
IBP No. [illegible]
PTR No. [illegible]/Mandaluyong
MCLE Compliance No. VI-0025[illegible]/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

CERTIFICATION

I, **SIMEON S. CUA**, Filipino, of legal, and a resident of 1765 P.M. Guazon St., Paco, Manila 1007, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a Director of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this __ May 2021 in MANDALUYONG CITY
19 MAY 2021

SIMEON S. CUA
Affiant

19 MAY 2021

SUBSCRIBED AND SWORN to before me this __ day of May 2021 in MANDALUYONG CITY, affiant presenting competent evidence of his identity, ____________________, bearing his photograph and signature, issued by ____________________ and valid until ____________________.

Doc. No. 482;
Page No. 96;
Book No. XLX;
Series of 2021.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47018
IBP No. 154979/01.25.21/RSM
PTR No. 4636655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0033921/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

CERTIFICATION

I, **ANTONIO D. ROBLES**, Filipino, of legal, and a resident of 53 Odysseus Street, Acropolis Subdivision Bagumbayan, Quezon City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a Director of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this __ May 2021 in MANDALUYONG CITY.
19 MAY 2021

ANTONIO D. ROBLES
Affiant

19 MAY 2021

SUBSCRIBED AND SWORN to before me this __ day of May 2021 in MANDALUYONG CITY, affiant presenting competent evidence of his identity, ____________, bearing his photograph and signature, issued by ____________ and valid until ____________.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47018
IBP No. 154979/01.25.21/RSM
PTR No. 4639655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025931/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

Doc. No. 403;
Page No. 98;
Book No. XXX;
Series of 2021.

CERTIFICATION

I, **ORESTES R. SANTOS**, Filipino, of legal, and a resident of 46 Odysseus St., Acropolis Subd. Libis, Quezon City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a Director of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

MANDALUYONG CITY

Done this __ May 2021 in 19 MAY 2021 ________________.

ORESTES R. SANTOS
Affiant

MANDALUYONG CITY

SUBSCRIBED AND SWORN to before me this __ day of May 2021 in ______ 19 MAY 2021, affiant presenting competent evidence of his identity, ____________________, bearing his photograph and signature, issued by ____________________ and valid until ____________________.

Doc. No. 485;
Page No. 98;
Book No. XXI;
Series of 2021.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47018
IBP No. 154979/01.25.21/RSM
PTR No. 4638655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025921/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

CERTIFICATION

I, **EXEQUIEL D. ROBLES**, Filipino, of legal, and a resident of 31 F. Pasco Avenue, Dumandan Compound, Santolan, Pasig City, Metro Manila after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a Director and the President of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this 19 MAY 2021 May 2021 in MANDALUYONG CITY.

EXEQUIEL D. ROBLES
Affiant

19 MAY 2021

SUBSCRIBED AND SWORN to before me this ___ day of May 2021 in MANDALUYONG CITY, affiant presenting competent evidence of his identity, ____________________, bearing his photograph and signature, issued by ____________________ and valid until ____________________.

Doc. No. 486;
Page No. 99;
Book No. XX;
Series of 2021.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47018
IBP No. 154979/01.25.21/RSM
PTR No. 4638655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025921/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

CERTIFICATION

I, **JEREMIAH T. PAMPOLINA**, Filipino, of legal, and a resident of 67 J.P. Rizal Street, Project 4, Quezon City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am the Chief Compliance Officer and Vice President – Corporate Planning & Investor Relations of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this __ May 2021 in MANDALUYONG CITY.

JEREMIAH T. PAMPOLINA
Affiant

SUBSCRIBED AND SWORN to before me this __ day of May 2021 in MANDALUYONG CITY, affiant presenting competent evidence of his identity, ____________________, bearing his photograph and signature, issued by ____________________ and valid until ____________________.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0357-20
Roll Number [illegible]
IBP No. [illegible]
PTR No. 4638655/02.01.21 [illegible]
MCLE Compliance No. VI-[illegible]
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

Doc. No. 481;
Page No. 99;
Book No. [illegible];
Series of 2021.

CERTIFICATION

I, **MARIZA R. SANTOS-TAN**, Filipino, of legal, and with address at A 351 Alexandra Condominium Meralco Ave. Ortigas Ave. Pasig City Metro Manila, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a Director and the Treasurer of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this 19 MAY 2021 May 2021 in MANDALUYONG CITY.

MARIZA R. SANTOS-TAN
Affiant

SUBSCRIBED AND SWORN to before me this 19 MAY 2021 day of May 2021 in MANDALUYONG CITY, affiant presenting competent evidence of her identity, ____________________, bearing her photograph and signature, issued by ____________________ and valid until ____________________.

Doc. No. 488;
Page No. 99;
Book No. XXX;
Series of 2021.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47018
IBP No. 154979/01.25.21/RSM
PTR No. 4638655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025921/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

CERTIFICATION

I, **ACE FRANZIZ D. CUNTAPAY**, Filipino, of legal, and a resident of 142A Rose St. Sonia Village, Brgy. Dela Paz, Pasig City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am the Internal Auditor and Data Protection Officer of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this ~~_ May 2021~~ 19 MAY 2021 in MANDALUYONG CITY.

ACE FRANZIZ D. CUNTAPAY
Affiant

19 MAY 2021

SUBSCRIBED AND SWORN to before me this __ day of May 2021 in MANDALUYONG CITY affiant presenting competent evidence of his identity, ____________, bearing his photograph and signature, issued by ____________ and valid until ____________.

Doc. No. 469;
Page No. 99;
Book No. XXX;
Series of 2021.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 37038
IBP No. 154979/01.13.21/RSM
PTR No. 4638655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025921/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

CERTIFICATION

I, **CRYSTAL I. PRADO**, Filipino, of legal, and a resident of N409 4F, El Pueblo One Condominium, King Christian Street, Kingspoint Subdivision, Novaliches, Quezon City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am the Assistant Corporate Secretary of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this 19 MAY 2021 May 2021 in MANDALUYONG CITY.

CRYSTAL I. PRADO
Affiant

19 MAY 2021

SUBSCRIBED AND SWORN to before me this __ day of May 2021 in MANDALUYONG CITY affiant presenting competent evidence of her identity, ____________, bearing her photograph and signature, issued by ____________ and valid until ____________.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47018
IBP No. 154979/01.25.21/RSM
PTR No. 4638655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025921/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

Doc. No. 490;
Page No. 99;
Book No. XXX;
Series of 2021.

CERTIFICATION

I, **DAVID M. DELA CRUZ**, Filipino, of legal, and a resident of #31 La Naval Street, Remmanville Subdivision, Better Living, Parañaque City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am the Executive Vice President, CFO, and Chief Risk Officer of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this 19 May 2021 in MANDALUYONG CITY.

DAVID M. DELA CRUZ
Affiant

19 MAY 2021

SUBSCRIBED AND SWORN to before me this __ day of May 2021 in MANDALUYONG CITY affiant presenting competent evidence of his identity, ____________, bearing his photograph and signature, issued by ____________ and valid until ____________.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47018
IBP No. 134979/01.25.21/RSM
PTR No. 4639655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025921/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

Doc. No. 491;
Page No. 100;
Book No. XXX;
Series of 2021.

CERTIFICATION

I, **VICENTE R. SANTOS**, Filipino, of legal, and a resident of J9-310 Evangelista Street, Barangay Santolan, Pasig City, Metro Manila after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a Director and the Chairman of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this 19 MAY 2021 May 2021 in MANDALUYONG CITY.

VICENTE R. SANTOS
Affiant

19 MAY 2021

SUBSCRIBED AND SWORN to before me this __ day of May 202 in MANDALUYONG CITY, affiant presenting competent evidence of his identity, ____________, bearing his photograph and signature, issued by ____________ and valid until ____________.

Doc. No. 484;
Page No. 98;
Book No. XXI;
Series of 2021.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47010
IBP No. 154979/01.23.21/RSM
PTR No. 4638655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025921/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

CERTIFICATION

I, **AURORA D. ROBLES**, Filipino, of legal, and a resident of 2 Atlas St., Acropolis Greens Subd., Bagumbayan, Quezon City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a Director and the Assistant Treasurer of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

19 MAY 2021

Done this __ May 2021 in MANDALUYONG CITY

AURORA D. ROBLES
Affiant

19 MAY 2021

SUBSCRIBED AND SWORN to before me this __ day of May 2021 in ____________________, affiant presenting competent evidence of her identity, ____________________, bearing her photograph and signature, issued by ____________________ and valid until ____________________.

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47013
IBP No. 15497?/01.25.21/RSM
PTR No. 4638655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025931/04.25.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

Doc. No. 479;
Page No. 97;
Book No. XLX;
Series of 2021.

CERTIFICATION

I, **PATRICIA A. O. BUNYE**, Filipino, of legal, with office address at the 9th, 10th, 11th and 12th Floors, One Orion, 11th Avenue corner University Parkway, Bonifacio Global City, Taguig 1634, Metro Manila, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am the Corporate Secretary of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Securities and Exchange Commission of any change in the abovementioned information within five (5) days from its occurrence.

Done this 0 5 MAY 2021 May 2021 in Taguig City, Metro Manila.

PATRICIA A. O. BUNYE
Affiant

SUBSCRIBED AND SWORN TO before me this 0 5 MAY 2021 May 2021, in Taguig City, Metro Manila, with affiant exhibiting to me her Unified Multi-Purpose ID with Common Reference No. (CRN) 0111-7602634-4 bearing her photograph and signature issued by the Social Security System.

Doc. No. 464;
Page No. 94;
Book No. II;
Series of 2021.

DARYL ANNE E. YANG NOTARY PUBLIC ROLL NO.69700 TAGUIG CITY, PHILIPPINES

DARYL ANNE E. YANG
Notary Public
Taguig City, Appointment No. 38 (2020-2021)
Until December 31, 2021, Roll No. 69700
PTR No. A-5074914 - 01/04/21 - Taguig City
IBP No. 137272 - 01/02/20 – Laguna Chapter
MCLE Compliance No. VI-0007444 - 04/11/18
11th Floor, One Orion, 11th Avenue corner
University Parkway, Bonifacio Global City
Taguig City, Metro Manila, Philippines

CERTIFICATION

I, **PANCHO G. UMALI**, Filipino, of legal, with office address at the 9th, 10th, 11th and 12th Floors, One Orion, 11th Avenue corner University Parkway, Bonifacio Global City, Taguig 1634, Metro Manila, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am the Assistant Corporate Secretary of **STA. LUCIA LAND, INC.** (the "Corporation").

2. I am not employed by nor work in the Philippine government.

3. I shall inform the Corporate Secretary of the Corporation of any change in the abovementioned information within five (5) days from its occurrence.

Done this 05 MAY 2021 May 2021 in Taguig City, Metro Manila.

PANCHO G. UMALI
Affiant

SUBSCRIBED AND SWORN TO before me this 05 MAY 2021 May 2021, in Taguig City, Metro Manila, with affiant exhibiting to me his Passport No. P7009978A, bearing his photograph and signature, issued by the Department of Foreign Affairs, valid until 01 May 2028.

Doc. No. 465;
Page No. 94;
Book No. II;
Series of 2021.

DARYL ANNE E. YANG NOTARY PUBLIC ROLL NO.69700 TAGUIG CITY, PHILIPPINES

DARYL ANNE E. YANG
Notary Public
Taguig City, Appointment No. 38 (2020-2021)
Until December 31, 2021, Roll No. 69700
PTR No. A-5074914 - 01/04/21 - Taguig City
IBP No. 137272 - 01/02/20 – Laguna Chapter
MCLE Compliance No. VI-0007444 - 04/11/18
11th Floor, One Orion, 11th Avenue corner
University Parkway, Bonifacio Global City
Taguig City, Metro Manila, Philippines

STA. LUCIA LAND, INC.
Resolutions of the Board of Directors and Executive Committee
For the Period from 20 August 2020 to 24 June 2021

Organizational Meeting of the Board of Directors dated 20 August 2020	
1	Election of the Officers and Board Committee Members for the year 2020-2021
2	Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 21 May 2020
3	Resolutions authorizing the Corporation to acquire parcels of land in Davao del Sur, Laguna, Batangas, and Rizal
4	Resolution authorizing the Corporation to enter into joint ventures involving the development of projects located in Zambales and Pampanga
5	Resolution authorizing the Corporation to issue up to PhP8 Billion worth of (i) senior fixed rate retail bonds in one or more tranches, subject to the approval by the Securities and Exchange Commission ("SEC") and the Philippine Dealing and Exchange Corporation ("PDEx") and/or (ii) senior corporate notes to primary institutional lenders/qualified buyers, with China Bank Capital Corporation as its lead underwriter, issue manager and bookrunner, under such terms and conditions as the Board may deem to be fair and reasonable and in the best interest of the Corporation, and for such purpose, to file its (i) Registration Statement with the SEC for the shelf registration of senior fixed rate retail bonds and (ii) application for registration and listing with PDEx
6	Resolution authorizing the Corporation to transact and deal with China Banking Corporation – Trust and Asset Management Group for the purpose of securing credit accommodations of up to PhP1 Billion
7	Resolution authorizing the Corporation to transact and deal with Rizal Commercial Banking Corporation – Trust and Investments Group for the purpose of securing credit accommodations of up to PhP300 Million
8	Resolution authorizing the Corporation to apply for an online banking facility to be used for online inquiry/accessing of its accounts with selected banks
Executive Committee Meeting held on 10 September 2020	
10	Resolution authorizing the Corporation to borrow funds from individual lenders in the total amount of up to a maximum of PhP1 Billion in tranches and authorizing RCBC Capital Corporation to act as broker for the promissory notes
Special Meeting of the Board of Directors dated 10 December 2020	
11	Resolution approving the Minutes of the Organizational Meeting of the Board of Directors held on 20 August 2020
12	Resolutions authorizing the Corporation to acquire parcels of land located in Bulacan, Batangas, San Pablo City, and Laguna
13	Resolutions authorizing the Corporation to acquire a parcel of land located in Rizal from Sta. Lucia Realty & Development, Inc., the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Corporation's Material Related Party Transactions Policy
14	Resolutions authorizing the Corporation to enter into joint ventures with Sta. Lucia Realty & Development, Inc., the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Corporation's Material Related Party Transactions Policy, involving the development of projects located in Rizal, Pampanga and Pangasinan
15	Resolutions amending the authority granted during the Organizational Meeting of the Board of Directors dated 20 August 2020, as disclosed in item (D) of the Current Report dated 20 August 2020, to approve the issuance of up to Eight Billion Pesos (PhP8,000,000,000.00) worth of unsecured fixed rate retail bonds in two or more tranches with the first tranche offering of up

	to One Billion Pesos (PhP1,000,000,000.00) with an Oversubscription Option of up to One Billion Pesos (PhP1,000,000,000.00), subject to the approval by the SEC and the PDEx, with China Bank Capital Corporation as its lead underwriter, issue manager and bookrunner
16	Resolutions approving the disclosure in the Registration Statement of the Corporation for the registration of up to Eight Billion Pesos (PhP8,000,000,000.00) worth of unsecured fixed rate retail bonds ('Bonds') which will be offered in two or more tranches, with the first tranche offering of up to One Billion Pesos (PhP1,000,000,000.00) worth of Bonds with an Oversubscription Option of up to One Billion Pesos (PhP1,000,000,000.00)
17	Resolutions approving the availment of up to Five Hundred Million Pesos (P500,000,000.00) worth of loans and credit facilities from Philippine Commercial Capital Inc. – Trust and Investment Group
18	Resolutions designating the official and alternate e-mail addresses and cellphone numbers of the Corporation in compliance with SEC Memorandum Circular No. 28, series of 2020
Executive Committee Meeting held on 11 January 2021	
19	Designation of authorized signatories for transactions with the Pag-IBIG Fund
Executive Committee Meeting held on 14 January 2021	
20	Designation of authorized signatories in the Condominium and/or Subdivision Plan, Building Permit Application and other documents to be submitted for approval by the Bureau of Lands, Local Government Unit and other government agencies for various projects
21	Designation of authorized signatories for the renewal application and transactions with the Business Bureau, City Assessor's Office, Office of the City Treasurer of Davao City in connection with the renewal of the business permit in Digos City
22	Authority to file applications before the office of Manila Water and/or any of its branches in relation to the installation of permanent and temporary facilities in all subdivision and condominium projects of the Corporation
23	Authority to file application with Manila Electric Company (MERALCO) in relation to the installation of permanent and temporary facilities in Sta. Lucia Residenzes condominium project located in Cainta, Rizal
24	Authority to file applications before the office of Manila Electric Company (MERALCO) and/or any of its branches in relation to the installation of permanent and temporary facilities in all subdivision and condominium projects of the Corporation
25	Authority to file applications before the office of Prime Water and/or any of its branches in relation to the installation of permanent and temporary facilities in all subdivision and condominium projects of the Corporation
26	Authority to submit the environmental compliance report with the Department of Environmental and Natural Resources
27	Designation of authorized signatories to process and sign the application for Development Permit of the Centro Verde Project located in Pangasinan
Executive Committee Meeting held on 02 March 2021	
28	Resolution approving the Reviewed Interim Financial Statements as of and for the period ended 30 September 2020
Special Meeting of the Board of Directors dated 12 March 2021	
29	Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 10 December 2020
30	Resolutions authorizing the Corporation to acquire parcels of land located in Davao del Sur, Iloilo and Batangas
31	Resolution authorizing the Corporation to enter into joint ventures involving the development of projects located in Rizal, Davao del Sur, Lapu-Lapu City and Batangas
32	Resolutions authorizing the Corporation to enter into joint ventures with Sta. Lucia Realty & Development, Inc., the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Corporation's Material Related Party

	Transactions Policy, involving the development of projects located in Cavite, Rizal and Batangas
33	Resolutions authorizing the Corporation to issue up to Seven Billion Pesos (PhP7,000,000,000.00) worth of corporate notes to not more than nineteen (19) primary institutional lenders/qualified buyers, under such terms and conditions as the Corporation's management
34	Resolutions approving the amendment of the By-Laws of the Corporation to authorize the stockholders to vote through remote communication or in absentia;
35	Resolutions setting the date of the Annual Stockholders' Meeting of the Corporation for the year 2021 on Friday, 25 June 2021, 8:00 a.m., and authorizing the virtual conduct of the Annual Stockholders' Meeting
36	Resolutions authorizing the stockholders to participate and vote on matters in the 2021 Annual Stockholders' Meeting via remote communication or in absentia
37	Resolutions setting the record date on 21 May 2021 for purposes of determining the list of stockholders of the Corporation who are entitled to notice of, and to vote at, the Annual Stockholders' Meeting, and all other deadlines to ensure timely and full compliance with the reportorial/disclosure requirements of both the SEC and the PSE for the Annual Stockholders' Meeting
38	Resolution ratifying the designation of the Corporation's Compliance Officer for purposes of complying with the Anti-Money Laundering Act
Executive Committee Meeting held on 12 March 2021	
39	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in Marikina City for Acropolis Loyola
40	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies for Yanarra Residences
Executive Committee Meeting held on 12 April 2021	
41	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in Puerto Princesa City for Greenpeak Residences Phase 2
42	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in Puerto Princesa City for Marbella Phase 1-A Subdivision
43	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in Puerto Princesa City for Golden Meadow Residences
44	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in Puerto Princesa City for Sonoma Place
45	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in Puerto Princesa City for Valencia Homes
Executive Committee Meeting held on 26 April 2021	
46	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in the CALABARZON Region for Ponte Verde de Sto. Tomas Phase 3-A

47	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in the CALABARZON Region for Nasacosta Peak Towers
48	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in the CALABARZON Region for Greenpeak Heights Phase 3
49	Designation of an authorized signatory for the Condominium and/or Subdivision Plan, building permit application and other necessary documents for submission to the Bureau of Lands, local government unit and government agencies in the CALABARZON Region for Palo Alto Phase 3
50	Resolutions authorizing the filing of applications for permits and transacting with the City of Dasmariñas, Province of Cavite for the construction and/or operation of the elevated water tank and pumping station in Mesilo Nueva Vida subdivision project
51	Resolutions authorizing the filing of an application for the Environmental Compliance Certificate and Environmental Impact Statement Report before the Department of Environment and Natural Resources and other related government agencies for the Fairmont Lake Residences subdivision project
Executive Committee Meeting held on 17 May 2021	
52	Resolutions approving the Audited Financial Statements for the period ended 31 December 2020

STA. LUCIA LAND, INC.
Amendments to the By-Laws

Article and Section Nos.	From	To
Art. I, Sec. 1.01	**SECTION 1.01.** ***<u>Annual Meeting</u>*** – Unless otherwise determined by the Board of Directors, the annual meeting of stockholders shall be held in the principal office of the Corporation located at 3rd Floor, Sta. Lucia Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal, Philippines, on the 3rd Friday of June of each year; *Provided, however,* that if the day designated for the annual meeting of stockholders falls on a holiday, then the meeting shall be held on the business day next following.	**SECTION 1.01.** ***<u>Annual Meeting</u>*** – Unless otherwise determined by the Board of Directors, the annual meeting of stockholders shall be held in the principal office of the Corporation located at 3rd Floor, Sta. Lucia Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal, Philippines, on the 3rd Friday of June of each year; *Provided, however,* that if the day designated for the annual meeting of stockholders falls on a holiday, then the meeting shall be held on the business day next following. **<u>Stockholders who cannot physically attend at stockholders' meetings may participate in such meetings through remote communications or other alternative modes of communication, *Provided,* that he/she shall notify in advance the Presiding Officer and the Corporate Secretary of his/her intention. The Corporate Secretary shall note such fact in the Minutes of the meeting.</u>**
Art. I, Sec. 1.05	**SECTION 1.05.** ***<u>Quorum</u>***– (a) A simple majority of the total issued and outstanding capital stock entitled to vote, attending in person, or duly represented by proxy, shall constitute a quorum to do business. Except as otherwise provided by law, the affirmative vote of the majority of the quorum shall be sufficient for the adoption of a resolution, or otherwise to reach and make a corporate decision. (b) x x x”	**SECTION 1.05.** ***<u>Quorum</u>***– (a) A simple majority of the total issued and outstanding capital stock entitled to vote, attending in person, or duly represented by proxy, shall constitute a quorum to do business. **<u>A stockholder who participates through remote communication or *in absentia*, shall be deemed present for purposes of quorum.</u>** Except as otherwise provided by law, the affirmative vote of the majority of the quorum shall be sufficient for the adoption of a resolution, or otherwise to reach and make a corporate decision. (b) x x x”

Art. I, Sec. 1.06	**SECTION 1.06.** ***<u>Voting</u>*** – (a) At all meetings of stockholders (whether annual or special), every stockholder of record shall be entitled to one (1) vote for each share of stock recorded in his name in the books of the Corporation. (b) x x x”	**SECTION 1.06.** ***<u>Voting</u>*** – (a) At all meetings of stockholders (whether annual or special), every stockholder of record shall be entitled to one (1) vote for each share of stock recorded in his name in the books of the Corporation. **<u>Stockholders may exercise their right to vote through remote communication or *in absentia.*</u>** (b) x x x”

PART II - MANAGEMENT REPORT

I. CONSOLIDATED FINANCIAL STATEMENTS

Please refer to the attached Consolidated Audited Financial Statements of the Registrant and its Subsidiaries for the year ended 31 December 2020 which were submitted to the Securities and Exchange Commission (“SEC”) (Annex “B” hereof).

II. CHANGES IN, AND DISAGREEMENTS WITH, ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

On 20 August 2020, at the Annual Stockholders’ Meeting of the Registrant, its stockholders agreed to retain Sycip Gorres Velayo & Company (“SGV & Co.”) as the external auditor of the Registrant for the year 2020-2021. Mr. Michael C. Sabado of SGV & Co. is in his fourth year of service as external auditor, in replacement of Ms. Cyril Jasmin B. Valencia. There are no disagreements with SGV & Co. on any matter of accounting and financial disclosure.

(a) Audit and Audit-Related Fees

P2,541,000 for 2020, P2,587,200 for 2019,* P2,340,000 for 2018,* P1,558,480 for 2017,* and P1,638,560 for 2016*.
*Relates only to audit fees; no other assurance and related services.

The fees hereunder only refer to the fees for the audit of the Registrant’s annual financial statements or services that are normally provided by the external auditor in connection with the statutory and regulatory filings or engagements for those fiscal years. The external auditor of the Registrant does not render other assurance and related services.

(b) Tax Fees

Not applicable

(c) All Other Fees

Not applicable

(d) Approval Policies and Procedure of the Audit Committee

The Registrant’s Audit Committee has the ultimate authority and responsibility to evaluate and, where applicable, recommend the replacement of the Registrant’s independent auditors. Annually, the Audit Committee reviews and recommends to the Board of Directors the selection of the Registrant’s independent auditors, subject to the approval of the shareholders.

III. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

COMPARISON: YEAR END 2020 VS. YEAR END 2019

RESULTS OF OPERATIONS

Overview of Operations

The Group started the year continuing the growth momentum in 2019 reporting higher revenues and net income. However, with the pandemic, it slowed down sales and halted the commercial operations resulting contraction in the numbers initially projected and anticipated. With its yield management efforts to cope with the contraction, the Group had managed to sustain a net income margin of 25% for 2020.

Revenue

The pandemic significantly affected the real estate market sector. The gross revenue of the Group decreased by 12% or ₱837 million during the year. Government imposed restrictions in response to the pandemic has resulted in slowing down of operations thus decreasing the reservation sales and resulting in a 8% decline in real estate sales revenue amounting to ₱488 million in 2020. Interest income also posted a decline of ₱167 million in 2020. Retail operations were also severely hit as majority of establishments were closed. Rental payments were also waived during the Enhanced Community Quarantine. Reduced foot traffic resulted in a decrease in rental revenue of almost 41% or ₱364 million in 2020. Other income, which is mostly consist of gains from repossession of inventory as well as from penalties and surcharges increased by 21% or ₱61 million in 2020.

Cost and Expense

The temporary halt of the majority of the Group's operations from the community quarantine restrictions resulted in a decrease in total recognized expenses in 2020 amounting to ₱929 million or a 15% decrease from the total year expense of ₱6,074 million in 2019. Commission expense was down by 10% parallel with the lower real estate sales during the period. Selling and administrative expenses declined to ₱1,067 million or 15% lower than last year. Attributable cost for the commercial operations was also down by 33% a result of the given limited retail operations.

Net Income

Considering the yield management efforts of the Group in anticipation of the impact of pandemic on its performance, margins were sustained and the cost of operations was effectively managed despite the slowdown of the sales and decline in other sources of income. Net income was maintained at ₱1,708 million after tax in 2020.

PROJECT AND CAPITAL EXPENDITURES

The Group apportioned P5,211 million for project and capital expenditures as the Group wants to captures the growing demand for real estate. A bold move from the Group to become the country's leading real estate company not in sheer size but in ways more meaningful quality projects, quality business plans, grow, returns and innovation. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects and finance newly developed projects. As part of its growth strategy, the Group acquired raw lands for new residential and condominium project developments amounting to P1,377 million for the year 2020.

FINANCIAL CONDITION

Assets

The Group's total assets stood strong at ₱45,786 million during the year. This represents a 13% increase from the 2019 balance of ₱40,352 million. Outstanding receivables increased by almost 48% as a result of the deferment of some collections due to the implemented extension of payment terms and the passing of the Bayanihan Act. Given the decline in real estate sales, the Group continued its project development activities that resulted in an increase in real estate inventory balance of 14% from the previous year amounting to ₱3,061 million. Real estate inventory balance amounted to ₱24,931 million in 2020.

Liabilities

As the Group strived to maintain a strong liquidity position amidst lower cash inflows from operations, it maximized its access to the debt markets for additional source of funding. Total liabilities for 2020 amounted to ₱28,088 million. This amount represents a 16% increase from the previous year's reported total liabilities of ₱24,238 million. Majority of the borrowings were availed through short term loans. As a result, short term debts grew by almost 75%, from ₱3,521 million in 2019 to ₱6,149 million in 2020. Accounts and other payables amounted to ₱5,408 million, increased by 13% from ₱4,874 million in 2019. Total contract liabilities arising from real estate sales grew by ₱514 million or 15% from 2019 reported amount. Deferred tax liabilities also increased by ₱488 million or 51%.

Equity

Total stockholders' equity increased by ₱1,584 million in 2020 generated from the net income during the year amounting to ₱1,708 million. Financial assets measured at fair through other comprehensive income decrease by ₱124 million.

Key Performance Indicators

	31-Dec-20	**31-Dec-19**
Current Ratio	**2.01**	**2.67**
Debt to Equity	**0.97**	**0.93**
Interest Coverage Ratio	**341.52%**	**274.35%**
Return on Asset	**3.73%**	**4.30%**
Return on Equity	**9.65%**	**10.77%**

*Notes to Key Performance Indicators:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).

2. Debt to Equity = Total debt over shareholder's equity.
3. Interest Coverage Ratio = Earnings before tax over Interest expense.
4. Return on Asset = Net Income over Total Assets.
5. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2020.

Material Changes in the Balance Sheet (+/- 5%) as of December 31, 2020 versus the Balance Sheet as of December 31, 2019

48% increase in receivables
Increase in receivables is primarily attributable to the deferment of some collection due to the implemented extension of payment terms and the passing of Bayanihan Act.

16% increase in current portion of contract assets
Majority of the real estate sales for 2020 are from buyers preferring installment term as mode of payments for their purchase. This has resulted in an increase in contract assets reported in during the year.

14% increase in real estate inventories
Despite the temporary halt of majority of the operations of the Group, it continued its project development activities resulting in an increase in the real estate inventories for 2020.

14% increase in other current assets
This consists of increased advances made to contractors and marketing arms contracted by the Group to boost its project developments and sale of its property.

85% increase in noncurrent portion of installment contract receivables
Increase in this receivable is primarily attributable to the deferment of some collection due to the implemented extension of payment terms and the passing of Bayanihan Act.

22% decrease in noncurrent portion of contract assets
Majority of the reported noncurrent portion of contract assets arising from real estate sales are reclassified to current contract assets as these items fall due within 12 months.

7% decrease in property and equipment
As the Group has experienced a temporary halt and slow down of operations during 2020, there are lesser assets acquired in 2020 as compared to the previous year to support its operations.

13% decrease in financial assets at fair value through other comprehensive income
With the effect of pandemic, fair value of most investments decline in 2020. Fair market value of financial assets held by the Group decreased in 2020.

27% increase in other noncurrent assets

As project development activities were continued despite the halt and slow down of other operating activities of Group, increase in the amount of advances made to contractors was posted during the year.

75% increase in short term debts
As the Group strived to maintain a strong liquidity position amidst lower cash inflows from operations, it maximized its access to the debt markets for additional source of funding, increasing its short term borrowings by 75% in 2020.

13% increase in accounts and other payables
Primarily due to the procurement of raw land to be used in project developments under installment payment schemes and billings from contractors that is not due for payment.

76% increase in income tax payable
Directly related to the recognized revenue for year 2020.

18% increase in contract liabilities - current
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots during 2020.

548% increase in long term debts - current portion
The increase was primarily attributable to the P2billion bonds payables falling due in March 2021, as well as some portion of the principal of the outstanding corporate notes of the Group.

27% decrease in long term debts - noncurrent portion
The decrease was primarily attributable to the P2billion bonds payables falling due in March 2021, as well as some portion of the principal of the outstanding corporate notes of the Group.

9% increase in contract liabilities – noncurrent
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots during 2020.

100% decrease in pension liabilities
Result of changes in estimates for retirement liability as valued by the independent actuary. The Group had made excess contribution that arises the recognition of pension asset.

51% increase in deferred tax liabilities-net
Mainly attributable to timing differences of revenue recognition of real estate transactions and others for tax purposes versus accounting purposes.

28% increase in retained earnings
Increase was mainly attributable to the recognized net income during the period.

26% decrease in unrealized gain on fair value of available-for-sale financial assets
Decrease was due to the decline in market price of investment securities in Philippine Racing Inc. and Manila Jockey Club Inc.

107% increase in unrealized gain on pension liabilities.

Result of changes in estimates for retirement liability as valued by the independent actuary.

Material Changes in the Income Statement (+/- 5%) for the year ended December 31, 2020 versus the Income Statement for the year ended December 31, 2019

8% decrease in real estate sales
With the effect of pandemic, the Group had experienced temporary halt and slowing down of majority of its operations, thus real estate sales decreased during the period. In general, the pandemic had impacted the real estate sector, decreasing demands in real estate properties in 2020.

40% decrease in rental income
Retail operations were severely hit as majority of establishments were closed. Rental payments were also waived during the Enhanced Community Quarantine. Reduced foot traffic resulted in a decrease in rental revenue.

26% decrease in interest income
Paralleled with the decrease in real estate sales during the year, interest income posted the same trend as it is directly attributed to.

62% increase in dividend income
Increase is directly attributed to the dividends declared from the Group's investment in Philippine Racing Inc. and Manila Jockey Club Inc.

15% increase in other income
Increase is a result of booking of surcharges / penalties from customer's default on payment, income from hotel operations and gains from repossession.

24% decrease in cost of real estate sales
Decrease in real estate sales directly affects the recognized cost of sales.

33% decrease in cost of rental income
Temporary halt of the commercial operations were experienced during the ECQ, thus attributable cost to operate also decreased. Further, only those tenants whose offering essentials products and services were allowed to operate. Depending on the quarantine protocols only limited number of tenants continued its operations during the period.

10% decrease in commission
Paralleled with the decrease in real estate sales during the year, commission expense posted the same trend as it is directly attributed to.

36% decrease in advertising
The temporary halt and slow down of majority of the Group's operations has resulted in lower selling and administrative expenses incurred during the period.

31% decrease in representation
The temporary halt and slow down of majority of the Group's operations has resulted in lower selling and administrative expenses incurred during the period.

35% decrease in repairs and maintenance.

The temporary halt and slow down of majority of the Group's operations has resulted in lower selling and administrative expenses incurred during the period.

6% decrease in depreciation
The temporary halt and slow down of majority of the Group's operations has resulted in lower selling and administrative expenses incurred during the period.

62% decrease in professional fees
The temporary halt and slow down of majority of the Group's operations has resulted in lower selling and administrative expenses incurred during the period.

54% decrease in utilities
The temporary halt and slow down of majority of the Group's operations has resulted in lower selling and administrative expenses incurred during the period.

19% decrease in miscellaneous expense
The temporary halt and slow down of majority of the Group's operations has resulted in lower selling and administrative expenses incurred during the period.

27% increase in expected credit losses
With the deferment of some of the collections due to the implemented extension of payment terms, the Group recognized additional risk of non-collection, thus increasing its recognized expected credit losses for 2020.

12% increase in interest expense
With the maximization of tapping the debt market to maintain good liquidity position, increase in availment of short term loans also increased the interest expense during the period.

COMPARISON: YEAR END 2019 VS. YEAR END 2018

RESULTS OF OPERATIONS

Overview of Operations

With the growing demand for real estate and the Group's dedication to provide quality and excellence in its endeavor, the Group achieved another milestone as a result of 94% surge in revenue for year 2019. Net income after tax increased to ₱1,736 million in 2019 from ₱1,065 million last year. Driven by aggressive development in its pipeline projects where the Group utilized ₱9,704 million for capital expenditure coupled with effective implementation of its extensive marketing efforts, real estate sales grew from ₱2,428 million in 2018 to ₱5,871 million in 2019. Rental revenue slightly increased to ₱898 million in 2019 from ₱859 million in 2018.

Revenue

Driven by strong demand for real estate, the Group was able to generate gross revenue of ₱5,871 million in 2019 from its real estate sales. Income from its leasing portfolio slightly increased by ₱40 million from ₱859 million recognized in 2018 due to minimal escalation rates in lease contracts. The Group expects to launch an office building in year 2020 which will add to its leasing portfolio. Extensive marketing strategies employed, more properties are sold and majority of the buyers opted for longer payment schemes resulting to increase in recognized interest income totaling to ₱647 million in 2019 as compared to ₱301 million in 2018. Other income also increased to ₱294 million in 2019 from ₱256 million in 2018.

Cost and Expense

Total expenses for the year amounted to ₱6,074 million, 105% higher than ₱2,967 million in 2018. Total expenses comprised of cost of sales amounting to ₱3,231 million, selling and administrative expenses amounting to ₱1,263 million, interest expense amounting to ₱886 million and income tax expense amounting to ₱695 million as compared to ₱1,513 million, ₱670 million, ₱707 million and ₱77 million, respectively.

Net Income

As the company seizes the growing demand of real estate, robust increase in net income after tax amounted to ₱671 million which translates to 63% increase from ₱1,065 million in 2018. Net income after tax amounts to ₱1,736 million.

PROJECT AND CAPITAL EXPENDITURES

The Group apportioned P9,704 million for project and capital expenditures as the Group wants to captures the growing demand for real estate. A bold move from the Group to become the country's leading real estate company not in sheer size but in ways more meaningful quality projects, quality business plans, grow, returns and innovation,. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects and finance newly developed projects. As part of its growth strategy, the Group acquired raw lands for new residential and condominium project developments amounting to P3,282 million for the year 2019.

FINANCIAL CONDITION

Assets

The Group's total assets increase to ₱40,352 million in 2019 from ₱34,716 million in 2017. The 16% increase is due to increase in receivables by ₱2,033 million which arises from buyers opting the installment payment scheme. Significant capital expenditure also causes the increase in total assets.

Investment property and other noncurrent assets increased by 9% and 67% or ₱443 million and ₱145 million, respectively due to construction of the new office building which is expected to be launched in 2020.

Liabilities

Total liabilities reported to be ₱24,238 million in 2019 compared to ₱20,262 million in 2018. The 20% increase is mainly attributable to the increase in contract liabilities, accounts payable, long term debt and deferred tax liabilities amounting to ₱1,395 million, ₱793 million, ₱999 million and ₱379 million, respectively. The increase in contract liabilities, previously recognized as customers' deposit, is due to more reservation fees and downpayment collected from sales of real estate.

Income tax payable also increased by 149% or ₱30 million in relation to revenue surge of 94%.

Equity

Total stockholders' equity increased by ₱1,660 million in 2019 due to increase in net income generated during the year amounting to ₱1,736 million. There was slight decrease in unrealized gain from investment in financial assets measured at fair through other comprehensive income amounting to ₱77 million.

Key Performance Indicators

	31-Dec-19	**31-Dec-18**
Current Ratio	**2.67**	**2.82**
Debt to Equity	**0.93**	**0.94**
Interest Coverage Ratio	**274.35%**	**161.61%**
Return on Asset	**4.30%**	**3.06%**
Return on Equity	**10.77%**	**7.37%**

*Notes to Key Performance Indicators:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).
2. Debt to Equity = Total debt over shareholder's equity.
3. Interest Coverage Ratio = Earnings before tax over Interest expense.
4. Return on Asset = Net Income over Total Assets.
5. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2019.

Material Changes in the Balance Sheet (+/- 5%) as of December 31, 2019 versus the Balance Sheet as of December 31, 2018

15% decrease in cash
Decline in the balance of cash is directly attributable to aggressive development and expansion of pipeline projects and acquisition of raw lands to seize the growing demand for real estate

54% increase in receivables
The increase in receivables is directly attributed to the 142% surge in real estate sales due to strong demand and extensive marketing efforts.

20% increase in real estate inventories
Seizing the strong demand for real estate for 2019, the Group apportioned most of its capital in project developments and acquisition of raw lands, thus increasing the real estate inventory.

7% decrease in other current assets
This consists of increased advances made to contractors and marketing arms contracted by the Group to boost its project developments and sale of its property.

53% increase in noncurrent receivables
The increase in receivables is directly attributed to the 142% surge in real estate sales due to strong demand and extensive marketing efforts.

8% increase in investment property
The increase is a result of expansion of the Group's leasing portfolio thru the construction of a new office building expected to be launched in 2020.

32% increase in property and equipment
The increase is due to acquisition of new office equipment and vehicles for the Group's operation.

67% increase in other noncurrent assets
Mainly due to security deposits made by mall tenants and advances made to contractors for the construction of the new office building.

20% increase in accounts and other payables
Primarily due to the procurement of raw land to be used in project developments under installment payment schemes and billings from contractors that is not due for payment. Unearned processing fee for customers also added to the increase.

149% increase in income tax payable
Directly related to the increase in revenue for year 2019.

51% increase in contract liabilities - current
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots.

10% increase in long term debts
The Group obtains some of its finances to fund and support its activities through availment of long-term loans.

821% increase in contract liabilities – noncurrent
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots.

9% increase in pension liabilities
Result of changes in estimates for retirement liability as valued by the independent actuary.

66% increase in deferred tax liabilities-net
Mainly attributable to timing differences of revenue recognition of real estate transactions and others for tax purposes versus accounting purposes.

14% decrease in unrealized gain on fair value of available-for-sale financial assets
Decrease was due to the decline in market price of investment securities in Philippine Racing Inc. and Manila Jockey Club Inc.

26% decrease in unrealized gain on pension liabilities
Result of changes in estimates for retirement liability as valued by the independent actuary.

Material Changes in the Income Statement (+/- 5%) for the year ended December 31, 2019 versus the Income Statement for the year ended December 31, 2018

142% increase in real estate sales
With the growing demand for real estate, the group achieved another milestone as a result of 142% surge in revenue for year 2019. The Group seized the strong demand by aggressive project development and launching of new projects to offer to the market.

5% increase in rental income
Slight increase was due to the minimal escalation rate in lease contract.

115% increase in interest income
Increase in sales significantly increased the recognized interest income during the year as more buyers opted to choose installment payment scheme.

48% decrease in commission income
The Group's marketing subsidiary focused on selling parent company's properties due to bulk increase from expansions and launching of new projects.

21% decrease in dividend income
Decrease is due to lower dividend declared from the Group's investment in Philippine Racing Inc. and Manila Jockey Club Inc.

15% increase in other income
Increase is a result of booking of surcharges / penalties from customer's default on payment, income from hotel operations and gains from repossession.

180% increase in cost of real estate sales
Attributed to the revenue surge from real estate sales.

112% increase in commissions
Commission of 12% of the contract price is paid to marketing arms for every sale made, thus, commission also increase relative to revenue surge.

41% increase in taxes, licenses and fees
Attributed to increase in real property taxes due to additions of new projects to the Group's real estate portfolio and increase in documentary stamp tax from execution of loan agreements. Procurement of permits and licenses also contributed to the increase.

81% increase in advertising
In the effort of the Group to increase real estate sales and seize the growing demand, the Group spends a considerable amount to market its existing products and introduce new projects.

27% increase in salaries, wages and other benefits
Due to growing and expanding operation, the Group hires additional employees to cater increased volume of transactions.

295% decrease in representation
Attributed to increase in transaction costs incurred in the growing operations of the Group.

87% increase in repairs and maintenance
Mainly attributable to increase in costs incurred for maintenance and further upkeep of condominiums, completed projects not yet turned over to home owners association and mall buildings.

103% increase in professional fees
The increase was mainly due to fees paid for property valuation, legal fees for the planned follow-on-offering and fees for actuarial valuation.

36% increase in depreciation and amortization
Increase was due to additions in property plant and equipment during the year.

100% increase in utilities
Increase is due to whole year recognition of utility expenses mainly for mall operation and comprised mostly of security, light, water and communication expenses

23% decrease in provision for expected credit losses
Reduction in management's estimate for expected credit losses is due to improved collectivity of receivables as observed from payment behavior of customers.

32% increase in miscellaneous expense
Increase is attributable to surcharges and penalties incurred in permits and license procurement, insurance, legal, office supplies, software maintenance and transportation expenses.

25% increase in interest expense
To maximize its operating capacity, the Group availed short and long terms loans during the year which consequently increased interest expense.

803% increase in provision for income tax
The increase is relative to revenue surge for year 2019 and increase in deferred tax liabilities.

COMPARISON: YEAR END 2018 VS. YEAR END 2017

RESULTS OF OPERATIONS

Overview of Operations

By the Group's commitment to maintain its soaring position in providing quality and excellence in real estate development in the market niche, the group was able to hit a revenue growth of 30% in 2018. Net income after tax increased to P1,065 million in 2018 from P818 million last year. The significant growth was mainly attributable to the robust increase in the recognized income from the real estate sales. Boosted by the effective implementation of its extensive marketing efforts and across the board developments all over the country, real estate sales grew from P2,108 million in 2017 to P2,428 million in 2018 and rental revenue decreased from P1,026 million in 2017 to P859 million in 2018.

Also, the Group was able to efficiently carry out its strategies for its cost management, maintaining cost level of 38% of its gross revenue in 2018 as compared to 39% in 2017, thus increasing its returns.

Revenue

Boosted by the effective implementation of extensive marketing efforts and across the board developments all over the country, the Group was able to generate gross revenue of P2,428 million in 2018 from its real estate sales. However, rental income decreased by P167 million from P1,026 million recognized in 2017 due to reevaluation of lease rates to be competitive with neighboring malls. During the year, more buyers opted for longer payment schemes from real estate sales resulting to increase in recognized interest income totaling to P301 million in 2018 as compared to P160 million in 2017. Revenue from other sources totaled P444 million in 2018.

Cost and Expense

Total expenses for the year amounted to P2,890 million, 13% higher than P2,559 million in 2017. Cost of sales is P1,513 million and P1,446 million, selling and administrative expenses is P670 million and P625 million, interest expense is P707 million and P488 million in 2018 and 2017 respectively.

Net Income

Net income after tax increased by 30% or P248 million from P818 million in 2017 to P1,065 million in 2018. The increase was primarily attributable to the increase in real estate sales.

PROJECT AND CAPITAL EXPENDITURES

As the Group envisions to become the country's leading Real Estate Company not in sheer size but in ways more meaningful quality projects, quality business plans, grow, returns and innovation, the Group spent P6,506 million for project and capital expenditures. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects and finance newly developed projects. Of the said amount, P319 million was used in procuring raw lands for new residential and condominium project developments.

The Group's total assets increased to P34,778 million in 2018 from P29,807 million in 2017. The 17% increase is due to the significant amount of project and capital expenditures spent in 2018, thus increasing the real estate inventory by P2,276 million. Also, the increase in other current assets amounting to P2,426 million have significantly affected the increase in total assets.

Liabilities

Total liabilities reported is P20,262 million in 2018 compared to P15,497 million in 2017. This is attributable to the availment of long term loans and the issuance of corporate bonds during 2018. The increase in contract liabilities, previously recognized as customers' deposit, is due to the increase in projects developed and offered for sale during the year. This contributed an increase in the amount of P840 million in total liabilities.

Equity

Total stockholders' equity increased by P214 million in 2018 due to the net income generated during the year amounting to P1,065 million. Also contributing to the increase is the change in fair value of available for sale financial assets amounting to P107 million.

Key Performance Indicators

	31-Dec-18	31-Dec-18
Current Ratio	**2.81**	**2.27**
Debt to Equity	**1.40**	**1.08**
Interest Coverage Ratio	**161.61%**	**231.94%**
Return on Asset	**3.06%**	**2.74%**
Return on Equity	**7.37%**	**5.71%**

*Notes to Key Performance Indicators:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).
2. Debt to Equity = Total debt over shareholder's equity.
3. Interest Coverage Ratio = Earnings before tax over Interest expense.
4. Return on Asset = Net Income over Total Assets.
5. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2018.

Material Changes in the Balance Sheet (+/- 5%) as of 31 December 2018 versus the Balance Sheet as of 31 December 2017

70% increase in cash
Increase in cash was due to the increase in collections from sales. Also, the availment of short and long-term loans counterweighed the substantial amount spent in capital expenditures, thus increasing the amount of cash in 2018.

30% decrease in receivables
The boosted effort exerted in collections had significantly reduced the receivable balances, thus realizing more cash during the year.

14% increase in real estate inventories
The increase was primarily due to significant capital expenditures in 2018. As the group envisions expanding its business in the market niche, significant funds was allocated in project developments and acquisition of raw lands, thus increasing the real estate inventory.

89% increase in other current assets

The significant growth was due to the across the board project developments and aggressive marketing activities, thus increasing prepayments to the contractors and marketing arms.

67% decrease in noncurrent receivables
The significant decrease was brought about by the extended efforts exerted in collections from customers.

20% decrease in property and equipment
The decrease is due to deprecation of assets.

12% increase in available for sale financial assets
Increase in the fair market value of the financial assets.

518% increase in other noncurrent assets
Primarily due to significant security deposits made in 2018.

33% increase in accounts payable
The increase is mainly attributable to the increasing procurement of resources to be used in project developments acquired under installment payment schemes.

34% decrease in short-term debt
As the Group maximized its fund sourcing through long-term loan availment and issuance of corporate bonds, short-term lines were settled during the year.

57% decrease in income tax payable
Mainly attributable to timing differences of revenue recognition of real estate transactions and others for tax purposes versus accounting purposes.

98% increase in long term debts
The Group maximized its fund sourcing activities through availment of long-term loans and issuance of corporate bonds.

20% decrease in deferred tax liabilities-net
Decrease was due to the reversal of the deferred tax liability attributed to the uncollected rent to SLECC.

155% increase in pension liabilities
Due to the changes in estimates for retirement liability as valued by the independent actuary.

122% increase in treasury shares
Increase in treasury share was brought about by the purchase of 750,000,000 shares in the amount of P900,000,000.

23% increase in unrealized gain on fair value of available-for-sale financial assets
Increase was due to the increase in market price of investment securities in Philippine Racing Inc. and Manila Jockey Club Inc.

1,434% increase in unrealized gain on pension liabilities
Due to the changes in estimates for retirement liability as valued by the independent actuary.

Material Changes in the Income Statement (+/- 5%) for the year ended December 31, 2018 versus the Income Statement for the year ended December 31, 2017

15% increase in real estate sales
As driven by the Group's vision of expanding its position in the market niche, boosted marketing efforts during the year was employed increasing the real estate sales recognized during the year.

16% decrease in rental income
Due to reevaluation of lease rates to be competitive with neighboring malls.

88% increase in interest income
Boosted sales significantly increased the recognized interest income during the year as more buyers opted to choose installment payment scheme.

66% increase in commission income
Increase was due to significant marketing strategies employed by our marketing company subsidiary.

13% increase in cost and expenses
Relatively due to increase in operations of the company.

33% increase in commissions
Brought about by the increase in real estate sales recognized during the year.

28% decrease in taxes, licenses and fees
Due to the decrease in short-term line financing, minimal documentary stamp taxes was incurred during the year.

16% increase in advertising
Increase was mainly attributed to the boosted marketing strategies implemented during the year to increase sales.

7% decrease in salaries, wages and other benefits
Due to the decrease in employee turnover, previously hired personnel remained in the Company. This resulted in decreasing outflow of resources attributed in hiring new employees.

33% decrease in professional fees
The decrease was due to the termination of contract from various consultant and professionals for the continuous project developments.

62% decrease in representation
Primarily due to the decrease in representation related expenses paid by the Group.

14% decrease in depreciation and amortization
Decrease was due to lower depreciation recognized as result of minimal property and equipment acquisition during 2018.

18% decrease in utilities

The dropdown in amount was due to the effective implementation of cost management strategies relating to consumption of light, water and communication expenses.

97% increase in repairs and maintenance
Increase in number projects already completed not yet turned over to home owners associations (HOA) and Condominium Corporation significantly increased the incurrence of expenses related to repairs and maintenance for its upkeep.

45% decrease in provision for doubtful accounts
Extensive collection strategies were implemented thus, reducing the management's estimate for doubtful accounts.

45% increase in interest expense
The Group's shift in maximizing fund raising activities to availment of long-term loans and issuance of corporate bonds increased the recognized interest expense in 2018.

75% decrease in provision for income tax
Decrease was mainly attributed to the reversal of deferred tax liability.

COMPARISON: YEAR END 2017 VS. YEAR END 2016

RESULTS OF OPERATIONS

Overview of Operations

A growth in net income after tax by 12% compared to previous year represents continuing growth and excellence in the Group's commitment to provide quality real estate developments. Net income after tax increased to P818 million in 2017 from P730 million in 2016. Gross revenue amounting to P3,689 million or a 12% increase as compared to P3,293 million from 2016 is mainly attributable to two main revenue streams of the Group; real estate sales and rental revenues. The Group sustained its growth on real estate sales, P219 million increase from P1,890 million in 2016, due to extensive strategies in marketing, developments and project completion. The increase in number of mall tenants and minimal escalation rate to existing tenants resulted to an increase in rental income to P1,026 million in 2017 from P852 million in 2016.

The Group has become cost efficient by reducing avoidable costs which resulted to higher returns. Due to this, costs of deriving revenues decreased to P1,446 million in 2017 from P1,544 million in 2016.

Revenue

Due to extensive strategies in marketing, developments and project completion, real estate revenues generated P2,108 million in 2017, 12% higher than the previous year. Increase in rental income by 20% is mainly attributable to increase in number of mall tenants and minimal escalation rate to existing tenants. Interest income amounting to P160 million during the year was generated from installment receivables since more buyers are opting for longer payment schemes. Construction income decreased to P1,612 million in 2017 compared to P25,591 million in 2016 due to higher volume of construction activity in the previous year.

Cost and Expense

With the efficiency in cost management which resulted to higher returns, the cost of deriving revenue from real estate sales and rental revenue decreased to P1,445 million in 2017 from P1,528 million in 2016 or 5% lower than last year. Cost of construction also decreased to P1 million in 2017 from P16 million due to higher volume of construction activity in the previous year.

Net Income

The net income after tax increased to P818 million in 2017 from P730 million in 2016 resulting to 12% growth. The increase was primarily due to the increase in real estate sales.

PROJECT AND CAPITAL EXPENDITURES

As the Group envisions to become the country's leading Real Estate Company not in sheer size but in way more meaningful quality projects, quality business plans, growth, returns and innovation, the Group spent P6,006 million for project and capital expenditures. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects and finance newly developed projects. P2,877 million of the said amount was used in procuring raw lands for new residential and condominium project developments and 1,018 represents advances made to contractors.

FINANCIAL CONDITION

Assets

The Group's total assets increased to P29,807 million in 2017 from P24,125 in 2016. The 24% increase is due to the significant amount project and capital expenditures spent in 2017 which is P2,068 million higher than the previous year. Other factors are increase in trade receivables due to increase in real estate sales, and increase in fair market value of investment in form of stocks.

Liabilities

Total liabilities reported to be P15,497 million in 2017 compared to P10,659 million in 2016. This is attributable to short term and long term loans drawn during 2017 and still unpaid as of December of the same year. Increase in customer's deposit due to more projects developed that are offered for sale during the year also contributed to the 45% increase in total liabilities.

Equity

Total stockholders' equity increased by P844 million in 2017 due to the net income generated during the year amounting to P818 million. Also contributing to the increase is the change in fair value of investments in form of stocks amounting to P26 million.

Key Performance Indicators

	31-Dec-17	**31-Dec-16**
Current Ratio	**2.28**	**2.77**

Debt to Equity	**.73**	**0.47**
Interest Coverage Ratio	**231.94%**	**286.43%**
Return on Asset	**3.03%**	**3.03%**
Return on Equity	**5.71%**	**5.42%**

*Notes to Key Performance Indicators:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).
2. Debt to Equity = Total debt over shareholder's equity.
3. Interest Coverage Ratio = Earnings before tax over Interest expense.
4. Return on Asset = Net Income over Total Assets.
5. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2017.

Material Changes in the Balance Sheet (+/- 5%) as of 31 December 2017 versus the Balance Sheet as of 31 December 2016

346% increase in cash
Despite substantial amount spent in capital expenditures that are used in continuous development of existing projects and acquisition of various raw lands for future expansions, cash increased due to higher sales and increase in short term and long term debt availed during the year.

7% increase in receivables
Due to remarkable sales growth and more projects that have been developed and offered for sale in the market.

34% increase in real estate inventories
The increase was primarily due to significant capital expenditures for continuous development of the Registrant's existing residential and commercial projects and to finance newly developed projects and raw land acquisitions.

14% increase in other current assets
To sustain the growth in development of projects and aggressive marketing activities, the Group made advances to contractors and marketing arms, respectively, which caused the increase in prepayments.

61% increase in noncurrent receivables
Due to a number of buyers choosing to settle under a longer payment schemes.

12% decrease in property and equipment
The decrease is due to deprecation of assets.

43% increase in other noncurrent assets

Primarily due to significant security deposits made for 2017.

7% increase in accounts payable
Mainly attributable to unceasing development of designed projects and procurement of various to be used for future projects under installment scheme.

129% increase in short-term debt
Due to additional loans obtained by the Group to finance aggressive development operations and activities.

35% increase in customer's deposits
Due to new projects developed and extensive marketing strategies, there is increase in reservation fees and collections of downpayments.

41% decrease in income tax payable
Mainly attributable to timing differences of revenue recognition of real estate transactions and others for tax purposes versus accounting purposes.

28% increase in long term debts
To finance the Group's continuous development of the existing residential and commercial projects, newly developed projects and raw land acquisitions.

34% increase in deferred tax liabilities-net
Mainly attributable to timing differences of revenue recognition of real estate transactions and others for tax purposes versus accounting purposes.

41% decrease in pension liabilities
Due to the changes in estimates for retirement liability as valued by the independent actuary.

31% increase in retained earnings
Attributed to the net income reported in the 2017.

6% decrease in unrealized gain on fair value of available-for-sale financial assets
Due to the movement of market prices of investment securities in Phil Racing Inc. and Manila Jockey Club Inc.

Material Changes in the Income Statement (+/- 5%) for the year ended December 31, 2017 versus the Income Statement for the year ended December 31, 2016

12% increase in real estate sales
Driven by the extensive marketing strategies and project development, real estate sales are notably increasing. Since more projects are developed as result of more land acquisitions and joint venture being dealt with, more lots and units are offered for sale during the year.

20% increase in rental income
Mainly due to increase in number of mall tenants and minimal escalation rate to existing tenants resulted to higher rental income.

15% increase in interest income

Due to the interests earned from installment receivables since more buyers are opting for longer payment schemes.

94% decrease in construction income
Due to lower volume construction activities during the year.

6% increase in cost and expenses
Due to efficiency in cost management of the Group.

13% decrease in commissions
Due to some varying rates of commission fees paid to marketing arms.

15% increase is salaries, wages and other benefits
Due to increase in labor force of the Group.

68% increase in interest expense
Due to the increase in short term and long term debt during the year.

11% increase in advertising
Mainly attributable to increase volume of advertising and promotions made by the Group in 2017 as compared to 2016 as part of marketing strategy to promote sales.

51% increase in professional fees
Due to significant professional services paid for the actuarial valuation of retirement liability and valuation of Group's assets.

60% increase in utilities
Mainly due to whole year recognition of utility expenses comprised mostly of security, light, water and communication expenses.

44% decrease in repairs and maintenance
Due to minimal repairs and maintenance during the year for the completed projects not yet turned over to home owners association.

74% increase in representation
Primarily due to increase in volume of transactions made by the Group.

12% decrease in provision for doubtful accounts
Collection over the past few years are noticeably improving thus causing reducing the management's estimate for doubtful accounts.

18% increase in miscellaneous expense
Due to surcharges and penalties, insurance, legal, office supplies, software maintenance and transportation expenses incurred by the Group.

209% increase in provision for income tax
Due to higher income earned during the year.

COMPARISON: YEAR END 2016 VS. YEAR END 2015

RESULTS OF OPERATIONS

Overview of Operations

Net income after tax in 2016 posted an increase of P54 million from P676 million in 2015 to P730 million in 2016 reporting an 8% increase. Gross revenues reported at P3,293 million compared to P3,104 million of last year, 6% higher than last year. Posting an increase amounting to P209 million in real estate revenues, the Group sustained its growth on real estate sales due to extensive strategies in marketing, developments and financing provided in the form of bonds. Revenues arising from rentals decreased from P983 million in 2015 to P852 million in 2016. This was due to change in accounting of income from mall tenants from accrual to cash basis.

Cost and expenses increased to P1,544 million from P1,401 million this year while administrative and selling costs increased by 6%.

Revenue

Real estate revenues generated P1,890 million in 2016, 12% higher than 2015. This is due to extensive strategies in marketing, developments, project completion and financing provided in the form of bonds. Rental income decreased by 13% due to change in accounting of income from mall tenants from accrual to cash basis. Commission income during the year was generated by the Group's marketing unit Santalucia Ventures, Inc. Other income posted an increase of P75 million due to increase in recognized income related to surcharges, penalties and other income.

Cost and Expense

Cost of real estate sales and cost of rental income, posted an increase of 10%, from P1,395 million of 2015 to P1,528 million in 2016. The increase is directly attributable to the increase in increase in real estate revenues due to strong performance of SLI's property segment. Administrative and selling expenses increased by 51% primarily due to significant increase in interest expenses related to bonds.

Net Income

The net income increased by 8% from P676 million in 2015 to P730 million in 2016. The increase was primarily due to increase in real estate sales and effective tax management.

PROJECT AND CAPITAL EXPENDITURES

In 2016, the Group spent P3,938 million for project and capital expenditures. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects. P1,464 million of the said amount is attributable for acquisition of raw lands for new residential and condominium project developments. Capital expenditures were significantly financed by the bonds publicly issued in December of 2015.

FINANCIAL CONDITION

Assets

Generating an increase of 13%, the Group reported an increase in total assets of P2,755 million. The increase is due to significant amount capital expenditures spent in 2016 under installment, increase in trade receivables due to increase in real estate sales, and increase in fair market value of investment in form of stocks.

Liabilities

Total liabilities generated an increase from P8,671 million to P10,659 million. The 23% reported increase was due to new short term loans drawn during 2016 and still unpaid as of December of the same year. Additionally, continuous development of existing projects and acquisition of various raw lands for future expansions and developments under installment scheme significantly contributed in the increase in the total liabilities.

Equity

Total stockholders' equity increased by P766 million in 2016. The increase was due to the net income generated during the same year amounting to P730 million. Also contributing to the increase is the change in fair value of investments in form of stocks and actuarial gain/loss related to pension liabilities amounting to P36 million.

Key Performance Indicators

	31-Dec-16	**31-Dec-15**
Current Ratio	**2.77**	**4.68**
Debt to Equity	**.47**	**0.44**
Interest Coverage Ratio	**286.43%**	**725.45%**
Return on Asset	**3.03%**	**3.16%**
Return on Equity	**5.42%**	**5.32%**

*Notes to Key Performance Indicators:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).
2. Debt to Equity = Total debt over shareholder's equity.
3. Interest Coverage Ratio = Earnings before tax over Interest expense.
4. Return on Asset = Net Income over Total Assets.
5. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2015.

Material Changes in the Balance Sheet (+/- 5%) as of 31 December 2016 versus the Balance Sheet as of 31 December 2015

94% decrease in cash
This is mainly due to significant capital expenditures during 2016. Said capital expenditures in attributable to the continuous development of existing projects and acquisition of various raw lands for future expansions.

11% increase in receivables
The boost in the Group's sales growth affects the increase in the current receivables as well as intercompany transactions of the group.

35% increase in real estate inventories
In concurrence with the decrease in the cash reported during 2016, the increase in real estate inventories is due to significant capital expenditures spent in 2016.

70% increase in other current assets
The increase primarily was due to the increase in prepayments for contractor advances to support the growth in development and also to brokers which is as an effect of the Group's aggressive marketing activities.

17% increase in noncurrent receivables
Corresponds to the additional mix of buyers opting longer payment schemes.

17% increase in available for sale financial assets
Mainly due to the increase in market price of the Group's AFS

47% increase in property and equipment
Mainly due to the purchase of transportation vehicles and office equipments to be used in operations.

26% increase in other noncurrent assets
This is due to significant security deposits made for 2016.

58% increase in accounts payable
Mainly due to continuous development of existing projects and acquisition of various raw lands for future expansions and developments under installment scheme.

242% increase in short-term debt
Due to short term loans drawn during 2016 and still unpaid as of December of the same year. Furthermore, portion of long term debts as of 2015 was reclassified as current during 2016 as these are expected to be paid within 12 months as of December 2016.

38% increase in customer's deposits
Increase in new reservations applications and collections under down payment period due to new projects launched in 2016.

141% increase in income tax payable.
Due to increase in current taxable operations of the Company.

20% decrease in long term debts
The decrease was due to a portion of long term debts as of 2015reclassified as current during 2016 as these are expected to be paid within 12 months as of December 2016.

9% decrease in deferred tax liabilities-net
Mainly due to the recognition of the difference between tax and book basis of accounting for real estate transactions and other temporary differences.

86% increase in pension liabilities
Pertains to the current year changes in pension liabilities as valued by the independent actuary.

38% increase in retained earnings
Attributed to the net income reported in the 2016.

9% increase in unrealized gain on fair value of available-for-sale financial assets.
Mainly due to the increase in share prices of investments in stocks.

2,540% decrease in remeasurement gain (losses) on pension liabilities.
Attributed to the changes on pension settlement expectations.

Material Changes in the Income Statement (+/- 5%) for the year ended 31 December 2016 versus the Income Statement for the year ended 31 December 2015

12% increase in real estate sales
Driven by the increased volume of real estate sales.

13% decrease in rental income
Due to the change in accounting of cash receipts from mall tenants from accrual to cash basis.

11% increase in interest income
Due to the mix of interest bearing buyers of the Company.

172% increase in construction income
Due to increased number of construction of houses.

6% increase in commission income
Due to strengthened marketing performance of Santalucia Ventures, Inc.

38% increase in other income
Primarily due to the continuous increase in revenue other than its real estate sales such as booking of surcharges/penalties, processing fees, income related to defaults of various buyers, and other services.

10% increase in cost and expenses
Mainly due to the related increase in sales during the period.

71% increase in depreciation
Due to new property and equipment acquisitions during the year.

8% decrease in commissions
Though an increase in sales was recognized, requirements for the release of some commissions to agents and brokers are not yet met.

112% increase in interest expense

Due to the additional debts arising from the public bond offering in December 2015 and short term loans drawn in 2016 and partial recognition of capitalized interest from previous years.

87% increase in taxes, licenses and fees
Due to operational activities of the Group and increased volume of processing and tax expenses due to increased volume of cash sales. The increase was also due to documentary stamp taxes incurred for short term loans to various financial institutions.

7% decrease in advertising
Mainly due to decreased volume of advertising and promotions made by the Group in 2016 as compared to 2015.

29% decrease in professional fees
Due to significant professional services paid for the public bond offering in 2015.

594% increase in repairs and maintenance
Mainly due to increased number projects already completed not yet turned over to home owners associations (HOA) and Condominium Corporations which incurred repairs and maintenance for further upkeep.

50% decrease in representation
Primarily due to decrease in representation related expenses paid by the Group.

20% decrease in provision for doubtful accounts
Due to decrease in volume of receivables expected to be uncollectible than last year.

66% decrease in provision for income tax
Due to effective tax management of the Group.

INTERIM PERIOD

Result of Operations
(Three-month period ended March 31, 2021 compared to the three-month period ended March 31, 2020)

Revenue

Sta. Lucia Land Inc. and Subsidiaries' (Group) net income grew by 45% or P132.52 million for the three-month period ending March 31, 2021. The Group was able to increase the real estate sales by 5% comparing to the same period last year. As opposed to its commercial operations, the lessening of foothold traffic as an effect of the implemented quarantine protocols caused rental income to decrease by 38% amounting to P72.04 million as compared to the same period last year. Despite the experienced effect of the pandemic, the Group was able to implement measures to cope and minimize its expenses. The lowered tax rate from 30% to 25% also contributed to the increase in bottomline of the Group. Other sources of income grew by 76% or P53.44 million as compared to the same period last year. Interest income and commission income increased by 6% and 40% respectively.

Cost and Expense

With the continuous effect of the pandemic, the Group has implemented yield management efforts to cope and to maximized cost savings. For the three-month period ending March 31, 2021, the Group was able to cut its total operating expenses by 9% amounting to P60.44 million.

Comprehensive Income

Total comprehensive income of the Group reported increased by 231% or P366.92 million for the three-month period ending March 31, 2021 as compared to same period last year. The increase was primarily due to the reported increase in net income as well as the increase in the unrealized gains recognized during the period.

Financial Condition
(*Three months ended March 31, 2021 compared to year ended December 31, 2020)*

Total Assets

Total assets reported by the Group amounts to P47,936.57 million as of 1st quarter of 2021 from P45,785.80 million in December 31, 2020. This shows an increase of P2,150.77 million which is mainly due to increase deployment of capital expeditures to its contractors, primarily to mobilize and facilitate massive project developments and launching of new projects all over the country.

Total Liabilities

The Group's total liabilities posted an amount of P29,909.10 million as of 1st quarter of 2021 which is 6% higher as compared to P28,087.98 million from December 31, 2020. Accounts payable increased by P1,137.25 million. Long term debt increased by 24% as a result of the first drawdown of a Credit Note Facility by the Group amounting to P2,000.00 million. The availment and maximization of the Group's access to the debt market was made to maintain its liquidity position.

Key Performance Indicators

	March 31, 2021	December 31, 2020
Current Ratio	**2.17**	**2.01**
Debt to Equity	**0.97**	**0.97**
Interest Coverage Ratio	**291.82%**	**341.52%**
Return on Asset	**0.89%**	**3.73%**
Return on Equity	**2.37%**	**9.65%**

*Notes to Key Performance Indicator:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans and income tax payables*).

2. Debt to Equity = Total debtover shareholder's equity.
3. Interest Coverage Ratio= Earnings before Income Tax amd Interest Expense over Interest Expense
4. Return on Asset = Net Income over Total Assets
5. Return on Equity = Net Income over shareholder's equity.

<u>Material Changes in the Balance Sheet (+/- 5%) as of March 31, 2021 versus the Balance Sheet as of December 31, 2020</u>

10% increase in cash
Attributable to availment of new loans to maintain high liquidity position and from the increase in realization of receivables arising from real estate sales.

6% increase in current contract assets
Majority of the real estate sales for first quarter of 2021 are from buyers preferring installment term as mode of payments for their purchase as evidenced by the increase in contract assets.

35% increase in other current assets
This consists of increased advances made to contractors by the Group to boost its project developments and project development mobilization for its expansion throughout the country.

12% decrease in non current installment contract receivables
Decrease was the result of the implementation of collection strategies to maximize the inflow of cash from buyers through the opening of various payment gateways.

30% increase in non current contract assets
Majority of the real estate sales for first quarter of 2021 are from buyers preferring installment term as mode of payments for their purchase as evidenced by the increase in contract assets.

8% decrease in property and equipment
Decrease was due to the periodic depreciation recognized throughout the life of the Group's assets.

12% decrease in financial assets at fair value through other comprehensive income
Decrease was due to the movement of market values of quoted investment securities of Phil Racing Inc. and Manila Jockey Club Inc.

87% decrease in other noncurrent assets
Decrease was due to payments advances made to contractors to develop raw lands purchased in the previous year and are falling due within the 12 month of current reporting period.

21% increase in accounts and other payables
Primarily due to the procurement of raw land to be used in project developments under installment payment schemes and billings from contractors that is not due for payment.

77% increase in short term debts
As the Group strived to maintain a strong liquidity, it maximized its access to the debt markets for additional source of funding, increasing its short term borrowings.

10% increase in current contract liabilities
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots during the first quarter of 2021.

69% decrease in current portion long-term debt
The decrease was primarily due to the settlement of the Php2 Billion bonds payable.

24% increase in long-term debt
The settlement of the Php2 Billion bonds payable was made through a new Credit Notes Facility. The facility amounts to a total of Php7 Billion of which Php2 Billion was already drawn in the first drawdown. The second drawdown is expected to be made in the second quarter of 2021.

17% increase in noncurrent contract liabilities
Increase in real estate sales during the period has significantly affected the contract liabilities during the period.

8% increase in retained earnings
Increase in retained earnings is primarily attributable to the net income recognized during the period.

26% decrease in unrealized fair market value of AFS
Decrease was due to the decrease in market price of investment securities in Philippine Racing Inc. and Manila Jockey Club Inc.

1,601% decrease in unrealized loss on pension liabilities
Result of changes in estimates for retirement liability as valued by the independent actuary.

<u>Material Changes in the Income Statement (+/-5%) for the Three-Month Period Ended March 31, 2021 versus the Income Statement for the Three-Month Period Ended March 31, 2020</u>

5% increase in real estate sales
Coping with the effect of the pandemic, the Group was able to increase its real estate sales through the efforts of its marketing arms as well as the deployment of its sales force with the curtailment of the quarantine protocols implemented by the Government.

38% decrease in rental income
Retail operations were severely hit as majority of establishments were closed. Reduced foot traffic resulted in the decrease in rental income.

6% increase in interest income
For the first quarter of 2021, more buyers opted to choose installment payment schemes increasing interest income.

40% increase in commission income
Increase is directly attributed to the increase in commission recognized from the sales made by the Group's marketing arms.

76% increase in other income

Increase is a result of booking of surcharges / penalties from customer's default on payment, income from hotel operations and gains from repossession.

25% decrease in cost of real estate sales
Increase in horizontal sales take up with greater gross profits during the quarter ended caused the decline of recorded cost of sales despite the increase noted in real estate sales.

12% decrease in cost of rental income
Only those tenants whose offering essentials products and services were mostly allowed to operate. Depending on the quarantine protocols only a limited number of tenants continued operations during the period.

64% increase in commissions
Increase in recognized commission expense was directly proportional to the sales recognized during the period.

86% decrease in representation
Decrease in selling and administrative expenses was brought about by the limitation of some operations as result of imposed quarartine protocols by the Government.

161% increase in taxes and licenses
Increase was brought about by the payments made in the processing of permits and licenses directly attributable to project developments for the mobilization of the development activities druing the first quarter of 2021.

36% increase in advertising expense
Decrease in selling and administrative expenses was brought about by the limitation of some operations as result of imposed quarartine protocols by the Government.

10% decrease in depreciation expense
The decrease in depreciation was brought about by the decline in acquisitions of real properties being used in the normal business operatons.

42% decrease in professional fees
Decrease in selling and administrative expenses was brought about by the limitation of some operations as result of imposed quarartine protocols by the Government.

132% increase in utilities
Increase was due to higher consumption of power, water and other utilities during the period.

85% decrease in repairs and maintenance
Decrease in selling and administrative expenses was brought about by the limitation of some operations as result of imposed quarartine protocols by the Government.

28% increase in miscellaneous expenses
Increase was due to higher surcharges and penalties, insurance, legal, office supplies, software maintenance and transportation expenses incurred by the Group.

IV. BUSINESS AND GENERAL INFORMATION

A. Description of Business

1. Business Development

The Registrant was incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on 06 December 1966 under the name Zipporah Mining and Industrial Corporation to engage in mining. On 14 August 1996, the Registrant's Articles of Incorporation was amended (a) changing the corporate name to Zipporah Realty Holdings, Inc. (ZRHI); and (b) transposing the original primary purpose to secondary purpose from being a mining firm to a real estate company, the primary purpose of which is to acquire by purchase, lease, donation, or otherwise, and to own, use, improve, develop and hold for investment or otherwise, real estate of all kinds, improve, manage or otherwise dispose of buildings, houses, apartments and other structures of whatever kind, together with their appurtenances. In 2007, majority of the shares of ZRHI was acquired by Sta. Lucia Realty & Development, Inc. (SLRDI) through a property-share swap and changed its company name to Sta. Lucia Land, Inc. upon board approval. SLI is 81.75% owned by SLRDI as of 31 March 2021.

2. Restructuring

As part of a restructuring program, the Registrant's board of directors (the Board) approved the following on 15 June 2007, which the shareholders (the Shareholders) subsequently approved on 16 July 2007:

(1) Increase in the authorized capital stock of the Registrant by P14 Billion, from P2.0 Billion to P16 Billion, divided into 16 billion shares with a par value of P1.00 per share;
(2) Subscription of SLRDI of up to 10 billion shares out of the increase in the Registrant's authorized capital stock; and
(3) SLRDI's subscription to such shares shall be at par value, the consideration for which shall be the assignment and transfer by SLRDI to the Registrant of assets acceptable to the Board at a reasonable discount on the market value of such assets.

Accordingly, on 08 December 2007, various deeds of assignment were entered into by the Registrant and SLRDI wherein SLRDI assigned all its rights, title and interest on the following real properties:

Alta Vista de Subic	Monte Verde Royale
Alta Vista Residential Estate and Golf Course	La Breza Tower (Mother Ignacia)
Caliraya Spring Golf Marina	Neopolitan Estate
Costa Verde Cavite	Palm Coast Marina Bayside
Davao Riverfront	Palo Alto Executive Village
Eagle Ridge Commercial	Pinewoods Golf & Country Estate
Glenrose Park Carcar Cebu	Pueblo del Sol
Greenwoods Commercial	Rizal Technopark
Greenwoods South	South Pacific Golf & Leisure Estates
Lakewood City	Southfield Executive Village

Manville Royal Subd.	Sta. Lucia East Grand Mall Sites 1, 2, 3
Metropoli Residenza de Libis Residential	Tagaytay Royale Estate Commercial
Metropolis Greens	Vistamar Residential Estate

Furthermore, on 15 June 2007 and 16 July 2007, the Board and the Shareholders respectively approved a number of changes in the corporate structure as part of its diversification scheme. These were:

1. The change of its name to **STA. LUCIA LAND, INC.**;
2. The change in the registered address and principal place of business;
3. The decrease in the number of directors from eleven (11) to nine (9);
4. The provision on indemnification of directors and officers against third party liabilities;
5. The change in the primary and secondary purposes of the Registrant and the adoption of a new set of by-laws;

Items 1-5 were approved by the SEC on 09 October 2007.

Moreover, the Shareholders elected the following directors: Vicente R. Santos (Chairman), Exequiel D. Robles, Mariza R. Santos-Tan, Antonio D. Robles, Aurora D. Robles, Orestes R. Santos, Jose Ferdinand R. Guiang, Osmundo C. de Guzman, Jr., and Santiago Cua.

Lastly, the Registrant sold its subsidiary, EBEDEV, Inc. ("EBEDEV") to Beziers Hldgs., Inc. on 01 June 2007, with eighty million (80,000,000) common shares representing one hundred percent (100%) of its issued and outstanding capital stock. Upon execution of the Sale and Purchase Agreement, responsibility for the management of EBEDEV was transferred to and vested with Beziers Hldgs., Inc., along with the corporate records and documents of EBEDEV.

3. Subsidiaries

On 09 January 2013, the Registrant filed an application with SEC for the incorporation of one of its wholly owned subsidiary Sta. Lucia Homes, Inc. (SLHI), the primary purpose of which is to construct, develop, improve, mortgage, pledge and deal with residential structure for lot buyers of the Group. The Registrant received an approval on 20 February 2013.

On 31 January 2013, the Registrant also filed an application with SEC for the incorporation of another wholly owned subsidiary Santalucia Ventures Inc. (SVI), whose primary purpose is to market, operate, manage, develop, improve, dispose, mortgage, pledge and deal with residential structure for lot buyers of the Group. Such application was approved by SEC on 05 April 2013.

In its Special Meeting on 21 April 2015, the Board of Directors of the Registrant authorized the sale of SVI to SLRDI at book value.

4. Employees/Officers

As of December 2020, the Registrant has the following number of employees/officers including:

DEPARTMENT	COUNT
Office Of The Chairman/Administrator	1
Office Of The EVP / CFO	1
Accounting	15
Administration	5
Asset Management	48
Commercial Business	2
Construction Permit & Post Construction	1
Corporate Planning	2
Finance/Credit Risk Management	5
Hotels	1
Human Resources	3
Internal Audit & Controllership	11
Management Information System	7
Project Development	24
Purchasing	5
Sales And Marketing	19
Special Projects	2
Treasury	6
Sta Lucia Homes	2
TOTAL	**160**

There are no current labor disputes or strikes against the Registrant, nor have there been any labor disputes or strikes against the Registrant in the past ten (10) years.

The Registrant has provided a mechanism through which managers and staff are given feedback on their job performance, which it believes will help to ensure continuous development of its employees. The Registrant also provides managers, supervisors and general staff the opportunity to participate in both in-house and external training and development programs which are designed to help increase efficiency and to prepare employees for future assignments.

5. Major Risks

Various risk factors will affect SLI's results of operations may it be in the result of economic uncertainty and political instability.

One of the major risk events that occurred in 2020 that generally impacted the Philippines as well as the Group's business operations was the Covid-19 pandemic. The global effect of the pandemic still continuously spreads up to this day. Even prior to the onset of the Covid-19, the Group already recognizes pandemic as a social uncertainty. With the assessment of its impact to global and local business operations, the Group has elevated the Covid-19 pandemic as a top risk priority.

Through its program initiatives, the Group was able to at least minimize the business effect brought about by the pandemic. Several plans and strategies were implemented to ensure business continuity.

While the sector has remained resilient in 2020, the Group assures its commitment with its response to the pandemic as possibility of prolong social and market uncertainty stands.

The Philippines as one of the countries in Asia that were not directly affected by the crisis showed a better position for market enhancement. Despite the fact that inflation is continuously affecting the world market, the Philippines manages to offset the augmented prices of goods and services with the increase in local & foreign investment as well as the Overseas Filipino Workers (OFW) remittances continued to be constant. Given the skilled labor in the Philippines, which is at par with international standards, jobs were actually created in the country. The steady rise of employment in this industry contributed to the increase in consumer spending, which is one of the strongest stimuli for economic growth. In addition, local and foreign investors were driven by the new Aquino administration which showed a positive outcome for investors.

As for the real estate industry in the Philippines, the country still experienced a stable market demand for 2015. This is due to the common object of OFW's which to have their own property. Based on SLI's sales report, it has always been a significant number of OFW who purchased properties. Also, there have been foreign investors who invested in properties in the country due to our low cost of living. The Philippines is likewise seen as a country with great economic potential by our neighboring countries in Asia.

The Philippines has from time to time experienced severe political and social instability. The Philippine Constitution provides that, in times of national emergency, when the public interest so requires, the Government may take over and direct the operation of any privately owned public utility or business. In the last few years, there were instances of political instability, including public and military protests arising from alleged misconduct by the previous administration.

Politics has been a major risk in the Philippines since it has a negative image in political disorder which is largely due to corruption and unstable development. Also, the country's high debt to financial institutions affects all business sectors and has become a major factor to consider. It would be a challenge for the government to act on the risk factors threatening the Philippine economy.

Other than those mentioned above, the Registrant may also be exposed with the changes in Peso, interest rates and costs in construction. However, the Registrant adopted appropriate risk management procedures to lessen and address the risks it faces.

6. Nature of Business/Product Line

Following its restructuring and corporate reorganization, the Registrant, now with a broader capital structure and a globally-oriented vision, aims to be at par and even surpass the achievements of its predecessor, SLRDI. Moreover, the Registrant today has almost accomplished its three vertical projects located in Quezon City, Tagaytay, and various horizontal projects located in Tagaytay, Batangas, Cavite, Tarlac, Laguna, Davao, Cebu, Iloilo and Antipolo.

7. Description of Market/Clients

The Registrant has now expanded its target market to include clients with different professions and living statuses, coming from all segments of society.

The Registrant's main target markets are the OFWs and middle class. A major percentage of the Registrant's number of units sold come from OFWs and their families which constitutes 70% of sold units, 15% come from SME business owners, and 15% come from middle class employees.

8. Real Property Development

The following properties as mentioned above comprise the assets of the Registrant as part of the capital infusion from SLRDI:

Residential and Commercial Properties

Alta Vista de Subic
Alta Vista de Subic is a residential property located in Subic, Zambales. It sits on a 22,308 sq. m. area, with 67 lots for sale, of which 70.15% have been sold.

Alta Vista Residential Estate and Golf Course
Alta Vista Residential Estate and Golf Course is a residential property located in Cebu City. It sits on a 25,450 sq. m. area, with 36 lots for sale.

Caliraya Spring
Caliraya Spring is a residential property located in Laguna. It sits on an 84,980 sq. m. area, with 120 lots for sale.

Costa Verde Cavite
Costa Verde Cavite is a residential property with housing projects located in Rosario, Cavite. It sits on a 16,670 sq. m. area, with 99 lots for sale.

Davao Riverfront
Davao Riverfront is a residential and commercial property located in Davao City. It has 11 residential lots for sale, which sits on a 2,170 sq. m. area. The property also has 100 commercial lots for sale, situated on an 81,889 sq. m. land.

Eagle Ridge Golf and Residential Estate
Eagle Ridge Golf and Residential Estate is a commercial property located in Cavite. It sits on a 69,042 sq. m. area, with 87 lots for sale.

Glenrose Park Cebu
Glenrose Park Cebu is a residential property with housing projects located in Cebu City. It sits on a 14,338 sq. m. area, with 179 lots for sale.

Greenwoods Pasig
Greenwoods is a commercial property located in Pasig City. It sits on a 6,665 sq. m. area, with 6 lots for sale.

Lakewood City
Lakewood City is a residential property with housing projects located in Cabanatuan. It sits on a 107,087 sq. m. area, with 372 lots for sale, of which 28.76% have been sold.

Manville Royale Subdivision
Manville Royale Subdivision is a residential and commercial property located in Bacolod. It has 387 residential lots for sale, which sits on a 72,922 sqm area.

Metropolis Greens
Metropolis Greens is a residential property with housing projects located in General Trias, Cavite. It sits on a 19,785 sq. m. area, with 176 lots for sale.

Metropoli Residenza
Metropoli Residenza is a residential and commercial property located in Libis, Quezon City. It has 64 residential lots for sale, which sits on a 18,057 sqm area.

Monte Verde Executive
Monte Verde Executive is a residential property with housing projects located in Taytay, Rizal. It sits on a 43,492.93 sq. m. area, with 260 lots for sale.

Neopolitan Garden Condominium
Neopolitan Garden Condominium is a residential condominium property located in Fairview, Quezon City. It sits on a 75,493 sq. m. area, with 47 lots for sale.

Palm Coast Marina Bayside
Palm Coast Marina Bayside is a commercial property located on Roxas Blvd., Manila. It sits on a 2,571 sq. m. area, with 2 lots for sale.

Palo Alto 1
Palo Alto 1 is a residential property located in Tanay, Rizal. It sits on a 678,837 sq. m. area, with 1,115 lots for sale.

Pinewoods
Pinewoods is a residential property located in Baguio City. It sits on an 112,210 sq. m. area, with 68 lots for sale.

Pueblo Del Sol Ph1
Pueblo Del Sol (Phase 1) is a residential property located in Tagaytay City. It sits on a 12,977 sq. m. area, with 41 lots for sale, of which 58.54% is sold.

Rizal Technopark
Rizal Technopark is a commercial property located in Taytay, Rizal. It sits on a 25,112 sq. m. area, with 34 lots for sale. This project is 100% sold.

Rizal Technopark Ph2F
Rizal Technopark Ph2F is a residential property located in Taytay, Rizal. It sits on a 3,884 sq. m. area, with 9 lots for sale.

Southfield Executive Village
Southfield Executive Village is a residential property with housing projects located in Dasmariñas, Cavite. It sits on a 28,359 sq. m. area, with 192 lots for sale.

South Pacific Golf and Leisure Estate
South Pacific Golf and Leisure Estate is a residential property with housing projects located in Davao City. It sits on a 150,095 sq. m. area, with 433 lots for sale.

Sta. Lucia East Grandmall
Sta. Lucia East Grandmall is a commercial property located in Cainta, Rizal. It sits on a 98,705 sq. m. area and is composed of three buildings.

Tagaytay Royale
Tagaytay Royale is a commercial property located in Tagaytay City. It sits on a 22,907 sq. m. area, with 7 lots for sale.

Vista Mar Residential Estate
Vista Mar Residential Estate is a residential and commercial property located in Cebu City. It has 99 residential lots for sale, which sits on a 32,086 sq. m. area.

The following are the Registrant's completed projects as of 31 December 2020 aside from the ones indicated above:

Aqua Mira Resort C-A, C-B and C-C
Aquamira resort & residences (at Saddle & Clubs Leisure Park) is a site to behold in scale and grandeur located in Tanza, Cavite. Inside the 600-hectare saddle & club leisure park is the resort life. Aqua Mira C-A, C-B and C-C sits on a 845 sqm, 845 sqm and 854 sqm., respectively, with 24 lots each.

Arterra Residences at Discovery Bay
Arterra Residences is a 20-storey residential and commercial condotel located in Lapu-Lapu City, Cebu. The project's concept focuses on harmony with nature and is centered on elements of air and water. It covers an area of 7,000 sqm. and will have 339 units available for sale. The total project development cost is estimated at ₱575 million. The project was launched in 2012 and completed in 2017.

Costa del Sol Iloilo
Costa del Sol Iloilo is a residential property and commercial property located in Arevalo, Iloilo City. It has 96 lots for sale, which sits on a 24,320 sqm area. The project was launched in 2012 and completed in 2014**.**

East Bel- Air 1
East Bel-Air 1 is a residential condominium featuring American contemporary designs located in the east of Metro Manila. It covers an area of 1.7 hectares, with 160 units sold at an average price of ₱71,848 per square meter. The total project development cost was around ₱124 million. The project was launched in 2010 and completed in 2014.

El Pueblo Verde
El Pueblo Verde is located in the sugar central of Luzon, Gerona, Tarlac with urban and agro-industrial zones.In the urban area, portions have been set aside as an agro-industrial zone and another as a light industrial zone. The town has schools, churches, clinics, parks and commercial centers. El Pueblo Verde is situated near the Gerona Municipal Hall and town center.

Glenrose Taytay
Glenrose Taytay is a residential property located in Taytay, Rizal. It has 47 residential lots for sale, which sits on a 14,059 sqm area. The project was launched in 2013 and completed in 2015**.**

Grand Villas Bauan
Grand Villas Bauan is a residential and commercial estate located in Batangas. It covers an area of 46.7 h.a. with 30.97 h.a. available for sale. The total project development cost approximately amounted to ₱220 million. The project is comprised of a total of 709 lots, of which 89.66% have been sold as of September 30, 2020.

Greenland Antipolo
Greenland Antipolo is a residential community located in Antipolo City, Rizal. The project covers an area of 3.3 h.a. and is approximately 8 km from Metro Manila. The total project development cost was approximately ₱22 million. The project was launched in 2008 and was completed in 2010. Over 58 lots were sold at an average price of ₱5,850 per sqm.

Greenland Newton Ph2B
Greenland Newton Ph2B is a residential property located in San Mateo, Rizal. It has 62 residential lots for sale, which sits on a 19,098 sqm area. The project was launched in 2011and completed in 2013**.**

Greenmeadows Iloilo Ph1
Greenmeadows *Iloilo Ph1* is the first master-planned lake community in Iloilo. The project features a 5-hectare man-made lake ideal for boating, fishing, kayaking, and jet ski. The Lake Victoria Paradise Island which will be located at the middle of the lake will also provide an avenue for relaxation and recreation. The project covers an area of 172.8 h.a., with 621 lots developed selling at an average price of P 5,275 per sqm. The total project development cost is estimated at ₱864 million. The project was launched in 2011 and completed in 2014**.**

Greenmeadows Tarlac
Greenmeadows Tarlac is a residential and commercial project located in Paniqui, Tarlac. It covers an area of 24.7 hectares, residential lots comprising 95% and commercial lots comprising 5%. The total project development cost was approximately ₱158 million. The project was launched in 2009 and completed in 2012. The project offered 466 residential and 25 commercial units at an average selling price of ₱4,300 per sqm.

Greenwoods Executive Ph9E
Greenwoods Executive Ph9E is a residential property located in Caloocan City, Manila. It has 14 residential lots for sale, which sits on a 4,951 sqm area. The project was launched in 2015 and completed in 2018**.**

Greenwoods Executive Ph8A1
Greenwoods Executive Ph8A1 is a residential estate located in Pasig City. It provides the modern convenience of a modern community with great facilities to make life easier. The aggregate area is 5,745 sqm with 42 lots for sale.

Greenwoods Executive Ph8A2
Greenwoods Executive Ph8A2 is a residential estate located in Pasig City. It provides the modern convenience of a modern community with great facilities to make life easier. The aggregate area is 5,300 sqm with 33 lots for sale.

Greenwoods Executive Ph8A3
Greenwoods Executive Ph8A3 is a residential estate located in Pasig City. It provides the modern convenience of a modern community with great facilities to make life easier. The aggregate area is 3,778 sqm with 22 lots for sale.

Greenwoods Executive Ph8F3
Greenwoods Executive Ph8F3 is a residential estate located in Pasig City. It provides the modern convenience of a modern community with great facilities to make life easier. The aggregate area is 2,127 sqm with 15 lots for sale.

Greenwoods North
An affordable and quality residential subdivision lot located at Bayanihan, Gapan City, Nueva Ecija. Greenwoods North is a prime subdivision neighbor to Gapan City's modern City Hall right along the "commercial district" of Gapan City, the "Trading Center" of the south western and south eastern towns of Nueva Ecija and the northern town of Bulacan. With its landscaped entrance gate opening right along the bustling Maharlika Highway, the principal arterial network connecting Nueva Ecija to Pampanga, Zambales and the Cagayan Valley, Greenwoods North is accessible from many economic points of Central Luzon. Moreover, the construction of the Olongapo San Fernando-Gapan Road links Gapan and Greenwoods North to the Clark Special Economic Zone and the Subic Bay Freeport Zone.

Greenwoods South
Greenwoods South is a residential property with housing projects located in Batangas City. It sits on a 25,181 sqm area, with 125 lots for sale.

Crown Residence at Harbor Springs
Harbor Spring is a luxury property development that is conceptualized and master planned located at Puerto Princesa, Palawan. It is conveniently located at the center of Sta. Lourdes hot springs and gateway to Honda Bay.

La Breza Tower
La Breza Tower is a 22-storey residential condotel located in Mother Ignacia Street, Quezon City which has 271 units available for sale. It caters to middle class employees and business owners. The total project development cost is estimated at ₱557 million. The project was launched in 2008 and was completed in 2011.The condotel units were sold at an average price of ₱90,000 per sqm.

La Mirada Tower 1
La Mirada Tower is a 15-storey Spanish Mediterranean-inspired residential condominium with a beachfront view located in Lapu-Lapu City, Cebu. It occupies 8,727 sqm. and is comprised of 170 units which were sold at an average price of ₱72,000 per sqm. The total project development cost amounted to approximately ₱359 million.

Luxurre Residences
Luxurre Residences is a residential and commercial community located in Alfonso, Cavite. The community is designed with a clubhouse, basketball court, and swimming

pool. Total project land area is 10.2 h.a. and 91.89% of the lots have been sold at an average price of ₱6,700 per sqm. The total project development cost was approximately ₱61 million. The project was launched in 2010 and completed in 2012.

Mesilo Residences: Nueva Vida
Mesilo Residences: Nueva Vida is a residential property located in Dasmarinas, Cavite. It has 869 residential lots for sale, which sits on a183,451 sqm area property. The project was launched in2010 and completed in 2013.

Neopolitan Business Park
Neopolitan Business Park is a commercial property strategically located in Fairview, Quezon City. It has 36 commercial properties with an aggregate area of 60,197 sqm

Neopolitan Condominium 1
The Neopolitan Condominium is a 9-storey residential condominium located in Fairview, Quezon City. It is designed as a residential project at the center of buzzing city. It covers an area of 1.2 h.a., with 208 units available for sale, of which 61.54% have been sold. The project was launched in 2012 and completed in 2015**.**

Nottingham Villas Iloilo
Nottingham Villas at Metropolis Iloilo is a collection of townhouse units designed and fitted with features, fixtures and amenities for start-up families and go-getter urban professionals who dream of getting the best of country living with a modern twist.

Nottingham Villas Townhouse
Nottingham Villas Townhouse is a residential townhouse located in Taytay, Rizal. It has 80townhouse for sale with saleable area of15,610sqm. The project was launched in 2013 and completed in 2016**.**

Nottingham Villas Palawan
Nottingham Villas Palawan is a collection of townhouse units designed and fitted with features, fixtures, and amenities for start-up families and go-getter urban professionals who dream of getting the best nature-inspired living with a modern twist. It is located in the exceptionally beautiful Puerto Princesa, Palawan, home to the famed world wonder, Subterranean River National Park (Underground River).

Orchard Tower 1 (The Olive)
Orchard Tower 1 features 4 residential buildings surrounded by lush greenery that call to mind the wonders of nature. Orchard Tower 1 was launched in 2015 and completed in 2018.

Sierra Vista Ph2A
Sierra Vista Ph2Ais a residential property located in Caloocan City, Manila. It has 11 residential lots for sale, which sits on a 3,654 sqm area. The project was launched in2014 and completed in 2017**.**This project is 55% sold.

Soto Grande Iloilo
Sotogrande Iloilo is a condotel property located at the crossroads between Pavia and Jaro in Iloilo. It is ideally located for easy accessibility to business and leisure facilities. It offers a quiet retreat within the natural setting of a man-made lake and its lush green surroundings. It sits on 3,697.10 sqm and 135 lots for sale.

Soto Grande Ph2
Soto Grande is a Spanish-Mediterranean inspired community designed both as a vacation getaway and a permanent residence in Tagaytay. The community features a clubhouse, basketball court, and swimming pool. The Company has developed 38 lots within the project's 1.5 h.a. area, which is being offered at an average price of ₱9,000 per sqm. The total project development cost is estimated at ₱9 million. The project was launched in 2011 and completed in 2013**.**

Soto Grande Ph3
Soto Grande is a residential subdivision with a 26 hectares Spanish-Mediterranean inspired community designed both as a vacation getaway and a permanent residence located at Barrio of Mendez, Tagaytay City. It sits on 6,860 sqm with 26 lots for sale.

Soto Grande Neopolitan
SotoGrande is a six-storey condotel poised to rise within the Neopolitan Business Park, a master-planned complex by Sta. Lucia Land in Quezon City. Located along Mindanao Avenue and Regalado Highway in Fairview, the Neopolitan Business Park is conveniently at the center of promising developments in this side of the country's capital.

Soto Grande Hotel Davao
Sotogrande Hotel offers both the wealth of natural wonders within a thriving metropolis and the priceless convenience of luxurious living. The name Sotogrande is derived from two Spanish words: "Soto" means riverside grove or thicket and "Grande" means luxurious and majestic. With the refreshing sight of the Davao river nearby and a sprawling mountain view of greeneries everywhere. Sotogrande is true to its name in combining the beauty of nature and the luxury of modern convenience. Sotogrande is conveniently 5 minutes away from Davao international airport, while recreational facilities, malls, health facilities and other commercial establishments are nearby.

South Grove Davao
South Grove is a residential community located in Davao which is 3 km from the city proper. The community is designed with a clubhouse, basketball court, and swimming pool. A total of 136 lots have been developed within the project's 16.2 h.a. land area at an average price of ₱9,750 per sqm. The project was launched in 2011 and completed in 2013**.**

South Spring Laguna
South Spring is the only first class residential subdivision along Biñan National Highway. The 50-hectare residential estate is a welcome respite from busy lives.

Splendido Taal Tower 1
Splendido Taal Towers is a 4-tower project located within a 1,500 sqm. area in Laurel, Batangas. The first tower is an 18-storey high-rise condominium project. The project was designed to complement the Splendido Residential and Golf Course Estate. The total project development cost approximately amounted to ₱390 million. The project was launched in 2008 and completed in 2010.The project is comprised of a total of 212 units of which 58.96% have been sold.

Splendido Taal Tower 2
Splendido Taal Tower 2 is an 18-storey residential and commercial condotel within a 1,500 sqm. area in Laurel, Batangas. The project was designed to complement the Splendido Residential and Golf Course Estate. The total project development cost

approximately amounted to ₱390 million. The project was launched in 2012 and completed in 2015.The project is comprised of a total of 267units of which 56.93% have been sold.

Sta. Lucia Residenza – Santorini

Santorini is a condotel and residential property located in Cainta, Rizal, ideal for primary home, a vacation property or a place to retire. The 5th to 15th floor function as a hotel while the condominium units at the 16th to 25th floors offer premium choices – select between studio, 1-bedroom and 2-bedroom units. It sits on a 9,748 sqm area, with 279 lots for sale.

Sta. Lucia Residenze – Monte Carlo

Sta. Lucia Residenze - Monte Carlo is a 20-storey residential condominium located in Cainta, Rizal.It is an Italian inspired-tower purposely outlined in equilateral shape to preserve the scenic view of the city. It is located inside the SLEGM and has 301 units available for sale. The total project development cost is estimated at ₱350 million and of construction has been completed last 2014. The project was launched in 2011 and was completed in 2015**.**

Stradella (formerly East Bel-Air 2)

Stradella is a 6-storey residential and commercial condotel located in Cainta, Rizal. The project offers convenient urban living in a suburban and elegant contemporary setting. Located within the 1 h.a. residential and commercial complex called East Bel-Air. The project was launched in 2012 and completed in 2015.The project is comprised of a total of 143 units of which 37.76% have been sold.

Sugarland Estates

Sugarland Estates is a residential community located in Trece Martirez, Cavite surrounded by lush and verdant greenery. It covers an area of 15.5 hectares, with 7.24 hectares available for sale. The total project development cost was approximately ₱75 million. The project is comprised of a total of 301 lots of which 81.09% have been sold at a selling price of ₱4,000 per sqm. since the project was launched in 2009.

Summer Hills Ph4

Summer Hills is a residential community located in Antipolo, Rizal. The community features a clubhouse, basketball court, and swimming pool. A total of 151 lots have been developed within the project area of 4.1 hectares. The average selling price per lot is ₱5,000 per sqm. The total project development cost was around ₱26 million. The project was launched in 2011 and completed in 2013**.**

Villa Chiara

Villa Chiara, which covers an area of 5.2 h.a., is a residential estate located in Tagaytay City, Cavite. The project was launched in 2008 and all 56 units have been sold as of June 2019 at an average price of ₱6,500 per sqm. The total project development cost was approximately ₱32 million.

9. Material Reclassification, Merger, Consolidation or Purchase or Sale of Significant Amount of Assets

The Registrant has sold the Ayala Property to Alphaland, Inc. in April 2008 for P820 Million.

B. Business of Issuer

The Registrant's primary purpose is to deal, engage or otherwise acquire an interest in land or real estate development, whether in the Philippines or elsewhere, to acquire, purchase, sell, convey, encumber, lease, rent, erect, construct, alter, develop, hold, manage, operate, administer or otherwise deal in and dispose of, for itself or for others, for profit and advantage, residential, commercial, industrial, recreational, urban and other kinds of real property, such as horizontal and vertical developments as stated in its latest Amended Articles of Incorporation, as of 09 October 2007. Please refer to "Real Property Development" and "Development Activities" sections for the detailed descriptions of the products that are and will be distributed by the Registrant.

The Registrant has been able to establish a track record in horizontal residential developments, where the Registrant has historically derived a substantial portion of its revenues. The Registrant has continued to expand its horizontal developments which continue to be its core business and begun to diversify into vertical developments, housing construction, and marketing services. In line with its strategy of increasing recurring income, the Registrant has also begun to expand its mall operations through the opening of its expansion mall in 2014 and conversion of some of its portfolio of commercial lots for sale into commercial lots for lease.

The Registrant conducts its business via the following main operating segments, further broken down as follows:

1. Residential Projects

a. Horizontal Developments

i. Residential Lots

These projects consist of residential lots for sale in gated subdivisions complete with facilities and amenities. The Registrant begins developing identified land for marketing and selling to customers. These projects involve minimal construction works. Typical features developed by the Registrant for these residential communities include an entrance gate, guard house, landscaped entry statement, community clubhouse, basketball court, swimming pool, wide concrete road network, paved sidewalks with concrete curbs and gutters, centralized interrelated water system, underground drainage system, and electric system. Average selling prices per unit ranges from Php480,000 to Php5,350,000. Required downpayments are usually 15% to 20%, payable in 6 months to 1 year. Balance of 80% is paid through installment with interest rates ranging of 14% to 16% with average term of 1 to 10 years.

b. Vertical Developments

i. Townhouses

Townhouse projects are comprised of residential housing units where independent and identical houses are found adjacent to each other, with a row sharing one or two house walls. These projects have higher development costs, are built on smaller land areas (6 to 7 h.a.), and are developed in phases. The next phase is only developed once the previous phase is sold out. The Registrant has one ongoing having an average price of Php5,350,000. Downpayments of 15% to 20% are usually required, payable in 6 months up to 2 years. Balance of 80% is paid through installment with interest rates ranging from 14% to 16% with average term of 1 to 10 years.

ii. Condominiums

The condominium projects of the Registrant are located in strategic locations near existing horizontal developments. The Company has completed seven (7) residential condominiums since year 2007 while it currently has three (3) ongoing condominium projects, Greenmeadows Condominium in Bauan, Batangas, Sotogrande Ilolilo in Jaro, Iloilo City and East Bel-air Tower 4 in Rizal. The usual required downpayment ranges from 15% to 20%, payable in 2 to 3 years. Balance of 80% is paid through installment with interest rates ranging from 14% to 16% with average term of 1 to 10 years.

iii. Condotels

Condotel projects are condominium units being sold to individual buyers but are managed and operated as a hotel. There is an option for the unit buyers to purchase a condominium unit or a Condotel unit. A Condotel unit will be placed under a rental program initially for 15 years where it is rented out like a typical hotel room. An experienced management company, with common shareholders and directors as SLI, handles all operations, maintenance, and management of the units under the rental program. Rental income from the units is shared between the Registrant and the unit owners, where the Registrant usually receives at least 30% of net rental income. The Condotel buyer is not offered any guaranteed return on the rental of this condominium unit or even that it will be leased out at all. Average selling prices per unit range from Php80,000 to Php120,000 per sq. m. with required downpayments of 20%, payable in two to three years while the balance can be paid in five to ten years. In addition, under the Registrant's revenue sharing program, unit owners get 30 complimentary room nights per year which are transferrable across all the Registrant's hotels and Condotels in the Philippines.

The SEC had opined in previous opinions that the sale, management, pooling and sharing of revenues from the operation of condotels thru a contract offered to condotel buyers may be viewed as an investment contract. Investment contracts are likened to contracts for the sale of a security, which requires prior registration with the SEC before the same are sold or offered for sale or distribution in the Philippines. In the decisions and opinions promulgated, the SEC concluded that condotel projects are arrangements that have all the elements of an investment contract, namely: (i) an investment of money; (ii) in a common enterprise; (iii) with expectation of profits; and (iv) primarily from efforts of others. As such, the SEC has issued orders directing several real estate companies offering condotel projects to immediately cease and desist from further offering, soliciting, or otherwise offering or selling condotel units to the public without the required SEC registration.

One such order by the SEC was challenged by a real estate developer in a case before the Court of Appeals ("CA"). The case questioned the validity of the SEC's ruling that the sale of the condotel units qualified as a sale of securities. The CA, in its Decision dated 01 June 2013, held that the transaction did not constitute an investment contract as the element of "investment of money" was lacking in such project. The CA ruled that unit buyers pay their monies for the purpose of acquiring ownership of the property, not for the purpose of engaging in the business of renting out of units. Thus, the CA annulled the SEC's order against the real estate company to cease from further selling or offering its condotel units. This was later affirmed by CA in its 28 November 2013 Resolution.

On 18 November 2016, however, the Supreme Court ("SC") reversed and set aside the CA's Decision and Resolution. However, the SC did not make a definitive determination as to whether the sale of the condotels under the "leaseback" or "moneyback" schemes is indeed an investment contract or a sale of securities. Instead, the SC based its decision on a legal principle requiring all parties to such a case to "exhaust all administrative remedies" prior to resorting to an appeal. Since the petitioner failed to exhaust the administrative remedies available to it, an appeal was the incorrect remedy. The petitioner has filed a motion for reconsideration in the SC case. The Registrant will continue to monitor the progress of the case while studying its options relative to the SC's decision. Rest assured that the Registrant will respect the final outcome of the SC case and the regulators. As of now, the Registrant is not aware of any further announcement or communication from the SEC on the matter.

2. Commercial Properties

a. Mall

The SLEGM is a comprehensive commercial, entertainment, and leisure facility with a full range department store, supermarket, movie theater, fast food chains, bookstore, specialty boutiques for clothing, accessories, telecommunication, and hobby stores. The SLEGM is comprised of three four-storey buildings with a GFA of 180,000 sq.m and is located at Marcos Highway cor. Felix Ave., Cainta, Rizal. The current mall has a 89,939.59 sqm. gross leasable space. This business serves to complement the needs of the residential communities that the Registrant has built in the cities of Pasig, Marikina, and in the various towns of the Rizal province.

The expansion mall of the Registrant called Il Centro opened in 2014 and is comprised of a three-storey building with a GFA of 50,000 sqm. and a gross leasable area of 9,136.62 sqm. The mall has a 20,000 sqm. parking to cater to residential and mall clients.

Currently, the mall has 99,076.21 sqm gross leasable space of which 78.72% is leased.

Principal Tenants

The Registrant's diverse mix of tenants includes those engaged in the business of services, retail, leisure, food, apparel, and novelty. The Registrant's significant tenants include the following:

1. Services: BDO Unibank, David's Salon, Bench Fix Salon, Ricky Reyes
2. Retail: Abenson, CD-R King, National Bookstore
3. Leisure: Worlds of Fun, Sta. Lucia Cinema, Sta. Lucia Bowling
4. Food: Bonchon, Dunkin Donuts, Jollibee, Mang Inasal, Starbucks

5. Apparel: Bench, Folded and Hung, Giordano, Lee, Converse
6. Novelty: Blue Magic

Aside from the tenants mentioned above, the SLEGM also has major tenants controlled by or in which one or more of the Group's shareholders have a significant interest. The top 3 business activities taking up the Registrant's leasable area are services, leisure, and retail. In terms of contribution to rental income, retail activities contribute the majority to the Registrant's rental income, followed by service and food activities.

Lease Terms

The lease payments that the Registrant receives from its retail tenants are usually based on a combination of fixed and/or variable payments. Rents are typically based on basic rental fee per sq. m. in addition to a turnover component of 1.5% to 8% of gross sales, subject to a monthly minimum rental fee per sq. m. and annual escalation rates. Tenants are also usually charged air conditioning, common use service areas, pest control, electricity, and marketing support fees. Lease terms range from one month to five years with renewal clauses.

Management of the Mall

Management and operation of the malls, including planning, development, tenant mix preparation, budgeting, maintenance, engineering, security, leasing, marketing, promotions, billing, and collections are handled by Sta. Lucia East Commercial Corporation ("SLECC"), a related company owned by the shareholders of the Group.

Beginning 01 October 2014, all lease payments from the mall tenants are now paid to and in the name of the Registrant. SLECC continues to provide management and operations services for the SLEGM and will receive management fees equivalent to a fixed percentage of revenues. The Registrant's board of directors approved the implementation of this new arrangement effective 01 October 2014. The Registrant believes that this move can be expected to improve the Registrant's lease revenues.

b. Commercial Lots

The commercial properties of the Registrant are complementary to existing residential projects and are being offered to existing established retail partners. There are a total of 1,167 commercial lots covering 117.48 hectares adjacent to the Registrant's projects nationwide. There is an allocation for an average commercial space ranging from 300 to 2,000 sqm in majority of the Registrant's projects. The Registrant intends to expand its retail portfolio by offering these commercial properties via 3 main options: (i) outright sale of the commercial lots, (ii) lease of the commercial lot to retailers, and (iii) building of the Registrant's own malls in these commercial properties and leasing it to retailers.

3. Services

a. Housing / Construction

The Registrant also ventured into housing construction services through its wholly-owned subsidiary, SLHI, which provides access to and assistance in connection with general construction services to its lot buyers. SLHI began operating in 2014 in order to service the needs of lot buyers who would like to have their own house constructed on their previously bought lots but are not familiar with the process (i.e. securing permits, construction, accessing financing, etc.). SLHI provides these services to its lot owners with the assurance of reliability from an established brand name. The price of house construction service ranges from ₱22,500 per sqm to ₱28,000 per sqm. Payment terms require a 20% downpayment that is payable up to 6 months, with the balance payable up to 10 years through in house or bank financing. While this remains a good opportunity for the Registrant to reach more lot buyers, the Registrant, for the next few years, will focus on project development through strategic land banking and joint ventures with land owners in key provinces.

b. Marketing

The Registrant is currently conducting marketing services through its subsidiary SVI. SVI was incorporated with the primary purpose of marketing, operating, managing residential structures for lot buyers of the Registrant. The sales and marketing functions were shifted to SVI in order that the Registrant may focus on the development of its projects.

c. Sale on installment

The Registrant also earns revenues through its sale on installment program to cater to their customers who do not have the accumulated savings to pay for the projects of the Registrant but have sufficient recurring income to support monthly amortization payments. Approximately 90% of the Registrant's sales are through its in-house installment program. The customers of the Registrant who avail of the program are charged higher than the prevailing interest rates of banks, ranging from 14% to 16% per annum and a 20% downpayment with tenors up to a maximum of 10 years. For 2018 to 2019, around 90% of customers of the Registrant availed the sale on installment facility with terms of 5 years or less.

C. Distribution Methods of the Products

The Registrant has at its disposal the expertise of seven (7) different marketing arms, five (5) of whom work exclusively with the Sta. Lucia Group, namely: Royale Homes Marketing Corp., Orchard Property Marketing Corp., Mega East Properties Inc., Sta. Lucia Global Inc. and SantaLucia Ventures, Inc. which is a wholly-owned subsidiary of the Registrant. These marketing firms have a combined local and international sales force of over 120,000, with an extensive knowledge of local demographics. These marketing companies employ various media to promote the Registrant such as print advertisements in newspapers, online media (such as Facebook, Instagram, Youtube, Twitter), celebrity endorsers, and brokers.

D. Competition

The residential market is still a highly under-served market with the housing backlog projected to reach 5.6 million by 2030 (myproperty.ph). In this segment, the Registrant considers Vista Land and Filinvest Land, Inc. as its competitors. The Registrant believes that the strengths of these competitors lie in their larger landbank holdings and historically, their ability to access funding through the capital markets.

In order to effectively compete, the Registrant has long adopted the strategy of focusing on the provincial areas that are largely ignored and under-served by its bigger competitors whose projects have, until recently, been concentrated in Metro Manila which is already congested and near saturation. SLI is present in ten regions across the country. The Registrant believes that sustained growth will come from the provinces and major cities outside of Metro Manila and have therefore prioritized establishing its presence there. The Registrant believes that its expertise and knowledge in these areas will prove significant as it continues to expand its property footprint in these largely under-served areas. The Registrant will continue using its sales force, to target a specific customer segment in specific geographic locations. Once identified, potential clients are reached through aggressive advertising and personalized sales services, including after sales support. Such services include assistance in documentation and facilitating access to credit. Its capability to reach out to different locations is made possible through its vast marketing channels, which, by sheer number of sales agents, are able to capture a good portion of the market. Its international offices also make it possible to move closer to markets it serves offshore. Open houses, discounts and promotion are some of the marketing tools the Registrant employs as part of its sales and marketing strategy.

With respect to the mall business, SM Prime and Robinsons Retail are considered as the main competitors of the Registrant. Although SLEGM was one of the first malls in the Cainta area, competition has emerged in recent years as new malls were developed by its peers. Despite this however, the Registrant continued to generate healthy cash flows, retain tenants and even engage newer ones. Its prime location, being located in a major intersection along a major thoroughfare, along with the variety of its affiliated and independent retailers which afford its customers more varied choices and the continuous improvements in both facilities and services have enabled SLEGM to hold its own in this highly competitive retail market.

E. Suppliers

The Registrant has a broad base of local suppliers and is not dependent on one or limited number of suppliers.

F. Customers

The Registrant has a broad market base including local and foreign individuals and does not have a customer who/which accounts for twenty percent (20%) or more of the Registrant’s sales.

G. Government Approvals/Regulations

The Registrant, as part of the normal course of business, secures various government approvals such as licenses to sell, development permits and the like.

H. Environmental Compliance

The Registrant has made efforts to meet and exceed all statutory and regulatory standards on environmental compliance in its normal course of business. In keeping with the Registrant’s commitment to sustainable development, all projects are assessed for their environmental impact and, where applicable, are covered by an Environmental Compliance Certificate (ECC) issued by the Department of Environment and Natural Resources prior to construction or expansion. To date, the Registrant is compliant with relevant environmental regulations.

I. Transactions with Related Parties

The Parent Company in its regular conduct of business has entered into transactions with related parties. Parties are considered to be related if, among others, one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions, the parties are subject to common control or the party is an associate or a joint venture. These accounts are noninterest-bearing and are generally unsecured. The outstanding accounts with related parties shall be settled in cash. The transactions are made at terms and prices agreed-upon by the parties.

The significant transactions with related parties are as follows:

a. The Parent Company, in the normal course of business, has transactions with the Ultimate Parent Company consisting of non-interest bearing advances for working capital requirements with no fixed repayment terms.

b. Other transactions with the Ultimate Parent Company include noninterest-bearing cash advances for various charges for reimbursements of expenses on gasoline consumption of service vehicles, repairs and maintenance, supplies, rentals for project exhibits and advertising/marketing costs. This pertains to the monthly amortization payment from the buyers of the Parent Company collected by the Ultimate Parent Company due to be remitted to the Parent Company.

c. In 2014, SLLI and SLRDI entered into several memorandums of agreements wherein SLLI undertakes the development and marketing of the several projects of SLRDI and has assumed the position of the development contractor and marketing arm. In consideration of the services rendered by SLLI, SLRDI has agreed to the following:

    - Colinas Verdes Bulacan Project - SLRDI has entered into a joint venture agreement with Araneta Properties, Inc. (API) for a proceeds sharing agreement of 60% SLRDI -40% API share. The Parent Company shall be entitled to 75% of SLRDI’s share in all the income and share in the proceeds joint venture and 12% marketing fee on the gross selling price of all sales made from the project;

    - Green Meadows Iloilo Project - SLRDI has entered into a joint venture agreement with AFP-Retirement and Separation Benefits System (ARSBS) for a lot sharing agreement of 55% SLRDI - 45% ARSBS share. The Parent Company shall be entitled to 75% of SLRDI’s share in of all the income from the lot share in the joint venture and 12% marketing fee on the gross selling price of all sales made from the project;

    - Ponte Verde Davao Project- SLRDI has entered into a joint venture agreement with Green Sphere Realty Corporation (GSRC) for a lot sharing agreement of 60% SLRDI - 40% GSRC share. The Parent Company shall be entitled to 75% of SLRDI’s share in of all the income from the lot share in the joint venture and 12% marketing fee on the gross selling price of all sales made from the project; and

- Valle Verde Davao Project - SLRDI has entered into a joint venture agreement with GSRC for a lot sharing agreement of 60% SLRDI - 40% GSRC share. The Parent Company shall be entitled to 75% of SLRDI's share in of all the income from the lot share in the joint venture and 12% marketing fee on the gross selling price of all sales made from the project.

Total proceeds share of SLRDI from the joint operations amounted to P152.58 million, P180.71 million, P169.51 million, in 2020, 2019, and 2018, respectively. The share amounting P38.14 million, P45.18 million, and P47.13 million are still to be remitted or offset against the receivable from SLRDI as of 31 December 2020, 31 December 2019, and 31 December 2018, respectively.

d. Effective 01 October 2014, SLLI directly entered into lease agreements with mall tenants. SLECC and SLLI, on the other hand entered into a management services agreement effective 01 October 2014 wherein SLECC will provide property management and business development services, leveraging its knowledge in the mall operations from the past years. In exchange of SLECC's services, SLLI shall pay SLECC a management fee equivalent to 5% of the gross rental revenue for managing mall operations including, repairs and maintenance and collection of space rental from storeowners or tenants.

   In addition, the Registrant has receivables from affiliate mall tenants. This pertains to accrued rental income amounting to P36.15 million and P57.27 million in 2020 and 2019, respectively.

e. The Parent Company made cash advances for pre-operating costs for various expenses like registration fees, taxes and licenses fees to its marketing arm.

   The advances amounted to nil and P2.00 million in 2020 and 2019, respectively.

f. The Parent Company made noninterest-bearing cash advances to officers and directors which is subject to liquidation.

   These advances amounted to P11.33 million and P14.27 million in 2020 and 2019, respectively.

g. The Parent Company made cash advances to SVI to be used for various administrative and operating expenses.

   These advances amounted to P23.90 million and P47.50 million in 2020 and 2019, respectively.

   As of 31 December 2020 and 2019, the Group has not made any provision for ECL relating to amounts owed by related parties. There have been no guarantees and collaterals provided or received for any related party receivables or payables. These accounts are noninterest-bearing and are generally unsecured. This assessment of the Group is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

J. Intellectual Property

The Registrant intends to register its own patents, trademarks, copyrights, licenses or franchises, concessions and royalties, which shall be taken up with the Board in the forthcoming meetings. At present, no government approvals are needed for the Registrant's principal products or services.

K. Present Employees

The Registrant has 160 officers, employees and contractuals. The Registrant has embarked to support the increasing demand of workforce for its increasing operations. Hence it anticipates to increase additional employees for the next ensuing year though no exact number of employees is assumed.

The Registrant provides annual salary increases based on the performance. This is made through regular performance assessment and feedback.

L. Development Activities

Currently, the Registrant is developing a number of vertical and horizontal projects. In addition, there are a lot of future projects that the Registrant has planned to compete to the market demand and real estate industry. The projects that presently have developmental activities are as follows:

Completed Projects:

PROJECT	LOCATION
Alta Vista de Subic*	Zambales
Alta Vista Residential Estate*	Cebu
Antipolo Greenland	Rizal
Aquamira At Saddle Cluster A	Cavite
Aquamira At Saddle Cluster B	Cavite
Aquamira At Saddle Cluster C	Cavite
Almeria Verde Ph. 1	Pangasinan
Arterra Residences at Discovery Bay	Cebu
Beverly Place Pampanga	Pampanga
Cainta Greenland Ph. 3B	Rizal
Cainta Greenland Ph. 3B1	Rizal
Cainta Greenland Ph. 4C2	Rizal
Cainta Greenland Ph. 4J1	Rizal
Cainta Greenland Ph. 9C	Rizal
Colinas Verdes Bulacan Ph. 3	Bulacan
Colinas Verdes Bulacan Ph. 3A	Bulacan
Colinas Verdes Bulacan Ph. 3B	Bulacan
Costa Del Sol Ph. 1	Iloilo
Costa Verde Cavite*	Cavite
Davao Riverfront*	Davao
Eagle Ridge Golf and Residential Estate*	Cavite
East Bel-Air Residences Tower 1	Rizal
Stradella (East Bel-Air Residences Tower 2)	Rizal

East Bel-Air Residences Tower 3	Rizal
El Pueblo Verde	Tarlac
Glenrose Park Cebu*	Cebu
Glenrose Taytay	Rizal
Grand Villas Bauan	Batangas
Green Meadows Iloilo Ph. 1	Iloilo
Green Meadows Tarlac	Tarlac
Greenland Newtown Ph. 2B	Rizal
Greenland Newtown Ph. 2C	Rizal
Green Peak Heights Ph. 1	Rizal
Greenwoods Executive Ph. 8A1	Pasig/Rizal
Greenwoods Executive Ph. 8A2	Pasig/Rizal
Greenwoods Executive Ph. 8A3	Pasig/Rizal
Greenwoods Executive Ph. 8F3	Pasig/Rizal
Greenwoods Executive Ph. 8F4	Pasig/Rizal
Greenwoods Executive Ph. 8F5	Pasig/Rizal
Greenwoods Executive Ph. 9E	Pasig/Rizal
Greenwoods Executive Ph. 2K1	Pasig/Rizal
Greenwoods Executive Ph. 8A4	Pasig/Rizal
Greenwoods Executive Ph. 8G1	Pasig/Rizal
Greenwoods Executive Ph. 9B1	Pasig/Rizal
Greenwoods North Ph. 2	Gapan
Greenwoods North Ph. 3	Gapan
Greenwoods Pasig*	Pasig City
Greenwoods South*	Batangas
Crown Residence at Harbor Springs	Palawan
La Breza Tower	Quezon City
La Mirada At Residencia Devistamar	Cebu
Lakewood City*	Nueva Ecija
Luxurre Residences Cavite	Cavite
Manville Royale Subdivision*	Negros Occidental
Marbella Residences Palawan	Palawan
Mesilo Nueva Vida	Cavite
Metropolis East - Binangonan Ph. 1B	Rizal
Metropolis East - Binangonan Ph. 2	Rizal
Metropoli Residenzia*	Quezon City
Metropolis Greens*	Cavite
Monte Verde Executive*	Rizal
Neopolitan Condominiums Tower 1	Quezon City
Soto Grande Neopolitan	Quezon City
Nottingham Villas Iloilo	Iloilo
Nottingham Villas Palawan	Palawan
Nottingham Villas Townhouse	Rizal
Orchard Towers Pasig Tower 1	Pasig City
Palm Coast Marina*	Manila City
Palo Alto*	Rizal
Pinewoods*	Benguet
Pueblo Del Sol Ph1*	Cavite
Pueblo Del Sol Ph. 2	Cavite
Rizal Technopark*	Rizal
Rizal Technopark Ph. 2S1	Rizal
Rizal Technopark Ph. 2D1	Rizal

Rizal Technopark Ph. 2F	Rizal
Rizal Technopark Ph. 2G	Rizal
Rockville Cavite	Rizal
Sierra Vista Resident'L Estate	Manila
Sotogrande Ph. 2	Cavite
Sotogrande Ph. 3	Cavite
Sotogrande Hotel Davao	Davao
Sotogrande Iloilo Ph. 1	Iloilo
South Groove Davao	Davao
South Pacific Golf & Leisure Estate*	Davao
Southfield Executive Village*	Cavite
South Spring Laguna Ph. 1C	Laguna
South Spring Laguna Ph. 1C1	Laguna
South Spring Laguna Ph. 1C2	Laguna
South Spring Laguna Ph. 1D	Laguna
South Spring Laguna Ph. 1E	Laguna
South Spring Laguna Ph. 1F	Laguna
Splendido Taal Tower 1	Cavite
Splendido Taal Tower 2	Cavite
Sta. Barbara Royale Ph.1A	Quezon City
Sta. Lucia Residenze – Montecarlo	Rizal
Sta. Lucia Residenze – Santorini	Rizal
Sugarland Estates	Cavite
Summer Hills Executive Ph. 4	Rizal
Summer Hills Executive Ph. 4A	Rizal
Summer Hills Executive Ph. 4B	Rizal
Tagaytay Royale*	Cavite
Villa Chiara Tagaytay	Rizal
Vista Mar Residential Estate*	Cebu

**Projects that were infused by SLRDI.*

<u>On – Going Projects</u>:

PROJECT	LOCATION
Acropolis Loyola	Quezon City & Marikina City
Almeria Verde Ph. 1A	Pangasinan
Altea Ciudades Davao	Davao
Altezza @ Evergreen Panabo	Davao
Blue Mountains Comml & Res Est	Rizal
Blue Ridge At Monterosa	Iloilo
Cainta Greenland Ph. 4C1	Rizal
Cambridge Place Batangas	Batangas
Catalina Lake Bauan	Batangas
Catalina Lake Palawan	Palawan
Colinas Verdes Bulacan Ph. 1A	Bulacan
Colinas Verdes Bulacan Ph. Estate Lots	Bulacan
Costa Mesa @ Evergreen Panabo	Davao
Costa Verde Alangilan	Batangas
Golden Meadows Binan Ph. 2C	Laguna

PROJECT	LOCATION
Golden Meadows Palawan	Palawan
Golden Meadows Sta Rosa 1A	Laguna
Golden Meadows Sta Rosa 2E	Laguna
Green Meadows Bauan Batangas	Batangas
Green Meadows at the Orchard Ph. 2	Cavite
Green Meadows at the Orchard Ph. 2A	Cavite
Green Meadows Digos	Davao
Green Meadows Iloilo Ph. 2	Iloilo
Green Meadows Iloilo Ph. 3	Iloilo
Green Peak Heights Ph. 2	Rizal
Green Peak Palawan Ph. 1	Palawan
Green Peak Palawan Ph. 2	Palawan
Greenridge Executive Ph. 4A	Rizal
Greenridge Executive Ph. 4B	Rizal
Greenwoods Executive Ph. 1A2	Pasig/Rizal
Greenwoods Executive Ph. 540	Pasig/Rizal
Greenwoods Executive Ph. 6S9	Pasig/Rizal
Greenwoods Executive Ph. 8D6	Pasig/Rizal
Greenwoods Executive Ph. 8D7	Pasig/Rizal
Greenwoods Executive Ph. 8F6	Pasig/Rizal
Greenwoods Executive Ph. 9D1	Pasig/Rizal
Greenwoods Executive Ph. 9F	Pasig/Rizal
Greenwoods South Ph. 4A	Batangas
Hacienda Verde Iloilo	Iloilo
Hamptons Residences Angono	Rizal
Industrial Estates (Solana)	Tagum City
La Alegria Negros Occidental	Bacolod City
La Huerta Calamba Ph. 1	Laguna
La Huerta Calamba Ph. 2	Laguna
Las Colinas @ Eden	Davao
Los Rayos Tagum	Tagum City
Marbella Davao	Davao
Metropolis East - Binangonan Ph. 1D	Rizal
Metropolis East - Binangonan Ph. 2A	Rizal
Metropolis Iloilo	Iloilo City
Mira Verde Bulacan Ph. 3	Bulacan
Mira Verde Bulacan Ph. 3a	Bulacan
Monte Verde Davao Ph. 1	Davao
Monte Verde Davao Ph. 2	Davao
Monte Verde Davao Ph. 3	Davao
Monte Verde Davao Ph. 4	Davao
Monte Verde East Montalban	Rizal
Monte Verde Executive Ph. 4A	Rizal
Monte Verde Executive Ph. 4B	Rizal
Monte Verde Executive Ph. 4C	Rizal
Montebello @ Evegreen Panabo	Davao
Monterey @ Evergreen Panabo	Davao
Nasacosta Cove Batangas	Batangas
Orchard Res Estate & Golf Country Club Ph. 1A2	Cavite

PROJECT	LOCATION
Orchard Res Estate & Golf Country Club Ph. 5B	Cavite
Orchard Residential Davao	Digos City
Oro Vista Grande	Rizal
Palo Alto Executive Village Ph. 2	Rizal
Palo Alto Executive Village Ph. 3	Rizal
Ponte Verde Davao Ph. 1	Davao
Ponte Verde Davao Ph. 2	Davao
Ponte Verde Davao Ph. 3	Davao
Ponte Verde Davao Ph. 4	Davao
Ponte Verde De Sto Tomas Batangas	Batangas
Seville Davao	Davao
Soller Mandug Davao	Davao
Sonoma Place	Palawan
Sotogrande Katipunan	Quezon City
South Coast Batangas Ph. 1	Batangas
South Coast Batangas Ph. 1A	Batangas
Spring Oaks Residence Ph. 4	Laguna
St. Charbel Dasmarinas	Cavite
Summit Point Golf & Res Estate Ph. 3	Batangas
Summit Point Golf & Res Estate Ph. 3A	Batangas
Summit Point Golf & Res Estate Ph. 3B	Batangas
Summit Point Golf & Res Estate Ph. 3C	Batangas
Summit Point Golf & Res Estate Ph. 3D	Batangas
Summit Point Golf & Res Estate Ph. 3E	Batangas
Summit Point Golf & Res Estate Ph. 4	Batangas
Sunnyvale @ Evergreen Panabo	Davao
Tierra Verde	Digos City
Valencia Homes	Palawan
Valle Verde Davao Ph. 1	Davao
Valley View Executive	Rizal
Vermont Park Executive Ph. 4I	Rizal
Villa Chiara Tagaytay Ph. 1A&1B	Rizal
Wood Ridge Iloilo	Iloilo
Woodside Garden Village	Pangasinan
Yanarra Seaside Residences Ph. 1A	Batangas
Yanarra Seaside Residences Ph. 2A	Batangas

The Registrant plans to expand, should the market conditions permit, in the following projects, but not limited to:

1. Orchard Towers
2. Splendido Towers
3. Sta. Lucia Residences
4. East-bel Air Residences
5. Neopolitan Condominiums
6. Monte Verde Digos Expansion
7. Ponte Verde Davao Expansion
8. Nasacosta Batangas Expansion
9. Valle Verde Cebu

10. La Mirada Tower 2
11. Greenridge Expansion
12. Lipa Royale Expansion
13. South Spring Expansion
14. Greenwoods Executive Expansion

On 19 January 2009 at its Executive Committee Meeting, the Registrant resolved to enter into a joint venture agreement with Royale Homes Realty and Dev't., Inc. for the development of Antipolo Greenland Phase II, Mr. Antonio C. Rivilla for Greenmeadows Tarlac, Great Landho, Inc. for Sugarland, Darnoc Realty and Dev't. Corp. for South Coast, and Surfield Dev't. Corp., Boyd Dev't. Corp., and Paretti Dev't. Corp. for La Panday Prime Property.

On 12 February 2010, the Executive Committee of the Registrant resolved to sign the joint venture agreement with Mr. John Gaisano et. al. for the development of several parcels of land in Matina Crossing, Davao which have a total area of 162,140 square meters known as the Costa Verde Subdivision.

On 04 August 2010, the Executive Committee of the Registrant resolved to approve the joint venture agreement with General Milling Corporation (GMC) with a 132,065 square meter property located in the old and new Bridge of Mactan Island to Cebu proper. Also, a second joint venture with spouses Gloria-Sulit-Lenon of a piece of property located in San Mateo, Rizal with an area of 34, 703 square meters. Lastly, the 3rd joint venture agreement with SJ properties, Joseph O. Li et. al. to develop a 102,477 square meter property in Kaytitinga, Alfonso, Cavite was approved.

On 17 September 2010, at the Special Meeting of the Registrant's Board of Directors, the Board resolved to enter a joint venture agreement with San Ramon Holdings, Inc. for the development of a parcel of land located in Canlubang, Calamba, Laguna.

On 07 February 2011 at the meeting of the Executive Committee, the Registrant approved the joint venture agreement among Sept. Company Inc (SCI), Antonio Rivilla, and the Registrant, to develop parcel of land situated Barrio San Antonio Abagon & Poblacion Municipality of Gerona, Tarlac with a total area of 155,153 sq m into a residential and commercial subdivision.

On 09 February 2011 at the meeting of the Executive Committee, the Registrant has entered into a joint venture agreement with Sta. Lucia Realty and Development, Inc. for a development of a commercial subdivision located in Barrio of Dumuclay, Batangas City. In addition, the Registrant also entered a joint venture agreement with Anamel Builders Corporation (ABC) to develop a parcel of land owned by ABC located in the City of Gapan Nueva Ecija, with an aggregate area of 136,059 square meters in a residential subdivision.

On 16 March 2011 at the meeting of the Executive Committee, the Registrant approve the joint venture agreement between First Batangas Industrial Park Inc. to develop several parcels of land situated in the Brgys. of Manghinao and Balayong Bauan, Batangas with an aggregate area of 538,138 sq m.

In the Executive Committee meeting held on 20 October 2011, the Registrant entered into a joint venture agreement with Rexlon Realty Group Inc. to develop a parcel of land in Brgy. Kaybiga, Caloocan City into a residential subdivision, with an aggregate area of 5,550 sq m.

In the Organizational Meeting of the Board of Directors of the Corporation held immediately after the Annual Stockholder's Meeting on 29 June 2012, the Board of Directors authorized the Registrant to enter into joint venture agreements with Royale Homes Realty and Development Corporation with respect to the development of certain properties located in Brgy. Pasong Matanda, Cainta Rizal and Brgy. Sta. Ana Taytay, Rizal, with Melissa Ann L. Hechanova, Maria Angela M. Labrador, and Vivian M. Labrador for the development of a parcel of land situated in Brgy. Cabangan, Subic, Zambales, with Rapid City Realty & Development Corporation with respect to the development of properties in Antipolo City and the Municipalities of Baras, Tanay, Teresa, Province of Rizal.

On 04 October 2012 at the Special Meeting of the Executive Committee, the Registrant was authorized to enter into joint venture agreements with the following:

1. Trillasun Realty and Development Corporation, with respect to the development of certain properties in Brgy. Dumoclay, Batangas City;
2. Sta. Lucia Realty and Development, Inc., with respect to the development of certain parcels of land in Taytay, Rizal and Bario Mendez, Tagaytay City;
3. Royale Homes Realty and Development, Inc., with respect to the development of properties in Imus, Cavite;
4. Carlos Antonio S. Tan and Mark Davies S. Santos, with respect to the development of certain properties in Cainta, Rizal;
5. Irma SB. Ignacio-Tapan, with respect to the development of certain properties in Cainta, Rizal; and
6. MFC Holdings Corporation, with respect to the development of properties in Brgy. Tolotolo, Consolacion, Cebu.

At the special meeting of the Board of Directors held on 12 December 2012 at the principal office of the Registrant, the Registrant was authorized to enter into joint venture agreements with various parties with respect to the expansion of various existing projects, involving the following properties:

1. A parcel of land with an area of 29,950 sq m situated in Brgy. Ampid, San Mateo, Rizal;
2. A parcel of land with an area of 72,767 sq m situated in Barrio Lapit, Urdaneta City, Pangasinan; and
3. A parcel of land with an area of 8,906 square meters situated in Barrio Muzon, Angono, Rizal.

Also, the registrant was authorized to acquire the following properties:

1. A parcel of land with an area of 1,230 sqm in Quezon City;
2. A parcel of land in Barrio Inosluban, Buclanin, Lipa, 7,895 sqm; and
3. A parcel of land in Mexico, Pampanga, 61,486 sqm.

At the Special Meeting of the Registrant's Board of Directors held on 18 April 2013, the following resolutions on entering to Joint Ventures and acquiring parcels of land were discussed and approved:

1. For the development of a parcel of land located in Davao City owned by Greensphere Realty & Development Corp.;
2. For the expansion of the Registrant's project known as Palo Alto, located in Tanay, Rizal, involving parcels of land owned by Sta. Lucia Realty and Development, Inc. and Milestone Farms, Inc.;
3. For the expansion of the Registrant's project known as Rizal Techno Park, located in Taytay, Rizal, involving parcels of land owned by Royal Homes Realty & Development Corporation and JFG Construction and Development Services with an aggregate area of 10,100 square meters;
4. For the expansion of the Registrant's project known as Greenwoods Executive Village, located in Pasig City, involving a parcel of land owned by St. Botolph Development Corp. with an area of 5,558 square meters;
5. For the expansion of the Registrant's project known as Cainta Greenland, located in Cainta, Rizal, involving a parcel of land owned by Sta. Lucia Realty and Development, Inc. with an area of 5,019.5 square meters;
6. Seven parcels of land located at Barangay San Juan, Taytay, Rizal, with an aggregate area of 4,865.49 square meters, owned by Carmencita M. Estacio, Adela O. Leyca, Manuel Medina, Lucia M. Del Rosario, Ireneo O. Medina, Leopoldo O. Medina, and Bonifacio O. Medina; and
7. A parcel of land located in Lipa, Batangas with an area of 7,895 square meters, owned by Benito Magaling and Divina Tupaz.

On 01 April 2014, the Board approved a resolution authorizing the Registrant to enter into joint ventures involving the development of a new project located in Cebu with an area of 537,011 sq.m and to amend the Articles of Incorporation of the Registrant to extend the corporate term by 50 years together with the following:

A. Resolutions authorizing the Registrant to acquire the following:

1. Parcel of land at Sun City Expansion, Davao, 24,578 sqm;
2. Parcel of land in Golden Meadows Sta. Rosa, 51,500 sqm;
3. Parcel of land located in Greenwoods Batangas, 32,312sqm; and
4. Parcel of land in Lipa Royale, Batangas, 9,421 sqm.

B. Resolutions authorizing the Registrant to enter in joint ventures involving the following:

1. Development of Rizal Techno Park Taytay, 10,100 sqm;
2. Development of a new project in Puerto Princesa, 20,000 sqm;
3. Development of land in Palawan, 61,315sqm;
4. Development of parcel of land located in Greenwoods South, 32,314sqm;
5. Expansion in Davao, 9,841sqm;
6. Development of new project in Cebu, 537,011sqm;
7. Development of project in Davao, 36,913sqm; and
8. Development of project on Ponte Verde, Davao, 28,000sqm.

On 01 July 2014, resolutions authorizing the Registrant to acquire the following parcels of land were approved by the Executive Committee:

1. Parcel of land in Batangas City, 9315.5 sqm;
2. Parcel of land in Batangas City, 3,087 sqm; and
3. Parcel of land in Taytay, 6,302 sqm.

Further, a resolution was passed to authorize the Registrant to enter into a joint venture for the development of a new project in Dagupan Pangasinan, 77,001 sqm.

On 21 April 2015, the following were resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Ponte Verde, Davao with an area of 36,915 sq.m.;
2. Development of a new project located in Eden, Davao City with an area of 985,292 sq.m.;
3. Development of another project in Ponte Verde, Davao with an area of 28,751 sq.m.;
4. Development of a new project in Cainta, Rizal with an area of 16,026 sq.m.;
5. Development of new project in Taytay, Rizal with an area of 8,318 sq.m.;
6. Development of seven (7) new projects located in Barrio San Miguel, Pasig City with an aggregate area of 8,423 sq.m.;
7. Development of a new project in Bauan, Batangas with an area of 246,653 sq.m.;
8. Development of a new project in Binangonan, Rizal with an area of 24,492.62 sq.m.;
9. Development of a new project in Sta. Rosa, Laguna with an area of 27,500 sq.m.; and
10. Development of a new project in Barrio Pasong Matanda, Cainta, Rizal with an area of 51,969 sq.m.

The Registrant also resolved to purchase the following lands:

1. Parcel of land located at Sun City expansion, Davao with an area of 24,578 sq.m. for the expansion of the current project development;
2. Parcels of land located in Brgy. Balayong, Bauan, Batangas with a total area of 337,715 sq.m.; and
3. Parcel of land located in Jaro, Iloilo City with an area of 7,500 sq.m.

Further, at the Annual Stockholders Meeting of the Registrant held on 19 June 2015, the following resolutions authorizing the Registrant to enter into joint ventures and land acquisitions were authorized:

1. Development of a project located in San Juan Cainta with an area of 8,697 sqm
2. Development of a new project in Brgy. Tagburos Puerto Princesa Palawan with an area of 12,000
3. Development of new project in Tagaytay with an area of 178,397 sqm
4. Development of new project in Jaro Iloilo with an area of 12,000sqm

5. Development of new project in Davao with an area of 43,137 sqm
6. Parcels of land located in Cainta Rizal with a n area of 10,110 sqm
7. Parcels of land located in San Juan Taytay with a n area of 893sqm
8. Parcels of land located in Inosluban Lipa with an area of 9,421 sqm
9. Parcels of land located in Dasmarinas Cavite with an area of 100,000 sqm

At the Special Meeting of the Board of Directors of the Registrant held on 23 September 2015 at East-Bel Air Residences Clubhouse, Felix Ave, Cainta, Rizal, the following resolutions were discussed and approved:

A. Authorizing the Registrant to enter into joint ventures involving the following:

1. Development of 3 projects located in Brgy. Sta. Ana, Taytay, Rizal with an aggregate area of 18,104 sq.m.;
2. Development of a new project located in Brgy. Mahabang Sapa, Cainta, Rizal with an area of 17,352 sq.m.;
3. Development of 4 projects located in Brgy. San Juan, Cainta, Rizal with an aggregate area of 24,753 sq.m.;
4. Development of a project in Cainta, Rizal with an area of 4,424 sq.m.;
5. Development of a project in Brgy. Pag-asa, Binangonan, Rizal with an area of 28,535.62 sq.m.;
6. Development of 2 projects located in Bo. of Tuctucan and Panginay, Guiguinto, Bulacan with an aggregate area of 40,286 sq.m.;
7. Development of a project in Bo. Sinalhan, Sta. Rosa, Laguna with an area of 27,500 sq.m.; and
8. Development of a project in Brgy. Quirino, Quezon City with an area of 1,100 sq.m.

B. Authorizing the Registrant to acquire the following:

1. Parcel of land located in Bo. Canigaran, Puerto Princesa City with an area of 6,358 sq.m.;
2. Parcels of land located in Barrio dela Paz, Biñan, Laguna with a total area of 15,484 sq.m.; and
3. Parcel of land located in Brgy. Panapaan, Bacoor, Cavite with an area of 370 sq.m.

At a Special Meeting of the Board of Directors of the Registrant held on 03 February 2016 at the principal office of the Registrant the following were discussed and approved:

A. Authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Pavia and Manduriao, Iloilo City with an area of 688,477 sq.m.;
2. Development of a project located in Bo. Sacsac, Cebu with an area of 33,848 sq.m.;
3. Development of a project located in Bauan, Batangas with an area of 84,339 .m.;
4. Development of a project located in Bo. Dela Paz, Biñan, Laguna with an area of 13,700 sq.m.;

5. Development of a project located in Sto. Tomas, Batangas with an area of 37,746 sq.m.;
6. Development of a project located in Binangonan, Rizal with an area of 28,535.62 sq.m.;
7. Development of a project located in Dasmariñas, Cavite with an area of 44,692 sq.m.;
8. Development of a project located in Bo. Mayamot, Antipolo City with an area of 8,471 sq.m.;
9. Development of a project located in Brgy. Sta. Ana, Taytay, Rizal with an area of 7,725 sq.m.

B. Authorizing the Registrant to acquire the following:

1. Parcel of land located in Cavite with an area of 34,382 sq.m.;
2. Parcel of land located in Bo. dela Paz, Biñan, Laguna with an area of 10,322 sq.m.;
3. Parcel of land located in Bo. Sinalhan, Sta. Rosa, Laguna with an area of 5,500 sq.m.;
4. Parcel of land located in Santolan, Pasig City with an area of 1,977.50 sq.m.;
5. 21 parcels of land located in Calamba, Laguna with a total aggregate area of 315,361.97 sq.m.;
6. Parcel of land located in n San Antonio, Biñan, Laguna with an area of 2,000 sq.m.
7. Parcel of land located in Dasmariñas, Cavite with an area of 300,000 sq.m.;
8. 11 parcels of land located in Bo. Manghinao I, Bauan, Batangas with a total aggregate area of 89,942 sq.m.;
9. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 11,522 sq.m.;
10. 8 parcels of land located in Bauan, Batangas with a total aggregate area of 85,455 sq.m.;
11. 3 parcels of land located in Biñan, Laguna with a total aggregate area of 16,622 sq.m.;
12. 2 parcels of land located in Matinao, Polomolok, Gen. Santos City with a total aggregate area of 95,579 sq.m.;
13. Parcel of land located in Brgy. Iruhin, Tagaytay City with an area of 299 sq.m.

On 17 June 2016, at the Organizational Meeting of the Board of Directors, the following were approved by the Board:

A. Authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Brgy. Tagburos, Puerto Princesa, Palawan with an area of 187,115.50 sq.m.;
2. Development of a project located in Silay City, Negros Occidental with an area of 677,880 sq.m.;
4. Development of a project located in Brgy. Sta. Ana, Taytay, Rizal with an area of 3,053 sq.m.; and
5. Development of a project located in Bo. Mayamot, Antipolo City with an area of 8,471 sq.m.

B. Resolutions authorizing the Registrant to acquire the following:

1. Parcels of land located in District of Jaro, Iloilo City with a total area of 7,500 sq.m.;
2. Parcel of land located in Bo. Inosluban, Lipa City, Batangas with an area of 27,752 sq.m.;
3. Parcel of land located in Biñan, Laguna with an area of 13,302 sq.m.;
4. Parcel of land located in Bo. Sinalhan, Sta. Rosa, Laguna with an area of 14,814 sq.m.;
5. Parcel of land located in Bo. Tiniguiban, Puerto Princesa, Palawan with an area of 37,895 sq.m.;
6. Parcel of land located in Sta. Barbara, Iloilo City with an area of 104,464 sq.m.;
7. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 11,759 sq.m.;
8. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 13,464 sq.m.;
9. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 5,569 sq.m.;
10. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 14,444 sq.m.;
11. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 12,933 sq.m.;
12. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 17,884 sq.m.;
13. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 12,904 sq.m.;
14. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 15,594 sq.m.;
15. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 5,166 sq.m.;
16. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 10,927 sq.m.;
17. Parcel of land located in Brgy. Ulango, Calamba, Laguna with an area of 12,688 sq.m.;
18. Parcel of land located in Biñan, Laguna with an area of 3,130 sq.m.;
19. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 16,832 sq.m.;
20. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 15,781 sq.m.;
21. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 11,628 sq.m.;
22. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 16,636 sq.m.;
23. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 18,064 sq.m.;
24. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 16,636 sq.m.;
25. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 11,595 sq.m.;

26. Parcel of land located Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 96,295 sq.m.;
27. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 40,538 sq.m.;
28. Parcel of land located in Bo. Pulanbato, Cebu City with an area of 13,819 sq.m.;
29. Parcel of land located in Bo. Darangan, Binangonan, Rizal with an area of 29,170 sq.m.;
30. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 11,595 sq.m.;
31. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 96,295 sq.m.;
32. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 40,538 sq.m.;
33. Parcel of land located in Bo. Canlalay, Biñan, Laguna with an area of 2,609 sq.m.;
34. Parcel of land located in Zamboanga City with an area of 267,657 sq.m.;
35. Parcel of land located in Zamboanga City with an area of 18,600 sq.m.; and
36. Parcel of land located in Brgy. Tagburos, Puerto Princesa, Palawan with an area of 187,115.50 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 23 November 2016 at the principal office of the Registrant, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Jaro, Iloilo with an area of 96,422 sq.m.;
2. Development of a project located in Batangas with a total area of 119,389 sq.m.;
3. Development of a project located in Cebu City with an area of 12,792 sq.m.;
4. Development of a project located in Rizal with a total area of 308,340 sq.m.;
5. Development of a project located in Davao City with an area of 300,000 sq.m.;
6. Development of a project located in Pasig City with an area of 7,329 sq.m;
7. Development of a project located in Nueva Ecija with an area of 98,848 sq.m.; and
8. Development of a project located in Tagaytay City with an area of 29,640 sq.m.

B. Resolutions authorizing the Registrant to acquire the following:

1. Parcel of land located in Jaro, Iloilo with a total area of 216,520 sq.m.;
2. Parcel of land located in Baguio City with an area of 9,822 sq.m.;
3. Parcel of land located in Tagaytay City with an area of 21,888 sq.m.;

4. Parcel of land located in Panacan, Davao City with an area of 28,751 sq.m.;
5. Parcels of land located in Calamba with a total area of 107,514 sq.m.;
6. Parcels of land located in Batangas with a total area of 142,677 sq.m.;
7. Parcel of land located in Rizal with an area of 208 sq.m.;
8. Parcel of land located in Quezon with an area of 4,211 sq.m.; and
9. Parcels of land located in Antipolo City with a total area of 6,072 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 17 February 2017 at the principal office of the Registrant, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Cebu with a total area of 8,644 sq.m.;
2. Development of a project located in Davao with a total area of 891,804 sq.m.;
3. Development of a project located in Batangas with a total area of 444,769 sq.m.;
4. Development of a project located in Nasugbu, Batangas covering various titles; and
5. Development of a project located in Rizal with an area of 47,607 sq.m.;

B. Resolutions authorizing the Registrant to acquire the following:

1. Parcel of land located in Davao with a total area of 67,695 sq.m.;
2. Parcel of land located in Batangas with an area of 8,118 sq.m.;
3. Parcel of land located in Palawan with an area of 3,721 sq.m.;
4. Parcels of land located in Rizal with a total area of 4,613 sq.m.;
5. Parcels of land located in Iloilo with a total area of 7,394 sq.m.; and
6. Parcel of land located in Cavite with an area of 8,848 sq.m..

At the Special Meeting of the Board of Directors of the Registrant held on 27 April 2017 at the Choi Garden, Greenhills, San Juan City, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Cebu with an area of 8,470 sq.m.;
2. Development of a project located in Davao with a total area of 901,804 sq.m.;
3. Development of a project located in Batangas with an area of 254,836 sq.m.;
4. Development of a project located in Iloilo with a total area of 34,551 sq.m.;
5. Development of a project located in Rizal with a total area of 15,662 sq.m.;
6. Development of a project located in Aurora with an area of 490,173.56 sq.m.; and

7. Development of a project located in Cavite with an area of 35,054 sq.m.

B. Resolutions authorizing the Registrant to acquire the following:

1. Parcel of land located in Cavite with an area of 11,684 sq.m.;
2. Parcel of land located in Batangas with a total area of 19,309 sq.m.;
3. Parcel of land located in Davao with a total area of 248,889 sq.m.;
4. Parcels of land located in Iloilo with an area of 8,527 sq.m.;
5. Parcels of land located in Rizal with an area of 159,696 sq.m.;

On 22 June 2017, the following resolutions were approved by the Board of Directors:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Cavite with an area of 46,739 sq.m.

B. Resolutions authorizing the Registrant to acquire the following:
1. Parcel of land located in Pangasinan with an area of 121,496 sq.m.;
2. Parcels of land located in Batangas with a total area of 124,677 sq.m.; and
3. Parcels of land located in Iloilo with a total area of 58,731 sq.m.

At the Special Meeting of the Executive Committee held on 14 September 2017 at the principal office of the Registrant, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolution authorizing the Registrant to enter into a joint venture involving the development of a project located in Palawan with a total area of 212,890 sq.m.;

B. Resolutions authorizing the Registrant to acquire the following:

1. Parcel of land located in Marikina City with a total area of 355,310 sq.m.;
2. Parcel of land located in Quezon City with a total area of 53,133 sq.m.;
3. Parcel of land located in Palawan with a total area of 23,461 sq.m.;
4. Parcel of land located in Batangas with a total area of 31,254 sq.m.;
5. Parcel of land located in Davao with a total area of 22,991 sq.m.;
6. Parcel of land located in Laguna with a total area of 17,339.29 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 08 January 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Baguio City with an area of 1,949 sq.m.;
2. Development of a project located in Bulacan with a total area of 715,410 sq.m.;

3. Development of a project located in Quezon City with an area of 1,560 sq.m.;
4. Development of a project located in Cavite with an area of 8,109 sq.m.;
5. Development of a project located in Rizal with a total area of 68,493 sq.m.;
6. Development of a project located in Batangas with an area of 383,069 sq.m.;
7. Development of a project located in Palawan with a total area of 178,762 sq.m.; and
8. Development of a project located in Negros Occidental with an area of 69,000 sq.m.

B. Resolutions authorizing the Registrant to acquire the following:

1. Parcel of land located in Dagupan City with an area of 803 sq.m.;
2. Parcel of land located in Cavite with an area of 8,109 sq.m.;
3. Parcels of land located in Laguna with a total area of 62,369 sq.m.;
4. Parcels of land located in Batangas with a total area of 524,015 sq.m.;
5. Parcels of land located in Rizal with a total area of 29,465 sq.m.;
6. Parcel of land located in Iloilo with an area of 99,778 sq.m.;
7. Parcel of land located in Davao with an area of 50,000 sq.m.; and
8. Parcel of land located in General Santos City with an area of 239,000 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 07 February 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolution authorizing the Registrant to enter into a joint venture involving the development of a project located in Pangasinan with an area of 67,176.50 sq.m.;

B. Resolution authorizing the Registrant to acquire a parcel of land located in Pangasinan with an area of 67,176.50 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 24 April 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to acquire the following:

1. Parcels of land located in Bauan, Batangas with a total area of 14,870 sq.m.;
2. Parcels of land located in Carmen, Cebu with a total area of 231,280 sq.m.;
3. Parcels of land located in Sta. Barbara, Iloilo with a total area of 70,200 sq.m.;
4. Parcel of land located in Plaridel, Bulacan with an area of 3,155.50 sq.m.;
5. Parcel of land located in San Mateo, Rizal with an area of 160,003 sq.m.;

6. Parcel of land located in Puerto Princesa, Palawan with an area of 11,058 sq.m.;
7. Parcel of land located in Davao City with an area of 50,000 sq.m.;
8. Parcel of land located in San Pascual, Batangas with an area of 26,008 sq.m.; and
9. Parcel of land located in Dasmariñas, Cavite with an area of 6,081 sq.m.

B. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Mandaue, Cebu with an area of 317,543 sq.m.;
2. Development of a project located in Dagupan, Pangasinan with an area of 12,328 sq.m.;
3. Development of a project located in Angono, Rizal with an area of 50,532 sq.m.;
4. Development of a project located in Batangas with an area of 215,481 sq.m.; and
5. Development of a project located in Dasmariñas, Cavite with an area of 38,431 sq.m.

At the Organizational Meeting of the Board of Directors of the Registrant held on 21 June 2018, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:
    1. Development of a project located in Davao del Sur with a total area of 14,299 sq.m.;
    2. Development of a project located in Iloilo City with an area of 48,000 sq.m.;
    3. Development of a project located in Quezon City with a total area of 1,103 sq.m.; and
    4. Development of a project located in Rizal with an area of 7,104 sq.m.

B. Resolutions authorizing the Registrant to acquire the following:
    1. Parcels of land located in Batangas with a total area of 205,882 sq.m.;
    2. Parcels of land located in Davao del Sur with a total area of 90,000 sq.m.;
    3. Parcels of land located in Laguna with a total area of 187,658 sq.m.;
    4. Parcels of land located in Pangasinan with a total area of 78,156 sq.m.;
    5. Parcel of land located in Quezon with an area of 8,386 sq.m.;
    6. Parcel of land located in Rizal with an area of 12,000 sq.m.;
    7. Parcel of land located in Zambales with an area of 35,588 sq.m.; and
    8. Parcel of land located in Iloilo with an area of 18,872 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 28 September 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

    1. Development of a project located in Rizal with an area of 18,222 sq.m.;
    2. Development of projects located in Batangas with a total area of 60,621 sq.m.;
    3. Development of a project located in Antipolo City with an area of 51,630 sq.m.; and
    4. Development of a project located in Bulacan with an area of 14,038 sq.m.

B. Resolutions authorizing the Registrant to enter into a joint venture with Sta. Lucia Realty & Dev., Inc. and the Armed Forces of the Philippines Retirement and Separation Benefits System ("AFPRSBS") for the development of a project located in Iloilo City with an area of 3,484 sq.m. The same was also approved by the Related Party Transactions Committee to ensure the absence of conflict of interest;

C. Resolutions authorizing the Registrant to acquire the following:

    1. Parcels of land located in Davao del Sur with a total area of 141,642 sq.m.;
    2. Parcels of land located in Iloilo with a total area of 121,808 sq.m.;
    3. Parcels of land located in Antipolo with a total area of 266,002 sq.m.;
    4. Parcels of land located in Nueva Ecija with a total area of 207 sq.m.;
    5. Parcels of land located in General Santos City with a total area of 243,168 sq.m.;
    6. Parcels of land located in Rizal with a total area of 183,888 sq.m.
    7. Parcel of land located in Batangas with an area of 11,419 sq.m.; and
    8. Parcel of land located in Laguna with an area of 13,332.60 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 07 December 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

    1. Development of projects located in Iloilo with a total area of 56,483 sq.m.;
    2. Development of a project located in Pasig City with an area of 2,106 sq.m.;
    3. Development of a project located in Batangas with an area of 12,152 sq.m.;
    4. Development of projects located in Bulacan with a total area of 20,349 sq.m.;
    5. Development of projects located in Rizal with a total area of 11,576 sq.m;
    6. Development of a project located in Laguna with an area of 15,003 sq.m.; and
    7. Development of a project located in Davao del Sur with an area of 37,550 sq.m.

B. Resolutions authorizing the Registrant to acquire the following:

1. Parcels of land located in Palawan with a total area of 128,120 sq.m.;
2. Parcels of land located in Batangas with a total area of 787,797 sq.m.;
3. A parcel of land located in Davao del Sur with an area of 57,928 sq.m.;
4. Parcels of land located in Cavite with a total area of 16,739 sq.m.; and
5. A parcel of land located in Laguna with an area of 153,354 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 28 February 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Binangonan, Rizal with an area of 11,212 sq.m.;
2. Development of a project located in Puerto Princesa, Palawan with an area of 189,369 sq.m.;
3. Development of a project located in Taytay, Rizal with an area of 18,603 sq.m.;
4. Development of a project located in Digos, Davao del Sur with an area of 37,550 sq.m.; and
5. Development of a project located in Bulacan with an area of 14,038 sq.m.

B. Resolutions authorizing the Registrant to enter into a joint venture with Sta. Lucia Realty & Dev., Inc. for the development of a project located in Dasmarinas, Cavite with an area of 8,253 sq.m. The same was also approved by the Related Party Transactions Committee to ensure the absence of conflict of interest;

C. Resolutions authorizing the Registrant to acquire the following:

1. Parcels of land located in South Cotabato with a total area of 576,456 sq.m.;
2. Parcels of land located in Bauan, Batangas with a total area of 720,698 sq.m.; and
3. Parcels of land located in Digos, Davao del Sur with a total area of 113,612 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 20 March 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to open bank accounts with China Banking Corporation for joint venture projects with La Panday Properties Philippines, Inc.;

B. Resolutions authorizing the Registrant to open bank accounts with BDO Unibank, Inc. for joint venture projects with La Panday Properties Philippines, Inc.;

At the Special Meeting of the Board of Directors of the Registrant held on 07 May 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of projects located in Sto. Tomas, Batangas with a total area of 383,069 sq. m.;
2. Development of projects located in Davao City with a total area of 110,951 sq. m.;
3. Development of projects located in Cavite with a total area of 1,526,899 sq. m.;
4. Development of a project located in Cebu with an area of 5,336 sq. m.;
5. Development of a project located in Iloilo with an area of 146,203 sq. m.;
6. Development of a project located in Lian, Batangas with an area of 40,242 sq. m.; and
7. Development of a project located in Bulacan with a total area of 6,311 sq. m.

B. Resolutions authorizing the Registrant to enter into the following joint ventures with Sta. Lucia Realty & Dev., Inc.:

1. Development of projects located in Bulacan with a total area of 38,725 sq. m.;
2. Development of a project located in Batangas with an area of 12,296 sq. m.;
3. Development of a project located in Cavite with an area of 29,516 sq. m.;
4. Development of a project located in Rizal with an area of 13,721 sq. m.; and
5. Development of a project located in Iloilo with an area of 40,764 sq. m.

The same were also approved by the Related Party Transactions Committee to ensure the absence of conflict of interest;

C. Resolutions authorizing the Registrant to acquire the following:

1. Parcels of land located in Calamba, Laguna with a total area of 171,204 sq. m.;
2. Parcels of land located in Davao City with a total area of 45,062 sq. m.;
3. Parcels of land located in Iloilo with a total area of 51,866 sq. m.;
4. Parcels of land located in Sta. Rosa, Laguna with a total area of 8,151 sq. m.;
5. Parcel of land located in Negros Oriental with an area of 140,000 sq. m.;
6. Parcel of land located in Pasig City with an area of 3,972 sq. m.; and

7. Parcel of land located in Palawan with an area of 206,919 sq. m.

D. Resolutions authorizing the Registrant to acquire 2,562,490 shares of stock of Uni-Asia Properties Inc.

At the Organizational Meeting of the Board of Directors of the Registrant held on 28 June 2019, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to acquire the following:

1. Parcels of land located in Batangas with a total area of 75,935 sq.m.;
2. Parcels of land located in Davao del Sur with a total area of 119,150 sq.m.;
3. Parcels of land located in Laguna with a total area of 2,963 sq.m.;
4. Parcels of land located in Bulacan with a total area of 12,621 sq.m.;
5. Parcel of land located in Palawan with an area of 3,400 sq.m.; and
6. Parcel of land located in Davao with an area of 60,000 sq.m.

B. Resolutions authorizing the Registrant to enter into a joint venture involving the development of a project located in Laguna with an area of 15,486 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 22 August 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to acquire the following:

1. Parcels of land located in Batangas with a total area of 53,910 sq.m.;
2. Parcel of land located in Davao with an area of 41,270 sq.m.; and
3. Condominium unit with appurtenant parking space located in Davao with a total area of 114.18 sq.m.

B. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Davao del Sur with an area of 119,150 sq.m.;
2. Development of a project located in Cavite with an area of 8,253 sq.m.; and
3. Development of projects located in Rizal with a total area of 16,613 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 08 October 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to acquire the following:

1. Parcel of land located in Batangas with an area of 450 sq.m.;
2. Parcel of land located in Zambales with an area of 35,588 sq.m.;
3. Parcel of land located in Davao with an area of 74,490 sq.m.; and
4. Parcel of land located in Rizal with an area of 917 sq.m.;

B. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Rizal with an area of 45,649 sq.m.; and
2. Development of a project located in Davao with an area of 221,973 sq.m.;

At the Special Meeting of the Board of Directors of the Registrant held on 13 February 2020 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to acquire the following:

1. Parcels of land located in Palawan with a total area of 387,576 sq.m.;
2. Parcel of land located in Iloilo with an area of 38,745 sq.m.;
3. Parcels of land located in Batangas with a total area of 68,690 sq.m.;
4. Parcels of land located in Bataan with a total area of 82,916 sq.m.;
5. Parcels of land located in Laguna with a total area of 707,530 sq.m.;
6. Parcel of land located in Pangasinan with an area of 6,282 sq.m.;
7. Parcel of land located in Rizal with an area of 447,790 sq.m.;
8. Parcels of land located in Bulacan with a total area of 10,620 sq.m.;
9. Parcel of land located in Surigao del Norte with an area of 65,409 sq.m.; and
10. Parcel of land located in Davao City with an area of 50,000 sq.m.

B. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of projects located in Rizal with a total area of 122,787 sq.m.;
2. Development of a project located in Bataan with an area of 377,043 sq.m.; and
3. Development of a project located in Pangasinan with an area of 218,545 sq.m.

At the Special Meeting of the Board of Directors of the Registrant held on 21 May 2020 at its principal office, at which meeting a quorum was present and acting throughout, the directors approved the resolutions authorizing the Registrant to acquire a parcel of land located in San Mateo, Rizal with an area of 17,112 sq.m.

At the Organizational Meeting of the Board of Directors of the Registrant held on 20 August 2020 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to acquire the following:

1. Parcel of land located in Davao del Sur with an area of 57,928 sq.m.;
2. Parcels of land located in Laguna with a total area of 39,735 sq.m.;
3. Parcel of land located in Batangas with an area of 14,623 sq.m.; and
4. Parcel of land located in Rizal with an area of 12,525 sq.m.

B. Resolutions authorizing the Registrant to enter into a joint venture involving the following:

1. Development of a project located in Zambales with an area of 179,508

sq. m.; and
2. Development of a project located in Pampanga with an area of 180,719 sq. m.

At the Special Meeting of the Board of Directors of the Registrant held on 10 December 2020 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to acquire the following:

1. A parcel of land located in Bulacan with an area of 13,567 sq.m.;
2. Parcels of land located in Batangas with a total area of 76,160 sq.m;
3. A parcel of land located in San Pablo City with an area of 9,594 sq.m.; and
4. A parcel of land located in Laguna with an area of 26,971 sq.m.

B. Resolutions authorizing the Registrant to acquire a parcel of land located in Rizal with an area of 168,379 sq.m. from SLRDI, the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Registrant's Material Related Party Transactions Policy;

C. Resolutions authorizing the Registrant to enter into joint ventures with SLRDI, the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Registrant's Material Related Party Transactions Policy, involving the following:

1. Development of a project located in Rizal with an area of 5,745 sq. m.;
2. Development of a project located in Pampanga with an area of 180,719 sq. m.; and
3. Development of a project located in Pangasinan with an area of 67,620 sq. m.

At the Special Meeting of the Board of Directors of the Registrant held on 12 March 2021 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

A. Resolutions authorizing the Registrant to acquire the following:

1. Parcel of land located in Davao del Sur with an area of 8,227 sq.m.;
2. Parcel of land located in Iloilo with an area of 25,000 sq.m.; and
3. Parcel of land located in Batangas with an area of 4,998 sq.m.

B. Resolutions authorizing the Registrant to enter into joint ventures involving the following:

1. Development of a project located in Rizal with an area of 5,866 sq.m.;
2. Development of a project located in Davao del Sur with an area of 10,000 sq.m.;
3. Development of a project located in Lapu-Lapu City with an area of 71,047 sq.m; and
4. Development of a project located in Batangas with an area of 216,787 sq.m.

C. Resolutions authorizing the Registrant to enter into joint ventures with SLRDI, the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Registrant's Material Related Party Transactions Policy, involving the following:

1. Development of a project located in Cavite with an area of 39,076 sq.m.;
2. Development of a project located in Rizal with an area of 526,270 sq.m.; and
3. Development of projects located in Batangas with a total area of 427,952 sq.m.

The following table shows the expenditures spent on development activities and its percentage to revenues:

YEAR	PROJECT EXPENDITURES	PERCENTAGE TO REVENUES
2020	5,210,659,113	76%
2019	6,151,168,738	79%
2018	6,506,089,699	161%
2017	6,006,070,912	163%
2016	3,938,278,074	120%
2015	1,516,058,770	48%
2014	1,472,865,907	65%
2013	1,354,380,768	102%
2012	1,260,833,129	70%
2011	798,042,139	55%
2010	464,512,282	36%
2009	470,247,597	57%

M. Properties

Real Properties

The following table provides summary information on the Registrant's land and other real properties as of 31 December 2020. Properties listed below are wholly owned and free of liens and encumbrances unless otherwise noted.

NO.	LOCATION	AREA IN SQM	LAND USE
1	Amang Rodriguez, Pasig City	10,156	RESIDENTIAL / COMMERCIAL
2	Bacolod City, Bacolod	52,669	RESIDENTIAL / COMMERCIAL
3	Baguio City, Benguet	35,887	RESIDENTIAL
4	Batangas City, Batangas	23,976	RESIDENTIAL / COMMERCIAL
5	Cabanatuan City	94,417	RESIDENTIAL / COMMERCIAL
6	Cainta, Rizal	251,856	RESIDENTIAL / COMMERCIAL
7	Carcar Cebu	4,547	RESIDENTIAL
8	Cavinti, Laguna	84,980	RESIDENTIAL

NO.	LOCATION	AREA IN SQM	LAND USE
9	Cebu City, Cebu	19,263	RESIDENTIAL
10	Consolacion, Cebu	15,923	RESIDENTIAL
11	Dasmarinas, Cavite	24,498	RESIDENTIAL
12	Davao City, Davao	197,373	RESIDENTIAL / COMMERCIAL
13	Dumuclay, Batangas City	71,991	RESIDENTIAL
14	Fairview, Quezon City	69,543	RESIDENTIAL / COMMERCIAL
15	General Trias, Cavite	85,178	RESIDENTIAL
16	Ilo-Ilo City, Ilo-Ilo	2,000	RESIDENTIAL / COMMERCIAL
17	Katipunan, Quezon City	2,000	RESIDENTIAL / COMMERCIAL
18	Lapu-Lapu City, Cebu	48,261	RESIDENTIAL / COMMERCIAL
19	Libis, Quezon City	11,335	RESIDENTIAL / COMMERCIAL
20	Rosario, Cavite	4,897	RESIDENTIAL / COMMERCIAL
21	Roxas Blvd, Pasay City	2,571	RESIDENTIAL / COMMERCIAL
22	Subic, Zambales	15,685	RESIDENTIAL
23	Tagaytay City, Cavite	46,288	RESIDENTIAL
24	Tanay, Rizal	672,934	RESIDENTIAL
25	Taytay, Rizal	45,275	RESIDENTIAL
26	Tanuan, Batangas	7,374	RESIDENTIAL
27	Salitran, Dasmariñas Cavite	17,346	RESIDENTIAL
28	Imus, Cavite	34,690	RESIDENTIAL
29	Lipa, Batangas	7,895	RESIDENTIAL
30	San Andres, Cainta, Rizal	1,000	RESIDENTIAL
31	Bulacnin and Inosluban, Municipality of Lipa	9,421	RESIDENTIAL
32	Sta. Rosa, Laguna	27,500	RESIDENTIAL
33	Barrio Canigaran, Puerto Princesa	6,358	RESIDENTIAL
34	Brgy. Muzon, Municipality of Taytay, Province of Rizal	12,446	RESIDENTIAL
35	Brngy. Balayong, Bauan, Batangas	28,114	RESIDENTIAL
36	Brngy. Balayong, Bauan, Batangas	11,584	RESIDENTIAL
37	Brgy. Balayong, Bauan, Batangas	24,788	RESIDENTIAL
38	De La Paz, Binan Laguna	5,162	RESIDENTIAL
39	Brngy. Balayong, Bauan, Batangas	9,227	RESIDENTIAL
40	Brngy. Balayong, Bauan, Batangas	15,063	RESIDENTIAL
41	Brngy. Manghinao I Municipality of Bauan, Province of Batangas	12,909	RESIDENTIAL
42	Brngy. Manghinao I Municipality of Bauan, Province of Batangas	9,901	RESIDENTIAL

NO.	LOCATION	AREA IN SQM	LAND USE
43	Brngy. Balayong, Bauan, Batangas	8,151	RESIDENTIAL
44	Brngy. Balayong, Bauan, Batangas	12,497	RESIDENTIAL
45	Brngy. Balayong, Bauan, Batangas	17,783	RESIDENTIAL
46	Brngy. San Antonio Binan Laguna	4,300	RESIDENTIAL
47	Brngy. Isabang, City of Lucena, Province of Quezon	4,211	RESIDENTIAL
48	Brngy. Balayong, Bauan, Batangas	12,105	RESIDENTIAL
49	Brngy. Manghinao I Municipality of Bauan, Province of Batangas	12,603	RESIDENTIAL
50	Brngy. Balayong, Bauan, Batangas	10,210	RESIDENTIAL
51	Brngy. Balayong, Bauan, Batangas	9,948	RESIDENTIAL
52	Bo. Of San Juan, Taytay, Rizal	1,293	RESIDENTIAL
53	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
54	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
55	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
56	Brngy. Manghinao I Municipality of Bauan, Province of Batangas	8,282	RESIDENTIAL
57	Barrio Pulo, Pasig City	257	RESIDENTIAL
58	Brngy. Balayong, Bauan, Batangas	6,638	RESIDENTIAL
59	Brngy. Balayong, Bauan, Batangas	6,205	RESIDENTIAL
60	Brngy. Balayong, Bauan, Batangas	5,588	RESIDENTIAL
61	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
62	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
63	Brgy. San Antonio, Municipality of Biñan, Province of Laguna	2,000	RESIDENTIAL
64	Brngy. Manghinao I, Bauan, Batangas	2,807	RESIDENTIAL
65	Brngy. Manghinao I, Bauan, Batangas	2,801	RESIDENTIAL
66	Brngy. Manghinao I, Bauan, Batangas	2,801	RESIDENTIAL
67	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
68	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
69	Brngy. Pag-asa (Tayuman) Municipality of Binangonan, Province of Rizal	208	RESIDENTIAL
70	Sta. Ana, Taytay	5,411	RESIDENTIAL
71	Leonard Wood Road, Baguio City.	9,822	RESIDENTIAL
70	Brgy. San Roque, Zamboanga City	287,377	RESIDENTIAL
71	Brgy. Pansin, Alfonso, Cavite	22,241	RESIDENTIAL
72	Barangay Bolbok, Batangas City, Island of Luzon	9,316	RESIDENTIAL
73	Sta. Barbara, Iloilo	4,053	RESIDENTIAL
74	Brgy Dumoclay, Batangas City	32,313	RESIDENTIAL
75	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	6,610	RESIDENTIAL
76	Brgy. Balayong, Municipality of Bauan, Province of Batangas	7,897	RESIDENTIAL
77	Brgy. Balayong, Municipality of	9,039	RESIDENTIAL

NO.	LOCATION	AREA IN SQM	LAND USE
	Bauan, Province of Batangas		
78	Brgy. Balayong, Municipality of Bauan, Province of Batangas	7,519	RESIDENTIAL
79	Brgy. Mataas na Lupa, San Pascual, Batangas	26,008	RESIDENTIAL
80	Brgy. Mataas na Lupa, Municipality of San Pascual	21,765	RESIDENTIAL
81	Brgy. Balayong, Bauan, Batangas	28,153	RESIDENTIAL
82	Barrio of Inosluban, Lipa City, Batangas	27,752	RESIDENTIAL
83	Biñan, Laguna	14,302	RESIDENTIAL
84	San Pascual, Batangas	555	RESIDENTIAL
85	San Pascual, Batangas	12,600	RESIDENTIAL
86	San Pascual, Batangas	453	RESIDENTIAL
87	Brgy. Manghinao 1, Bauan Batangas	18,947	RESIDENTIAL
88	Brgy. Balayong Bauan Batangas	22,320	RESIDENTIAL
89	Bo. of Inosluban, Municipality of Lipa	18,257	RESIDENTIAL
90	Municipality of Antipolo, Province of Rizal	3,892	RESIDENTIAL
91	Brgy. Balayong, Bauan, Batangas	18,260	RESIDENTIAL
92	Brgy. Balayong, Bauan, Batangas	9,209	RESIDENTIAL
93	Brgy. Balayong, Bauan, Batangas	6,679	RESIDENTIAL
94	Brgy. Balayong, Bauan, Batangas	8,410	RESIDENTIAL
95	Brgy. Balayong, Bauan Batangas	6,563	RESIDENTIAL
96	Biñan Laguna	10,322	RESIDENTIAL
97	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	13,515	RESIDENTIAL
98	Brgy. Balayong, Bauan, Batangas	13,464	RESIDENTIAL
99	Brgy. Balayong, Bauan, Batangas	13,377	RESIDENTIAL
100	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	11,759	RESIDENTIAL
101	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	9,472	RESIDENTIAL
102	Brgy. Balayong, Bauan, Batangas	9,523	RESIDENTIAL
103	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	8,898	RESIDENTIAL
104	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	8,606	RESIDENTIAL
105	Canlalay, Municipality of Biñan, Province of Laguna	2,609	RESIDENTIAL
106	Brgy. Manghinao I, Municipality of Bauan, Province of Batangas	7,723	RESIDENTIAL
107	Barrio Canlalay, Biñan Labuna	3,913	RESIDENTIAL
108	Brgy. Manghinao I, Municipality of Bauan, Province of Batangas	7,480	RESIDENTIAL
109	Brgy. Balayong, Bauan, Batangas	7,950	RESIDENTIAL

NO.	LOCATION	AREA IN SQM	LAND USE
110	Brgy. Balayong, Bauan, Batangas	7,073	RESIDENTIAL
111	Brgy. Balayong, Bauan, Batangas	6,082	RESIDENTIAL
112	Brgy. Balayong, Bauan Batangas	5,868	RESIDENTIAL
113	Barrio Mayamot, Anitpolo Rizal	1,180	RESIDENTIAL
114	Brgy. Balayong, Bauan, Batangas	5,993	RESIDENTIAL
115	Barrio of Mayamot, antipolo Rizal	1,000	RESIDENTIAL
116	Brgy. Balayong, Bauan, Batangas	4,547	RESIDENTIAL
117	Bo. Manghinao I, Bauan, Batangas	510	RESIDENTIAL
118	Brgy. Balayong, Bauan, Batangas	2,812	RESIDENTIAL
119	Brgy. Balayong, Bauan, Batangas	2,615	RESIDENTIAL
120	Brgy. Balayong, Bauan, Batangas	2,535	RESIDENTIAL
121	Olango, Calamba, Laguna	42,954	RESIDENTIAL / COMMERCIAL
122	Olango, Calamba, Laguna	29,922	RESIDENTIAL / COMMERCIAL
123	Olango, Calamba, Laguna	14,269	RESIDENTIAL / COMMERCIAL
124	Olango, Calamba, Laguna	7,134	RESIDENTIAL / COMMERCIAL
125	Olango, Calamba, Laguna	56,338	RESIDENTIAL / COMMERCIAL
126	Olango, Calamba, Laguna	13,312	RESIDENTIAL / COMMERCIAL
127	Olango, Calamba, Laguna	13,312	RESIDENTIAL / COMMERCIAL
128	Olango, Calamba, Laguna	16,787	RESIDENTIAL / COMMERCIAL
129	Olango, Calamba, Laguna	13,312	RESIDENTIAL / COMMERCIAL
130	Olango, Calamba, Laguna	29,922	RESIDENTIAL / COMMERCIAL
131	Olango, Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
132	Olango, Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
133	Olango, Calamba, Laguna	10,872	RESIDENTIAL / COMMERCIAL
134	Olango, Calamba, Laguna	9,626	RESIDENTIAL / COMMERCIAL
135	Olango, Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
136	Olango, Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
137	Olango, Calamba, Laguna	13,313	RESIDENTIAL / COMMERCIAL
138	Olango, Calamba, Laguna	6,584	RESIDENTIAL / COMMERCIAL

NO.	LOCATION	AREA IN SQM	LAND USE
139	Olango, Calamba, Laguna	6,585	RESIDENTIAL / COMMERCIAL
140	Olango, Calamba, Laguna	3,292	RESIDENTIAL / COMMERCIAL
141	Barrio Salitran, Municipality of Dasmariñas, Province of Cavite	46,739	RESIDENTIAL
142	Brgy. Balayong, Municipality of Bauan, Province of Batangas	29,170	RESIDENTIAL / COMMERCIAL
143	Leonard Wood Road, Baguio City	9,822	RESIDENTIAL
144	Brgy. Communal Davao City	24,578	RESIDENTIAL
145	Brgy. Balayong Bauan, Batangas	5,697	RESIDENTIAL / COMMERCIAL
146	Brgy. Balayong Bauan, Batangas	10,927	RESIDENTIAL / COMMERCIAL
147	Brgy. Balayong Bauan, Batangas	8,752	RESIDENTIAL / COMMERCIAL
148	Brgy. Balayong Bauan, Batangas	10,180	RESIDENTIAL / COMMERCIAL
149	Brgy. Balayong Bauan, Batangas	12,904	RESIDENTIAL / COMMERCIAL
150	Province Cavite	34,382	RESIDENTIAL / COMMERCIAL
151	Brgy. Sta. Lourdes, Puerto Princesa, Palawan	3,721	RESIDENTIAL
152	Brgy. Balayong, Bauan, Batangas	14,444	RESIDENTIAL
153	Sta. Barbara, Province of Iloilo	8,527	RESIDENTIAL
154	Brgy. Balayong, Bauan, Batangas	13,634	RESIDENTIAL / COMMERCIAL
155	Brgy. Balayong, Bauan, Batangas	12,774	RESIDENTIAL / COMMERCIAL
156	Brgy. Balayong, Bauan, Batangas	11,191	RESIDENTIAL / COMMERCIAL
157	Brgy. Balayong, Bauan, Batangas	10,684	RESIDENTIAL / COMMERCIAL
158	Brgy. Pag-asa, Binangonan, Rizal	3,115	RESIDENTIAL
159	Brgy. Pag-asa, Binangonan, Rizal	1,498	RESIDENTIAL
160	Brgy. Balayong, Bauan, Batangas	9,531	RESIDENTIAL / COMMERCIAL
161	Brgy. Balayong, Bauan, Batangas	7,691	RESIDENTIAL / COMMERCIAL
162	Brgy. Balayong, Bauan, Batangas	6,449	RESIDENTIAL / COMMERCIAL
163	Brgy. Balayong, Bauan, Batangas	3,176	RESIDENTIAL / COMMERCIAL
164	Brgy. Balayong, Bauan, Batangas	2,135	RESIDENTIAL / COMMERCIAL
165	Sta. Barbara, Province of Iloilo	28,952	RESIDENTIAL
166	Brgy. Balayong, Municipality of	31,254	RESIDENTIAL /

NO.	LOCATION	AREA IN SQM	LAND USE
	Bauan, Province of Batangas		COMMERCIAL
167	Brgy. Balayong, Bauan, Batangas	4,759	RESIDENTIAL / COMMERCIAL
168	Brgy. Balayong, Bauan, Batangas	14,558	RESIDENTIAL / COMMERCIAL
169	Municipality of Sta. Rosa, Province of Laguna	8,000	RESIDENTIAL
170	Brgy. Balayong, Municipality of Bauan, Batangas	15,539	RESIDENTIAL / COMMERCIAL
171	Barrio Kingot, Municipality of Digos, Davao Del Sur	22,991	RESIDENTIAL
172	Brgy. Communal Davao City	10,241	RESIDENTIAL
173	Brgy. Balayong, Municipality of Bauan, Province of Batangas	12,933	RESIDENTIAL / COMMERCIAL
174	Brgy. Balayong, Bauan Batangas	6,278	RESIDENTIAL / COMMERCIAL
175	Brgy. Balayong, Bauan Batangas	5,649	RESIDENTIAL / COMMERCIAL
176	Brgy. Balayong, Bauan Batangas	4,751	RESIDENTIAL / COMMERCIAL
178	Barrio na Pulo, Lipa City	5,696	RESIDENTIAL / COMMERCIAL
179	Barrio na Pulo, Lipa City	48,626	RESIDENTIAL / COMMERCIAL
180	Barrio na Pulo, Lipa City	47,697	RESIDENTIAL / COMMERCIAL
181	Barrio na Pulo, Lipa City	10,000	RESIDENTIAL / COMMERCIAL
182	Barrio na Pulo, Lipa City	44,357	RESIDENTIAL / COMMERCIAL
183	Barrio na Pulo, Lipa City	49,506	RESIDENTIAL / COMMERCIAL
184	Barangay Cabugao, Sta. Barbara, Iloilo	17,586	RESIDENTIAL / COMMERCIAL
185	Tagum, Davao Del Norte	117,946	RESIDENTIAL / COMMERCIAL
186	Barrio Anolid, Mangaldan, Pangasinan	10,470	RESIDENTIAL / COMMERCIAL
187	Dasmariñas City, Cavite	34,692	RESIDENTIAL / COMMERCIAL
188	Gayaman, Binmaley Pangasinan	20,411	RESIDENTIAL / COMMERCIAL
189	Brgy. Sta. Barbara, Province of Iloilo	15,781	RESIDENTIAL / COMMERCIAL
190	Brgy. Balayong, Bauan Batangas	24,173	RESIDENTIAL / COMMERCIAL
191	Brgy. Balayong, Bauan, Batangas	22,122	RESIDENTIAL / COMMERCIAL

NO.	LOCATION	AREA IN SQM	LAND USE
192	Municipality of Sta. Barbara, Province of Iloilo	11,628	RESIDENTIAL / COMMERCIAL
193	Brgy. Balayong, Municipality of Bauan, Batangas	11,398	RESIDENTIAL / COMMERCIAL
194	Barrio of Sto. Domingo, Biñan, Laguna	504	RESIDENTIAL / COMMERCIAL
195	Brgy. Cawag, Subic Zambales	35,588	RESIDENTIAL / COMMERCIAL
196	Brgy. Santolan, Pasig City	3,972	RESIDENTIAL / COMMERCIAL
197	Barrio Cantumong, Carmen, Cebu	81,280	RESIDENTIAL / COMMERCIAL
198	Barrio Cantumong, Carmen, Cebu	150,000	RESIDENTIAL / COMMERCIAL
199	Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
200	Mandug, Davao City	414,363	RESIDENTIAL / COMMERCIAL
201	Brgy. Silangan, San Mateo, Rizal	160,003	RESIDENTIAL / COMMERCIAL
202	Brgy. Matin-ao, Polomolok, South Cotabato	257,618	RESIDENTIAL / COMMERCIAL
203	Barrio Tagburos, Puerto Princessa, Palawan	36,015	RESIDENTIAL / COMMERCIAL
204	Mandug, Davao City	48,978	RESIDENTIAL / COMMERCIAL
205	Barrio Cupang, Bauan, Batangas	5,263	RESIDENTIAL / COMMERCIAL
206	Barrio Cupang, Bauan, Batangas	1,737	RESIDENTIAL / COMMERCIAL
207	Barrio Cupang, Bauan, Batangas	2,850	RESIDENTIAL / COMMERCIAL
208	Barrio Cupang, Bauan, Batangas	16,458	RESIDENTIAL / COMMERCIAL
209	Barrio Cupang, Bauan, Batangas	4,692	RESIDENTIAL / COMMERCIAL
210	Barrio Cupang, Bauan, Batangas	5,056	RESIDENTIAL / COMMERCIAL
211	Brgy. Buntatala, Jaro, Iloilo City	7,890	RESIDENTIAL / COMMERCIAL
212	Barrio Cupang, Bauan, Batangas	308	RESIDENTIAL / COMMERCIAL
213	Barrio Cupang, Bauan, Batangas	308	RESIDENTIAL / COMMERCIAL
214	Barrio Cupang, Bauan, Batangas	308	RESIDENTIAL / COMMERCIAL
215	Barrio Cupang, Bauan, Batangas	21,995	RESIDENTIAL / COMMERCIAL

NO.	LOCATION	AREA IN SQM	LAND USE
216	Municipality of Sta. Barbara, Iloilo	11,595	RESIDENTIAL / COMMERCIAL
217	Barrio Cupang, Bauan, Batangas	542	RESIDENTIAL / COMMERCIAL
218	Barrio Cupang, Bauan, Batangas	529	RESIDENTIAL / COMMERCIAL
219	Barrio Cupang, Bauan, Batangas	9,783	RESIDENTIAL / COMMERCIAL
220	Barrio Cupang, Bauan, Batangas	3,027	RESIDENTIAL / COMMERCIAL
221	Municipality of Sta. Barbara, Iloilo	6,117	RESIDENTIAL / COMMERCIAL
222	Barrio Cupang, Bauan, Batangas	5,422	RESIDENTIAL / COMMERCIAL
223	Barrio Cupang, Bauan, Batangas	8,065	RESIDENTIAL / COMMERCIAL
224	Barrio Cupang, Bauan, Batangas	6,775	RESIDENTIAL / COMMERCIAL
225	Barrio Cupang, Bauan, Batangas	6,642	RESIDENTIAL / COMMERCIAL
226	Sta. Barbara, Iloilo	18,878	RESIDENTIAL / COMMERCIAL
227	Brgy. Tagbac, District of Jaro, Iloilo City	20,000	RESIDENTIAL / COMMERCIAL
228	Barrio Managa, Digos, Davao del Sur	30,003	RESIDENTIAL / COMMERCIAL
229	Barrio Managa, Digos, Davao del Sur	30,000	RESIDENTIAL / COMMERCIAL
230	Barrio Managa, Digos, Davao del Sur	20,001	RESIDENTIAL / COMMERCIAL
231	Barrio of Pansol, Calamba, Laguna	425	RESIDENTIAL / COMMERCIAL
232	Barrio Pansol, Calamba, Laguna	1,000	RESIDENTIAL / COMMERCIAL
233	Barrio Cupang, Bauan, Batangas	7,867	RESIDENTIAL / COMMERCIAL
234	Tabang, Plaridel, Bulacan	13,567	RESIDENTIAL / COMMERCIAL
235	Pinugay, Teresa and Baras, Rizal	168,379	RESIDENTIAL / COMMERCIAL
236	Balayong, Bauan, Batangas	4,998	RESIDENTIAL / COMMERCIAL
237	Balayong, Bauan, Batangas	2,607	RESIDENTIAL / COMMERCIAL
238	Balayong, Bauan, Batangas	3,216	RESIDENTIAL / COMMERCIAL
239	As-is, Bauan, Batangas	15,714	RESIDENTIAL / COMMERCIAL

NO.	LOCATION	AREA IN SQM	LAND USE
240	Balayong, Bauan, Batangas	3,385	RESIDENTIAL / COMMERCIAL
241	As-is, Bauan, Batangas	6,174	RESIDENTIAL / COMMERCIAL
242	As-is, Bauan, Batangas	6,577	RESIDENTIAL / COMMERCIAL
243	As-is, Bauan, Batangas	3,584	RESIDENTIAL / COMMERCIAL
244	As-is, Bauan, Batangas	12,594	RESIDENTIAL / COMMERCIAL
245	As-is, Bauan, Batangas	4,124	RESIDENTIAL / COMMERCIAL
246	As-is, Bauan, Batangas	7,909	RESIDENTIAL / COMMERCIAL
247	As-is, Bauan, Batangas	5,278	RESIDENTIAL / COMMERCIAL
248	Sta. Monica, San Pablo City	9,594	RESIDENTIAL / COMMERCIAL
249	Bucal and Pansol, Calamba, Laguna	26,971	RESIDENTIAL / COMMERCIAL
250	Kiagot, Davao City, Davao Del Sur	57,928	RESIDENTIAL / COMMERCIAL
251	Talaongan, Cavinti, Laguna	17,917	RESIDENTIAL / COMMERCIAL
252	Talaongan, Cavinti, Laguna	21,818	RESIDENTIAL / COMMERCIAL
253	Balayong, Bauan, Batangas	14,623	RESIDENTIAL / COMMERCIAL
254	Talanay, San Mateo, Rizal	12,525	RESIDENTIAL / COMMERCIAL
255	Brgy. Ampid San Mateo Rizal	17,122	RESIDENTIAL / COMMERCIAL
256	Brgy. Sicsican, Puerto Princesa, Palawan	6,854	RESIDENTIAL / COMMERCIAL
257	Brgy. Sicsican, Puerto Princesa, Palawan	138,833	RESIDENTIAL / COMMERCIAL
258	Brgy. Sicsican, Puerto Princesa, Palawan	15,898	RESIDENTIAL / COMMERCIAL
259	Brgy. Sicsican, Puerto Princesa, Palawan	9,807	RESIDENTIAL / COMMERCIAL
260	Brgy. Sicsican, Puerto Princesa, Palawan	19,328	RESIDENTIAL / COMMERCIAL
261	Brgy. Sicsican, Puerto Princesa, Palawan	16,588	RESIDENTIAL / COMMERCIAL
262	Brgy. Sicsican, Puerto Princesa, Palawan	28,316	RESIDENTIAL / COMMERCIAL
263	Brgy. Sicsican, Puerto Princesa, Palawan	20,939	RESIDENTIAL / COMMERCIAL

NO.	LOCATION	AREA IN SQM	LAND USE
264	Brgy. Sicsican, Puerto Princesa, Palawan	21,186	RESIDENTIAL / COMMERCIAL
265	Brgy. Sicsican, Puerto Princesa, Palawan	9,764	RESIDENTIAL / COMMERCIAL
266	Brgy. Sicsican, Puerto Princesa, Palawan	9,764	RESIDENTIAL / COMMERCIAL
267	Brgy. Sicsican, Puerto Princesa, Palawan	16,907	RESIDENTIAL / COMMERCIAL
268	Brgy. Sicsican, Puerto Princesa, Palawan	21,185	RESIDENTIAL / COMMERCIAL
269	Brgy. Sicsican, Puerto Princesa, Palawan	14,948	RESIDENTIAL / COMMERCIAL
270	Brgy. Sicsican, Puerto Princesa, Palawan	16,074	RESIDENTIAL / COMMERCIAL
271	Brgy. Sicsican, Puerto Princesa, Palawan	21,185	RESIDENTIAL / COMMERCIAL
272	Barrio Bulang & Cabugao, Sta. Barbara, Iloilo	38,745	RESIDENTIAL / COMMERCIAL
273	Brgy. San Teodoro, Bauan, Batangas	42,252	RESIDENTIAL / COMMERCIAL
274	Brgy. San Teodoro, Bauan, Batangas	14,070	RESIDENTIAL / COMMERCIAL
275	Brgy. San Teodoro, Bauan, Batangas	12,368	RESIDENTIAL / COMMERCIAL
276	Brgy. Gen. Lim, Orion, Bataan	1,688	RESIDENTIAL / COMMERCIAL
277	Brgy. Gen. Lim, Orion, Bataan	13,591	RESIDENTIAL / COMMERCIAL
278	Brgy. Gen. Lim, Orion, Bataan	20,748	RESIDENTIAL / COMMERCIAL
279	Brgy. Gen. Lim, Orion, Bataan	46,889	RESIDENTIAL / COMMERCIAL
280	Barrio San Jose, Municipality of Urdaneta, Province of Pangasinan	6,282	RESIDENTIAL / COMMERCIAL
281	Barrio Pansol, Calamba, Laguna	215	RESIDENTIAL / COMMERCIAL
282	Barrio Masapang (San Benito, Victoria (Pila), Laguna	554,054	RESIDENTIAL / COMMERCIAL
283	Barrio Masapang (San Benito, Victoria (Pila), Laguna	150,000	RESIDENTIAL / COMMERCIAL
284	Barrio Halayhayin, Pililla, Rizal	447,790	RESIDENTIAL / COMMERCIAL
285	Barrio Canlalay, Biñan, Laguna	3,261	RESIDENTIAL / COMMERCIAL
286	Barrio Banga, Municipality of Plaridel, Province of Bulacan	5,309	RESIDENTIAL / COMMERCIAL
287	Barrio Banga, Municipality of Plaridel, Province of Bulacan	5,311	RESIDENTIAL / COMMERCIAL

NO.	LOCATION	AREA IN SQM	LAND USE
288	Esperanza del Carmen, Surigao del Norte	65,409	RESIDENTIAL / COMMERCIAL
289	Barangay Indangan, Davao City	50,000	RESIDENTIAL / COMMERCIAL
TOTAL		**8,125,162**	

V. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

A. Market Information

The principal market of the common equity of the Registrant is the PSE. Provided below is a table indicating the high and low sale prices of the common equity of the Registrant in the Philippine Stock Exchange for each quarter within the last three fiscal years:

2021 (Interim Period)

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	15 Jan./P2.68	N/A	N/A	N/A
LOW	05 Jan./P1.92	N/A	N/A	N/A

2020

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	24 Jan./P2.58	02 Apr./P2.04	08 Sep./P2.00	07 Dec./P2.28
LOW	23 Mar./P1.83	02 Jun./P1.79	19 Aug./P1.70	05 Nov./P1.81

2019

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	06 Mar./P1.65	13 Jun./P2.08	19 Aug./P2.73	08 Oct./P2.80
LOW	02 Jan./P1.24	22 Apr./P1.51	01 Jul./P1.88	20 Dec./P2.32

2018

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	19 Jan./P1.06	09 May/P1.17	04 Sept./P1.22	11 Dec./P1.27
LOW	26 Mar./P0.98	02 Apr./P0.98	12 Jul./P1.03	03 Oct./P1.07

Price Information as of the latest practicable trading date:

As of 14 May 2021, the Registrant's shares stood at closing price of P2.35.

B. Holders

Based on the 31 March 2021 List of Stockholders prepared by the Registrant's Stock and Transfer Agent, PROFESSIONAL STOCK TRANSFER, INC., the Registrant has two hundred sixty five (265) shareholders of common shares, of which the top 20 shareholders are as follows:

TOP TWENTY STOCKHOLDERS
As of 31 March 2021

RANK	NAME	TOTAL SHARES	PERCENTAGE (%)
1	STA. LUCIA REALTY & DEVELOPMENT, INC.	6,701,005,767	81.7550
2	PCD NOMINEE CORPORATION - FILIPINO (EXCLUDING TREASURY SHARES)	1,464,962,606	17.8731
3	LUGOD, BERNARD D.	10,000,000	0.1220
4	DELA CRUZ, THOMAS EDWIN M.	10,000,000	0.1220
5	CITISECURITIES, INC.	3,250,000	0.0397
6	PCD NOMINEE CORPORATION - NON-FILIPINO	2,237,001	0.0273
7	EBE CAPITAL HOLDINGS, INC.	1,535,000	0.0187
8	ROBLES, EXEQUIEL	712,500	0.0087
9	SANTOS, VICENTE	712,494	0.0087
10	LIMTONG, JULIE H.	400,000	0.0049
11	FRANCISCO ORTIGAS SEC., INC.	365,000	0.0045
12	TAN, PEDRO O.	278,050	0.0034
13	ASA COLOR & CHEMICAL INDUSTRIES, INC.	182,774	0.0022
14	G & L SECURITIES CO., INC.	70,000	0.0009
15	VALDEZ, AMBROSIO &/OR FELISA VALDEZ	50,000	0.0006
16	LIMTONG, ANTHONY FRANCIS H.	40,000	0.0005
17	LIMTONG, GAIL MAUREEN H.	40,000	0.0005
18	LIMTONG, HARRY JAMES H.	40,000	0.0005
19	LIMTONG, JOHN PATRICK H.	40,000	0.0005
20	LIMTONG, JULIE ANN KRISHA H.	40,000	0.0005

Total Outstanding Shares – 8,196,450,000

C. Foreign Equity

Foreign equity is held by a sole stockholder, PCD Nominee Corp. - Non-Filipino, which owns Two Million Two Hundred Thirty Seven Thousand One (2,237,001) common shares of stock as of 31 March 2021.

D. Dividends

No cash dividends were declared for the years 2020, 2019, and 2018.

The Registrant's current dividend policy provides for dividends up to 10% of the prior fiscal year's net income after tax, subject to:

(i) availability of unrestricted retained earnings,
(ii) implementation of business plans,
(iii) contractual obligations,
(iv) working capital requirements, and
(v) the approval of the Board.

There can be no guarantee that the Regsitrant will pay any dividends in the future. The declaration and payment of dividends is subject to compliance annually or as often as the Board of Directors may deem appropriate, in cash or in kind and/or in additional shares from its surplus profits. The ability of the Regsitrant to pay dividends will depend on its retained earnings level and financial condition. There is no assurance that the Regsitrant will pay dividends in the future.

Cash and property dividends, if any, are subject to approval by the Registrant's Board of Directors and stockholders. Property dividends are likewise subject to the approval of the SEC and PSE.

E. Recent Sale of Unregistered Securities

None**.**

VI. COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICES

The Registrant has complied, and will continue to comply, with the leading practices and principles on good corporate governance, as set forth in the Registrant's Manual on Corporate Governance in compliance with SEC Memorandum Circular No. 2, Series of 2009.

The Annual Report on SEC Form 17-A of the Registrant shall be made available, without charge, upon a written request addressed to:

DAVID M. DELA CRUZ
Penthouse, Building 3, Sta. Lucia Mall
Marcos Highway corner Imelda Avenue
Cainta, Rizal

However, the Management of the Registrant reserves the right to charge reasonable fees for providing exhibits attached to the Registrant's SEC Form 17-A.

COVER SHEET

0 0 0 3 1 0 5 0

SEC Registration Number

STA. LUCIA LAND, INC. AND SUBSIDIARIES

(Company's Full Name)

Penthouse, Bldg. 3, Sta. Lucia East Grand Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal

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

David M. Dela Cruz

(Contact Person)

8681-7332

(Company Telephone Number)

2020

1 2 3 1

Month *Day*

(Fiscal Year)

1 7 - A

(Form Type)

0 8 2 5

Month *Day*

(Annual Meeting)

N/A

(Secondary License Type, If Applicable)

SEC

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

265

Total No. of Stockholders

Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

SEC Number: 031-050
File Number: ________

STA. LUCIA LAND, INC. AND SUBSIDIARIES

(Company's Full Name)

Penthouse Building 3, Sta. Lucia East Grand Mall,
Marcos Highway Cor. Imelda Ave., Cainta Rizal

(Company Address)

(632) 8681-7332

(Telephone Number)

December 31, 2020

(Year Ending)

Annual Report – SEC Form 17-A

(Form Type)

(Amendments)

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SECTION 141 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended **December 31, 2020**

2. Commission identification number: **31050**

3. BIR Tax Identification No.: **000-152-291-000**

4. **STA. LUCIA LAND, INC. AND SUBSIDIARIES**
   Exact name of issuer as specified in its charter

5. **Republic of the Philippines**
   Province, country or other jurisdiction of incorporation or organization

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

7. **Penthouse, Bldg. III, Sta. Lucia East Grand Mall, Marcos Highway cor. Imelda Ave., Cainta, Rizal 1900**
   Address of issuer's principal office   Postal Code

8. **(02) 8681-7332**
   Issuer's telephone number, including area code

9. ____________________
   Former name, former address and former fiscal year, if changed since last report

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

Title of each class	Number of shares of common Stock outstanding
Common	**8, 196,450,000**

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

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

    ____________   ____________

12. Indicate by checkmark whether the registrant:

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

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

TABLE OF CONTENTS

PART I – BUSINESS AND GENERAL INFORMATION

ITEM 1: BUSINESS

<u>Overview</u>

Sta. Lucia Land, Inc. (the Registrant, the Company, or SLI) was incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on December 6, 1966 under the name Zipporah Mining and Industrial Corporation to engage in mining. On September 14, 1987, the Parent Company launched its Initial Public Offering where a total of 20,000,000 common shares were offered at an offering price of Php1.00 per share. On September 14, 1987, the Company launched its Initial Public Offering where a total of 20,000,000 common shares were offered at an offering price of Php1.00 per share. Subject to a restructuring program, the BOD of the Company approved on November 22, 1995 the offering of up to 1,000,000,000 shares of stock out of the increase in the authorized capital stock from Php50.00 million to Php2,000.00 million at a par value of Php1.00, to a group of investors led by Sta. Lucia Realty & Development, Inc. (SLRDI). This was subsequently approved and ratified by the stockholders in a Special Stockholders' Meeting on December 18, 1995. On December 18, 1995, the stockholders of the Company approved a number of changes in the corporate structure as part of its diversification scheme. These were:

1. The change of its name to Zipporah Realty Holdings, Inc.;
2. The increase in the number of directors from nine to 11;
3. The waiver of the pre-emptive rights over the future issuances of shares;
4. The change in the primary and secondary purposes, transposing the original primary purpose to secondary purpose from being a mining firm to a real estate company, the primary purpose of which is to acquire by purchase, lease, donation, or otherwise, and to own, use, improve, develop and hold for investment or otherwise, real estate of all kinds, improve, manage or otherwise dispose of buildings, houses, apartments and other structures of whatever kind, together with their appurtenances.
5. The change in the par value of its shares from Php0.01 to Php1.00; and
6. The increase in its authorized capital stock to Php2,000.00 million.

The first four changes were approved by the SEC on August 14, 1996 while the last two corporate acts were approved on January 22, 1997.

On June 15, 2007, the BOD approved the following resolutions and was ratified by the stockholders on July 16, 2007:

1. Change in Corporate name to Sta. Lucia Land, Inc.
2. Increase in authorized capital stock of the Company from Php2,000.00 million divided into 2,000,000,000 shares to Php16,0000.00 million divided into 16,000,000,000 shares or an increase of Php14,000.00 million with a par value of Php1.00 per share.
3. Subscription of SLRDI of up to 10,000,000,000 shares out of the increase in the Company's authorized capital stock; and
4. SLRDI's subscription to such shares shall be at par value, and the consideration for which shall be the assignment and transfer by SLRDI to the Company of assets acceptable to the Company at a reasonable discount on the fair market value of such assets. The fair value market value was determined by independent professionally qualified appraisers. The fair value represents the amount at which the assets could be exchanged between a knowledgeable, willing buyer and knowledgeable, willing seller in an arm's length transaction at the date of valuation.

The above resolutions were ratified by the Company's shareholders on July 16, 2007.

a) On December 8, 2007, the Company and the SLRDI executed various deeds of assignment wherein SLRDI assigned all its rights, title and interest to certain properties consisting of investment properties (Sta. Lucia East Grand Mall) amounting to Php4,710.00 million and certain parcels of land amounting to Php6,018.50 million and assumption of mortgage in the investment properties of Php723.60 million. The investments of the SLRDI through the said assignment of various properties, net of mortgage assumed, were recognized as additional outstanding shares of Php10,000.00 million.

The Company is listed on the PSE under the ticker “SLI”.

In 2013, the Company decided to establish two (2) wholly-owned subsidiaries, Sta. Lucia Homes, Inc. and Santalucia Ventures, Inc., to handle housing construction and the marketing, operation and development of the Company’s projects, respectively.

On July 08, 2014, the Company and the SLRDI executed a deed of assignment of shares of stock wherein the parties agreed as follows:

1. The previous assignment by SLRDI of Saddle and Clubs Leisure Park is rescinded.
2. SLRDI transfers 3,000 million shares of the Company in favor of the latter as full payment for the Php1,801.11 million advances to the former.

In 2014, 2,250 million shares covering Php900.00 million of advances were issued back by SLRDI to the Company and formed part of the Company’s treasury shares. This decreased the outstanding shares of the Parent Company from 10,796.45 million in 2013 to 8,546.45 million in 2014.

On December 22, 2015, the Company sold 400 million shares which increased the outstanding shares to 8,946.45 million in 2015.

On September 30, 2014, the lease agreement on Sta. Lucia East Grand Mall (the Mall) between the Parent Company and Sta. Lucia East Commercial Corporation (SLECC), an affiliate, was terminated by both parties. Effective October 1, 2014, the existing lease agreements over the Mall spaces were directly between the Parent Company and the tenants. Prior to September 30, 2014, the Parent Company charges rental fee to SLECC, an amount equivalent to 90% of SLECC’s net income excluding real property tax. SLECC charges management fee of 7% of the gross rental revenue from mall operations starting October 1, 2014 since SLECC still manages the mall operations, despite the change in lease arrangements.

As a result of the change in arrangement, the rental income of the Parent Company reflected in the consolidated statement of comprehensive income includes rental income directly from tenants for the period October 1, 2014 to December 31, 2014 amounting to Php241.63 million and the rental fee from SLECC for the period January 1, 2014 to September 30, 2014 amounting to Php262.71 million. The rental income for 2015 and 2016 reflects, on the other hand, rental income directly from tenants.

As of December 31, 2016, the Company is 83.28% owned by SLRDI.

The end of the corporate life of the Parent Company was December 5, 2016. On June 16, 2016, the SEC approved the extension of the Parent Company’s life to another 50 years up to December 5, 2066.

The registered office address and principal place of business of the Parent Company and its subsidiaries (collectively referred to as the Group) is at Penthouse Bldg. 3, Sta. Lucia Mall, Marcos Highway cor. Imelda Avenue, Cainta, Rizal.

On December 27, 2018, pursuant to the Deed of Assignment, the Ultimate Parent Company and the Parent Company executed the Second tranche in the Deed of Assignment. The Parent Company acquired 750.00 million treasury shares at the price of P1.20 per share to cover the settlement of the P900.00 million advances made by the Parent Company to the Ultimate Parent Company. As a result, the Group is 81.75% owned by Sta. Lucia Realty and Development Inc. (SLRDI or the Ultimate Parent Company) as of December 31, 2019.

As delegated by the Board of Directors (BOD), the accompanying consolidated financial statements were approved and authorized for issue by the Executive Committee and Audit Committee on May 17, 2021.

Business

The Company has been able to establish a track record in horizontal residential developments, where the Company has historically derived a substantial portion of its revenues. The Company has continued to expand its horizontal developments which continue to be its core business and begun to diversify into vertical developments, housing construction, and marketing services. In line with its strategy of increasing recurring

income, the Company has also begun to expand its mall operations through the opening of its expansion mall in 2014 and conversion of some of its portfolio of commercial lots for sale into commercial lots for lease.
The Company conducts its business via the following main operating segments, further broken down as follows:

1. Residential Projects

a. Horizontal Developments

i. Residential Lots

These projects consist of residential lots for sale in gated subdivisions complete with facilities and amenities. The Company begins developing identified land for marketing and selling to customers. These projects involve minimal construction works. Typical features developed by the Company for these residential communities include an entrance gate, guard house, landscaped entry statement, community clubhouse, basketball court, swimming pool, wide concrete road network, paved sidewalks with concrete curbs and gutters, centralized interrelated water system, underground drainage system, and electric system. Average selling prices per unit ranges from Php480,000 to Php5,350,000. Required downpayments are usually 15% to 20%, payable in 6 months to 1 year. Balance of 80% is paid through installment with interest rates ranging of 14% to 16% with average term of 1 to 10 years.

b. Vertical Developments

i. Townhouses

Townhouse projects are comprised of residential housing units where independent and identical houses are found adjacent to each other, with a row sharing one or two house walls. These projects have higher development costs, are built on smaller land areas (6 to 7 h.a.), and are developed in phases. The next phase is only developed once the previous phase is sold out. The Company has one ongoing having an average price of Php5,350,000. Downpayments of 15% to 20% are usually required, payable in 6 months up to 2 years. Balance of 80% is paid through installment with interest rates ranging from 14% to 16% with average term of 1 to 10 years.

ii. Condominiums

The condominium projects of the Company are located in strategic locations near existing horizontal developments. The Company has completed seven (7) residential condominiums since year 2007 while it currently has one (3) ongoing condominium project, Greenmeadows Condominium in Bauan, Batangas, Sotogrande Ilolilo in Jaro, Iloilo City and East Bel-air Tower 4 in Rizal. The usual required downpayment ranges from 15% to 20%, payable in 2 to 3 years. Balance of 80% is paid through installment with interest rates ranging from 14% to 16% with average term of 1 to 10 years.

iii. Condotels

Condotel projects are condominium units being sold to individual buyers but are managed and operated as a hotel by the Company. There is an option for the unit buyers to purchase a condominium unit or a condotel unit. A condotel unit will be placed under a rental program initially for 15 years where it is rented out like a typical hotel room. An experienced management company, with common shareholders and directors as SLI, handles all operations, maintenance, and management of the units under the rental program. Rental income from the units is shared between the Company and the unit owners, where the Company usually receives at least 30% of net rental income. The condotel buyer is not offered any guaranteed return on the rental of this condominium unit or even that it will be leased out at all. Average selling prices per unit range from Php80,000 to Php120,000 per sqm. with required downpayments of 20%, payable in two to three years while the balance can be paid in five to ten years. In addition, under the management company’s revenue sharing program, unit owners get 30 complimentary room nights per year which are transferrable across all the Company’s hotels and condotels in the Philippines.

The SEC had opined in previous opinions that the sale, management, pooling and sharing of revenues from the operation of condotels thru a contract offered to condotel buyers may be viewed as an investment contract. Investment contracts are likened to contracts for the sale of a security, which requires prior registration with the SEC before the same are sold or offered for sale or distribution in the Philippines. In the decisions and opinions promulgated, the SEC concluded that condotel projects are arrangements that have all the elements of an investment contract, namely: (i) an investment of money; (ii) in a common enterprise; (iii) with expectation of profits; and (iv) primarily from efforts of others. As such, the SEC has issued orders directing several real estate companies offering condotel projects to immediately cease and desist from further offering, soliciting, or otherwise offering or selling condotel units to the public without the required SEC registration.

One such order by the SEC was challenged by a real estate developer in a case before the Court of Appeals ("CA"). The case questioned the validity of the SEC's ruling that the sale of the condotel units qualified as a sale of securities. The CA, in its Decision dated June 1, 2013, held that the transaction did not constitute an investment contract as the element of "investment of money" was lacking in such project. The CA ruled that unit buyers pay their monies for the purpose of acquiring ownership of the property, not for the purpose of engaging in the business of renting out of units. Thus, the CA annulled the SEC's order against the real estate company to cease from further selling or offering its condotel units. This was later affirmed by CA in its November 28, 2013 Resolution.

On November 18, 2016, however, the Supreme Court ("SC") reversed and set aside the CA's Decision and Resolution. However, the SC did not make a definitive determination as to whether the sale of the condotels under the "leaseback" or "moneyback" schemes is indeed an investment contract or a sale of securities. Instead, the SC based its decision on a legal principle requiring all parties to such a case to "exhaust all administrative remedies" prior to resorting to an appeal. Since the petitioner failed to exhaust the administrative remedies available to it, an appeal was the incorrect remedy. The petitioner has filed a motion for reconsideration in the SC case. The Company will continue to monitor the progress of the case while studying its options relative to the SC's decision. Rest assured that the Company will respect the final outcome of the Supreme Court case and the regulators. As of now, the Company is not aware of any further announcement or communication from the SEC on the matter.

2. Commercial Properties

a. Mall

Sta. Lucia East Grand Mall ("SLEGM"). The SLEGM is a comprehensive commercial, entertainment, and leisure facility with a full range department store, supermarket, movie theater, fast food chains, bookstore, specialty boutiques for clothing, accessories, telecommunication, and hobby stores. The SLEGM is comprised of three four-storey buildings with a gross floor area ("GFA") of 180,000 sqm and a gross leasable area of 89,939.59 sqm. The SLEGM is located at Marcos Highway cor. Felix Ave., Cainta, Rizal.

In 2014, the Company opened the expansion mall called Il Centro, which is comprised of a three-storey building with a GFA of 50,000 sqm and a gross leasable area of 9,136.62 sqm. The mall has a 20,000 sqm parking to cater to residential tenants and mall clients.

Currently, the mall has 99,076.21 sqm gross leasable space of which 78.72% is leased. This business serves to complement the needs of the residential communities that the Company has built in the cities of Pasig, Marikina, and in the various towns of the Rizal province.

Principal Tenants

The Company's diverse mix of tenants includes those engaged in the business of services, retail, leisure, food, apparel, and novelty. The Company's significant tenants include the following:

- Services: BDO Unibank, David‟s Salon, Bench Fix Salon, Ricky Reyes
- Retail: Abenson, CD-R King, National Bookstore
- Leisure: Worlds of Fun, Sta. Lucia Cinema, Sta Lucia Bowling
- Food: Bonchon, Dunkin Donuts, Jollibee, Mang Inasal, Starbucks
- Apparel: Bench, Folded and Hung, Giordano, Lee, Converse
- Novelty: Blue Magic

Aside from the tenants mentioned above, the SLEGM also has major tenants controlled by or in which one or more of the Group's shareholders have a significant interest. The top 3 business activities taking up the Company's leasable area are services, leisure, and retail. In terms of contribution to rental income, retail activities contribute the majority to the Company's rental income, followed by service and food activities.

Lease Terms

The lease payments that the Company receives from its retail tenants are usually based on a combination of fixed and/or variable payments. Rents are typically based on basic rental fee per sqm. in addition to a turnover component of 1.5% to 8% of gross sales, subject to a monthly minimum rental fee per sqm. and annual escalation rates. Tenants are also usually charged air conditioning, common use service areas, pest control, electricity, and marketing support fees. Lease terms range from one month to five years with renewal clauses.

Management of the Mall

Management and operation of the malls, including planning, development, tenant mix preparation, budgeting, maintenance, engineering, security, leasing, marketing, promotions, billing, and collections are handled by Sta. Lucia East Commercial Corporation ("SLECC"), a related company owned by the shareholders of the Group.

Beginning October 1, 2014, all lease payments from the mall tenants are now paid to and in the name of the Company. SLECC continues to provide management and operations services for the SLEGM and will receive management fees equivalent to a fixed percentage of revenues. The Company's board of directors approved the implementation of this new arrangement effective October 1, 2014. The Company believes that this move can be expected to improve the Company's lease revenues.

b. Commercial Lots

The commercial properties of the Company are complementary to existing residential projects and are being offered to existing established retail partners. There are a total of 1,167 commercial lots covering 117.48 hectares adjacent to the Company's projects nationwide. There is an allocation for an average commercial space ranging from 300 to 2,000 sqm in majority of the Company's projects. The Company intends to expand its retail portfolio by offering these commercial properties via 3 main options: (i) outright sale of the commercial lots, (ii) lease of the commercial lot to retailers, and (iii) building of the Company's own malls in these commercial properties and leasing it to retailers.

Services

1. Sale on Installment

The Company also earns revenues through its sale on installment program to cater to their customers who do not have the accumulated savings to pay for the projects of the Company but have sufficient recurring income to support monthly amortization payments. Approximately 90% of the Company's sales are through its in-house installment program. The customers of the Company who avail of the program are charged higher than the prevailing interest rates of banks, ranging from 14% to 16% per annum and a 20% downpayment with tenors up to a maximum of 10 years. For 2018 to 2019, around 90% of customers of SLI availed the sale on installment facility with terms of 5 years or less.

2. Housing / Construction

The Company also ventured into housing construction services through its wholly-owned subsidiary, SLHI, which provides access to and assistance in connection with general construction services to its lot buyers. SLHI began operating in 2014 in order to service the needs of lot buyers who would like to have their own house constructed on their previously bought lots but are not familiar with the process (i.e. securing permits, construction, accessing financing, etc.). SLHI provides these services to its lot owners with the assurance of reliability from an established brand name. The price of house construction service ranges from ₱22,500 per sqm to ₱28,000 per sqm. Payment terms require a 20% downpayment that is payable up to 6 months, with the balance payable up to 10 years through in house or bank financing. While this remains a good opportunity for the Company to reach more lot buyers, the Company, for the next few years, will focus on project development through strategic land banking and joint ventures with land owners in key provinces.

3. Marketing

The Company is currently conducting marketing services through its subsidiary, SVI. SVI was incorporated with the primary purpose of marketing, operating, managing residential structures for lot buyers of the Company. The sales and marketing functions were shifted to SVI in order that the Company may focus on the development of its projects.

Subsidiaries

On January 9, 2013, the Parent Company filed an application with SEC for the incorporation of one of its wholly owned subsidiary Sta. Lucia Homes, Inc. (SLHI), the primary purpose of which is to construct, develop, improve, mortgage, pledge and deal with residential structure for lot buyers of the Group. The Parent Company received an approval on February 20, 2013.

On January 31, 2013, the Parent Company also filed an application with SEC for the incorporation of another wholly owned subsidiary Santalucia Ventures Inc. (SVI), whose primary purpose is to market, operate, manage, develop, improve, dispose, mortgage, pledge and deal with residential structure for lot buyers of the Group. Such application was approved by SEC on April 5, 2013.

Employees/Officers

As of December 2020, the Registrant has the following numbers of employees/officers including:

DEPARTMENT	COUNT
Office Of The Chairman/Administrator	1
Office Of The EVP / CFO	1
Accounting	15
Administration	5
Asset Management	48
Commercial Business	2
Construction Permit & Post Construction	1
Corporate Planning	2
Finance/Credit Risk Management	5
Hotels	1
Human Resources	3
Internal Audit & Controllership	11
Management Information System	7
Project Development	24
Purchasing	5
Sales And Marketing	19
Special Projects	2
Treasury	6
Sta Lucia Homes	2
TOTAL	**160**

There are no current labor disputes or strikes against the Registrant, nor have there been any labor disputes or strikes against the Registrant in the past ten (10) years.

The Company has provided a mechanism through which managers and staff are given feedback on their job performance, which it believes will help to ensure continuous development of its employees. The Company also provides managers, supervisors and general staff the opportunity to participate in both in-house and external training and development programs which are designed to help increase efficiency and to prepare employees for future assignments.

Major Risks

Various risk factors will affect SLI's results of operations may it be in the result of economic and social uncertainty and political instability.

One of the major risk events that occurred in 2020 that generally impacted the Philippines as well as the Group's business operations was the Covid-19 pandemic. The global effect of the pandemic still continuously spreads up to this day. Even prior to the onset of the Covid-19, the Group already recognizes pandemic as a social uncertainty. With the assessment of its impact to global and local business operations, the Group has elevated the Covid-19 pandemic as a top risk priority.

Through its program initiatives, the Group was able to at least minimize the business effect brought about by the pandemic. Several plans and strategies were implemented to ensure business continuity.

While the sector has remained resilient in 2020, the Group assures its commitment with its response to the pandemic as possibility of prolong social and market uncertainty stands.

The Philippines as one of the countries in Asia that were not directly affected by the crisis showed a better position for market enhancement. Despite the fact that inflation is continuously affecting the world market, the Philippines manages to offset the augmented prices of goods and services with the increase in local & foreign investment as well as the Overseas Filipino Workers (OFW) remittances continued to be constant. Given the skilled labor in the Philippines, which is at par with international standards, jobs were actually created in the country. The steady rise of employment in this industry contributed to the increase in consumer spending, which is one of the strongest stimuli for economic growth. In addition, local and foreign investors were driven by the new administration which showed a positive outcome for investors.

As for the real estate industry in the Philippines, the country still experienced a stable market demand for 2015. This is due to the common object of OFW's which to have their own property. Based on SLI's sales report, it has always been a significant number of OFW who purchased properties. Also, there have been foreign investors who invested in properties in the country due to our low cost of living. The Philippines is likewise seen as a country with great economic potential by our neighboring countries in Asia.

The Philippines has from time to time experienced severe political and social instability. The Philippine Constitution provides that, in times of national emergency, when the public interest so requires, the Government may take over and direct the operation of any privately owned public utility or business. In the last few years, there were instances of political instability, including public and military protests arising from alleged misconduct by the previous administration.

Politics has been a major risk in the Philippines since it has a negative image in political disorder which is largely due to corruption and unstable development. Also, the country's high debt to financial institutions affects all business sectors and has become a major factor to consider. It would be a challenge for the government to act on the risk factors threatening the Philippine economy.

Other than those mentioned above, the Company may also be exposed with the changes in Peso, interest rates and costs in construction. However, the Company adopted appropriate risk management procedures to lessen and address the risks it faces.

Description of Market/Clients

The Company has now expanded its target market to include clients with different professions and living statuses, coming from all segments of society.

The Company's main target markets are the OFWs and middle class. A major percentage of the Company's number of units sold come from OFWs and their families which constitutes around 70% of sold units, 15% come from SME business owners, and 15% come from middle class employees.

Real Property Development

The following properties as mentioned below comprise the assets of the Registrant as part of the capital infusion from SLRDI:

Residential and Commercial Properties

Alta Vista de Subic
Alta Vista de Subicis a residential property located in Subic, Zambales. It sits on a 22,308 sqm area, with 67 lots for sale, of which 70.15% have been sold.

Alta Vista Residential Estate
Alta Vista Residential Estate is a residential property located in Cebu City. It sits on a 25,450 sqm area, with 36 lots for sale.

Caliraya Spring
Caliraya Spring is a residential property located in Laguna. It sits on a 84,980 sq. m. area, with 120 lots for sale.

Costa Verde Cavite
Costa Verde Cavite is a residential property with housing projects located in Rosario, Cavite. It sits on a 16,670 sqm area, with 99 lots for sale.

Davao Riverfront
Davao Riverfront is a residential and commercial property located in Davao City. It has 11 residential lots for sale, which sits on a 2,170 sqm area. The property also has 100 commercial lots for sale, situated on a 81,889 sqm land.

Eagle Ridge Golf and Residential Estate
Eagle Ridge Golf and Residential Estate is a commercial property located in Cavite. It sits on a 69,042 sqm area, with 87 lots for sale.

Glenrose Park Cebu
Glenrose Park Cebu is a residential property with housing projects located in Cebu City. It sits on a 14,338 sqm area, with 179 lots for sale.

Greenwoods Pasig
Greenwoods Pasig is a commercial property located in Pasig City. It sits on a 6,665 sqm area, with 6 lots for sale.

Lakewood City
Lakewood City is a residential property with housing projects located in Cabanatuan. It sits on a 107,087 sqm area, with 372 lots for sale, of which 28.76% have been sold.

Manville Royale Subdivision
Manville Royale Subdivision is a residential and commercial property located in Bacolod. It has 387 residential lots for sale, which sits on a 72,922 sqm area.

Metropolis Greens
Metropolis Greens is a residential property with housing projects located in General Trias, Cavite. It sits on a 19,785 sqm area, with 176 lots for sale.

Metropoli Residenzia
Metropoli Residenzia is a residential and commercial property located in Libis, Quezon City. It has 64 residential lots for sale, which sits on a 18,057 sqm area.

Monte Verde Executive
Monte Verde Executive is a residential property with housing projects located in Taytay, Rizal. It sits on a 43,492.93 sqm area, with 260 lots for sale.

Neopolitan Garden Condominium
Neopolitan Garden Condominium is a residential condominium property located in Fairview, Quezon City . It sits on a 75,493 sq. m. area, with 47 lots for sale.

Palm Coast Marina Bayside
Palm Coast Marina Bayside is a commercial property located on Roxas Blvd., Manila. It sits on a 2,571 sqm area, with 2 lots for sale.

Palo Alto 1
Palo Alto 1 a residential property located in Tanay, Rizal. It sits on a 678,837 sqm area, with 1,115 lots for sale.

Pinewoods
Pinewoods is a residential property located in Baguio City. It sits on a 112,210 sqm area, with 68 lots for sale.

Pueblo Del Sol Ph1
Pueblo Del Sol (Phase 1) is a residential property located in Tagaytay City. It sits on a 12,977 sqm area, with 41 lots for sale, of which 58.54% is sold.

Rizal Technopark
Rizal Technopark is a commercial property located in Taytay, Rizal. It sits on a 25,112 sqm area, with 34 lots for sale. This project is 100% sold.

Rizal Technopark Ph2F
Rizal Technopark Ph2F is a residential property located in Taytay, Rizal. It sits on a 3,884 sqm area, with 9 lots for sale.

Southfield Executive Village
Southfield Executive Village is a residential property with housing projects located in Dasmarinas, Cavite. It sits on a 28,359 sqm area, with 192 lots for sale.

South Pacific Golf & Leisure Estate
South Pacific Golf & Leisure Estate is a residential property with housing projects located in Davao City. It sits on a 150,095 sqm area, with 433 lots for sale.

Sta. Lucia East Grandmall
Sta. Lucia East Grandmall is a commercial property located in Cainta, Rizal. It sits on a 98,705 sq. m. area and is composed of three buildings.

Tagaytay Royale
Tagaytay Royale is a commercial property located in Tagaytay City. It sits on a 22,907 sqm area, with 7 lots for sale.

Vista Mar Residential Estate
Vista Mar Residential Estate is a residential and commercial property located in Cebu City. It has 99 residential lots for sale, which sits on a 32,086 sqm area.

The following are the Registrant's completed projects as of December 31, 2020 aside from the ones indicated above:

Aqua Mira Resort C-A, C-B and C-C

Aquamira resort & residences (at Saddle & Clubs Leisure Park) is a site to behold in scale and grandeur located in Tanza, Cavite. Inside the 600-hectare saddle & club leisure park is the resort life. Aqua Mira C-A, C-B and C-C sits on a 845 sqm, 845 sqm and 854 sqm., respectively, with 24 lots each.

Arterra Residences at Discovery Bay

Arterra Residences is a 20-storey residential and commercial condotel located in Lapu-Lapu City, Cebu. The project's concept focuses on harmony with nature and is centered on elements of air and water. It covers an area of 7,000 sqm. and will have 339 units available for sale. The total project development cost is estimated at ₽575 million. The project was launched in 2012 and completed in 2017.

Costa del Sol Iloilo

Costa del Sol Iloilo is a residential property and commercial property located in Arevalo, Iloilo City. It has 96 lots for sale, which sits on a 24,320 sqm area. The project was launched in 2012 and completed in 2014**.**

East Bel- Air 1

East Bel-Air 1 is a residential condominium featuring American contemporary designs located in the east of Metro Manila. It covers an area of 1.7 hectares, with 160 units sold at an average price of ₽71,848 per square meter. The total project development cost was around ₽124 million. The project was launched in 2010 and completed in 2014.

El Pueblo Verde

El Pueblo Verde is located in the sugar central of Luzon, Gerona Tarlac with urban and agro-industrial zones.In the urban area, portions have been set aside as an agro-industrial zone and another as a light industrial zone. The town has schools, churches, clinics, parks and commercial centers. El Pueblo Verde is situated near the Gerona Municipal Hall and town center.

Glenrose Taytay

Glenrose Taytay is a residential property located in Taytay, Rizal. It has 47 residential lots for sale, which sits on a 14,059 sqm area. The project was launched in 2013 and completed in 2015**.**

Grand Villas Bauan

Grand Villas Bauan is a residential and commercial estate located in Batangas. It covers an area of 46.7 h.a. with 30.97 h.a. available for sale. The total project development cost approximately amounted to ₱220 million. The project is comprised of a total of 709 lots, of which 89.66% have been sold as of September 30, 2020.

Greenland Antipolo

Greenland Antipolo is a residential community located in Antipolo City, Rizal. The project covers an area of 3.3 h.a. and is approximately 8 km from Metro Manila. The total project development cost was approximately ₱22 million. The project was launched in 2008 and was completed in 2010.Over 58 lots were sold at an average price of ₱5,850 per sqm.

Greenland Newton Ph2B

Greenland Newton Ph2B is a residential property located in San Mateo, Rizal. It has 62 residential lots for sale, which sits on a 19,098 sqm area. The project was launched in 2011and completed in 2013**.**

Greenmeadows Iloilo Ph1

Greenmeadows *Iloilo Ph1* is the first master-planned lake community in Iloilo. The project features a 5-hectare man-made lake ideal for boating, fishing, kayaking, and jet ski. The Lake Victoria Paradise Island which will be located at the middle of the lake will also provide an avenue for relaxation and recreation. The project covers an area of 172.8 h.a., with 621 lots developed selling at an average price of P 5,275 per sqm. The total project development cost is estimated at ₽864 million. The project was launched in 2011 and completed in 2014**.**

Greenmeadows Tarlac

Greenmeadows Tarlac is a residential and commercial project located in Paniqui, Tarlac. It covers an area of 24.7 hectares, residential lots comprising 95% and commercial lots comprising 5%. The total project development cost was approximately ₽158 million. The project was launched in 2009 and completed in 2012. The project offered 466 residential and 25 commercial units at an average selling price of ₽4,300 per sqm.

Greenwoods Executive Ph9E
Greenwoods Executive Ph9E is a residential property located in Caloocan City, Manila. It has 14 residential lots for sale, which sits on a 4,951 sqm area. The project was launched in 2015 and completed in 2018**.**

Greenwoods Executive Ph8A1
Greenwoods Executive Ph8A1 is a residential estate located in Pasig City. It provides the modern convenience of a modern community with great facilities to make life easier. The aggregate area is 5,745 sqm with 42 lots for sale.

Greenwoods Executive Ph8A2
Greenwoods Executive Ph8A2 is a residential estate located in Pasig City. It provides the modern convenience of a modern community with great facilities to make life easier. The aggregate area is 5,300 sqm with 33 lots for sale.

Greenwoods Executive Ph8A3
Greenwoods Executive Ph8A3 is a residential estate located in Pasig City. It provides the modern convenience of a modern community with great facilities to make life easier. The aggregate area is 3,778 sqm with 22 lots for sale.

Greenwoods Executive Ph8F3
Greenwoods Executive Ph8F3 is a residential estate located in Pasig City. It provides the modern convenience of a modern community with great facilities to make life easier. The aggregate area is 2,127 sqm with 15 lots for sale.

Greenwoods North
An affordable and quality residential subdivision lot located at Bayanihan, Gapan City, Nueva Ecija. Greenwoods North is a prime subdivision neighbor to Gapan City's modern City Hall right along the "commercial district" of Gapan City, the "Trading Center" of the south western and south eastern towns of Nueva Ecija and the northern town of Bulacan. With its landscaped entrance gate opening right along the bustling Maharlika Highway, the principal arterial network connecting Nueva Ecija to Pampanga, Zambales and the Cagayan Valley, Greenwoods North is accessible from many economic points of Central Luzon. Moreover, the construction of the Olongapo San Fernando-Gapan Road links Gapan and Greenwoods North to the Clark Special Economic Zone and the Subic Bay Freeport Zone.

Greenwoods South
Greenwoods South is a residential property with housing projects located in Batangas City. It sits on a 25,181 sqm area, with 125 lots for sale.

Crown Residence at Harbor Springs
Harbor Spring is a luxury property development that is conceptualized and master planned located at Puerto Princesa, Palawan. It is conveniently located at the center of Sta. Lourdes hot springs and gateway to Honda Bay.

La Breza Tower
La Breza Tower is a 22-storey residential condotel located in Mother Ignacia Street, Quezon City which has 271 units available for sale. It caters to middle class employees and business owners. The total project development cost is estimated at ₱557 million. The project was launched in 2008 and was completed in 2011.The condotel units were sold at an average price of ₱90,000 per sqm.

La Mirada Tower 1
La Mirada Tower is a 15-storey Spanish Mediterranean-inspired residential condominium with a beachfront view located in Lapu-Lapu City, Cebu. It occupies 8,727 sqm. and is comprised of 170 units which were sold at an average price of ₱72,000 per sqm. The total project development cost amounted to approximately ₱359 million.

Luxurre Residences
Luxurre Residences is a residential and commercial community located in Alfonso, Cavite. The community is designed with a clubhouse, basketball court, and swimming pool. Total project land area is 10.2 h.a. and 91.89%

of the lots have been sold at an average price of ₱6,700 per sqm. The total project development cost was approximately ₱61 million. The project was launched in 2010 and completed in 2012.

Mesilo Residences: Nueva Vida
Mesilo Residences: Nueva Vida is a residential property located in Dasmarinas, Cavite. It has 869 residential lots for sale, which sits on a183,451 sqm area property. The project was launched in2010 and completed in 2013.

Neopolitan Business Park
Neopolitan Business Park is a commercial property strategically located in Fairview, Quezon City. It has 36 commercial properties with an aggregate area of 60,197 sqm

Neopolitan Condominium 1
The Neopolitan Condominium is a 9-storey residential condominium located in Fairview, Quezon City. It is designed as a residential project at the center of buzzing city. It covers an area of 1.2 h.a., with 208 units available for sale, of which 61.54% have been sold. The project was launched in 2012 and completed in 2015.

Nottingham Villas Iloilo
Nottingham Villas at Metropolis Iloilo is a collection of townhouse units designed and fitted with features, fixtures and amenities for start-up families and go-getter urban professionals who dream of getting the best of country living with a modern twist.

Nottingham Villas Townhouse
Nottingham Villas Townhouse is a residential townhouse located in Taytay, Rizal. It has 80townhouse for sale with saleable area of15,610sqm. The project was launched in 2013 and completed in 2016.

Nottingham Villas Palawan
Nottingham Villas Palawan is a collection of townhouse units designed and fitted with features, fixtures, and amenities for start-up families and go-getter urban professionals who dream of getting the best nature-inspired living with a modern twist. It is located in the exceptionally beautiful Puerto Princesa, Palawan, home to the famed world wonder, Subterranean River National Park (Underground River).

Orchard Tower 1 (The Olive)
Orchard Tower 1 features 4 residential buildings surrounded by lush greenery that call to mind the wonders of nature. Orchard Tower 1 was launched in 2015 and completed in 2018.

Sierra Vista Ph2A
Sierra Vista Ph2Ais a residential property located in Caloocan City, Manila. It has 11 residential lots for sale, which sits on a 3,654 sqm area. The project was launched in2014 and completed in 2017.This project is 55% sold.

Soto Grande Iloilo
Sotogrande Iloilo is a condotel property located at the crossroads between Pavia and Jaro in Iloilo. It is ideally located for easy accessibility to business and leisure facilities. It offers a quiet retreat within the natural setting of a man-made lake and its lush green surroundings. It sits on 3,697.10 sqm and 135 lots for sale.

Soto Grande Ph2
Soto Grande is a Spanish-Mediterranean inspired community designed both as a vacation getaway and a permanent residence in Tagaytay. The community features a clubhouse, basketball court, and swimming pool. The Company has developed 38 lots within the project’s 1.5 h.a. area, which is being offered at an average price of ₱9,000 per sqm. The total project development cost is estimated at ₱9 million. The project was launched in 2011 and completed in 2013.

Soto Grande Ph3
Soto Grande is a residential subdivision with a 26 hectares Spanish-Mediterranean inspired community designed both as a vacation getaway and a permanent residence located at Barrio of Mendez, Tagaytay City. It sits on 6,860 sqm with 26 lots for sale.

Soto Grande Neopolitan

SotoGrande is a six-storey condotel poised to rise within the Neopolitan Business Park, a master-planned complex by Sta. Lucia Land in Quezon City. Located along Mindanao Avenue and Regalado Highway in Fairview, the Neopolitan Business Park is conveniently at the center of promising developments in this side of the country's capital.

Soto Grande Hotel Davao

Sotogrande Hotel offers both the wealth of natural wonders within a thriving metropolis and the priceless convenience of luxurious living. The name Sotogrande is derived from two Spanish words: "Soto" means riverside grove or thicket and "Grande" means luxurious and majestic. With the refreshing sight of the Davao river nearby and a sprawling mountain view of greeneries everywhere. Sotogrande is true to its name in combining the beauty of nature and the luxury of modern convenience. Sotogrande is conveniently 5 minutes away from Davao international airport, while recreational facilities, malls, health facilities and other commercial establishments are nearby.

South Grove Davao

South Grove is a residential community located in Davao which is 3 km from the city proper. The community is designed with a clubhouse, basketball court, and swimming pool. A total of 136 lots have been developed within the project's 16.2 h.a. land area at an average price of ₱9,750 per sqm. The project was launched in 2011 and completed in 2013**.**

South Spring Laguna

South Spring is the only first class residential subdivision along Biñan National Highway. The 50-hectare residential estate is a welcome respite from busy lives.

Splendido Taal Tower 1

Splendido Taal Towers is a 4-tower project located within a 1,500 sqm. area in Laurel, Batangas. The first tower is an 18-storey high-rise condominium project. The project was designed to complement the Splendido Residential and Golf Course Estate. The total project development cost approximately amounted to ₱390 million. The project was launched in 2008 and completed in 2010.The project is comprised of a total of 212 units of which 58.96% have been sold.

Splendido Taal Tower 2

Splendido Taal Tower 2 is an 18-storey residential and commercial condotel within a 1,500 sqm. area in Laurel, Batangas. The project was designed to complement the Splendido Residential and Golf Course Estate. The total project development cost approximately amounted to ₱390 million. The project was launched in 2012 and completed in 2015.The project is comprised of a total of 267units of which 56.93% have been sold.

Sta. Lucia Residenza – Santorini

Santorini is a condotel and residential property located in Cainta, Rizal, ideal for primary home, a vacation property or a place to retire. The 5th to 15th floor function as a hotel while the condominium units at the 16th to 25th floors offer premium choices – select between studio, 1-bedroom and 2-bedroom units. It sits on a 9,748 sqm area, with 279 lots for sale.

Sta. Lucia Residenze – Monte Carlo

Sta. Lucia Residenze - Monte Carlo is a 20-storey residential condominium located in Cainta, Rizal.It is an Italian inspired-tower purposely outlined in equilateral shape to preserve the scenic view of the city. It is located inside the SLEGM and has 301 units available for sale. The total project development cost is estimated at ₱350 million and of construction has been completed last 2014. The project was launched in 2011 and was completed in 2015**.**

Stradella (formerly East Bel-Air 2)

Stradella is a 6-storey residential and commercial condotel located in Cainta, Rizal. The project offers convenient urban living in a suburban and elegant contemporary setting. Located within the 1 h.a. residential and commercial complex called East Bel-Air. The project was launched in 2012 and completed in 2015.The project is comprised of a total of 143 units of which 37.76% have been sold.

Sugarland Estates

Sugarland Estates is a residential community located in TreceMartirez, Cavite surrounded by lush and verdant greenery. It covers an area of 15.5 hectares, with 7.24 hectares available for sale. The total project development cost was approximately ₱75 million. The project is comprised of a total of 301 lots of which 81.09% have been sold at a selling price of ₱4,000 per sqm. since the project was launched in 2009.

Summer Hills Ph4
Summer Hills is a residential community located in Antipolo, Rizal. The community features a clubhouse, basketball court, and swimming pool. A total of 151 lots have been developed within the project area of 4.1 hectares. The average selling price per lot is ₱5,000 per sqm. The total project development cost was around ₱26 million. The project was launched in 2011 and completed in 2013.

Villa Chiara
Villa Chiara, which covers an area of 5.2 h.a., is a residential estate located in Tagaytay City, Cavite. The project was launched in 2008 and all 56 units have been sold as of June 2019 at an average price of ₱6,500 per sqm. The total project development cost was approximately ₱32 million.

Material Reclassification, Merger, Consolidation or Purchase or Sale of Significant Amount of Assets

The Registrant has sold the Ayala Property to Alphaland, Inc. in April 2008 for Php820 Million.

Business of Issuer

The Registrant's primary purpose is to deal, engage or otherwise acquire an interest in land or real estate development, whether in the Philippines or elsewhere, to acquire, purchase, sell, convey, encumber, lease, rent, erect, construct, alter, develop, hold, manage, operate, administer or otherwise deal in and dispose of, for itself or for others, for profit and advantage, residential, commercial, industrial, recreational, urban and other kinds of real property, such as horizontal and vertical developments as stated in its latest Amended Articles of Incorporation, as of 09 October 2007. Please refer to "Real Property Development" and "Development Activities" sections for the detailed descriptions of the products that are and will be distributed by the Registrant.

Distribution Methods of the Products

The Company has at its disposal the expertise of seven(7) different marketing arms, five (5) of whom work exclusively with the Sta. Lucia Group, namely: Royale Homes Marketing Corp., Orchard Property Marketing Corp., Mega East PropertiesInc., Sta. Lucia Global Inc. and SantaLucia Ventures, Inc. which is a wholly-owned subsidiary of the Company. These marketing firms have a combined local and international sales force of over 120,000, with an extensive knowledge of local demographics. These marketing companies employ various media to promote the Company such as print advertisements in newspapers, online media (such as Facebook, Instagram, Youtube, Twitter), celebrity endorsers, and brokers.

Competition

The residential market is still a highly under-served market with the housing backlog projected to reach 5.6 million by 2030 (myproperty.ph). In this segment, the Company considers Vista Land and Filinvest Land, Inc. as its competitors. The Company believes that the strengths of these competitors lie in their larger landbank holdings and historically, their ability to access funding through the capital markets.

In order to effectively compete, the Company has long adopted the strategy of focusing on the provincial areas that are largely ignored and under-served by its bigger competitors whose projects have, until recently, been concentrated in Metro Manila which is already congested and near saturation. SLI is present in ten regions across the country. The Company believes that sustained growth will come from the provinces and major cities outside of Metro Manila and have therefore prioritized establishing its presence there. The Company believes that its expertise and knowledge in these areas will prove significant as it continues to expand its property footprint in these largely under-served areas. The Company will continue using its sales force, to target a specific customer segment in specific geographic locations. Once identified, potential clients are reached through aggressive advertising and personalized sales services, including after sales support. Such services include assistance in documentation and facilitating access to credit. Its capability to reach out to different locations is made possible through its vast marketing channels, which, by sheer number of sales agents, are able to capture a good portion of the market. Its international offices also make it possible to move closer to markets it serves offshore. Open houses, discounts and promotion are some of the marketing tools the Company employs as part of its sales and marketing strategy.

With respect to the mall business, SM Prime and Robinsons Retail are considered as the main competitors of the Company. Although SLEGM was one of the first malls in the Cainta area, competition has emerged in recent years as new malls were developed by its peers. Despite this however, the Company continued to generate healthy cash flows, retain tenants and even engage newer ones. Its prime location, being located in a major intersection along a major thoroughfare, along with the variety of its affiliated and independent retailers which afford its customers more varied choices and the continuous improvements in both facilities and services have enabled SLEGM to hold its own in this highly competitive retail market.

Suppliers

The Registrant has a broad base of local suppliers and is not dependent on one or limited number of suppliers.

Customers

The Registrant has a broad market base including local and foreign individuals and does not have a customer who/which accounts for twenty percent (20%) or more of the Registrant's sales.

Government Approvals/Regulations

The Registrant, as part of the normal course of business, secures various government approvals such as licenses to sell, development permits and the like.

Environmental Compliance

The Registrant has made efforts to meet and exceed all statutory and regulatory standards on environmental compliance in its normal course of business. In keeping with the Registrant's commitment to sustainable development, all projects are assessed for their environmental impact and, where applicable, are covered by an Environmental Compliance Certificate (ECC) issued by the Department of Environment and Natural Resources prior to construction or expansion. To date, the Registrant is compliant with relevant environmental regulations.

Transactions with Related Parties

The Group in its regular conduct of business has entered into transactions with related parties. Parties are considered to be related if, among others, one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions, the parties are subject to common control or the party is an associate or a joint venture. These accounts are noninterest-bearing and are generally unsecured. The outstanding accounts with related parties shall be settled in cash. The transactions are made at terms and prices agreed-upon by the parties.

The significant transactions with related parties follow:

a. The Parent Company, in the normal course of business, has transactions with the Ultimate Parent Company consisting of non-interest bearing advances for working capital requirements with no fixed repayment terms.

b. Other transactions with the Ultimate Parent Company include noninterest-bearing cash advances for various charges for reimbursements of expenses on gasoline consumption of service vehicles, repairs and maintenance, supplies, rentals for project exhibits and advertising/marketing costs. This pertains to the monthly amortization payment from the buyers of the Parent Company collected by the Ultimate Parent Company due to be remitted to the Parent Company.

c. In 2014, SLLI and SLRDI entered into several memorandums of agreements wherein SLLI undertakes the development and marketing of the several projects of SLRDI and has assumed the position of the development contractor and marketing arm. In consideration of the services rendered by SLLI, SLRDI has agreed to the following:

- Colinas Verdes Bulacan Project - SLRDI has entered into a joint arrangement with Araneta Properties, Inc. (API) for a proceed sharing agreement of 60% SLRDI - 40% API share. SLLI shall be entitled to 75% of SLRDI's share in the joint arrangement and 12% marketing fee on the gross selling price of all sales made from the project;
- Green Meadows Iloilo Project - SLRDI has entered into a joint arrangement with AFP-Retirement and Separation Benefits System (ARSBS) for a lot sharing agreement of 55% SLRDI - 45% ARSBS share. SLLI shall be entitled to 75% of SLRDI's share in the joint arrangement and 12% marketing fee on the gross selling price of all sales made from the project;

- Ponte Verde Davao Project- SLRDI has entered into a joint arrangement with Green Sphere Realty Corporation (GSRC) for a lot sharing agreement of 60% SLRDI - 40% GSRC share. SLLI shall be entitled to 75% of SLRDI's share in the joint arrangement and 12% marketing fee on the gross selling price of all sales made from the project; and

- Valle Verde Davao Project - SLRDI has entered into a joint arrangement with GSRC for a lot sharing agreement of 60% SLRDI - 40% GSRC share. SLLI shall be entitled to 75% of SLRDI's share in the joint arrangement and 12% marketing fee on the gross selling price of all sales made from the project.

  Total share from the proceeds of SLRDI from the joint project development operations amounted to ₱ 152.58 million, ₱180.71 million, and ₱169.51 million in 2020, 2019 and 2018, respectively. The share amounting ₱38.14 million**,** ₱45.18 million, and ₱47.13 million are still to be remitted or offset against the receivable from SLRDI as of December 31, 2020, 2019 and 2018, respectively.

d. Effective October 1, 2014, SLLI directly entered into lease agreements with mall tenants. SLECC and SLLI, on the other hand, entered into a management services agreement effective October 1, 2014 wherein SLECC will provide property management and business development services, leveraging its knowledge in the mall operations from the past years. In exchange of SLECC's services, SLLI shall pay SLECC a management fee equivalent to 5% of the gross rental revenue for managing mall operations including, repairs and maintenance and collection of space rental from storeowners or tenants.

   In addition, the Company has receivables from affiliate mall tenants. This pertains to accrued rental income amounting to ₱36.15 million and ₱57.27 million in 2020 and 2019, respectively.

e. The Parent Company made cash advances for pre-operating costs for various expenses like registration fees, taxes and licenses fees to its marketing arm.

   The advances amounted to nil and ₱2.00 million in 2020 and 2019, respectively.

f. The Parent Company made noninterest-bearing cash advances to officers and directors which is subject to liquidation.

   These advances amounted to ₱11.33 million and ₱14.27 million in 2020 and 2019, respectively.

g. The Parent Company made cash advances to SVI to be used for various administrative and operating expenses. These advances amounted to ₱23.90 million and ₱47.50 million in 2020 and 2019, respectively.

As of December 31, 2020 and 2019, the Group has not made any provision for ECL relating to amounts owed by related parties. There have been no guarantees and collaterals provided or received for any related party receivables or payables. These accounts are noninterest-bearing and are generally unsecured. This assessment of the Group is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Present Employees

As mentioned in Item 1 on Employees/Officers, the Registrant has 160 officers, employees and contractual. The Registrant has embarked to support the increasing demand of workforce for its increasing operations. Hence it anticipates to increase additional employees for the next ensuing year though no exact number of employees is assumed.

The Registrant provides annual salary increases based on the performance. This is made through regular performance assessment and feedback.

Development Activities

Currently, the Registrant is developing a number of vertical and horizontal projects. In addition, there are a lot of future projects that the Registrant has planned to compete to the market demand and real estate industry. The projects that presently have developmental activities are as follows:

Completed Projects:

PROJECT	LOCATION
Alta Vista de Subic*	Zambales
Alta Vista Residential Estate*	Cebu
Antipolo Greenland	Rizal
Aquamira At Saddle Cluster A	Cavite
Aquamira At Saddle Cluster B	Cavite
Aquamira At Saddle Cluster C	Cavite

PROJECT	LOCATION
Almeria Verde Ph. 1	Pangasinan
Arterra Residences at Discovery Bay	Cebu
Beverly Place Pampanga	Pampanga
Cainta Greenland Ph. 3B	Rizal
Cainta Greenland Ph. 3B1	Rizal
Cainta Greenland Ph. 4C2	Rizal
Cainta Greenland Ph. 4J1	Rizal
Cainta Greenland Ph. 9C	Rizal
Colinas Verdes Bulacan Ph. 3	Bulacan
Colinas Verdes Bulacan Ph. 3A	Bulacan
Colinas Verdes Bulacan Ph. 3B	Bulacan
Costa Del Sol Ph. 1	Iloilo
Costa Verde Cavite*	Cavite
Davao Riverfront*	Davao
Eagle Ridge Golf and Residential Estate*	Cavite
East Bel-Air Residences Tower 1	Rizal
Stradella (East Bel-Air Residences Tower 2)	Rizal
East Bel-Air Residences Tower 3	Rizal
El Pueblo Verde	Tarlac
Glenrose Park Cebu*	Cebu
Glenrose Taytay	Rizal
Grand Villas Bauan	Batangas
Green Meadows Iloilo Ph. 1	Iloilo
Green Meadows Tarlac	Tarlac
Greenland Newtown Ph. 2B	Rizal
Greenland Newtown Ph. 2C	Rizal
Green Peak Heights Ph. 1	Rizal
Greenwoods Executive Ph. 8A1	Pasig/Rizal
Greenwoods Executive Ph. 8A2	Pasig/Rizal
Greenwoods Executive Ph. 8A3	Pasig/Rizal
Greenwoods Executive Ph. 8F3	Pasig/Rizal
Greenwoods Executive Ph. 8F4	Pasig/Rizal
Greenwoods Executive Ph. 8F5	Pasig/Rizal
Greenwoods Executive Ph. 9E	Pasig/Rizal
Greenwoods Executive Ph. 2K1	Pasig/Rizal
Greenwoods Executive Ph. 8A4	Pasig/Rizal
Greenwoods Executive Ph. 8G1	Pasig/Rizal
Greenwoods Executive Ph. 9B1	Pasig/Rizal
Greenwoods North Ph. 2	Gapan
Greenwoods North Ph. 3	Gapan

PROJECT	LOCATION
Greenwoods Pasig*	Pasig City
Greenwoods South*	Batangas
Crown Residence at Harbor Springs	Palawan
La Breza Tower	Quezon City
La Mirada At Residencia Devistamar	Cebu
Lakewood City*	Nueva Ecija
Luxurre Residences Cavite	Cavite
Manville Royale Subdivision*	Negros Occidental
Marbella Residences Palawan	Palawan
Mesilo Nueva Vida	Cavite
Metropolis East - Binangonan Ph. 1B	Rizal
Metropolis East - Binangonan Ph. 2	Rizal
Metropoli Residenzia*	Quezon City
Metropolis Greens*	Cavite
Monte Verde Executive*	Rizal
Neopolitan Condominiums Tower 1	Quezon City
Soto Grande Neopolitan	Quezon City
Nottingham Villas Iloilo	Iloilo
Nottingham Villas Palawan	Palawan
Nottingham Villas Townhouse	Rizal
Orchard Towers Pasig Tower 1	Pasig City
Palm Coast Marina*	Manila City
Palo Alto*	Rizal
Pinewoods*	Benguet
Pueblo Del Sol Ph1*	Cavite
Pueblo Del Sol Ph. 2	Cavite
Rizal Technopark*	Rizal
Rizal Technopark Ph. 2S1	Rizal
Rizal Technopark Ph. 2D1	Rizal
Rizal Technopark Ph. 2F	Rizal
Rizal Technopark Ph. 2G	Rizal
Rockville Cavite	Rizal
Sierra Vista Resident'L Estate	Manila
Sotogrande Ph. 2	Cavite
Sotogrande Ph. 3	Cavite
Sotogrande Hotel Davao	Davao
Sotogrande Iloilo Ph. 1	Iloilo
South Groove Davao	Davao
South Pacific Golf & Leisure Estate*	Davao
Southfield Executive Village*	Cavite

PROJECT	LOCATION
South Spring Laguna Ph. 1C	Laguna
South Spring Laguna Ph. 1C1	Laguna
South Spring Laguna Ph. 1C2	Laguna
South Spring Laguna Ph. 1D	Laguna
South Spring Laguna Ph. 1E	Laguna
South Spring Laguna Ph. 1F	Laguna
Splendido Taal Tower 1	Cavite
Splendido Taal Tower 2	Cavite
Sta. Barbara Royale Ph.1A	Quezon City
Sta. Lucia Residenze – Montecarlo	Rizal
Sta. Lucia Residenze – Santorini	Rizal
Sugarland Estates	Cavite
Summer Hills Executive Ph. 4	Rizal
Summer Hills Executive Ph. 4A	Rizal
Summer Hills Executive Ph. 4B	Rizal
Tagaytay Royale*	Cavite
Villa Chiara Tagaytay	Rizal
Vista Mar Residential Estate*	Cebu

**Projects that were infused by SLRDI.*

On- Going Projects:

PROJECT	LOCATION
Acropolis Loyola	Quezon City & Marikina City
Almeria Verde Ph. 1A	Pangasinan
Altea Ciudades Davao	Davao
Altezza @ Evergreen Panabo	Davao
Blue Mountains Comml & Res Est	Rizal
Blue Ridge At Monterosa	Iloilo
Cainta Greenland Ph. 4C1	Rizal
Cambridge Place Batangas	Batangas
Catalina Lake Bauan	Batangas
Catalina Lake Palawan	Palawan
Colinas Verdes Bulacan Ph. 1A	Bulacan
Colinas Verdes Bulacan Ph. Estate Lots	Bulacan
Costa Mesa @ Evergreen Panabo	Davao
Costa Verde Alangilan	Batangas
Golden Meadows Binan Ph. 2C	Laguna
Golden Meadows Palawan	Palawan
Golden Meadows Sta Rosa 1A	Laguna
Golden Meadows Sta Rosa 2E	Laguna
Green Meadows Bauan Batangas	Batangas
Green Meadows at the Orchard Ph. 2	Cavite
Green Meadows at the Orchard Ph. 2A	Cavite
Green Meadows Digos	Davao
Green Meadows Iloilo Ph. 2	Iloilo
Green Meadows Iloilo Ph. 3	Iloilo
Green Peak Heights Ph. 2	Rizal
Green Peak Palawan Ph. 1	Palawan
Green Peak Palawan Ph. 2	Palawan
Greenridge Executive Ph. 4A	Rizal
Greenridge Executive Ph. 4B	Rizal
Greenwoods Executive Ph. 1A2	Pasig/Rizal
Greenwoods Executive Ph. 540	Pasig/Rizal
Greenwoods Executive Ph. 6S9	Pasig/Rizal
Greenwoods Executive Ph. 8D6	Pasig/Rizal
Greenwoods Executive Ph. 8D7	Pasig/Rizal
Greenwoods Executive Ph. 8F6	Pasig/Rizal
Greenwoods Executive Ph. 9D1	Pasig/Rizal
Greenwoods Executive Ph. 9F	Pasig/Rizal
Greenwoods South Ph. 4A	Batangas
Hacienda Verde Iloilo	Iloilo
Hamptons Residences Angono	Rizal
Industrial Estates (Solana)	Tagum City
La Alegria Negros Occidental	Bacolod City
La Huerta Calamba Ph. 1	Laguna
La Huerta Calamba Ph. 2	Laguna
Las Colinas @ Eden	Davao

PROJECT	LOCATION
Los Rayos Tagum	Tagum City
Marbella Davao	Davao
Metropolis East - Binangonan Ph. 1D	Rizal
Metropolis East - Binangonan Ph. 2A	Rizal
Metropolis Iloilo	Iloilo City
Mira Verde Bulacan Ph. 3	Bulacan
Mira Verde Bulacan Ph. 3a	Bulacan
Monte Verde Davao Ph. 1	Davao
Monte Verde Davao Ph. 2	Davao
Monte Verde Davao Ph. 3	Davao
Monte Verde Davao Ph. 4	Davao
Monte Verde East Montalban	Rizal
Monte Verde Executive Ph. 4A	Rizal
Monte Verde Executive Ph. 4B	Rizal
Monte Verde Executive Ph. 4C	Rizal
Montebello @ Evegreen Panabo	Davao
Monterey @ Evergreen Panabo	Davao
Nasacosta Cove Batangas	Batangas
Orchard Res Estate & Golf Country Club Ph. 1A2	Cavite
Orchard Res Estate & Golf Country Club Ph. 5B	Cavite
Orchard Residential Davao	Digos City
Oro Vista Grande	Rizal
Palo Alto Executive Village Ph. 2	Rizal
Palo Alto Executive Village Ph. 3	Rizal
Ponte Verde Davao Ph. 1	Davao
Ponte Verde Davao Ph. 2	Davao
Ponte Verde Davao Ph. 3	Davao
Ponte Verde Davao Ph. 4	Davao
Ponte Verde De Sto Tomas Batangas	Batangas
Seville Davao	Davao
Soller Mandug Davao	Davao
Sonoma Place	Palawan
Sotogrande Katipunan	Quezon City
South Coast Batangas Ph. 1	Batangas
South Coast Batangas Ph. 1A	Batangas
Spring Oaks Residence Ph. 4	Laguna
St. Charbel Dasmarinas	Cavite
Summit Point Golf & Res Estate Ph. 3	Batangas
Summit Point Golf & Res Estate Ph. 3A	Batangas
Summit Point Golf & Res Estate Ph. 3B	Batangas
Summit Point Golf & Res Estate Ph. 3C	Batangas
Summit Point Golf & Res Estate Ph. 3D	Batangas
Summit Point Golf & Res Estate Ph. 3E	Batangas
Summit Point Golf & Res Estate Ph. 4	Batangas
Sunnyvale @ Evergreen Panabo	Davao
Tierra Verde	Digos City
Valencia Homes	Palawan

PROJECT	LOCATION
Valle Verde Davao Ph. 1	Davao
Valley View Executive	Rizal
Vermont Park Executive Ph. 4I	Rizal
Villa Chiara Tagaytay Ph. 1A&1B	Rizal
Wood Ridge Iloilo	Iloilo
Woodside Garden Village	Pangasinan
Yanarra Seaside Residences Ph. 1A	Batangas
Yanarra Seaside Residences Ph. 2A	Batangas

The Company plans to expand, should the market conditions permit, in the following projects, but not limited to;

1. Orchard Towers
2. Splendido Towers
3. Sta. Lucia Residences
4. East-bel Air Residences
5. Neopolitan Condominiums
6. Monte Verde Digos Expansion
7. Ponte Verde Davao Expansion
8. Nasacosta Batangas Expansion
9. Valle Verde Cebu
10. La Mirada Tower 2
11. Greenridge Expansion
12. Lipa Royale Expansion
13. South Spring Expansion
14. Greenwoods Executive Expansion

On January 19, 2009 at its Executive Committee Meeting, the Registrant resolved to enter into a joint venture agreement with Royale Homes Realty and Dev't., Inc. for the development of Antipolo Greenland Phase II, Mr. Antonio C. Rivilla for Green Meadows Tarlac, Great Landho, Inc. for Sugarland, Darnoc Realty and Dev't. Corp. for South Coast and Surfield Dev't. Corp., Boyd Dev't. Corp., and Paretti Dev't. Corp. for La Panday Prime Property.

On February 12, 2010, the Registrant in its Executive Committee Meeting resolved to sign the joint venture agreement with Mr. John Gaisano et al. for the development of several parcels of land in Matina Crossing, Davao which has a total area of 162, 140 square meters known as the Costa Verde Subdivision.

On August 4, 2010, the Registrant, at its Executive Committee Meeting, resolved to approve the joint venture agreement with General Milling Corporation (GMC) with a 132,065 square meter property located in the old and new Bridge of Mactan Island to Cebu proper. Also, a second joint venture with spouses Gloria-Sulit-Lenon of a piece of property located in San Mateo, Rizal with an area of 34, 703 square meters. Lastly, the 3rd joint venture agreement with SJ properties, Joseph O. Li et al. to develop a 102, 477 square meter property in Kaytitinga, Alfonso, Cavite was approved.

On September 17, 2010 at the Special Meeting of the Board of Directors, the Registrant resolved to enter a joint venture agreement with San Ramon Holdings, Inc. for the development of a parcel of land located in Canlubang, Calamba, Laguna.

On February 07, 2011 at the meeting of the Executive Committee, the Registrant approved the joint venture agreement among Sept. Company Inc (SCI), Antonio Rivilla, and the Company, to develop parcel of land situated Barrio San Antonio Abagon & Poblacion Municipality of Gerona, Tarlac with a total area of 155, 153 sq m into a residential and commercial subdivision.

On February 09, 2011 at the meeting of the Executive Committee, the Company has entered into a joint venture agreement with Sta. Lucia Realty and Development, Inc. for a development of a commercial subdivision located in Barrio of Dumuclay, Batangas City. In addition, the Company also entered a joint venture agreement with

Anamel Builders Corporation (ABC) to develop a parcel of land owned by ABC located in the City of Gapan Nueva Ecija, with an aggregate area of 136,059 square meters in a residential subdivision.

On March 16, 2011 at the meeting of the Executive Committee, the Registrant approve the joint venture agreement between First Batangas Industrial Park Inc. to develop several parcels of land situated in the Brgys.of Manghinao and Balayong Bauan, Batangas with an aggregate area of 538,138 sq m.

In the Executive Committee meeting held on October 20, 2011, the Registrant entered into a joint venture agreement with Rexlon Realty Group Inc. to develop a parcel of land in Brgy. Kaybiga, Caloocan City into a residential subdivision, with an aggregate area of 5,550 sq m.

In the Organizational Meeting of the Board of Directors of the Corporation held immediately after the Annual Stockholder's Meeting on June 29, 2012, the Board of Directors authorized the Registrant to enter into joint venture agreements with Royale Homes Realty and Development Corporation with respect to the development of certain properties located in Brgy. Pasong Matanda, Cainta Rizal and Brgy. Sta. Ana Taytay, Rizal, with Melissa Ann L. Hechanova, Maria Angela M. Labrador, and Vivian M. Labrador for the development of a parcel of land situated in Brgy. Cabangan, Subic, Zambales, with Rapid City Realty & Development Corporation with respect to the development of properties in Antipolo City and the Municipalities of Baras, Tanay, Teresa, Province of Rizal.

On October 4, 2012 at the Special Meeting of the Executive Committee, the Registrant was authorized to enter into joint venture agreements with the following:

a. Trillasun Realty and Development Corporation, with respect to the development of certain properties in Brgy. Dumoclay, Batangas City
b. Sta. Lucia Realty and Development, Inc., with respect to the development of certain parcels of land in Taytay, Rizal and Bario Mendez, Tagaytay City
c. Royale Homes Realty and Development, Inc., with respect to the development of properties in Imus, Cavite;
d. Carlos Antonio S. Tan and Mark Davies S. Santos, with respect to the development of certain properties in Cainta, Rizal
e. Irma SB. Ignacio-Tapan, with respect to the development of certain properties in Cainta, Rizal
f. MFC Holdings Corporation, with respect to the development of properties in Brgy. Tolotolo, Consolacion, Cebu.

At the special meeting of the Board of Directors held on December 12, 2012 at the principal office of the Company, the Registrant was authorized to enter into joint venture agreements with various parties with respect to the expansion of various existing projects, involving the following properties:

a. A parcel of land with an area of 29,950 sq m situated in Brgy. Ampid, San Mateo, Rizal;
b. A parcel of land with an area of 72,767 sq m situated in Barrio Lapit, Urdaneta City, Pangasinan;
c. A parcel of land with an area of 8,906 square meters situated in Barrio Muzon, Angono, Rizal;

Also, the registrant was authorized to acquire the following properties:

a. A parcel of land with an area of 1,230 sqm in Quezon City,
b. A parcel of land in Barrio Inosluban, Buclanin, Lipa, 7,895 sqm
c. A parcel of land in Mexico, Pampanga, 61,486 sqm

At the Special Meeting of the Registrant's Board of Directors held on 18 April 2013, the following resolutions on entering to Joint Ventures and acquiring parcels of land were discussed and approved:

For the development of a parcel of land located in Davao City owned by Greensphere Realty & Development Corp.;

a. For the expansion of the Registrant's project known as Palo Alto, located in Tanay, Rizal, involving parcels of land owned by Sta. Lucia Realty and Development, Inc. and Milestone Farms, Inc.;
b. For the expansion of the Registrant's project known as Rizal Techno Park, located in Taytay, Rizal, involving parcels of land owned by Royal Homes Realty & Development Corporation and JFG Construction and Development Services with an aggregate area of 10,100 square meters;

c. For the expansion of the Registrant's project known as Greenwoods Executive Village, located in Pasig City, involving a parcel of land owned by St. Botolph Development Corp. with an area of 5,558 square meters;
d. For the expansion of the Registrant's project known as Cainta Greenland, located in Cainta, Rizal, involving a parcel of land owned by Sta. Lucia Realty and Development, Inc. with an area of 5,019.5 square meters;
e. Seven parcels of land located at Barangay San Juan, Taytay, Rizal, with an aggregate area of 4,865.49 square meters, owned by Carmencita M. Estacio, Adela O. Leyca, Manuel Medina, Lucia M. Del Rosario, Ireneo O. Medina, Leopoldo O. Medina, and Bonifacio O. Medina; and
f. A parcel of land located in Lipa, Batangas with an area of 7,895 square meters, owned by Benito Magaling and Divina Tupaz.

On April 1, 2014, the Board approves a resolution authorizing the Registrant to enter into joint ventures involving the development of a new project located in Cebu with an area of 537,011 sq.m and to amend the Articles of Incorporation of the Company to extend the corporate term by 50 years together with the following:

Resolutions authorizing the Registrant to acquire the following:
1. Parcel of land at Sun City Expansion, Davao, 24,578 sqm
2. Parcel of land in Golden Meadows Sta. Rosa, 51,500 sqm
3. Parcel of land located in Greenwoods Batangas, 32,312sqm
4. Parcel of land in Lipa Royale Batangas, 9,421 sqm

Resolutions authorizing the Registrant to enter in joint ventures involving the following:
1. Development of Rizal Techno Park Taytay, 10,100sqm
2. Development of a new project in Puerto Princesa, 20,000 sqm
3. Development of land in Palawan, 61,315sqm
4. Development of parcel of land located in Greenwoods South , 32,314sqm
5. Expansion in Davao, 9,841sqm
6. Development of new project in Cebu, 537,011sqm
7. Development of project in Davao, 36,913sqm
8. Development of project on Ponte Verde, Davao, 28,000sqm

On July 1, 2014, the following were resolved by the Board to acquire:
1. Parcel of land in Batangas City, 9315.5 sqm
2. Parcel of land in Batangas City, 3,087 sqm
3. Parcel of land in Taytay, 6,302 sqm

And a resolution was made to authorize the Registrant to enter into a joint venture for the development of a new project in Dagupan, Pangasinan, 77,001 sqm.

At the Special Meeting of the Board of Directors, on 21 April 2015, the following resolutions were discussed and approved:

1. Development of a project located in Ponte Verde Davao with an area of 36,915 and 28,751 sqm
2. Development of a new project in Eden Davao with area of 985,292 sq.m.
3. Development of new project in Cainta Rizal with an area of 16,026 sq. m.
4. Development of new project in Taytay Rizal with an area of 8,318 sqm
5. Development of 7 projects in Barrio San Miguel Pasig with an area of 8,423 sqm
6. Development of new project in Bauan Batangas with an area of 246,653 sqm
7. Development of new project in Binangonan Rizal with an area of 24,492.62 sqm
8. Development of new project in Sta. Rosa Laguna with an area of 27,500 sqm
9. Development of new project in Bario Pasong Matanda Cainta Rizal with an area of 51,969 sqm
10. Land acquisition of parcels of land in Bauan Batangas
11. Land acquisition of parcels of land in Jaro, Iloilo City
12. Parcel of land in Taytay, 6,302 sqm

Further, at the Annual Stockholders Meeting of the Company held on 19 June 2015, the following resolutions authorizing the Company to enter into joint ventures and land acquisitions were authorized:
1. Development of a project located in San Juan Cainta with an area of 8,697 sqm
2. Development of a new project in Brgy. Tagburos Puerto Princesa Palawan with an area of 12,000

3. Development of new project in Tagaytay with an area of 178,397 sqm
4. Development of new project in Jaro Iloilo with an area of 12,000sqm
5. Development of new project in Davao with an area of 43,137 sqm
6. Parcels of land located in Cainta Rizal with a n area of 10,110 sqm
7. Parcels of land located in San Juan Taytay with a n area of 893sqm
8. Parcels of land located in Inosluban Lipa with an area of 9,421 sqm
9. Parcels of land located in Dasmarinas Cavite with an area of 100,000 sqm

At the Special Meeting of the Board of Directors of the Registrant held on 23 September 2015 at East-Bel Air Residences Clubhouse, Felix Ave, Cainta, Rizal, the following resolutions were discussed and approved:

Authorizing the Registrant to enter into joint ventures involving the following:

1. Development of 3 projects located in Brgy. Sta. Ana, Taytay, Rizal with an aggregate area of 18,104 sq.m.;
2. Development of a new project located in Brgy. Mahabang Sapa, Cainta, Rizal with an area of 17,352 sq.m.;
3. Development of 4 projects located in Brgy. San Juan, Cainta, Rizal with an aggregate area of 24,753 sq.m.;
4. Development of a project in Cainta, Rizal with an area of 4,424 sq.m.;
5. Development of a project in Brgy. Pag-asa, Binangonan, Rizal with an area of 28,535.62 sq.m.;
6. Development of 2 projects located in Bo. of Tuctucan and Panginay, Guiguinto, Bulacan with an aggregate area of 40,286 sq.m.;
7. Development of a project in Bo. Sinalhan, Sta. Rosa, Laguna with an area of 27,500 sq.m.; and
8. Development of a project in Brgy. Quirino, Quezon City with an area of 1,100 sq.m.

Authorizing the Registrant to acquire the following:

1. Parcel of land located in Bo. Canigaran, Puerto Princesa City with an area of 6,358 sq.m.;
2. Parcels of land located in Barrio dela Paz, Biñan, Laguna with a total area of 15,484 sq.m.; and
3. Parcel of land located in Brgy. Panapaan, Bacoor, Cavite with an area of 370 sq.m.

At a Special Meeting of the Board of Directors of the Company held on 03 February 2016 at the principal office of the Company the following were discussed and approved:

1. Development of a project located in Pavia and Manduriao, Iloilo City with an area of 688,477 sq.m.;
2. Development of a project located in Bo. Sacsac, Cebu with an area of 33,848 sq.m.;
3. Development of a project located in Bauan, Batangas with an area of 84,339 sq.m.;
4. Development of a project located in Bo. Dela Paz, Biñan, Laguna with an area of 13,700 sq.m.;
5. Development of a project located in Sto. Tomas, Batangas with an area of 37,746 sq.m.;
6. Development of a project located in Binangonan, Rizal with an area of 28,535.62 sq.m.;
7. Development of a project located in Dasmariñas, Cavite with an area of 44,692 sq.m.;
8. Development of a project located in Bo. Mayamot, Antipolo City with an area of 8,471 sq.m.;
9. Development of a project located in Brgy. Sta. Ana, Taytay, Rizal with an area of 7,725 sq.m.

And

1. Parcel of land located in Cavite with an area of 34,382 sq.m.;
2. Parcel of land located in Bo. dela Paz, Biñan, Laguna with an area of 10,322 sq.m.;
3. Parcel of land located in Bo. Sinalhan, Sta. Rosa, Laguna with an area of 5,500 sq.m.;
4. Parcel of land located in Santolan, Pasig City with an area of 1,977.50 sq.m.;
5. 21 parcels of land located in Calamba, Laguna with a total aggregate area of 315,361.97 sq.m.;
6. Parcel of land located in n San Antonio, Biñan, Laguna with an area of 2,000 sq.m.
7. Parcel of land located in Dasmariñas, Cavite with an area of 300,000 sq.m.;
8. 11 parcels of land located in Bo. Manghinao I, Bauan, Batangas with a total aggregate area of 89,942 sq.m.;
9. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 11,522 sq.m.;
10. 8 parcels of land located in Bauan, Batangas with a total aggregate area of 85,455 sq.m.;
11. 3 parcels of land located in Biñan, Laguna with a total aggregate area of 16,622 sq.m.;
12. 2 parcels of land located in Matinao, Polomolok, Gen. Santos City with a total aggregate area of 95,579 sq.m.;

13. Parcel of land located in Brgy. Iruhin, Tagaytay City with an area of 299 sq.m.

On 17 June 2016, the following were approved by the Board:

1. Development of a project located in Brgy. Tagburos, Puerto Princesa, Palawan with an area of 187,115.50 sq.m.;
2. Development of a project located in Silay City, Negros Occidental with an area of 677,880 sq.m.;
3. Development of a project located in Brgy. Sta. Ana, Taytay, Rizal with an area of 3,053 sq.m.; and
4. Development of a project located in Bo. Mayamot, Antipolo City with an area of 8,471 sq.m.

Resolutions authorizing the Corporation to acquire the following:

1. Parcels of land located in District of Jaro, Iloilo City with a total area of 7,500 sq.m.;
2. Parcel of land located in Bo. Inosluban, Lipa City, Batangas with an area of 27,752 sq.m.;
3. Parcel of land located in Biñan, Laguna with an area of 13,302 sq.m.;
4. Parcel of land located in Bo. Sinalhan, Sta. Rosa, Laguna with an area of 14,814 sq.m.;
5. Parcel of land located in Bo. Tiniguiban, Puerto Princesa, Palawan with an area of 37,895 sq.m.;
6. Parcel of land located in Sta. Barbara, Iloilo City with an area of 104,464 sq.m.;
7. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 11,759 sq.m.;
8. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 13,464 sq.m.;
9. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 5,569 sq.m.;
10. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 14,444 sq.m.;
11. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 12,933 sq.m.;
12. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 17,884 sq.m.;
13. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 12,904 sq.m.;
14. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 15,594 sq.m.;
15. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 5,166 sq.m.;
16. Parcel of land located in Bo. Balayong, Bauan, Batangas with an area of 10,927 sq.m.;
17. Parcel of land located in Brgy. Ulango, Calamba, Laguna with an area of 12,688 sq.m.;
18. Parcel of land located in Biñan, Laguna with an area of 3,130 sq.m.;
19. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 16,832 sq.m.;
20. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 15,781 sq.m.;
21. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 11,628 sq.m.;
22. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 16,636 sq.m.;
23. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 18,064 sq.m.;
24. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 16,636 sq.m.;
25. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 11,595 sq.m.;
26. Parcel of land located Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 96,295 sq.m.;
27. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 40,538 sq.m.;
28. Parcel of land located in Bo. Pulanbato, Cebu City with an area of 13,819 sq.m.;
29. Parcel of land located in Bo. Darangan, Binangonan, Rizal with an area of 29,170 sq.m.;
30. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 11,595 sq.m.;
31. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 96,295 sq.m.;
32. Parcel of land located in Brgy. Cabugao Sur, Sta. Barbara, Iloilo City with an area of 40,538 sq.m.;
33. Parcel of land located in Bo. Canlalay, Biñan, Laguna with an area of 2,609 sq.m.;
34. Parcel of land located in Zamboanga City with an area of 267,657 sq.m.;
35. Parcel of land located in Zamboanga City with an area of 18,600 sq.m.; and
36. Parcel of land located in Brgy. Tagburos, Puerto Princesa, Palawan with an area of 187,115.50 sq.m.

At the Special Meeting of the Board of Directors of the Corporation held on 23 November 2016 at the principal office of the Corporation, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of a project located in Jaro, Iloilo with an area of 96,422 sq.m.;
2. Development of a project located in Batangas with a total area of 119,389 sq.m.;
3. Development of a project located in Cebu City with an area of 12,792 sq.m.;
4. Development of a project located in Rizal with a total area of 308,340 sq.m.;
5. Development of a project located in Davao City with an area of 300,000 sq.m.;
6. Development of a project located in Pasig City with an area of 7,329 sq.m;

7. Development of a project located in Nueva Ecija with an area of 98,848 sq.m.; and
8. Development of a project located in Tagaytay City with an area of 29,640 sq.m.

Resolutions authorizing the Corporation to acquire the following:

1. Parcel of land located in Jaro, Iloilo with a total area of 216,520 sq.m.;
2. Parcel of land located in Baguio City with an area of 9,822 sq.m.;
3. Parcel of land located in Tagaytay City with an area of 21,888 sq.m.
4. Parcel of land located in Panacan, Davao City with an area of 28,751 sq.m.;
5. Parcels of land located in Calamba with a total area of 107,514 sq.m.;
6. Parcels of land located in Batangas with a total area of 142,677 sq.m.;
7. Parcel of land located in Rizal with an area of 208 sq.m.;
8. Parcel of land located in Quezon with an area of 4,211 sq.m.; and
9. Parcels of land located in Antipolo City with a total area of 6,072 sq.m.

At the Special Meeting of the Board of Directors of the Corporation held on 17 February 2017 at the principal office of the Corporation, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the corporate note of the Corporation

Subject to securing all required approvals under applicable laws, rules and regulations, the Corporation was authorized to negotiate and avail of a ten (10) year Corporate Note Facility with financial institutions, with a maximum of nineteen (19) investors, for an aggregate amount of PhP 3 Billion and with an overallotment option of PhP 2 Billion, for the pre-payment of existing obligations of the Corporation, strategic land banking, capital expenditures for ongoing and new projects, and general corporate purposes.

Resolution authorizing the opening of bank lines with Maybank Philippines, Inc.

The Corporation was authorized to open a one (1) year, PhP 250 Million credit line with Maybank Philippines, Inc. under terms and conditions that are in the best interest of the Corporation.

1. Resolutions authorizing the Corporation to enter into joint ventures involving the following:
2. Development of a project located in Cebu with a total area of 8,644 sq.m.;
3. Development of a project located in Davao with a total area of 891,804 sq.m.;
4. Development of a project located in Batangas with a total area of 444,769 sq.m.;
5. Development of a project located in Nasugbu, Batangas covering various titles;
6. Development of a project located in Rizal with an area of 47,607 sq.m.;

Resolutions authorizing the Corporation to acquire the following:

1. Parcel of land located in Davao with a total area of 67,695 sq.m.;
2. Parcel of land located in Batangas with an area of 8,118 sq.m.;
3. Parcel of land located in Palawan with an area of 3,721 sq.m.;
4. Parcels of land located in Rizal with a total area of 4,613 sq.m.;
5. Parcels of land located in Iloilo with a total area of 7,394 sq.m.;
6. Parcel of land located in Cavite with an area of 8,848 sq.m..

At the Special Meeting of the Board of Directors of the Corporation held on 27 April 2017 at the Choi Garden, Greenhills, San Juan City, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Annual Stockholders' Meeting Date and Venue
The Annual Stockholders' Meeting for 2017 was set on 22 June 2017, 8:00 a.m. to be held at Il Centro, Sta. Lucia Mall, Marcos Highway cor. Imelda Ave., Cainta, Rizal.

Resolution approving the New Corporate Governance Manual

Pursuant to SEC Memorandum Circular No. 19 Series of 2016, the New Corporate Governance Manual of the Corporation was approved.

Resolution authorizing the Corporation to negotiate and deal with Multinational Investment Bancorporation for a loan

The Corporation was authorized to negotiate and deal with Multinational Investment Bancorporation for opening of a credit line for availment of unsecured loans of up to PhP 2 Billion.

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of a project located in Davao with a total area of 901,804 sq.m.;
2. Development of a project located in Batangas with an area of 254,836 sq.m.;
3. Development of a project located in Iloilo with a total area of 34,551 sq.m.;
4. Development of a project located in Rizal with a total area of 15,662 sq.m.;
5. Development of a project located in Aurora with an area of 490,173.56 sq.m.;
6. Development of a project located in Cavite with an area of 35,054 sq.m..
7. Development of a project located in Cebu with an area of 8,470 sq.m.;

Resolutions authorizing the Corporation to acquire the following:

1. Parcel of land located in Cavite with an area of 11,684 sq.m.;
2. Parcel of land located in Batangas with a total area of 19,309 sq.m.;
3. Parcel of land located in Davao with a total area of 248,889 sq.m.;
4. Parcels of land located in Iloilo with an area of 8,527 sq.m.;
5. Parcels of land located in Rizal with an area of 159,696 sq.m.;

Resolution authorizing the Corporation to negotiate and deal with Manulife China Bank Life Assurance Corporation

The Corporation was authorized to negotiate and deal with Manulife China Bank Life Assurance Corporation in connection with the employee retirement plan for the benefit of the Corporation's employees.

On June 22, 2017, the following resolutions were approved by the Board of Directors;

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of a project located in Cavite with an area of 46,739 sq.m.

Resolutions authorizing the Corporation to acquire the following:

1. Parcel of land located in Pangasinan with an area of 121,496 sq.m.;
2. Parcels of land located in Batangas with a total area of 124,677 sq.m.; and
3. Parcels of land located in Iloilo with a total area of 58,731 sq.m..

At the Special Meeting of the Executive Committee held on 14 September 2017 at the principal office of the Corporation, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution authorizing the Corporation to enter into a joint venture involving the development of a project located in Palawan with a total area of 212,890 sq.m.;

Resolutions authorizing the Corporation to acquire the following:

1. Parcel of land located in Quezon City with a total area of 53,133 sq.m.;
2. Parcel of land located in Palawan with a total area of 23,461 sq.m.;
3. Parcel of land located in Batangas with a total area of 31,254 sq.m.;
4. Parcel of land located in Davao with a total area of 22,991 sq.m.;
5. Parcel of land located in Laguna with a total area of 17,339.29 sq.m
6. Parcel of land located in Marikina City with a total area of 355,310 sq.m.;

At the Special Meeting of the Board of Directors of the Corporation held on 08 January 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Organizational Meeting held on 22 June 2017

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of a project located in Baguio City with an area of 1,949 sq.m.;
2. Development of a project located in Bulacan with a total area of 715,410 sq.m.;
3. Development of a project located in Quezon City with an area of 1,560 sq.m.;
4. Development of a project located in Cavite with an area of 8,109 sq.m.;
5. Development of a project located in Rizal with a total area of 68,493 sq.m.;
6. Development of a project located in Batangas with an area of 383,069 sq.m.;
7. Development of a project located in Palawan with a total area of 178,762 sq.m.; and
8. Development of a project located in Negros Occidental with an area of 69,000 sq.m.

Resolutions authorizing the Corporation to acquire the following:

1. Parcel of land located in Dagupan City with an area of 803 sq.m.;
2. Parcel of land located in Cavite with an area of 8,109 sq.m.;
3. Parcels of land located in Laguna with a total area of 62,369 sq.m.;
4. Parcels of land located in Batangas with a total area of 524,015 sq.m.;
5. Parcels of land located in Rizal with a total area of 29,465 sq.m.;
6. Parcel of land located in Iloilo with an area of 99,778 sq.m.;
7. Parcel of land located in Davao with an area of 50,000 sq.m.; and
8. Parcel of land located in General Santos City with an area of 239,000 sq.m.

Resolution authorizing the opening of a US$ bank account with Security Bank Corporation

Resolution approving negotiations for and availing of a corporate note of the Corporation

Subject to securing all required approvals under applicable laws, rules and regulations, the Corporation was authorized to negotiate and avail of a seven (7) year Corporate Note Facility with financial institutions, with a maximum of nineteen (19) investors, for an aggregate amount of PhP 3 Billion and with an overallotment option of PhP 2 Billion, for the pre-payment of existing obligations of the Corporation, the financing of project development costs, and general corporate purposes.

Resolution authorizing the establishment of the Board of Trustees for the Sta. Lucia Land Retirement Plan

At the Special Meeting of the Board of Directors of the Corporation held on 07 February 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 08 January 2018;

Resolution authorizing the Corporation to enter into a joint venture involving the development of a project located in Pangasinan with an area of 67,176.50 sq.m.;

Resolution authorizing the Corporation to acquire a parcel of land located in Pangasinan with an area of 67,176.50 sq.m.;

Resolution authorizing the Corporation to donate parcels of land located in the City of Tanauan with a total area of 2,815 sq.m.;

Resolution authorizing the Corporation to participate in the Armed Forces of the Philippines Retirement and Separation Benefits System ("AFPRSBS") bidding for a property located in Iloilo;

Resolutions authorizing the opening of bank accounts with Development Bank of the Philippines, East West Banking Corporation and Bank of the Philippine Islands.

At the Special Meeting of the Board of Directors of the Corporation held on 24 April 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 07 February 2018;

Resolution setting the date of the Annual Stockholders' Meeting of the Corporation for the year 2018 on Thursday, 21 June 2018, 8:00 a.m., at Il Centro, Sta. Lucia Mall, Marcos Highway cor. Imelda Ave., Cainta, Rizal;

Resolution setting the record date on 21 May 2018 for purposes of determining the list of stockholders of the Corporation who are entitled to notice of, and to vote at, the Annual Stockholders' Meeting;

Resolutions authorizing the Corporation to acquire the following:

1. Parcels of land located in Bauan, Batangas with a total area of 14,870 sq.m.;
2. Parcels of land located in Carmen, Cebu with a total area of 231,280 sq.m.;
3. Parcels of land located in Sta. Barbara, Iloilo with a total area of 70,200 sq.m.;
4. Parcel of land located in Plaridel, Bulacan with an area of 3,155.50 sq.m.;
5. Parcel of land located in San Mateo, Rizal with an area of 160,003 sq.m.;
6. Parcel of land located in Puerto Princesa, Palawan with an area of 11,058 sq.m.;
7. Parcel of land located in Davao City with an area of 50,000 sq.m.;
8. Parcel of land located in San Pascual, Batangas with an area of 26,008 sq.m.; and
9. Parcel of land located in Dasmariñas, Cavite with an area of 6,081 sq.m.

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of a project located in Mandaue, Cebu with an area of 317,543 sq.m.
2. Development of a project located in Dagupan, Pangasinan with an area of 12,328 sq.m.;
3. Development of a project located in Angono, Rizal with an area of 50,532 sq.m.;
4. Development of a project located in Batangas with an area of 215,481 sq.m.; and
5. Development of a project located in Dasmariñas, Cavite with an area of 38,431 sq.m.

Resolutions authorizing the Corporation to open accounts with the following:

1. Bank of China;
2. Bank of Commerce;
3. AB Capital Securities, Inc.;
4. Regina Capital Development Corporation;
5. SB Equities Inc.;
6. Philippine Equity Partners, Inc.;
7. Deutsche Regis Partners, Inc.;
8. BPI Securities;
9. Yap Securities, Inc.;
10. Rizal Commercial Banking Corporation;
11. China Banking Corporation;
12. Amalgamated Investment Bancorporation; and
13. Security Bank Corporation.

At the Special Meeting of the Board of Directors of the Corporation held on 28 September 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Organizational Meeting of the Board of Directors held on 21 June 2018;

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of a project located in Rizal with an area of 18,222 sq.m.
2. Development of projects located in Batangas with a total area of 60,621 sq.m.;
3. Development of a project located in Antipolo City with an area of 51,630 sq.m.; and
4. Development of a project located in Bulacan with an area of 14,038 sq.m.

Resolutions authorizing the Corporation to enter into a joint venture with Sta. Lucia Realty & Dev., Inc. and the Armed Forces of the Philippines Retirement and Separation Benefits System ("AFPRSBS") for the development of a project located in Iloilo City with an area of 3,484 sq.m. The same was also approved by the Related Party Transactions Committee to ensure the absence of conflict of interest;

Resolutions authorizing the Corporation to acquire the following:

1. Parcels of land located in Davao del Sur with a total area of 141,642 sq.m.
2. Parcels of land located in Iloilo with a total area of 121,808 sq.m.
3. Parcels of land located in Antipolo with a total area of 266,002 sq.m.;
4. Parcels of land located in Nueva Ecija with a total area of 207 sq.m.;
5. Parcels of land located in General Santos City with a total area of 243,168 sq.m.;
6. Parcels of land located in Rizal with a total area of 183,888 sq.m.
7. Parcel of land located in Batangas with an area of 11,419 sq.m.; and
8. Parcel of land located in Laguna with an area of 13,332.60 sq.m.

Resolution authorizing the Corporation to set-up the Sta. Lucia Foundation;

Resolution authorizing the Corporation to open accounts with China Banking Corporation;

Resolution authorizing the Corporation to reactivate its dormant account with Asia United Bank;

Resolution authorizing the Corporation to open a PhP500 million credit line with Security Bank Corporation;

Resolution authorizing the Corporation to open a PhP500 million credit line with the Bank of the Philippine Islands.

At the Special Meeting of the Board of Directors of the Corporation held on 07 December 2018 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 28 September 2018;

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of projects located in Iloilo with a total area of 56,483 sq.m.;
2. Development of a project located in Pasig City with an area of 2,106 sq.m.;
3. Development of a project located in Batangas with an area of 12,152 sq.m.;
4. Development of projects located in Bulacan with a total area of 20,349 sq.m.;
5. Development of projects located in Rizal with a total area of 11,576 sq.m;
6. Development of a project located in Laguna with an area of 15,003 sq.m.; and
7. Development of a project located in Davao del Sur with an area of 37,550 sq.m.

Resolutions authorizing the Corporation to acquire the following:

1. Parcels of land located in Palawan with a total area of 128,120 sq.m.;
2. Parcels of land located in Batangas with a total area of 787,797 sq.m.;
3. A parcel of land located in Davao del Sur with an area of 57,928 sq.m.;
4. Parcels of land located in Cavite with a total area of 16,739 sq.m.; and
5. A parcel of land located in Laguna with an area of 153,354 sq.m.

Resolutions authorizing the Corporation to appoint a Data Protection Officer.

At the Special Meeting of the Board of Directors of the Corporation held on 28 February 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 07 December 2018;

Resolution setting the date of the Annual Stockholders' Meeting of the Corporation for the year 2019 on Friday, 28 June 2019, 8:00 a.m., at Il Centro, Sta. Lucia Mall, Marcos Highway cor. Imelda Ave., Cainta, Rizal;

Resolution setting the record date on 28 May 2019 for purposes of determining the list of stockholders of the Corporation who are entitled to notice of, and to vote at, the Annual Stockholders' Meeting;

Resolution authorizing the Corporation to secure registration with the Optical Media Board

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of a project located in Binangonan, Rizal with an area of 11,212 sq.m.;
2. Development of a project located in Puerto Princesa, Palawan with an area of 189,369 sq.m.;
3. Development of a project located in Taytay, Rizal with an area of 18,603 sq.m.;
4. Development of a project located in Digos, Davao del Sur with an area of 37,550 sq.m.; and
5. Development of a project located in Bulacan with an area of 14,038 sq.m.

Resolutions authorizing the Corporation to enter into a joint venture with Sta. Lucia Realty & Dev., Inc. for the development of a project located in Dasmarinas, Cavite with an area of 8,253 sq.m. The same was also approved by the Related Party Transactions Committee to ensure the absence of conflict of interest;

Resolutions authorizing the Corporation to acquire the following:

1. Parcels of land located in South Cotabato with a total area of 576,456 sq.m.;
2. Parcels of land located in Bauan, Batangas with a total area of 720,698 sq.m.; and
3. Parcels of land located in Digos, Davao del Sur with a total area of 113,612 sq.m.

Ratification of the opening of the escrow account with Rizal Commercial Banking Corporation.

At the Special Meeting of the Board of Directors of the Corporation held on 20 March 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 28 February 2019;

Resolutions authorizing the Corporation to open bank accounts with China Banking Corporation for joint venture projects with La Panday Properties Philippines, Inc.;

Resolutions authorizing the Corporation to open bank accounts with BDO Unibank, Inc. for joint venture projects with La Panday Properties Philippines, Inc.;

Resolutions authorizing the Corporation to increase the credit line with China Banking Corporation to the amount of One Billion Pesos;

Resolutions authorizing the Corporation to apply for additional credit lines with the following banks:

1. Bank of Commerce in the amount of Two Hundred Fifty Million Pesos; and
2. Maybank Philippines Inc. in the amount of Two Hundred Million Pesos.

At the Special Meeting of the Board of Directors of the Corporation held on 07 May 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 20 March 2019;

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of projects located in Sto. Tomas, Batangas with a total area of 383,069 sq. m.;
2. Development of projects located in Davao City with a total area of 110,951 sq. m.;
3. Development of projects located in Cavite with a total area of 1,526,899 sq. m.;
4. Development of a project located in Cebu with an area of 5,336 sq. m.;
5. Development of a project located in Iloilo with an area of 146,203 sq. m.;
6. Development of a project located in Lian, Batangas with an area of 40,242 sq. m.; and
7. Development of a project located in Bulacan with a total area of 6,311 sq. m.

Resolutions authorizing the Corporation to enter into the following joint ventures with Sta. Lucia Realty & Dev., Inc.:

1. Development of projects located in Bulacan with a total area of 38,725 sq. m.;
2. Development of a project located in Batangas with an area of 12,296 sq. m.;
3. Development of a project located in Cavite with an area of 29,516 sq. m.;
4. Development of a project located in Rizal with an area of 13,721 sq. m.; and
5. Development of a project located in Iloilo with an area of 40,764 sq. m.

The same were also approved by the Related Party Transactions Committee to ensure the absence of conflict of interest;

Resolutions authorizing the Corporation to acquire the following:

1. Parcels of land located in Calamba, Laguna with a total area of 171,204 sq. m.;
2. Parcels of land located in Davao City with a total area of 45,062 sq. m.;
3. Parcels of land located in Iloilo with a total area of 51,866 sq. m.;
4. Parcels of land located in Sta. Rosa, Laguna with a total area of 8,151 sq. m.;
5. Parcel of land located in Negros Oriental with an area of 140,000 sq. m.;
6. Parcel of land located in Pasig City with an area of 3,972 sq. m.; and
7. Parcel of land located in Palawan with an area of 206,919 sq. m.

Resolutions authorizing the Corporation to acquire 5,124,979 shares of stock of LBS Properties Inc.; and

Resolutions authorizing the Corporation to apply for an additional credit line with Maybank Philippines, Inc. – Trust Department in the principal amount of Two Hundred Million Pesos (Php200,000,000.00).

At the Special Meeting of the Board of Directors of the Corporation held on 22 August 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Organizational Meeting of the Board of Directors held on 28 June 2019;

Resolutions authorizing the Corporation to acquire the following:

1. Parcels of land located in Batangas with a total area of 53,910 sq.m.;
2. Parcel of land located in Davao with an area of 41,270 sq.m.; and
3. Condominium unit with appurtenant parking space located in Davao with a total area of 114.18 sq.m.

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of a project located in Davao del Sur with an area of 119,150 sq.m.;
2. Development of a project located in Cavite with an area of 8,253 sq.m.; and
3. Development of projects located in Rizal with a total area of 16,613 sq.m.

Resolution approving the dividend policy of the Corporation:

"RESOLVED, That the Corporation be, as it is hereby, authorized and empowered to declare dividends equivalent to up to ten percent (10%) of the prior fiscal year's net income after tax subject to: (i) the availability of unrestricted retained earnings; (ii) implementation of business plans; (iii) contractual obligations; (iv) working capital requirements; and (v) the approval of the Board of Directors. The Corporation may declare dividends, annually or as often as the Board of Directors may deem appropriate, in cash or in kind and/or in additional shares from its surplus profits. The declaration and payment of dividends are subject to the regulatory requirements of the Securities and Exchange Commission and the Philippine Stock Exchange, Inc."

Disclosures contained in the Registration Statement for the registration of up to Three Billion (3,000,000,000) shares of stock of the Corporation;

Ratification of the resolutions of the Executive Committee approving the financial statements of the Corporation as of 30 June 2019;

Approval and ratification of the resolutions of the Executive Committee during its meeting held on 28 June 2019; and

Resolution authorizing the Corporation to open a credit line with Bank of the Philippine Islands.

On 29 August 2019, Sta. Lucia Land, Inc. filed a Registration Statement with the Securities and Exchange Commission for the registration and listing of up to Three Billion (3,000,000,000) shares of stock of the Corporation in relation to its follow-on offering.

At the Special Meeting of the Board of Directors of the Corporation held on 08 October 2019 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 22 August 2019;

Resolutions authorizing the Corporation to acquire the following:

1. Parcel of land located in Batangas with an area of 450 sq.m.;
2. Parcel of land located in Zambales with an area of 35,588 sq.m.;
3. Parcel of land located in Davao with an area of 74,490 sq.m.; and
4. Parcel of land located in Rizal with an area of 917 sq.m.;

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of a project located in Rizal with an area of 45,649 sq.m.; and
2. Development of a project located in Davao with an area of 221,973 sq.m.;

Resolutions approving the filing of the Registration Statement and Listing Application and related matters in connection with the Corporation's Follow-on Offering;

Resolution adopting the Material Related Party Transactions Policy of the Corporation; and

Resolutions authorizing the Corporation to avail of the Cash Management Services of Robinsons Bank Corporation.

In relation to the Registration Statement filed with the Securities and Exchange Commission ("SEC") on 29 August 2019 with respect to the proposed Follow-On Offering ("FOO") of Sta. Lucia Land, Inc. (the "Corporation"), the Corporation filed on 28 October 2019 a Letter of even date with the SEC stating that the Corporation and China Bank Capital Corporation, the Issue Manager, Underwriter and Bookrunner for the FOO, have decided to defer the FOO.

At the Special Meeting of the Board of Directors of the Corporation held on 13 February 2020 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 08 October 2019;

Resolutions authorizing the Corporation to acquire the following:

1. Parcels of land located in Palawan with a total area of 387,576 sq.m.;
2. Parcel of land located in Iloilo with an area of 38,745 sq.m.;
3. Parcels of land located in Batangas with a total area of 68,690 sq.m.;
4. Parcels of land located in Bataan with a total area of 82,916 sq.m.;
5. Parcels of land located in Laguna with a total area of 707,530 sq.m.;
6. Parcel of land located in Pangasinan with an area of 6,282 sq.m.;
7. Parcel of land located in Rizal with an area of 447,790 sq.m.;
8. Parcels of land located in Bulacan with a total area of 10,620 sq.m.;
9. Parcel of land located in Surigao del Norte with an area of 65,409 sq.m.; and
10. Parcel of land located in Davao City with an area of 50,000 sq.m.

Resolutions authorizing the Corporation to enter into joint ventures involving the following:

1. Development of projects located in Rizal with a total area of 122,787 sq.m.;
2. Development of a project located in Bataan with an area of 377,043 sq.m.; and
3. Development of a project located in Pangasinan with an area of 218,545 sq.m.

Resolutions approving the renewal and increase of the Corporation's Omnibus Line with China Bank Corporation of up to PhP2 Billion;

Resolutions ratifying the Borrowing of the Corporation from Sta. Lucia Realty & Development, Inc. of up to PhP2 Billion, the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Corporation's Material Related Party Transactions Policy;

Resolutions authorizing the Corporation to open accounts with BDO Unibank, Inc.;

Resolutions approving the appraisal made by Colliers International Philippines of the Corporation's assets as of 30 June 2019

Resolutions setting the date of the Annual Stockholders' Meeting of the Corporation for the year 2020 on Friday, 26 June 2020, 8:00 a.m., at Santorini Hotel Cafe, 3 Dama De Noche St., Cainta, Rizal; and

Resolutions setting the record date on 25 May 2020 for purposes of determining the list of stockholders of the Corporation who are entitled to notice of, and to vote at, the Annual Stockholders' Meeting, and all other deadlines to ensure timely and full compliance with the reportorial/disclosure requirements of both the Securities and Exchange Commission and the Philippine Stock Exchange for the Annual Stockholders' Meeting.

At the Special Meeting of the Board of Directors of the Corporation held on 21 May 2020 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Special Meeting of the Board of Directors held on 13 February 2020;

Resolutions postponing the date of the Annual Stockholders' Meeting of the Corporation for the year 2020 to Thursday, 20 August 2020, 8:00 a.m., and authorizing the virtual conduct of the Annual Stockholders' Meeting;

Resolutions authorizing the stockholders to participate and vote on matters in the 2020 Annual Stockholders' Meeting via remote communication or in absentia;

Resolutions setting the record date on 17 July 2020 for purposes of determining the list of stockholders of the Corporation who are entitled to notice of, and to vote at, the Annual Stockholders' Meeting, and all other deadlines to ensure timely and full compliance with the reportorial/disclosure requirements of both the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange for the Annual Stockholders' Meeting; and

Resolution authorizing the Corporation to acquire a parcel of land located in San Mateo, Rizal with an area of 17,112 sq.m.

At the Special Meeting of the Board of Directors of the Corporation held on 10 December 2020 at its principal office, at which meeting a quorum was present and acting throughout, the following were discussed and approved:

Resolution approving the Minutes of the Organizational Meeting of the Board of Directors held on 20 August 2020;

Resolutions authorizing the Corporation to acquire the following:

1. A parcel of land located in Bulacan with an area of 13,567 sq.m.;
2. Parcels of land located in Batangas with a total area of 76,160 sq.m;
3. A parcel of land located in San Pablo City with an area of 9,594 sq.m.; and
4. A parcel of land located in Laguna with an area of 26,971 sq.m.

Resolutions authorizing the Corporation to acquire a parcel of land located in Rizal with an area of 168,379 sq.m. from Sta. Lucia Realty & Development, Inc., the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Corporation's Material Related Party Transactions Policy;

Resolutions authorizing the Corporation to enter into joint ventures with Sta. Lucia Realty & Development, Inc., the terms of which were duly reported to, and approved by, the Related Party Transactions Committee pursuant to the Corporation's Material Related Party Transactions Policy, involving the following:

1. Development of a project located in Rizal with an area of 5,745 sq. m.;
2. Development of a project located in Pampanga with an area of 180,719 sq. m.; and
3. Development of a project located in Pangasinan with an area of 67,620 sq. m.

Resolutions amending the authority granted during the Organizational Meeting of the Board of Directors dated 20 August 2020, as disclosed in item (D) of the Current Report dated 20 August 2020, to approve the issuance of up to Eight Billion Pesos (PhP8,000,000,000.00) worth of unsecured fixed rate retail bonds in two or more tranches with the first tranche offering of up to One Billion Pesos (PhP1,000,000,000.00) with an Oversubscription Option of up to One Billion Pesos (PhP1,000,000,000.00), subject to the approval by the Securities and Exchange Commission ("SEC") and the Philippine Dealing and Exchange Corporation ("PDEx"), with China Bank Capital Corporation as its lead underwriter, issue manager and bookrunner under such terms and conditions as the Corporation's Management may deem to be fair and reasonable and in the best interest of the Corporation;

Resolutions approving the disclosure in the Registration Statement of the Corporation for the registration of up to Eight Billion Pesos (PhP8,000,000,000.00) worth of unsecured fixed rate retail bonds ('Bonds') which will be offered in two or more tranches, with the first tranche offering of up to One Billion Pesos (PhP1,000,000,000.00) worth of Bonds with an Oversubscription Option of up to One Billion Pesos (PhP1,000,000,000.00);

Resolutions approving the availment of up to Five Hundred Million Pesos (P500,000,000.00) worth of loans and credit facilities from Philippine Commercial Capital Inc. – Trust and Investment Group;

Resolutions designating the official and alternate e-mail addresses and cellphone numbers of the Corporation in compliance with SEC Memorandum Circular No. 28, series of 2020.

The following table shows the expenditures spent on development activities and its percentage to revenues:

YEAR	PROJECT EXPENDITURES	PERCENTAGE TO REVENUES
2020	5,210,659,113	76%
2019	6,151,168,738	79%
2018	6,506,089,699	161%
2017	6,006,070,912	163%
2016	3,938,278,074	120%
2015	1,516,058,770	48%
2014	1,472,865,907	65%
2013	1,354,380,768	102%
2012	1,260,833,129	70%
2011	798,042,139	55%
2010	464,512,282	36%
2009	470,247,597	57%

ITEM 2: PROPERTIES

Real Properties

The following table provides summary information on the Registrant's land and other real properties as of December 31, 2020. Properties listed below are wholly owned and free of liens and encumbrances unless otherwise noted.

NO.	LOCATION	AREA IN SQM	LAND USE
1	Amang Rodriguez, Pasig City	10,156	RESIDENTIAL / COMMERCIAL
2	Bacolod City, Bacolod	52,669	RESIDENTIAL / COMMERCIAL
3	Baguio City, Benguet	35,887	RESIDENTIAL
4	Batangas City, Batangas	23,976	RESIDENTIAL / COMMERCIAL
5	Cabanatuan City	94,417	RESIDENTIAL / COMMERCIAL
6	Cainta, Rizal	251,856	RESIDENTIAL / COMMERCIAL
7	Carcar Cebu	4,547	RESIDENTIAL
8	Cavinti, Laguna	84,980	RESIDENTIAL
9	Cebu City, Cebu	19,263	RESIDENTIAL
10	Consolacion, Cebu	15,923	RESIDENTIAL
11	Dasmarinas, Cavite	24,498	RESIDENTIAL
12	Davao City, Davao	197,373	RESIDENTIAL / COMMERCIAL
13	Dumuclay, Batangas City	71,991	RESIDENTIAL
14	Fairview, Quezon City	69,543	RESIDENTIAL / COMMERCIAL
15	General Trias, Cavite	85,178	RESIDENTIAL
16	Ilo-Ilo City, Ilo-Ilo	2,000	RESIDENTIAL / COMMERCIAL
17	Katipunan, Quezon City	2,000	RESIDENTIAL / COMMERCIAL
18	Lapu-Lapu City, Cebu	48,261	RESIDENTIAL / COMMERCIAL
19	Libis, Quezon City	11,335	RESIDENTIAL / COMMERCIAL
20	Rosario, Cavite	4,897	RESIDENTIAL / COMMERCIAL
21	Roxas Blvd, Pasay City	2,571	RESIDENTIAL / COMMERCIAL
22	Subic, Zambales	15,685	RESIDENTIAL
23	Tagaytay City, Cavite	46,288	RESIDENTIAL
24	Tanay, Rizal	672,934	RESIDENTIAL
25	Taytay, Rizal	45,275	RESIDENTIAL
26	Tanuan, Batangas	7,374	RESIDENTIAL
27	Salitran, Dasmariñas Cavite	17,346	RESIDENTIAL
28	Imus, Cavite	34,690	RESIDENTIAL
29	Lipa, Batangas	7,895	RESIDENTIAL
30	San Andres, Cainta, Rizal	1,000	RESIDENTIAL
31	Bulacnin and Inosluban, Municipality of Lipa	9,421	RESIDENTIAL
32	Sta. Rosa, Laguna	27,500	RESIDENTIAL
33	Barrio Canigaran, Puerto Princesa	6,358	RESIDENTIAL
34	Brgy. Muzon, Municipality of Taytay, Province of Rizal	12,446	RESIDENTIAL
35	Brngy. Balayong, Bauan, Batangas	28,114	RESIDENTIAL
36	Brngy. Balayong, Bauan, Batangas	11,584	RESIDENTIAL
37	Brgy. Balayong, Bauan, Batangas	24,788	RESIDENTIAL

NO.	LOCATION	AREA IN SQM	LAND USE
38	De La Paz, Binan Laguna	5,162	RESIDENTIAL
39	Brngy. Balayong, Bauan, Batangas	9,227	RESIDENTIAL
40	Brngy. Balayong, Bauan, Batangas	15,063	RESIDENTIAL
41	Brngy. Manghinao I Municipality of Bauan, Province of Batangas	12,909	RESIDENTIAL
42	Brngy. Manghinao I Municipality of Bauan, Province of Batangas	9,901	RESIDENTIAL
43	Brngy. Balayong, Bauan, Batangas	8,151	RESIDENTIAL
44	Brngy. Balayong, Bauan, Batangas	12,497	RESIDENTIAL
45	Brngy. Balayong, Bauan, Batangas	17,783	RESIDENTIAL
46	Brngy. San Antonio Binan Laguna	4,300	RESIDENTIAL
47	Brngy. Isabang, City of Lucena, Province of Quezon	4,211	RESIDENTIAL
48	Brngy. Balayong, Bauan, Batangas	12,105	RESIDENTIAL
49	Brngy. Manghinao I Municipality of Bauan, Province of Batangas	12,603	RESIDENTIAL
50	Brngy. Balayong, Bauan, Batangas	10,210	RESIDENTIAL
51	Brngy. Balayong, Bauan, Batangas	9,948	RESIDENTIAL
52	Bo. Of San Juan, Taytay, Rizal	1,293	RESIDENTIAL
53	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
54	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
55	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
56	Brngy. Manghinao I Municipality of Bauan, Province of Batangas	8,282	RESIDENTIAL
57	Barrio Pulo, Pasig City	257	RESIDENTIAL
58	Brngy. Balayong, Bauan, Batangas	6,638	RESIDENTIAL
59	Brngy. Balayong, Bauan, Batangas	6,205	RESIDENTIAL
60	Brngy. Balayong, Bauan, Batangas	5,588	RESIDENTIAL
61	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
62	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
63	Brgy. San Antonio, Municipality of Biñan, Province of Laguna	2,000	RESIDENTIAL
64	Brngy. Manghinao I, Bauan, Batangas	2,807	RESIDENTIAL
65	Brngy. Manghinao I, Bauan, Batangas	2,801	RESIDENTIAL
66	Brngy. Manghinao I, Bauan, Batangas	2,801	RESIDENTIAL
67	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
68	Bo. Of San Juan, Taytay, Rizal	893	RESIDENTIAL
69	Brngy. Pag-asa (Tayuman) Municipality of Binangonan, Province of Rizal	208	RESIDENTIAL
70	Sta. Ana, Taytay	5,411	RESIDENTIAL
71	Leonard Wood Road, Baguio City.	9,822	RESIDENTIAL
70	Brgy. San Roque, Zamboanga City	287,377	RESIDENTIAL
71	Brgy. Pansin, Alfonso, Cavite	22,241	RESIDENTIAL
72	Barangay Bolbok, Batangas City, Island of Luzon	9,316	RESIDENTIAL
73	Sta. Barbara, Iloilo	4,053	RESIDENTIAL

NO.	LOCATION	AREA IN SQM	LAND USE
74	Brgy Dumoclay, Batangas City	32,313	RESIDENTIAL
75	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	6,610	RESIDENTIAL
76	Brgy. Balayong, Municipality of Bauan, Province of Batangas	7,897	RESIDENTIAL
77	Brgy. Balayong, Municipality of Bauan, Province of Batangas	9,039	RESIDENTIAL
78	Brgy. Balayong, Municipality of Bauan, Province of Batangas	7,519	RESIDENTIAL
79	Brgy. Mataas na Lupa, San Pascual, Batangas	26,008	RESIDENTIAL
80	Brgy. Mataas na Lupa, Municipality of San Pascual	21,765	RESIDENTIAL
81	Brgy. Balayong, Bauan, Batangas	28,153	RESIDENTIAL
82	Barrio of Inosluban, Lipa City, Batangas	27,752	RESIDENTIAL
83	Biñan, Laguna	14,302	RESIDENTIAL
84	San Pascual, Batangas	555	RESIDENTIAL
85	San Pascual, Batangas	12,600	RESIDENTIAL
86	San Pascual, Batangas	453	RESIDENTIAL
87	Brgy. Manghinao 1, Bauan Batangas	18,947	RESIDENTIAL
88	Brgy. Balayong Bauan Batangas	22,320	RESIDENTIAL
89	Bo. of Inosluban, Municipality of Lipa	18,257	RESIDENTIAL
90	Municipality of Antipolo, Province of Rizal	3,892	RESIDENTIAL
91	Brgy. Balayong, Bauan, Batangas	18,260	RESIDENTIAL
92	Brgy. Balayong, Bauan, Batangas	9,209	RESIDENTIAL
93	Brgy. Balayong, Bauan, Batangas	6,679	RESIDENTIAL
94	Brgy. Balayong, Bauan, Batangas	8,410	RESIDENTIAL
95	Brgy. Balayong, Bauan Batangas	6,563	RESIDENTIAL
96	Biñan Laguna	10,322	RESIDENTIAL
97	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	13,515	RESIDENTIAL
98	Brgy. Balayong, Bauan, Batangas	13,464	RESIDENTIAL
99	Brgy. Balayong, Bauan, Batangas	13,377	RESIDENTIAL
100	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	11,759	RESIDENTIAL
101	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	9,472	RESIDENTIAL
102	Brgy. Balayong, Bauan, Batangas	9,523	RESIDENTIAL
103	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	8,898	RESIDENTIAL
104	Brgy. Manghinao I Municipality of Bauan, Province of Batangas	8,606	RESIDENTIAL
105	Canlalay, Municipality of Biñan, Province of Laguna	2,609	RESIDENTIAL
106	Brgy. Manghinao I, Municipality of Bauan, Province of Batangas	7,723	RESIDENTIAL
107	Barrio Canlalay, Biñan Labuna	3,913	RESIDENTIAL
108	Brgy. Manghinao I, Municipality of Bauan, Province of Batangas	7,480	RESIDENTIAL
109	Brgy. Balayong, Bauan, Batangas	7,950	RESIDENTIAL

NO.	LOCATION	AREA IN SQM	LAND USE
110	Brgy. Balayong, Bauan, Batangas	7,073	RESIDENTIAL
111	Brgy. Balayong, Bauan, Batangas	6,082	RESIDENTIAL
112	Brgy. Balayong, Bauan Batangas	5,868	RESIDENTIAL
113	Barrio Mayamot, Anitpolo Rizal	1,180	RESIDENTIAL
114	Brgy. Balayong, Bauan, Batangas	5,993	RESIDENTIAL
115	Barrio of Mayamot, antipolo Rizal	1,000	RESIDENTIAL
116	Brgy. Balayong, Bauan, Batangas	4,547	RESIDENTIAL
117	Bo. Manghinao I, Bauan, Batangas	510	RESIDENTIAL
118	Brgy. Balayong, Bauan, Batangas	2,812	RESIDENTIAL
119	Brgy. Balayong, Bauan, Batangas	2,615	RESIDENTIAL
120	Brgy. Balayong, Bauan, Batangas	2,535	RESIDENTIAL
121	Olango, Calamba, Laguna	42,954	RESIDENTIAL / COMMERCIAL
122	Olango, Calamba, Laguna	29,922	RESIDENTIAL / COMMERCIAL
123	Olango, Calamba, Laguna	14,269	RESIDENTIAL / COMMERCIAL
124	Olango, Calamba, Laguna	7,134	RESIDENTIAL / COMMERCIAL
125	Olango, Calamba, Laguna	56,338	RESIDENTIAL / COMMERCIAL
126	Olango, Calamba, Laguna	13,312	RESIDENTIAL / COMMERCIAL
127	Olango, Calamba, Laguna	13,312	RESIDENTIAL / COMMERCIAL
128	Olango, Calamba, Laguna	16,787	RESIDENTIAL / COMMERCIAL
129	Olango, Calamba, Laguna	13,312	RESIDENTIAL / COMMERCIAL
130	Olango, Calamba, Laguna	29,922	RESIDENTIAL / COMMERCIAL
131	Olango, Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
132	Olango, Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
133	Olango, Calamba, Laguna	10,872	RESIDENTIAL / COMMERCIAL
134	Olango, Calamba, Laguna	9,626	RESIDENTIAL / COMMERCIAL
135	Olango, Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
136	Olango, Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
137	Olango, Calamba, Laguna	13,313	RESIDENTIAL / COMMERCIAL
138	Olango, Calamba, Laguna	6,584	RESIDENTIAL / COMMERCIAL
139	Olango, Calamba, Laguna	6,585	RESIDENTIAL / COMMERCIAL
140	Olango, Calamba, Laguna	3,292	RESIDENTIAL / COMMERCIAL
141	Barrio Salitran, Municipality of Dasmariñas, Province of Cavite	46,739	RESIDENTIAL
142	Brgy. Balayong, Municipality of Bauan, Province of Batangas	29,170	RESIDENTIAL / COMMERCIAL
143	Leonard Wood Road, Baguio City	9,822	RESIDENTIAL
144	Brgy. Communal Davao City	24,578	RESIDENTIAL
145	Brgy. Balayong Bauan, Batangas	5,697	RESIDENTIAL / COMMERCIAL
146	Brgy. Balayong Bauan, Batangas	10,927	RESIDENTIAL / COMMERCIAL
147	Brgy. Balayong Bauan, Batangas	8,752	RESIDENTIAL / COMMERCIAL
148	Brgy. Balayong Bauan, Batangas	10,180	RESIDENTIAL / COMMERCIAL
149	Brgy. Balayong Bauan, Batangas	12,904	RESIDENTIAL / COMMERCIAL
150	Province Cavite	34,382	RESIDENTIAL / COMMERCIAL
151	Brgy. Sta. Lourdes, Puerto Princesa, Palawan	3,721	RESIDENTIAL

NO.	LOCATION	AREA IN SQM	LAND USE
152	Brgy. Balayong, Bauan, Batangas	14,444	RESIDENTIAL
153	Sta. Barbara, Province of Iloilo	8,527	RESIDENTIAL
154	Brgy. Balayong, Bauan, Batangas	13,634	RESIDENTIAL / COMMERCIAL
155	Brgy. Balayong, Bauan, Batangas	12,774	RESIDENTIAL / COMMERCIAL
156	Brgy. Balayong, Bauan, Batangas	11,191	RESIDENTIAL / COMMERCIAL
157	Brgy. Balayong, Bauan, Batangas	10,684	RESIDENTIAL / COMMERCIAL
158	Brgy. Pag-asa, Binangonan, Rizal	3,115	RESIDENTIAL
159	Brgy. Pag-asa, Binangonan, Rizal	1,498	RESIDENTIAL
160	Brgy. Balayong, Bauan, Batangas	9,531	RESIDENTIAL / COMMERCIAL
161	Brgy. Balayong, Bauan, Batangas	7,691	RESIDENTIAL / COMMERCIAL
162	Brgy. Balayong, Bauan, Batangas	6,449	RESIDENTIAL / COMMERCIAL
163	Brgy. Balayong, Bauan, Batangas	3,176	RESIDENTIAL / COMMERCIAL
164	Brgy. Balayong, Bauan, Batangas	2,135	RESIDENTIAL / COMMERCIAL
165	Sta. Barbara, Province of Iloilo	28,952	RESIDENTIAL
166	Brgy. Balayong, Municipality of Bauan, Province of Batangas	31,254	RESIDENTIAL / COMMERCIAL
167	Brgy. Balayong, Bauan, Batangas	4,759	RESIDENTIAL / COMMERCIAL
168	Brgy. Balayong, Bauan, Batangas	14,558	RESIDENTIAL / COMMERCIAL
169	Municipality of Sta. Rosa, Province of Laguna	8,000	RESIDENTIAL
170	Brgy. Balayong, Municipality of Bauan, Batangas	15,539	RESIDENTIAL / COMMERCIAL
171	Barrio Kingot, Municipality of Digos, Davao Del Sur	22,991	RESIDENTIAL
172	Brgy. Communal Davao City	10,241	RESIDENTIAL
173	Brgy. Balayong, Municipality of Bauan, Province of Batangas	12,933	RESIDENTIAL / COMMERCIAL
174	Brgy. Balayong, Bauan Batangas	6,278	RESIDENTIAL / COMMERCIAL
175	Brgy. Balayong, Bauan Batangas	5,649	RESIDENTIAL / COMMERCIAL
176	Brgy. Balayong, Bauan Batangas	4,751	RESIDENTIAL / COMMERCIAL
178	Barrio na Pulo, Lipa City	5,696	RESIDENTIAL / COMMERCIAL
179	Barrio na Pulo, Lipa City	48,626	RESIDENTIAL / COMMERCIAL
180	Barrio na Pulo, Lipa City	47,697	RESIDENTIAL / COMMERCIAL
181	Barrio na Pulo, Lipa City	10,000	RESIDENTIAL / COMMERCIAL
182	Barrio na Pulo, Lipa City	44,357	RESIDENTIAL / COMMERCIAL
183	Barrio na Pulo, Lipa City	49,506	RESIDENTIAL / COMMERCIAL
184	Barangay Cabugao, Sta. Barbara, Iloilo	17,586	RESIDENTIAL / COMMERCIAL
185	Tagum, Davao Del Norte	117,946	RESIDENTIAL / COMMERCIAL
186	Barrio Anolid, Mangaldan, Pangasinan	10,470	RESIDENTIAL / COMMERCIAL
187	Dasmariñas City, Cavite	34,692	RESIDENTIAL / COMMERCIAL
188	Gayaman, Binmaley Pangasinan	20,411	RESIDENTIAL / COMMERCIAL
189	Brgy. Sta. Barbara, Province of Iloilo	15,781	RESIDENTIAL / COMMERCIAL
190	Brgy. Balayong, Bauan Batangas	24,173	RESIDENTIAL / COMMERCIAL
191	Brgy. Balayong, Bauan, Batangas	22,122	RESIDENTIAL / COMMERCIAL
192	Municipality of Sta. Barbara, Province of Iloilo	11,628	RESIDENTIAL / COMMERCIAL
193	Brgy. Balayong, Municipality of Bauan,	11,398	RESIDENTIAL / COMMERCIAL

NO.	LOCATION	AREA IN SQM	LAND USE
	Batangas		
194	Barrio of Sto. Domingo, Biñan, Laguna	504	RESIDENTIAL / COMMERCIAL
195	Brgy. Cawag, Subic Zambales	35,588	RESIDENTIAL / COMMERCIAL
196	Brgy. Santolan, Pasig City	3,972	RESIDENTIAL / COMMERCIAL
197	Barrio Cantumong, Carmen, Cebu	81,280	RESIDENTIAL / COMMERCIAL
198	Barrio Cantumong, Carmen, Cebu	150,000	RESIDENTIAL / COMMERCIAL
199	Calamba, Laguna	9,625	RESIDENTIAL / COMMERCIAL
200	Mandug, Davao City	414,363	RESIDENTIAL / COMMERCIAL
201	Brgy. Silangan, San Mateo, Rizal	160,003	RESIDENTIAL / COMMERCIAL
202	Brgy. Matin-ao, Polomolok, South Cotabato	257,618	RESIDENTIAL / COMMERCIAL
203	Barrio Tagburos, Puerto Princessa, Palawan	36,015	RESIDENTIAL / COMMERCIAL
204	Mandug, Davao City	48,978	RESIDENTIAL / COMMERCIAL
205	Barrio Cupang, Bauan, Batangas	5,263	RESIDENTIAL / COMMERCIAL
206	Barrio Cupang, Bauan, Batangas	1,737	RESIDENTIAL / COMMERCIAL
207	Barrio Cupang, Bauan, Batangas	2,850	RESIDENTIAL / COMMERCIAL
208	Barrio Cupang, Bauan, Batangas	16,458	RESIDENTIAL / COMMERCIAL
209	Barrio Cupang, Bauan, Batangas	4,692	RESIDENTIAL / COMMERCIAL
210	Barrio Cupang, Bauan, Batangas	5,056	RESIDENTIAL / COMMERCIAL
211	Brgy. Buntatala, Jaro, Iloilo City	7,890	RESIDENTIAL / COMMERCIAL
212	Barrio Cupang, Bauan, Batangas	308	RESIDENTIAL / COMMERCIAL
213	Barrio Cupang, Bauan, Batangas	308	RESIDENTIAL / COMMERCIAL
214	Barrio Cupang, Bauan, Batangas	308	RESIDENTIAL / COMMERCIAL
215	Barrio Cupang, Bauan, Batangas	21,995	RESIDENTIAL / COMMERCIAL
216	Municipality of Sta. Barbara, Iloilo	11,595	RESIDENTIAL / COMMERCIAL
217	Barrio Cupang, Bauan, Batangas	542	RESIDENTIAL / COMMERCIAL
218	Barrio Cupang, Bauan, Batangas	529	RESIDENTIAL / COMMERCIAL
219	Barrio Cupang, Bauan, Batangas	9,783	RESIDENTIAL / COMMERCIAL
220	Barrio Cupang, Bauan, Batangas	3,027	RESIDENTIAL / COMMERCIAL
221	Municipality of Sta. Barbara, Iloilo	6,117	RESIDENTIAL / COMMERCIAL
222	Barrio Cupang, Bauan, Batangas	5,422	RESIDENTIAL / COMMERCIAL
223	Barrio Cupang, Bauan, Batangas	8,065	RESIDENTIAL / COMMERCIAL
224	Barrio Cupang, Bauan, Batangas	6,775	RESIDENTIAL / COMMERCIAL
225	Barrio Cupang, Bauan, Batangas	6,642	RESIDENTIAL / COMMERCIAL
226	Sta. Barbara, Iloilo	18,878	RESIDENTIAL / COMMERCIAL
227	Brgy. Tagbac, District of Jaro, Iloilo City	20,000	RESIDENTIAL / COMMERCIAL
228	Barrio Managa, Digos, Davao del Sur	30,003	RESIDENTIAL / COMMERCIAL
229	Barrio Managa, Digos, Davao del Sur	30,000	RESIDENTIAL / COMMERCIAL
230	Barrio Managa, Digos, Davao del Sur	20,001	RESIDENTIAL / COMMERCIAL
231	Barrio of Pansol, Calamba, Laguna	425	RESIDENTIAL / COMMERCIAL
232	Barrio Pansol, Calamba, Laguna	1,000	RESIDENTIAL / COMMERCIAL
233	Barrio Cupang, Bauan, Batangas	7,867	RESIDENTIAL / COMMERCIAL
234	Tabang, Plaridel, Bulacan	13,567	RESIDENTIAL / COMMERCIAL
235	Pinugay, Teresa and Baras, Rizal	168,379	RESIDENTIAL / COMMERCIAL

NO.	LOCATION	AREA IN SQM	LAND USE
236	Balayong, Bauan, Batangas	4,998	RESIDENTIAL / COMMERCIAL
237	Balayong, Bauan, Batangas	2,607	RESIDENTIAL / COMMERCIAL
238	Balayong, Bauan, Batangas	3,216	RESIDENTIAL / COMMERCIAL
239	As-is, Bauan, Batangas	15,714	RESIDENTIAL / COMMERCIAL
240	Balayong, Bauan, Batangas	3,385	RESIDENTIAL / COMMERCIAL
241	As-is, Bauan, Batangas	6,174	RESIDENTIAL / COMMERCIAL
242	As-is, Bauan, Batangas	6,577	RESIDENTIAL / COMMERCIAL
243	As-is, Bauan, Batangas	3,584	RESIDENTIAL / COMMERCIAL
244	As-is, Bauan, Batangas	12,594	RESIDENTIAL / COMMERCIAL
245	As-is, Bauan, Batangas	4,124	RESIDENTIAL / COMMERCIAL
246	As-is, Bauan, Batangas	7,909	RESIDENTIAL / COMMERCIAL
247	As-is, Bauan, Batangas	5,278	RESIDENTIAL / COMMERCIAL
248	Sta. Monica, San Pablo City	9,594	RESIDENTIAL / COMMERCIAL
249	Bucal and Pansol, Calamba, Laguna	26,971	RESIDENTIAL / COMMERCIAL
250	Kiagot, Davao City, Davao Del Sur	57,928	RESIDENTIAL / COMMERCIAL
251	Talaongan, Cavinti, Laguna	17,917	RESIDENTIAL / COMMERCIAL
252	Talaongan, Cavinti, Laguna	21,818	RESIDENTIAL / COMMERCIAL
253	Balayong, Bauan, Batangas	14,623	RESIDENTIAL / COMMERCIAL
254	Talanay, San Mateo, Rizal	12,525	RESIDENTIAL / COMMERCIAL
255	Brgy. Ampid San Mateo Rizal	17,122	RESIDENTIAL / COMMERCIAL
256	Brgy. Sicsican, Puerto Princesa, Palawan	6,854	RESIDENTIAL / COMMERCIAL
257	Brgy. Sicsican, Puerto Princesa, Palawan	138,833	RESIDENTIAL / COMMERCIAL
258	Brgy. Sicsican, Puerto Princesa, Palawan	15,898	RESIDENTIAL / COMMERCIAL
259	Brgy. Sicsican, Puerto Princesa, Palawan	9,807	RESIDENTIAL / COMMERCIAL
260	Brgy. Sicsican, Puerto Princesa, Palawan	19,328	RESIDENTIAL / COMMERCIAL
261	Brgy. Sicsican, Puerto Princesa, Palawan	16,588	RESIDENTIAL / COMMERCIAL
262	Brgy. Sicsican, Puerto Princesa, Palawan	28,316	RESIDENTIAL / COMMERCIAL
263	Brgy. Sicsican, Puerto Princesa, Palawan	20,939	RESIDENTIAL / COMMERCIAL
264	Brgy. Sicsican, Puerto Princesa, Palawan	21,186	RESIDENTIAL / COMMERCIAL
265	Brgy. Sicsican, Puerto Princesa, Palawan	9,764	RESIDENTIAL / COMMERCIAL
266	Brgy. Sicsican, Puerto Princesa, Palawan	9,764	RESIDENTIAL / COMMERCIAL
267	Brgy. Sicsican, Puerto Princesa, Palawan	16,907	RESIDENTIAL / COMMERCIAL
268	Brgy. Sicsican, Puerto Princesa, Palawan	21,185	RESIDENTIAL / COMMERCIAL
269	Brgy. Sicsican, Puerto Princesa, Palawan	14,948	RESIDENTIAL / COMMERCIAL
270	Brgy. Sicsican, Puerto Princesa, Palawan	16,074	RESIDENTIAL / COMMERCIAL
271	Brgy. Sicsican, Puerto Princesa, Palawan	21,185	RESIDENTIAL / COMMERCIAL
272	Barrio Bulang & Cabugao, Sta. Barbara, Iloilo	38,745	RESIDENTIAL / COMMERCIAL
273	Brgy. San Teodoro, Bauan, Batangas	42,252	RESIDENTIAL / COMMERCIAL
274	Brgy. San Teodoro, Bauan, Batangas	14,070	RESIDENTIAL / COMMERCIAL
275	Brgy. San Teodoro, Bauan, Batangas	12,368	RESIDENTIAL / COMMERCIAL
276	Brgy. Gen. Lim, Orion, Bataan	1,688	RESIDENTIAL / COMMERCIAL
277	Brgy. Gen. Lim, Orion, Bataan	13,591	RESIDENTIAL / COMMERCIAL
278	Brgy. Gen. Lim, Orion, Bataan	20,748	RESIDENTIAL / COMMERCIAL

NO.	LOCATION	AREA IN SQM	LAND USE
279	Brgy. Gen. Lim, Orion, Bataan	46,889	RESIDENTIAL / COMMERCIAL
280	Barrio San Jose, Municipality of Urdaneta, Province of Pangasinan	6,282	RESIDENTIAL / COMMERCIAL
281	Barrio Pansol, Calamba, Laguna	215	RESIDENTIAL / COMMERCIAL
282	Barrio Masapang (San Benito, Victoria (Pila), Laguna	554,054	RESIDENTIAL / COMMERCIAL
283	Barrio Masapang (San Benito, Victoria (Pila), Laguna	150,000	RESIDENTIAL / COMMERCIAL
284	Barrio Halayhayin, Pililla, Rizal	447,790	RESIDENTIAL / COMMERCIAL
285	Barrio Canlalay, Biñan, Laguna	3,261	RESIDENTIAL / COMMERCIAL
286	Barrio Banga, Municipality of Plaridel, Province of Bulacan	5,309	RESIDENTIAL / COMMERCIAL
287	Barrio Banga, Municipality of Plaridel, Province of Bulacan	5,311	RESIDENTIAL / COMMERCIAL
288	Esperanza del Carmen, Surigao del Norte	65,409	RESIDENTIAL / COMMERCIAL
289	Barangay Indangan, Davao City	50,000	RESIDENTIAL / COMMERCIAL
TOTAL		**8,125,162**	

ITEM 3: LEGAL PROCEEDINGS

Itemized below are the list of cases and its status involving the Registrant.

	CASE TITLE	NATURE OF CASES	PROPERTY INVOLVED	COURT	CASE NO.	AMOUNT INVOLVE	STATUS
1	**FELICISIMA BALAGTAS AND OFELIA ALVAREZ VS. STA. LUCIA LAND, MICHAEL ROBLES AND MILESTONE FARMS, INC.**	CANCELLATION OF SALE, REFUND OF ALL PAYMENTS TO THE RESPONDENTS AND THE CORRESPONDING VAT WITH INTEREST AND DAMAGES ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**PALO ALTO PCOM B1 L30**	HLURB QUEZON CITY	HLURB REM 060314-15410		**FILED APPEAL MEMORANDUM AT OFFICE OF THE PRESIDENT**
2	**SHERRYL ADRIANO VS. STA. LUCIA LAND**	REFUND ***HANDLED BY: ATTY. CRYSTAL I. PRADO***		HLURB CALAMBA LAGUNA	HLURB CASE NO. RIV-102317-4813		**PENDING/ FOR SETTLEMENT**
3	**CECILIA CORDERO VS. STA. LUCIA LAND**	***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**PONTE VERDE BATANGAS P5 B7 L12**	HLURB, CALAMBA LAGUNA	RIV-012318-4877		**WAITING FOR ORDER**
4	**MANUEL MORATO ET. AL, VS. EXEQUIEL D. ROBLES, STA LUCIA LAND INC AND LIDERATO D. ROBLES ET. AL**	INJUNCTION WITH PRAYER OF PLELIMINARY INJUNCTION AND/OR TEMPORATY RESTRAINING ORDER TRO		REGIONAL TRIAL COURT BR 215 QUEZON CITY	R-QZN-18-04305-CV		**FILED COMMENT/OPPOSITION** **PARTIAL DISMISSAL; MR FILED**
5	**MANUEL MORATO ET. AL, VS. EXEQUIEL D. ROBLES, VICENTE R SANTOR AND LIDERATO D. ROBLES ET. AL**	SYNDICATED ESTAFA		PROSECUTORS OFFICE QUEZON CITY	XV-03-INV-18F–05949		**DISMISSED (NOV 2018)** **FILED PETITION FOR RENEWAL AT DOJ**
6	**JOSEPHINE M. RAYMUNDO B VS. STA LUCIA LAND INC & ROYAL HOMES MARKETING CORP.**	REFUND		HSAC	RIVA-REM-201008-00078		**FOR FILING OF ANSWER**
7	**ANTONINA CORAZON A ROXAS, ANGELO GABRIEL SILAPAN VS. STA LUCIA LAND INC**	WAIVER OF PENALTIES; REFUND OF LOAN DIFFERENCE		HSAC	N/A		**TERMINATED**
	DISMISSED/TERMINATED/ SETTLED						

1	**ELECTRICOM NETWORK TRADING VS. STA. LUCIA LAND**	SPECIFIC PERFORMANCE (SURRENDER OF TCT) ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**METROPOLI LIBIS B2 L4**	RTC BR. 222 QUEZON CITY	CIVIL CASE NO. R-QZN-13-05521-CV		**DISMISSED**
2	**SPS. VINCENT ORTIZ AND AUBREY ORTIZ VS. STA. LUCIA LAND**	REFUND ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**NEOPOLITAN CONDO ST1 OUG P1**	HLURB QUEZON CITY	HLURB CON-LSG-060613-8177		**TERMINATED**
3	**CONRADO ASEO VS. STA. LUCIA LAND**	SPECIFIC PERFORMANCE WITH DAMAGES ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**ANTIPOLO GREENLAND P2 B7 L10**	HLURB Q.C.	HLURB 092013-15197	**CONTINUE PAYMENT**	**COMPLAINANT WITHDRAW THE CASE**
4	**MARIA BENGAN VS. STA. LUCIA LAND EDR, VRS, MST ET., AL.**	VIOLATION OF PD 957 ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**EAST BEL-AIR**	PROSEC. CAINTA	NPS XV18M-INV-151-03540	**LACK OF PROBABLE CAUSE**	**DISMISSED**
5	**ORVILLE CHESTER DAVE VS. STA. LUCIA LAND, MA LOURDES CONCEPCION**	CANCELLATION OF SALE, REFUND OF ALL PAYMENTS TO THE RESPONDENTS AND THE CORRESPONDING VAT WITH INTEREST AND DAMAGES ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**PALO ALTO P1 B101 L18**	HLURB QUEZON CITY	HLURB REM-012017-16149	**REFUND P2,233,963.44**	**SETTLED**
6	**CONCHITA TOLEDO WHITE VS. SLRDI (SLLI LOT)**	REFUND WITH DAMAGES ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**SOUTHFIELD** PHASE 1 B 12 L 26 B 26 L 13	HLURB CALAMBA	HLURB RIV-051217-4710	**REFUND P85,000.00**	**SETTLED**
7	**PHARMAZEL INC. VS. ELECTRICOM VS. STA. LUCIA LAND THIRD PARTY COMPLAINT**	SPECIFIC PERFORMANCE ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	**METROPOLI LIBIS B2 L4**	RTC BR. 81 QUEZON CITY	CIVIL CASE NO. R-QZN-13-02350		**DISMISSED**
8	**PEDRO FERNANDO AFP & MARILOU FERNANDO VS.**	REVISION OF DEED OF ABSOLUTE SALE AND DEED OF	**ANTIPOLO GREENLAND**	HLURB, QUEZON CITY	LSG-CON-041818-12876		**MEDIATION POSSIBLE SETTLEM**

	SLRDI & AFP RETIREMENT & SEPARATION BENEFITS SYSTEM (RSBS)	RESTRICTION	**PH1A BLK02 LOT 9**				**ENT**
9	**TERRY STEVEN DEL PINO VS. SLLI SLRDI MEGA EAST, CHINA BANK**	REFUND (SUMMON RECEIVED ON: FEBRUARY 17, 2018)	**EAST BEL AIR STRADELL A 4-11 STUDIO**	HLURB, QUEZAON CITY	REM-021318-16489		**FILED ANSWER MARCH 19, 2018**

The following investigations involve the Registrant's directors and officers:

	CASE TITLE	NATURE OF CASES	PROPERTY INVOLVED	PENDING COURT	CASE NO.	STATUS
1	**DOMINADOR TAN VS. EXEQUIEL D. ROBLES AND SLRDI**	Recovery of ownership and possession with application for the issuance of a temporary order and/or preliminary injunction ***Date Instituted: March 26, 2013*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	Portion of SOUTH SPRING	RTC, Binan, Laguna	Civil Case No. B-9022	**FOR DISMISSAL** **ON GOING JV NEGOTIATION**
2	**LA MIRADA ROYALE RESIDENTIAL I,II,III,IV AND V VS. VICENTE R. SANTOS AND LA MIRADA ROYALE RESIDENTIAL ASSOCIATION**	CANCELLATION OF CERTIFICATES OF REGISTRATION ***Date Instituted: August 22, 2013*** ***HANDLED BY: ATTY. JERRY B. DELA CRUZ***	LA MIRADA	HLURB QUEZON CITY	HLURB CASE NO. NTR-HOA-082213-575	**FILED APPEAL MEMORANDUM AT OP** **PENDING**
3	**BAYBREEZE EXECUTIVE VILLAGE HOMEOWNERS ASS. VS. EXEQUIEL D. ROBLES AND VICENTE R. SANTOS AND SLRDI**	Development ***Date Instituted: November 26, 2013*** ***HANDLED BY: ATTY. JERRY***	BAYBREEZE	OFFICE OF THE PRESIDENT	HLURB CASE NO. NCRHOA-112613-1932	**FILED APPEAL MEMORANDUM AT OP** **PENDING**

		B. DELA CRUZ				
4	**ROSALINA HONRADO VS. EXEQUIEL D. ROBLES, ET., AL. AND SLRDI**	Pay the decreased in area and/or lot replacement ***Date Instituted: August 12, 2014*** ***HANDLED BY: ATTY. EDINBURGH P. TUMURAN***	ORCHARD RES. Phase 02 Block 12 Lot 60	HLURB Calamba, Laguna	RIV-081214-4114	**FILED MOTION TO DISMISSED September 15, 2014** **PENDING**
5	**PTOLYME DIMENSIONS INC AND SIAPORE MICRO VS. EXEQUIEL D. ROBLES AND VICENTE R. SANTOS AND SLRDI, EAGLERIDGE AND RS**	Fraudulent Machination, unsound business practice, election of HOA officers, Annulment of property management contract, quo warranto with prayer for the issuance of a cease and desist order/application for temporary restraining order and or writ of preliminary injuction ***Date Instituted: April 13,, 2015*** ***HANDLED BY: ATTY. JERRY B. DELA CRUZ (RS) ATTY. EDINBURGH P. TUMURAN (SLRDI) ATTY. GLEN E. DARADAL (EAGLE RIDGE)***	EAGLE RIDGE	OFFICE OF THE PRESIDENT	HLURB CASE NO. RIV-041315-0741	**FILED APPEAL MEMORANDUM AT OP** **PENDING**
6	**GRACE PENDON ET., AL.. VS. EXEQUIEL D. ROBLES ET., AL.**	HUMAN RIGHTS ***Summons received on: July 01, 2015***	RIZAL TECHNOPARK	CHR QUEZON CITY	CHR NO. 2015-0217	**FILED COUNTER-AFFIDAVIT** **PENDING**

		HANDLED BY: ATTY. AQUINO MARTIN V. NILLO				
7	**VISTA VERDE COUNTRY HOMES VS. EXEQUIEL D. ROBLES, JOHNIELLE KEITH NIETO**	VIOLATION OF SEC. 3 (A) GRAVE MISCONDUCT OPPRESSION AND CONDUCT PREJUDICIAL TO THE BEST INTEREST PF THE SERVICE ***Summons received on: July 30, 2015*** ***HANDLED BY: ATTY. AQUINO MARTIN V. NILLO***	VISTA VERDE COUNTRY HOME	OFFICE OF THE OMBUDSMAN	OMB-L-C-15-0169	**DISMISSED** **WITH APPEAL AT SC** **FILED COMMENT**
8	**RENATO CABILZO VS. EXEQUIEL D. ROBLES VICENTE R. SANTOS MARIZA SANTOS-TAN EXALTACION R. JOSEPH FELIZARDO R. SANTOS ANTONIO D. ROBLES LIBERATO D. ROBLES**	OTHER DECEITS SYNDICATED ESTAFA LARGE SCALE ESTAFA ***Date Instituted: September 18, 2015*** ***HANDLED BY: ATTY. EDINBURGH P. TUMURAN***	ACROPOLIS MANDALUYONG B 5 L4, 5, 6	DOJ MANILA	XV-1-INV-151-02516	**DISMISSED WITH APPEAL AT DOJ**
9	**SPS. MARTIN ERICSON CRUEL AND CZARINA CRUEL VS. MARIZA SANTOS-TAN, SLRDI**	*Specific Performance* ***Date Instituted: December 23, 2015*** ***HANDLED BY: ATTY. Z19 S. JAVIER***	VALLEY VIEW EXEC. P 1C B 2 L 12	HLURB QUEZON CITY	REM-122315-15873	**PENDING**
10	**CLOVIS RANCHO, AMADO JOSE GARCIA ET., AL. VS. EXEQUIEL D. ROBLES, MARIZA**	*Violation of PD 957 And Art. 318 of RPC*	ROYALE CEBU ESTATE	PROSECUTORS OFFICE OF CEBU	I.S. NO. VII-INV-16G-0925	**FILED COUNTER AFFIDAVIT** **PENDING**

	SANTOS-TAN, VICENTE R. SANTOS ET.AL.	***ASSISTED BY: ATTY. EDINBURGH P. TUMURAN***				
11	**TIMOTHY JASON PERALEJO VS. EXEQUIEL D. ROBLES, VICENTE R. SANTOS, MARIZA SANTOS-TAN, EXALTACION R. JOSEPH, LIBERATO D. ROBLES, FELIZARDO R. SANTOS, IGMIDIO D. ROBLES, LEODEGARIO R. SANTOS, AURORA D. ROBLES, ORESTES R. SANTOS, ROBERTO D. ROBLES, DOMINGA R. ROBLES, ANTONIO D. ROBLES, ANDREA R. ANDRES,**	PD 957 ***Date Instituted: November 27, 2017*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	VISTA REAL CLASSICA P UPM B 9 L 10	PROSECUTORS OFFICE OF QUEZON CITY	NPS XV-03-INV-17K-11187	**DISMISSED (JUNE 2018)** **FILED PETITION FOR REVIEW AT DOJ**
12	**JERRY GALOPE VS. EXEQUIEL D. ROBLES, SLRDI, ET., AL.**	*Quieting of Title* ***Date Instituted: April 20, 2016*** ***HANDLED BY: ATTY. Z19 S. JAVIER***	MEADOWOOD CAVITE	REGIONAL TRIAL COURT BR. 19 BACOOR, CAVITE	BSC-2016-04	**FILED ANSWER JULY 06, 2018** **WITH MOTION TO SET PRE-TRIAL** **PENDING**
13	**DEPT. OF AGRARIAN REFORM/PROVINCIAL TASK FORCE VS. EXEQUIEL D. ROBLES, IGMIDIO D. ROBLES, ET., AL.**	*Section 73, RA 6657 as Amended 25 of RA 9700* ***Date Instituted: June 20, 2018*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	BLUEMOUNTAIN ANTIPOLO	PROSECUTORS OFFICE OF ANTIPOLO	XV-01-INV-18F-00688	**DISMISSED (OCT. 2018)** **FILED MR**
1	**RUSSEL MIRAFLOR VS. EXEQUIEL D.**	*Estafa* ***Date***	VISTA VERDE QUEZON P 2	PROSECUTORS OFFICE OF	NPS-IV-16-INV-12E-	**FILED COUNTER AFFIDAVIT**

4	**ROBLES, ET., AL.**	***Instituted: June 13, 2018*** ***HANDLED BY: ATTY. EDINBURGH P. TUMURAN***	B 41 L 35	LUCENA	00232	**AUG. 2018**
15	**CECILIA CORDERO VS. EXEQUIEL D. ROBLES**	*Violation of Sections 4 & 5 in rel to Sec. 39 of PD 957* ***Complaint received on: Oct. 13, 2014*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	PONTE VERDE BATANGAS P5 B7 L12	PROSECUTORS OFFICE OF TANAUAN	NPSD NO. IV-02-INV-171-01384	**DISMISSED MARCH 2018** **FILED PETITION FOR REVIEW AT DOJ**
16	**MANUEL MORATO ET., AL. VS. EXEQUIEL D. ROBLES, STA. LUCIA LAND INC. AND LIBERATO D. ROBLES, ET., AL.**	*Injunction with prayer for Issuance of preliminary Injunction and/or Temporary Restraining Order (TRO)* ***HANDLED BY: ATTY. CRYSTAL I. PRADO***		REGIONAL TRIAL COURT BR. 215 QUEZON CITY	R-QZN-18-04305-CV	**FILED COMMENT/OPPOSITION**
17	**MANUEL MORATO ET., AL. VS. EXEQUIEL D. ROBLES, VICENTE R. SANTOS AND LIBERATO D. ROBLES, ET., AL.**	Syndicated Estafa ***HANDLED BY: ATTY. CRYSTAL I. PRADO***		PROSECUTORS OFFICE OF QUEZON CITY	XV-03-INV-18F-05949	**DISMISSED (NOV. 2018)** **FILED PETITION FOR REVIEW AT DOJ**
18	**ROMEO LADANO VS. DENNIS BELMONTE EUFEMIA ABEDES EXEQUIEL ROBLES IGMIDIO ROBLES**	Malicious Mischief ***Complaint received on: Jan. 23, 2018*** ***HANDLED BY: ATTY. CRYSTAL I. PRADO***	BLUEMOUNTAIN ANTIPOLO	PROSECUTORS OFFICE OF ANTIPOLO	XV-01-INV-17J-01001	**DISMISSED** **WITH MR**
19	**NELSON ZAPEDA VS. EXEQUIEL D. ROBLES**	Estafa ***HANDLED***	GREENWOODS TAYTAY	NATIONAL BUREAU OF INVESTIGATION Manila	NBI-CCN-C-18-06295	**ON GOING INVESTIGATION**

		BY: ATTY. EDINBURGH P. TUMURAN				

Other than in the above-mentioned cases, the Registrant, its directors, officers or affiliates, any owner of record of more than 10% of its securities, or any associate of any such director, officer or affiliate, or security holder are not, to the knowledge of the Registrant, parties to any material legal proceeding during the past five (5) years up to date, including and/or involving any bankruptcy petition, conviction by final judgment, subject of an order, judgment or decree, and violation of a Securities or Commodities Law.

ITEM 4: SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Except for the matters taken up during the Annual Meeting Stockholders, there was no other matter submitted to a vote of security holders during the period covered by this report.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5: MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

The principal market of the common equity of the Registrant is the Philippine Stock Exchange, Inc. (PSE). Provided below is a table indicating the high and low sale prices of the common equity of the Registrant in the PSE for each quarter within the last seven fiscal years and subsequent periods:

2020

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	28 Jan./P2.58	02 Apr./P2.04	08 Sept./P2.00	07 Dec./P2.28
LOW	23 Mar./P1.83	02 Jun./P1.79	19 Aug./P1.70	05 Nov./P1.81

2019

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	06 Mar./P1.65	13 Jun./P2.08	19 Aug./P2.73	08 Oct./P2.80
LOW	02 Jan./P1.24	22 Apr./P1.51	01 Jul./P1.88	20 Dec./P2.32

2018

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	23 Jan./P1.06	09 May/P1.17	04 Sept./P1.22	11 Dec./P1.27
LOW	26 Mar./P0.98	02 Apr./P0.98	12 Jul./P1.03	03 Oct./P1.07

2017

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	06 Jan./P1.14	08 Jun/P1.11	10 Jul./P1.08	03 Oct./P1.08
LOW	31 Mar./P0.96	25 May/P0.96	23 Aug./P0.99	19 Dec./P1.00

2016

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	28 Mar./P0.93	08 Jun./P.94	05 Sep./P1.21	01 Dec./P1.26
LOW	01 Feb./P0.74	05 May/P0.85	01 Jul/P0.81	23 Nov./P0.95

2015

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	10 Mar./P1.02	04 April/P.85	06 Aug./P0.75	27 Oct./P0.82
LOW	31 Mar./P0.80	05 Jun/P0.70	25 Aug/P0.64	06 Oct./P0.70

2014

	1st Quarter Date/Price	2nd Quarter Date/Price	3rd Quarter Date/Price	4th Quarter Date/Price
HIGH	17 Mar./P0.66	27 June/P.98	09 Jul./P1.20	16 Nov./P0.84

LOW	14 Feb./P0.58	04 Apr/P0.66	31 July/P0.85	20 Nov./P0.80

As of December 29, 2020, the Registrant's shares stood at closing price of P1.98.

Holders

Based on the 31 December 2020 List of Stockholders prepared by the Registrant's Stock and Transfer Agent, PROFESSIONAL STOCK TRANSFER, INC., the Registrant has two hundred sixty five (265) shareholders of common shares, of which the top 20 shareholders are as follows:

TOP TWENTY STOCKHOLDERS
As of 31 December 2020

RANK	NAME	TOTAL SHARES	PERCENTAGE (%)
1	STA. LUCIA REALTY & DEVELOPMENT, INC.	6,701,005,767	81.7550
2	PCD NOMINEE CORPORATION	1,467,184,607	17.9002
3	LUGOD, BERNARD D.	10,000,000	0.1220
4	DELA CRUZ, THOMAS EDWIN M.	10,000,000	0.1220
5	CITISECURITIES, INC.	3,250,000	0.0397
6	EBE CAPITAL HOLDINGS, INC.	1,535,000	0.0187
7	ROBLES, EXEQUIEL	712,500	0.0087
8	SANTOS, VICENTE	712,494	0.0087
9	LIMTONG, JULIE H.	400,000	0.0049
10	FRANCISCO ORTIGAS SEC., INC.	365,000	0.0045
11	TAN, PEDRO O.	278,050	0.0034
12	ASA COLOR & CHEMICAL INDUSTRIES, INC.	182,774	0.0022
13	G & L SECURITIES CO., INC.	70,000	0.0009
14	VALDEZ, AMBROSIO &/OR FELISA VALDEZ	50,000	0.0006
15	LIMTONG, ANTHONY FRANCIS H.	40,000	0.0005
16	LIMTONG, GAIL MAUREEN H.	40,000	0.0005
17	LIMTONG, HARRY JAMES H.	40,000	0.0005
18	LIMTONG, JOHN PATRICK H.	40,000	0.0005
19	LIMTONG, JULIE ANN KRISHA H.	40,000	0.0005
20	SUN HUNG KAI SECURITIES (PHILS.), INC.	30,000	0.0004

Total Outstanding Shares as of 2020- 8,196,450,000

Dividends

No cash dividends were declared for the year 2020 and 2019.

The Company's current dividend policy provides for dividends up to 10% of the prior fiscal year's net income after tax, subject to:

(i) availability of unrestricted retained earnings,
(ii) implementation of business plans,
(iii) contractual obligations,
(iv) working capital requirements, and
(v) the approval of the Board.

There can be no guarantee that the Company will pay any dividends in the future. The declaration and payment of dividends is subject to compliance annually or as often as the Board of Directors may deem appropriate, in cash or in kind and/or in additional shares from its surplus profits. The ability of the Company to pay dividends will depend on its retained earnings level and financial condition. There is no assurance that the Company will pay dividends in the future.

Recent Sale of Unregistered Securities

None

ITEM 6: MANAGEMENT DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

COMPARISON: YEAR END 2020 VS. YEAR END 2019

RESULTS OF OPERATIONS

Overview of Operations

The Group started the year continuing the growth momentum in 2019 reporting higher revenues and net income. However, with the pandemic, it slowed down sales and halted the commercial operations resulting contraction in the numbers initially projected and anticipated. With its yield management efforts to cope with the contraction, the Group had managed to sustain a net income margin of 25% for 2020.

Revenue

The pandemic significantly affected the real estate market sector. The gross revenue of the Group was decreased by 12% or ₱837 million during the year. Government imposed restrictions in response to the pandemic has resulted to slowing down of operations thus decreasing the reservation sales and resulting to a 8% decline in real estate sales revenue amounting to ₱488 million in 2020. Interest income also posted a decline of ₱167 million in 2020. Retail operations were also severely hit as majority of establishments were closed. Rental payments were also waived during the Enhanced Community Quarantine. Reduced foot traffic resulted to decrease in rental revenue of almost 41% or ₱364 million in 2020. Other income, which is mostly consist of gains from repossession of inventory as well as from penalties and surcharges increased by 21% or ₱61 million in 2020.

Cost and Expense

The temporary halt of the majority of the Group's operation from the community quarantine restrictions resulted to decrease in total recognized expenses in 2020 amounting to ₱929 million or a 15% decrease from the total year expense of ₱6,074 million in 2019. Commission expense was down by 10% parallel with the lower real estate sales during the period. Selling and administrative expenses declined to ₱1,067 million or 15% lower than last year. Attributable cost for the commercial operations was also down by 33% a result of the given limited retail operations.

Net Income

Considering the yield management efforts of the Group in anticipation of the impact of pandemic to its performance, margins were sustained and the cost of operations was effectively managed despite the slowdown of the sales and decline in other sources of income. Net income was maintained at ₱1,708 million after tax in 2020.

PROJECT AND CAPITAL EXPENDITURES

The Group apportioned P5,211 million for project and capital expenditures as the Group wants to captures the growing demand for real estate. A bold move from the Group to become the country's leading real estate company not in sheer size but in ways more meaningful quality projects, quality business plans, grow, returns and innovation. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects and finance newly developed projects. As part of its growth strategy, the Group acquired raw lands for new residential and condominium project developments amounting to P1,377 million for the year 2020.

FINANCIAL CONDITION

Assets

The Group's total assets stood strong at ₱45,786 million during the year. This represents a 13% increase from the 2019 balance of ₱40,352 million. Outstanding receivables increased by almost 48% as a result of the deferment of some collections due to the implemented extension of payment terms and the passing of the Bayanihan Act. Given the decline in real estate sales, the Group continued its project development activities that resulted to an increase in real estate inventory balance of 14% from the previous year amounting to ₱3,061 million. Real estate inventory balance amounted to ₱24,931 million in 2020.

Liabilities

As the Group strived to maintain a strong liquidity position amidst lower cash inflows from operations, it maximized its access to the debt markets for additional source of funding. Total liabilities for 2020 amounted to ₱28,088 million. This amount represents a 16% increase from the previous year's reported total liabilities of ₱24,238 million. Majority of the borrowings were availed through short term loans. As a result, short term debts grew by almost 75%, from ₱3,521 million in 2019 to ₱6,149 million in 2020. Accounts and other payables amounted to ₱5,408 million, increased by 13% from ₱4,874 million in 2019. Total contract liabilities arising from real estate sales grew by ₱514 million or 15% from 2019 reported amount. Deferred tax liabilities also increased by ₱488 million or 51%.

Equity

Total stockholders' equity increased by ₱1,584 million in 2020 generated from the net income during the year amounting to ₱1,708 million. Financial assets measured at fair through other comprehensive income decrease by ₱124 million.

Key Performance Indicators

	31-Dec-20	**31-Dec-19**
Current Ratio	**2.01**	**2.67**
Debt to Equity	**0.97**	**0.93**
Interest Coverage Ratio	**341.52%**	**274.35%**
Return on Asset	**3.73%**	**4.30%**
Return on Equity	**9.65%**	**10.77%**

*Notes to Key Performance Indicators:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).
2. Debt to Equity = Total debt over shareholder's equity.
3. Interest Coverage Ratio = Earnings before tax over Interest expense.
4. Return on Asset = Net Income over Total Assets.
5. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2020.

Material Changes in the Balance Sheet (+/- 5%) as of December 31, 2020 versus the Balance Sheet as of December 31, 2019

48% increase in receivables
Increase in receivables is primarily attributable to the deferment of some collection due to the implemented extension of payment terms and the passing of Bayanihan Act.

16% increase in current portion of contract assets
Majority of the real estate sales for 2020 are from buyers preferring installment term as mode of payments for their purchase. This has resulted to an increase in contract assets reported in during the year.

14% increase in real estate inventories
Despite the temporary halt of majority of the operations of the Group, it continued its project development activities resulting to increase in the real estate inventories for 2020.

14% increase in other current assets
This consists of increased advances made to contractors and marketing arms contracted by the Group to boost its project developments and sale of its property.

85% increase in noncurrent portion of installment contract receivables
Increase in this receivable is primarily attributable to the deferment of some collection due to the implemented extension of payment terms and the passing of Bayanihan Act.

22% decrease in noncurrent portion of contract assets
Majority of the reported noncurrent portion of contract assets arising from real estate sales are reclassified to current contract assets as these items falls due within 12 months.

7% decrease in property and equipment
As the Group has experienced a temporary halt and slow down of operations during 2020, there are lesser assets acquired in 2020 as compared to the previous year to support its operations.

13% decrease in financial assets at fair value through other comprehensive income
With the effect of pandemic, fair value of most investments decline in 2020. Fair market value of financial assets held by the Group decreased in 2020.

27% increase in other noncurrent assets
As project development activities were continued despite the halt and slow down of other operating activities of Group, increase in the amount of advances made to contractors was posted during the year.

75% increase in short term debts
As the Group strived to maintain a strong liquidity position amidst lower cash inflows from operations, it maximized its access to the debt markets for additional source of funding, increasing its short term borrowings by 75% in 2020.

13% increase in accounts and other payables
Primarily due to the procurement of raw land to be used in project developments under installment payment schemes and billings from contractors that is not due for payment.

76% increase in income tax payable
Directly related to the recognized revenue for year 2020.

18% increase in contract liabilities - current
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots during 2020.

548% increase in long term debts - current portion
The increase was primarily attributable to the P2billion bonds payables falling due in March 2021, as well as some portion of the principal of the outstanding corporate notes of the Group.

27% decrease in long term debts - noncurrent portion
The decrease was primarily attributable to the P2billion bonds payables falling due in March 2021, as well as some portion of the principal of the outstanding corporate notes of the Group.

9% increase in contract liabilities – noncurrent
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots during 2020.

100% decrease in pension liabilities
Result of changes in estimates for retirement liability as valued by the independent actuary. The Group had made excess contribution that arises the recognition of pension asset.

51% increase in deferred tax liabilities-net
Mainly attributable to timing differences of revenue recognition of real estate transactions and others for tax purposes versus accounting purposes.

28% increase in retained earnings
Increase was mainly attributable to the recognized net income during the period.

26% decrease in unrealized gain on fair value of available-for-sale financial assets
Decrease was due to the decline in market price of investment securities in Philippine Racing Inc. and Manila Jockey Club Inc.

107% increase in unrealized gain on pension liabilities
Result of changes in estimates for retirement liability as valued by the independent actuary.

Material Changes in the Income Statement (+/- 5%) for the year ended December 31, 2020 versus the Income Statement for the year ended December 31, 2019

8% decrease in real estate sales
With the effect of pandemic, the Group had experienced temporary halt and slowing down of majority of its operations, thus real estate sales decreased during the period. In general, the pandemic had impacted the real estate sector, decreasing demands in real estate properties in 2020.

40% decrease in rental income
Retail operations were severely hit as majority of establishments were closed. Rental payments were also waived during the Enhanced Community Quarantine. Reduced foot traffic resulted to decrease in rental revenue.

26% decrease in interest income
Paralleled with the decrease in real estate sales during the year, interest income posted the same trend as it is directly attributed to.

62% increase in dividend income
Increase is directly attributed to the dividends declared from the Group's investment in Philippine Racing Inc. and Manila Jockey Club Inc.

15% increase in other income
Increase is a result of booking of surcharges / penalties from customer's default on payment, income from hotel operations and gains from repossession.

24% decrease in cost of real estate sales
Decrease in real estate sales directly affects the recognized cost of sales.

33% decrease in cost of rental income
Temporary halt of the commercial operations were experienced during the ECQ, thus attributable cost to operate also decreased. Further, only those tenants whose offering essentials products and services were allowed to operate. Depending on the quarantine protocols only limited number of tenants continued its operations during the period.

10% decrease in commission
Paralleled with the decrease in real estate sales during the year, commission expense posted the same trend as it is directly attributed to.

36% decrease in advertising
The temporary halt and slow down of majority of the Group's operations has resulted to lower selling and administrative expenses incurred during the period.

31% decrease in representation
The temporary halt and slow down of majority of the Group's operations has resulted to lower selling and administrative expenses incurred during the period.

35% decrease in repairs and maintenance
The temporary halt and slow down of majority of the Group's operations has resulted to lower selling and administrative expenses incurred during the period.

6% decrease in depreciation
The temporary halt and slow down of majority of the Group's operations has resulted to lower selling and administrative expenses incurred during the period.

62% decrease in professional fees
The temporary halt and slow down of majority of the Group's operations has resulted to lower selling and administrative expenses incurred during the period.

54% decrease in utilities
The temporary halt and slow down of majority of the Group's operations has resulted to lower selling and administrative expenses incurred during the period.

19% decrease in miscellaneous expense
The temporary halt and slow down of majority of the Group's operations has resulted to lower selling and administrative expenses incurred during the period.

27% increase in expected credit losses
With the deferment of some of the collections due to the implemented extension of payment terms, the Group recognized additional risk of non-collection, thus increasing its recognized expected credit losses for 2020.

12% increase in interest expense
With the maximization of tapping the debt market to maintain good liquidity position, increase in availment of short term loans also increased the interest expense during the period.

COMPARISON: YEAR END 2019 VS. YEAR END 2018

RESULTS OF OPERATIONS

Overview of Operations

With the growing demand for real estate and the Group's dedication to provide quality and excellence in its endeavor, the group achieved another milestone as a result of 94% surge in revenue for year 2019. Net income after tax increased to ₱1,736 million in 2019 from ₱1,065 million last year. Driven by aggressive development in its pipeline projects where the Group utilized ₱9,704 million for capital expenditure coupled with effective implementation of its extensive marketing efforts, real estate sales grew from ₱2,428 million in 2018 to ₱5,871 million in 2019. Rental revenue slightly increased to ₱898 million in 2019 from ₱859 million in 2018.

Revenue

Driven by strong demand for real estate, the Group was able to generate gross revenue of ₱5,871 million in 2019 from its real estate sales. Income from its leasing portfolio slightly increased by ₱40 million from ₱859 million recognized in 2018 due to minimal escalation rates in lease contracts. The Group expects to launch an office building in year 2020 which will add to its leasing portfolio. Extensive marketing strategies employed, more properties are sold and majority of the buyers opted for longer payment schemes resulting to increase in recognized interest income totaling to ₱647 million in 2019 as compared to ₱301 million in 2018. Other income also increased to ₱294 million in 2019 from ₱256 million in 2018.

Cost and Expense

Total expenses for the year amounted to ₱6,074 million, 105% higher than ₱2,967 million in 2018. Total expenses comprised of cost of sales amounting to ₱3,231 million, selling and administrative expenses amounting to ₱1,263 million, interest expense amounting to ₱886 million and income tax expense amounting to ₱695 million as compared to ₱1,513 million, ₱670 million, ₱707 million and ₱77 million, respectively.

Net Income

As the company seizes the growing demand of real estate, robust increase in net income after tax amounted to ₱671 million which translates to 63% increase from ₱1,065 million in 2018. Net income after tax amounts to ₱1,736 million.

PROJECT AND CAPITAL EXPENDITURES

The Group apportioned P9,704 million for project and capital expenditures as the Group wants to captures the growing demand for real estate. A bold move from the Group to become the country's leading real estate company not in sheer size but in ways more meaningful quality projects, quality business plans, grow, returns and innovation,. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects and finance newly developed projects. As part of its growth strategy, the Group acquired raw lands for new residential and condominium project developments amounting to P3,282 million for the year 2019.

FINANCIAL CONDITION

Assets

The Group's total assets increase to ₱40,352 million in 2019 from ₱34,716 million in 2017. The 16% increase is due to increase in receivables by ₱2,033 million which arises from buyers opting the installment payment scheme. Significant capital expenditure also causes the increase in total assets.

Investment property and other noncurrent assets increased by 9% and 67% or ₱443 million and ₱145 million, respectively due to construction of the new office building which is expected to be launched in 2020.

Liabilities

Total liabilities reported to be ₱24,238 million in 2019 compared to ₱20,262 million in 2018. The 20% increase is mainly attributable to the increase in contract liabilities, accounts payable, long term debt and deferred tax liabilities amounting to ₱1,395 million, ₱793 million, ₱999 million and ₱379 million, respectively. The increase in contract liabilities, previously recognized as customers' deposit, is due to more reservation fees and downpayment collected from sales of real estate.

Income tax payable also increased by 149% or ₱30 million in relation to revenue surge of 94%.

Equity

Total stockholders' equity increased by ₱1,660 million in 2019 due to increase in net income generated during the year amounting to ₱1,736 million. There was slight decrease in unrealized gain from investment in financial assets measured at fair through other comprehensive income amounting to ₱77 million.

Key Performance Indicators

	31-Dec-19	**31-Dec-18**
Current Ratio	**2.67**	**2.82**
Debt to Equity	**0.93**	**0.94**
Interest Coverage Ratio	**274.35%**	**161.61%**
Return on Asset	**4.30%**	**3.06%**
Return on Equity	**10.77%**	**7.37%**

*Notes to Key Performance Indicators:

6. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).
7. Debt to Equity = Total debt over shareholder's equity.
8. Interest Coverage Ratio = Earnings before tax over Interest expense.
9. Return on Asset = Net Income over Total Assets.
10. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2019.

Material Changes in the Balance Sheet (+/- 5%) as of December 31, 2019 versus the Balance Sheet as of December 31, 2018

15% decrease in cash
Decline in the balance of cash is directly attributable to aggressive development and expansion of pipeline projects and acquisition of raw lands to seize the growing demand for real estate

54% increase in receivables
The increase in receivables is directly attributed to the 142% surge in real estate sales due to strong demand and extensive marketing efforts.

20% increase in real estate inventories
Seizing the strong demand for real estate for 2019, the Group apportioned most of its capital in project developments and acquisition of raw lands, thus increasing the real estate inventory.

7% decrease in other current assets
This consists of increased advances made to contractors and marketing arms contracted by the Group to boost its project developments and sale of its property.

53% increase in noncurrent receivables
The increase in receivables is directly attributed to the 142% surge in real estate sales due to strong demand and extensive marketing efforts.

8% increase in investment property
The increase is a result of expansion of the Group's leasing portfolio thru the construction of a new office building expected to be launched in 2020.

32% increase in property and equipment
The increase is due to acquisition of new office equipment and vehicles for the Group's operation.

67% increase in other noncurrent assets
Mainly due to security deposits made by mall tenants and advances made to contractors for the construction of the new office building.

20% increase in accounts and other payables
Primarily due to the procurement of raw land to be used in project developments under installment payment schemes and billings from contractors that is not due for payment. Unearned processing fee for customers also added to the increase.

149% increase in income tax payable
Directly related to the increase in revenue for year 2019.

51% increase in contract liabilities - current
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots.

10% increase in long term debts
The Group obtains some of its finances to fund and support its activities through availment of long-term loans.

821% increase in contract liabilities – noncurrent
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots.

9% increase in pension liabilities
Result of changes in estimates for retirement liability as valued by the independent actuary.

66% increase in deferred tax liabilities-net

Mainly attributable to timing differences of revenue recognition of real estate transactions and others for tax purposes versus accounting purposes.

14% decrease in unrealized gain on fair value of available-for-sale financial assets
Decrease was due to the decline in market price of investment securities in Philippine Racing Inc. and Manila Jockey Club Inc.

26% decrease in unrealized gain on pension liabilities
Result of changes in estimates for retirement liability as valued by the independent actuary.

Material Changes in the Income Statement (+/- 5%) for the year ended December 31, 2019 versus the Income Statement for the year ended December 31, 2018

142% increase in real estate sales
With the growing demand for real estate, the group achieved another milestone as a result of 142% surge in revenue for year 2019. The Group seized the strong demand by aggressive project development and launching of new projects to offer to the market.

5% increase in rental income
Slight increase was due to the minimal escalation rate in lease contract.

115% increase in interest income
Increase in sales significantly increased the recognized interest income during the year as more buyers opted to choose installment payment scheme.

48% decrease in commission income
The Group's marketing subsidiary focused on selling parent company's properties due to bulk increase from expansions and launching of new projects.

21% decrease in dividend income
Decrease is due to lower dividend declared from the Group's investment in Philippine Racing Inc. and Manila Jockey Club Inc.

15% increase in other income
Increase is a result of booking of surcharges / penalties from customer's default on payment, income from hotel operations and gains from repossession.

180% increase in cost of real estate sales
Attributed to the revenue surge from real estate sales.

112% increase in commissions
Commission of 12% of the contract price is paid to marketing arms for every sale made, thus, commission also increase relative to revenue surge.

41% increase in taxes, licenses and fees
Attributed to increase in real property taxes due to additions of new projects to the Group's real estate portfolio and increase in documentary stamp tax from execution of loan agreements. Procurement of permits and licenses also contributed to the increase.

81% increase in advertising
In the effort of the Group to increase real estate sales and seize the growing demand, the Group spends a considerable amount to market its existing products and introduce new projects.

27% increase in salaries, wages and other benefits
Due to growing and expanding operation, the Group hires additional employees to cater increased volume of transactions.

295% decrease in representation
Attributed to increase in transaction costs incurred in the growing operations of the Group.
87% increase in repairs and maintenance

Mainly attributable to increase in costs incurred for maintenance and further upkeep of condominiums, completed projects not yet turned over to home owners association and mall buildings.

103% increase in professional fees
The increase was mainly due to fees paid for property valuation, legal fees for the planned follow-on-offering and fees for actuarial valuation.

36% increase in depreciation and amortization
Increase was due to additions in property plant and equipment during the year.

100% increase in utilities
Increase is due to whole year recognition of utility expenses mainly for mall operation and comprised mostly of security, light, water and communication expenses

23% decrease in provision for expected credit losses
Reduction in management's estimate for expected credit losses is due to improved collectivity of receivables as observed from payment behavior of customers.

32% increase in miscellaneous expense
Increase is attributable to surcharges and penalties incurred in permits and license procurement, insurance, legal, office supplies, software maintenance and transportation expenses.

25% increase in interest expense
To maximize its operating capacity, the Group availed short and long terms loans during the year which consequently increased interest expense.

803% increase in provision for income tax
The increase is relative to revenue surge for year 2019 and increase in deferred tax liabilities.

COMPARISON: YEAR END 2018 VS. YEAR END 2017

RESULTS OF OPERATIONS

Overview of Operations

By the Group's commitment to maintain its soaring position in providing quality and excellence in real estate development in the market niche, the group was able to hit a revenue growth of 30% in 2018. Net income after tax increased to ₱1,065 million in 2018 from ₱818 million last year. The significant growth was mainly attributable to the robust increase in the recognized income from the real estate sales. Boosted by the effective implementation of its extensive marketing efforts and across the board developments all over the country, real estate sales grew from ₱2,108 million in 2017 to ₱2,428 million in 2018 and rental revenue decreased from ₱1,026 million in 2017 to ₱859 million in 2018.

Also, the Group was able to efficiently carry out its strategies for its cost management, maintaining cost level of 38% of its gross revenue in 2018 as compared to 39% in 2017, thus increasing its returns.

Revenue

Boosted by the effective implementation of extensive marketing efforts and across the board developments all over the country, the Group was able to generate gross revenue of ₱2,428 million in 2018 from its real estate sales. However, rental income decreased by ₱167 million from ₱1,026 million recognized in 2017 due to reevaluation of lease rates to be competitive with neighboring malls. During the year, more buyers opted for longer payment schemes from real estate sales resulting to increase in recognized interest income totaling to ₱301 million in 2018 as compared to ₱160 million in 2017. Revenue from other sources totaled ₱444 million in 2018.

Cost and Expense

Total expenses for the year amounted to ₱2,890 million, 13% higher than ₱2,559 million in 2017. Cost of sales is ₱1,513 million and ₱1,446 million, selling and administrative expenses is ₱670 million and ₱625 million, interest expense is ₱707 million and ₱488 million in 2018 and 2017 respectively.

Net Income

Net income after tax increased by 30% or ₱248 million from ₱818 million in 2017 to ₱1,065 million in 2018. The increase was primarily attributable to the increase in real estate sales.

PROJECT AND CAPITAL EXPENDITURES

As the Group envisions to become the country's leading Real Estate Company not in sheer size but in ways more meaningful quality projects, quality business plans, grow, returns and innovation, the Group spent P6,506 million for project and capital expenditures. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects and finance newly developed projects. P319 million of the said amount was used in procuring raw lands for new residential and condominium project developments.

FINANCIAL CONDITION

Assets

The Group's total assets increase to ₱34,778 million in 2018 from ₱29,807 million in 2017. The 17% increase is due to significant amount project and capital expenditures spent in 2018 increasing the real estate inventory by ₱2,276 million. Also, increase in other current assets amounting to ₱2,426 million have significantly affected the increase in total assets.

Liabilities

Total liabilities reported to be ₱20,262 million in 2018 compared to ₱15,497 million in 2017. This is attributable to the availment of long term loans and issuance of corporate bonds during 2018. The increase in contract liabilities, previously recognized as customers' deposit, is due to more projects developed that offered for sale during the year. This contributed an amount of ₱840 million in the increase in total liabilities.

Equity

Total stockholders' equity increased by ₱214 million in 2018 due to the net income generated during the year amounting to ₱1,065 million. Also contributing to the increase is the change in fair value of available for sale financial assets amounting to P107 million.

Key Performance Indicators

	31-Dec-18	**31-Dec-17**
Current Ratio	**2.82**	**2.28**
Debt to Equity	**0.94**	**0.73**
Interest Coverage Ratio	**161.61%**	**231.94%**
Return on Asset	**3.06%**	**3.03%**
Return on Equity	**7.37%**	**5.71%**

*Notes to Key Performance Indicators:

11. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).
12. Debt to Equity = Total debt over shareholder's equity.
13. Interest Coverage Ratio = Earnings before tax over Interest expense.
14. Return on Asset = Net Income over Total Assets.
15. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2018.

Material Changes in the Balance Sheet (+/- 5%) as of December 31, 2018 versus the Balance Sheet as of December 31, 2017

70% increase in cash
Increase in cash was due to increase in collections from sales. Also, the availment of short and long-term loans counterweighed the substantial amount spent in capital expenditures, thus increasing the amount of cash in 2018.

30% decrease in receivables
The boosted effort exerted in collections had significantly reduced the receivable balances realizing more cash during the year.

14% increase in real estate inventories
The increase was primarily due to significant capital expenditures in 2018. As the group envisions expanding its business in the market niche, significant funds was allocated in project developments and acquisition of raw lands, thus increasing the real estate inventory.

89% increase in other current assets
The significant growth was due to the across the board project developments and aggressive marketing activities thus increasing prepayments to the contractors and marketing arms.

67% decrease in noncurrent receivables
The significant decrease was brought about by the extended efforts exerted in collections from customers.

20% decrease in property and equipment
The decrease is due to deprecation of assets.

12% increase in available for sale financial assets
Increase in the fair market value of the financial assets.

518% increase in other noncurrent assets
Primarily due to significant security deposits made in 2018.

33% increase in accounts payable
The increase is mainly attributable to the increasing procurement of resources to be used in project developments acquired under installment payment schemes.

34% decrease in short-term debt
As the Group maximized its fund sourcing through long-term loan availment and issuance of corporate bonds, short-term lines were settled during the year.

57% decrease in income tax payable
Mainly attributable to timing differences of revenue recognition of real estate transactions and others for tax purposes versus accounting purposes.

98% increase in long term debts
The Group maximized its fund sourcing activities through availment of long-term loans and issuance of corporate bonds.

20% decrease in deferred tax liabilities-net
Decrease was due to the reversal deferred tax liability attributed to the uncollected rent to SLECC.

155% increase in pension liabilities
Due to the changes in estimates for retirement liability as valued by the independent actuary.

122% increase in treasury shares
Increase in treasury share was brought about by the purchase of 750,000,000 shares costing ₱900,000,000.

23% increase in unrealized gain on fair value of available-for-sale financial assets
Increase was due to the increase in market price of investment securities in Philippine Racing Inc. and Manila Jockey Club Inc.

1,434% increase in unrealized gain on pension liabilities
Due to the changes in estimates for retirement liability as valued by the independent actuary.

Material Changes in the Income Statement (+/- 5%) for the year ended December 31, 2018 versus the Income Statement for the year ended December 31, 2017

15% increase in real estate sales
As driven by the Group's vision of expanding its position in the market niche, boosted marketing efforts during the year was employed increasing the real estate sales recognized during the year.

16% decrease in rental income
Due to reevaluation of lease rates to be competitive with neighboring malls

88% increase in interest income
Boosted sales significantly increased the recognized interest income during the year as more buyers opted to choose installment payment scheme.

66% increase in commission income
Increase was due to significant marketing strategies employed by our marketing company subsidiary.

13% increase in cost and expenses
Relatively due to increase in operations of the company.

33% increase in commissions
Brought about by the increase in real estate sales recognized during the year.

28% decrease in taxes, licenses and fees
Due to the decrease in short-term line financing, minimal documentary stamp taxes was incurred during the year.

16% increase in advertising
Increase was mainly attributed to the boosted marketing strategies implemented during the year to increase sales.

7% decrease in salaries, wages and other benefits
Due to the decrease in employee turnover, previously hired personnel remained in the Company. This resulted in decreasing outflow of resources attributed in hiring new employees.

33% decrease in professional fees
The decrease was due to the termination of contract from various consultant and professionals for the continuous project developments.

62% decrease in representation
Primarily due to the decrease in representation related expenses paid by the Group.

14% decrease in depreciation and amortization
Decrease was due to lower depreciation recognized as result of minimal property and equipment acquisition during 2018.

18% decrease in utilities

The dropdown in amount was due to the effective implementation of cost management strategies relating to consumption of light, water and communication expenses.

97% increase in repairs and maintenance
Increase in number projects already completed not yet turned over to home owners associations (HOA) and Condominium Corporation significantly increased the incurrence of expenses related to repairs and maintenance for its upkeep.

45% decrease in provision for doubtful accounts
Extensive collection strategies were implemented thus, reducing the management's estimate for doubtful accounts.

45% increase in interest expense
The Group's shift in maximizing fund raising activities to availment of long-term loans and issuance of corporate bonds increased the recognized interest expense in 2018.

75% decrease in provision for income tax
Decrease was mainly attributed to the reversal of deferred tax liability.

COMPARISON: YEAR END 2017 VS. YEAR END 2016

RESULTS OF OPERATIONS

Overview of Operations

A growth in net income after taxby 12% compared to previous year represents continuing growth and excellence in Group's commitment to provide quality real estate developments. Net income after tax increased to P818million in 2017 from P730 million in 2016. Gross revenue amounting to P3,689 million or 12% increase as compared to P3,293 million from 2016 is mainly attributable to two main revenue streams of the Group; real estate sales and rental revenues. The Group sustained its growth on real estate sales, P219 million increase from P1,890 million in 2016, due to extensive strategies in marketing, developments and project completion. The increase in number of mall tenants and minimal escalation rate to existing tenants resulted to an increase in rental income to P1,026 million in 2017 fromP852 million in 2016.

The Group has become cost efficient by reducing avoidable costs which resulted to higher returns. Due to this, costs of deriving revenues decreased to P1,446 million in 2017 from P1,544 million in 2016.

Revenue

Due to extensive strategies in marketing, developments and project completion, real estate revenues generated P2,108 million in 2017,12% higher than the previous year. Increase in rental income by 20% is mainly attributable to increase in number of mall tenants and minimal escalation rate to existing tenants. Interest income amounting to P160 million during the year was generated from installment receivables since more buyers are opting for longer payment schemes. Construction income decreased to P1,612 million in 2017 compared to P25,591 million in 2016 due to higher volume of construction activity in the previous year.

Cost and Expense

With the efficiency in cost management which resulted to higher returns, costs of deriving revenue from real estate sales and rental revenue decrease to P1,445 million in 2017 from P1,528 million in 2016 or 5% lower than last year. Cost of construction also decreased to P1 million in 2017 from P16 million due to higher volume of construction activity in the previous year.

Net Income

The net income after tax increased to P818 million in 2017from P730 million in 2016 resulting to12% growth. The increase was primarily due to increase in real estate sales.

PROJECT AND CAPITAL EXPENDITURES

As the Group envisions to become the country's leading Real Estate Company not in sheer size but in ways more meaningful quality projects, quality business plans, grow, returns and innovation, the Group spent P6,006 million for project and capital expenditures. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects and finance newly developed projects. P2,877 million of the said amount was used in procuring raw lands fornew residential and condominium project developments and 1,018 represents advances made to contractors.

FINANCIAL CONDITION

Assets

The Group's total assets increase to P29,807 million in 2017 from P24,125 in 2016. The 24% increase is due to significant amount project and capital expenditures spent in 2017 which is P2,068 million higher than the previous year. Other factors are increase in trade receivables due to increase in real estate sales, and increase in fair market value of investment in form of stocks.

Liabilities

Total liabilities reported to be P15,497 million in 2017 compared to P10,659 million in 2016. This is attributable to short term and long term loans drawn during 2017 and still unpaid as of December of the same year. Increase in customer's deposit due to more projects developed that are offered for sale during the year also contributed to the 45% increase in total liabilities.

Equity

Total stockholders' equity increased by P844 million in 2017 due to the net income generated during the year amounting to P818 million. Also contributing to the increase is the change in fair value of investments in form of stocks amounting to P26 million.

Key Performance Indicators

	31-Dec-17	**31-Dec-16**
Current Ratio	**2.28**	**2.77**
Debt to Equity	**0.73**	**0.47**
Interest Coverage Ratio	**231.94%**	**286.43%**
Return on Asset	**3.03%**	**3.03%**
Return on Equity	**5.71%**	**5.42%**

*Notes to Key Performance Indicators:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).
2. Debt to Equity = Total debt over shareholder's equity.
3. Interest Coverage Ratio = Earnings before tax over Interest expense.
4. Return on Asset = Net Income over Total Assets.
5. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2017.

Material Changes in the Balance Sheet (+/- 5%) as of December 31, 2017 versus the Balance Sheet as of December 31, 2016

346% increasein cash
Despite substantial amount spent in capital expenditures that areusedincontinuous development of existing projects and acquisition of various raw lands for future expansions, cash increased due to higher sales and increase in short term and long term debt availed during the year.

7% increase in receivables
Due to remarkable sales growth and more projects that have been developed and offered for sale in the market.

34% increase in real estate inventories
The increase was primarily due to significant capital expenditures for continuous development of the Registrant's existing residential and commercial projects and to finance newly developed projects and raw land acquisitions.

14% increase in other current assets
To sustain the growth in development of projects and aggressive marketing activities, the Group made advances to contractors and marketing arms, respectively, which caused the increase in prepayments.

61% increase in noncurrent receivables
Due to a number of buyers choosing to settle under a longer payment schemes.

12% decrease in property and equipment
The decrease is due to deprecation of assets.

43% increase in other noncurrent assets
Primarily due to significant security deposits made for 2017.

7% increase in accounts payable
Mainly attributable to unceasing development of designed projects and procurement of various to be used for future projects under installment scheme.

129% increase in short-term debt
Due to additional loans obtained by the Group to financeaggressive development operations and activities.

35% increase in customer's deposits
Due to new projects developed and extensive marketing strategies, there is increase in reservation fees and collections of downpayments.

41% decrease in income tax payable
Mainly attributable to timing differencesof revenue recognition of real estate transactions and others for tax purposesversusaccounting purposes.

28% increase in long term debts
To finance the Group's continuous development of the existing residential and commercial projects, newly developed projects and raw land acquisitions.

34% increase in deferred tax liabilities-net
Mainly attributable to timing differencesof revenue recognition of real estate transactions and others for tax purposesversusaccounting purposes.

41% decrease in pension liabilities
Due to the changes in estimates for retirement liability as valued by the independent actuary.

31% increase in retained earnings
Attributed to the net income reported in the 2017.

6% decrease in unrealized gain on fair value of available-for-sale financial assets
Due to the movement ofmarket prices of investment securities in Phil Racing Inc. and Manila Jockey Club Inc..

Material Changes in the Income Statement (+/- 5%) for the year ended December 31, 2017 versus the Income Statement for the year ended December 31, 2016

12% increase in real estate sales
Driven by the extensive marketing strategies and project development, real estate sales are notably increasing. Since more projects are developed as result of more land acquisitions and joint venture being dealt with, more lots and units are offered for sale during the year.

20% increase in rental income
Mainly due to increase in number of mall tenants and minimal escalation rate to existing tenants resulted to higher rental income

15% increase in interest income
Due to the interests earned from installment receivables since more buyers are opting for longer payment schemes.

94% decrease in construction income
Due to lower volume construction activities during the year.

6% increase in cost and expenses
Due to efficiency in cost management of the Group.

13% decrease in commissions
Due to some varying rates of commission fees paid to marketing arms.

15% increase is salaries, wages and other benefits
Due to increase in labor force of the Group.

68% increase in interest expense
Due to the increase in short term and long term debt during the year.

11% increase in advertising
Mainly attributable to increase volume of advertising and promotions made by the Group in 2017 as compared to 2016as part of marketing strategy to promote sales.

51% increase in professional fees
Due to significant professional services paid for the actuarial valuation of retirement liability and valuation of Group's assets.

60% increase in utilities
Mainly due to whole year recognition of utility expenses comprised mostly of security, light, water and communication expenses

44% decrease in repairs and maintenance
Due to minimal repairs and maintenance during the year for the completed projects not yet turned over to home owners association.

74% increase in representation
Primarily due to increase in volume of transactions made by the Group.

12% decrease in provision for doubtful accounts
Collection over the past few years are noticeably improving thus causing reducing the management's estimate for doubtful accounts.

18% increase in miscellaneous expense
Due to surcharges and penalties, insurance, legal, office supplies, software maintenance and transportation expenses incurred by the Group

209% increase in provision for income tax
Due to higher income earned during the year.

COMPARISON: YEAR END 2016 VS. YEAR END 2015

RESULTS OF OPERATIONS

Overview of Operations

Net income after tax in 2016 posted an increase of P54 million from P676 million in 2015 to P730 million in 2016 reporting an 8% increase. Gross revenues reported at P3,293 million compared to P3,104 million of last year, 6% higher than last year. Posting an increase amounting to P209 million in real estate revenues, the Group sustained its growth on real estate sales due to extensive strategies in marketing, developments and financing provided in the form of bonds. Revenues arising from rentals decreased from P983 million in 2015 to P852 million in 2016. This was due to change in accounting of income from mall tenants from accrual to cash basis. Cost and expenses increased to P1,544 million from P1,401 million this year while administrative and selling costs increased by 6%.

Revenue

Real estate revenues generated P1,890 million in 2016, 12% higher than 2015. This is due to extensive strategies in marketing, developments, project completion and financing provided in the form of bonds. Rental income decreased by 13% due to change in accounting of income from mall tenants from accrual to cash basis. Commission income during the year was generated by the Group's marketing unit Santalucia Ventures, Inc. Other income posted an increase of P75 million due to increase in recognized income related to surcharges, penalties and other income.

Cost and Expense

Cost of real estate sales and cost of rental income, posted an increase of 10%, from P1,395 million of 2015 to P1,528 million in 2016. The increase is directly attributable to the increase in increase in real estate revenues due to strong performance of SLI's property segment. Administrative and selling expenses increased by 51% primarily due to significant increase in interest expenses related to bonds.

Net Income

The net income increased by 8% from P676 million in 2015 to P730 million in 2016. The increase was primarily due to increase in real estate sales and effective cost management.

PROJECT AND CAPITAL EXPENDITURES

In 2016, the Group spent P3,938 million for project and capital expenditures. The amount is accounted for the continuous development of the Registrant's existing residential and commercial projects. P1,464million of the said amount is attributable for acquisition of raw lands for new residential and condominium project developments. Capital expenditures were significantly financed by the bonds publicly issued in December of 2015.

FINANCIAL CONDITION

Assets

Generating an increase of 13%, the Group reported an increase in total assets of P2,755 million. The increase is due to significant amount capital expenditures spent in 2016 under installment, increase in trade receivables due to increase in real estate sales, and increase in fair market value of investment in form of stocks.

Liabilities

Total liabilities generated an increase from P8,671 million to P10,659 million. The 23% reported increase was due to new short term loans drawn during 2016 and still unpaid as of December of the same year. Additionally, continuous development of existing projects and acquisition of various raw lands for future expansions and developments under installment scheme significantly contributed in the increase in the total liabilities.

Equity

Total stockholders' equity increased by P766 million in 2016. The increase was due to the net income generated during the same year amounting to P730 million. Also contributing to the increase is the change in fair value of investments in form of stocks and actuarial gain/loss related to pension liabilities amounting to P36 million.

Key Performance Indicators

	31-Dec-16	**31-Dec-15**
Current Ratio	**2.77**	**4.68**
Debt to Equity	**0.73**	**0.44**
Interest Coverage Ratio	**286.43%**	**725.45%**
Return on Asset	**3.03%**	**3.16%**
Return on Equity	**5.42%**	**5.32%**

*Notes to Key Performance Indicators:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans, income tax payable, and deferred tax liabilities*).
2. Debt to Equity = Total debt over shareholder's equity.
3. Interest Coverage Ratio = Earnings before tax over Interest expense.
4. Return on Asset = Net Income over Total Assets.
5. Return on Equity = Net Income over shareholder's equity.

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

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships between the Registrant and unconsolidated entities were created during 2015.

Material Changes in the Balance Sheet (+/- 5%) as of December 31, 2016 versus the Balance Sheet as of December 31, 2015

94% decrease in cash
This is mainly due to significant capital expenditures during 2016. Said capital expenditures in attributable to the continuous development of existing projects and acquisition of various raw lands for future expansions.

11% increase in receivables
The boost in the Group's sales growth affects the increase in the current receivables as well as intercompany transactions of the group.

35% increase in real estate inventories
In concurrence with the decrease in the cash reported during 2016, the increase in real estate inventories is due to significant capital expenditures spent in 2016.

70% increase in other current assets
The increase primarily was due to the increase in prepayments for contractor advances to support the growth in development and also to brokers which is as an effect of the Group's aggressive marketing activities.

17% increase in noncurrent receivables
Corresponds to the additional mix of buyers opting longer payment schemes.

17% increase in available for sale financial assets
Mainly due to the increase in market price of the Group's AFS

47% increase in property and equipment
Mainly due to the purchase of transportation vehicles and office equipments to be used in operations

26% increase in other noncurrent assets
This is due to significant security deposits made for 2016.

58% increase in accounts payable
Mainly due to continuous development of existing projects and acquisition of various raw lands for future expansions and developments under installment scheme.

242% increase in short-term debt
Due to short term loans drawn during 2016 and still unpaid as of December of the same year. Furthermore, portion of long term debts as of 2015 was reclassified as current during 2016 as these are expected to be paid within 12 months as of December 2016.

38% increase in customer's deposits
Increase in new reservations applications and collections under down payment period due to new projects launched in 2016.

141% increase in income tax payable
Due to increase in current taxable operations of the Company.

20% decrease in long term debts
The decrease was due to a portion of long term debts as of 2015reclassified as current during 2016 as these are expected to be paid within 12 months as of December 2016.

9% decrease in deferred tax liabilities-net
Mainly due to the recognition of the difference between tax and book basis of accounting for real estate transactions and other temporary differences.

86% increase in pension liabilities
Pertains to the current year changes in pension liabilities as valued by the independent actuary.

38% increase in retained earnings
Attributed to the net income reported in the 2016.

9% increase in unrealized gain on fair value of available-for-sale financial assets.
Mainly due to the increase in share prices of investments in stocks.

2,540% decrease in remeasurement gain (losses) on pension liabilities.
Attributed to the changes on pension settlement expectations.

Material Changes in the Income Statement (+/- 5%) for the year ended December 31, 2016 versus the Income Statement for the year ended December 31, 2015

12% increase in real estate sales
Driven by the increased volume of real estate sales.

13% decrease in rental income
Due to the change in accounting of cash receipts from mall tenants from accrual to cash basis

11% increase in interest income
Due to the mix of interest bearing buyers of the Company

172% increase in construction income
Due to increased number of construction of houses

6% increase in commission income
Due to strengthened marketing performance of Santalucia Ventures,Inc.

38% increase in other income
Primarily due to the continuous increase in revenue other than its real estate sales such as booking of surcharges/penalties, processing fees, income related to defaults of various buyers, and other services.

10% increase in cost and expenses
Mainly due to the related increase in sales during the period.

71% increase in depreciation
Due to new property and equipment acquisitions during the year.

8% decrease in commissions
Though an increase in sales was recognized, requirements for the release of some commissions to agents and brokers are not yet met.

112% increase in interest expense
Due to the additional debts arising from the public bond offering in December 2015 and short term loans drawn in 2016 and partial recognition of capitalized interest from previous years.

87% increase in taxes, licenses and fees
Due to operational activities of the Group and increased volume of processing and tax expenses due to increased volume of cash sales. The increase was also due to documentary stamp taxes incurred for short term loans to various financial institutions.

7% decrease in advertising
Mainly due to decreased volume of advertising and promotions made by the Group in 2016 as compared to 2015.

29% decrease in professional fees
Due to significant professional services paid for the public bond offering in 2015.

594% increase in repairs and maintenance
Mainly due to increased number projects already completed not yet turned over to home owners associations (HOA) and Condominium Corporations which incurred repairs and maintenance for further upkeep.

50% decrease in representation
Primarily due to decrease in representation related expenses paid by the Group.

20% decrease in provision for doubtful accounts
Due to decrease in volume of receivables expected to be uncollectible than last year.

66% decrease in provision for income tax
Due to effective tax management of the Group.

Five (5) Key Performance Indicators

On Sales

The Registrant's marketing arms include:

1. Orchard Property Marketing Corp.
2. Royal Homes Marketing Corp
3. Asian Pacific Realty & Brokerage Corp.
4. Fil-Estate Group of Companies
5. Mega East Properties Inc.
6. Sta. Lucia Global Inc.
7. SantaLucia Ventures, Inc.

These marketing companies have been proven to be effective in carrying out the business plans of the Sta. Lucia Group. The combined sales force of these marketing units totals over 120,000, catering to clients all over the Philippines.

The Registrant is still looking into other marketing units that may supplement its growth. The Registrant is specifically looking for marketing firms that will accommodate its requirements and its marketing framework.

With so many projects in sight and a diversified product line, there will always be opportunities for other marketing units.

On Technology Exploitation

The Registrant has made use of the expertise of NOAH Galleries software that is aimed at reducing costs, improving the quality of all processes involved in development, as well achieving accuracy involving all of its business operations. This software covers the following modules: Project Development; Accounts Payable ;Real Estate Sales; and Financials which comprise the complete operation of the Registrant, namely property development. This software is expected to increase the efficiency and productivity of the Registrant, as well as the quality of the processes involved in property development. The migration of data to the SAP software started in June 2013 and adjustments are continuously being made to further improve the system and cater to the Registrant's needs.
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In addition to the software, the Registrant's website, developed by CETT Computer Education Network can now be accessed by prospective buyers and investors through the web address www.stalucialand.com.ph. The website contains the list of lots for sale, a lot map, and a reservation system, which will enable clients to make on-line reservations. This website is expected to improve client convenience and also serve as a marketing tool.

On Inventory Optimization

The Registrant has in its portfolio a total of 2,197 hectares of residential, commercial and mixed use properties from the 26 properties infused by SLRDI. Moreover, the Company has additional joint venture and land acquisition projects that are executed since the inception by the Registrant.

Plans have been discussed and are currently being implemented on the disposal of the said properties, which will enhance the sales figure and bottom line of the Registrant. On average, most of these projects have to be sold over a period of three to four years. Developments shall also take two to three years.

On Organization Design

Please refer to Employees/Officers in Item I

On Managing Change

The Registrant now has the assistance of professionals leading its reorganization and is still in the process of hiring highly-skilled professionals who will be involved in the daily operations of the company.

In addition, the creation of the Executive Committee and Management Committee will make decision making more responsive to the needs of the business.

Liquidity and Capital Resources

The Registrant was able to meet its capital requirements from its capital resources, including those obtained from borrowings and prepaid sales and internally generated cash. Liquidity risk is the risk arising from the shortage of funds due to unexpected events or transactions. The Group manages its liquidity profile to be able to finance the capital expenditures and service the maturing debts. To cover the financing requirements, the Group intends to use internally generated funds and proceeds from debt and equity offerings

The Group actively manages its liquidity position so as to ensure that all operating, investing and financing needs are met. In mitigating liquidity risk, management measures and forecasts its cash commitments, matches debt maturities with the assets being financed, maintains a diversity of funding sources with its unhampered access to bank financing and the capital markets. As of December 31, 2020 and 2019, the Group has undrawn facilities amounting nil and nil, respectively. As part of the liquidity risk management, the Group is currently transacting with local banks for a longer term corporate notes and negotiation of higher undrawn credit lines to meet the debtors', suppliers' and contractors' obligations and business expansion.

At the Special Meeting of the Board of Directors of the Group held last February 17, 2018, wherein, subject to securing all required approvals under applicable laws, rules and regulations, the Group was authorized to negotiate and avail of a 10 year Corporate Note Facility with financial institutions, with a maximum of 19

investors, for an aggregate amount of P3,000.00 million and with an overallotment option of P2,000.00 million, for the pre-payment of existing obligations of the Group, strategic land banking, capital expenditures for ongoing and new projects, and general corporate purposes.
Through scenario analysis and contingency planning, the Group also assesses its ability to withstand both temporary and longer-term disruptions relative to its capacity to finance its activities and commitments in a timely manner and at reasonable cost, and ensures the availability of ample unused credit facilities as back-up liquidity.

Cash are maintained at a level that will enable it to fund its general and administrative expenses as well as to have additional funds as buffer for any opportunities or emergencies that may arise.

Factors that may have material effect on the Operations

Effects of Economic Conditions

The results of the Registrant's operations and financial condition are affected by the general economic condition in the Philippines, including inflation rates, interest rate levels and currency exchange rate movements. For instance, the general performance of the Philippine economy affects demand for residential and commercial products, and inflation affects the Registrant's costs and its margins.

Capital Expenditures

The Registrant's cash disbursement for project development and land banking amounted to P5,211 Million in 2020. For 2021, the Registrant allocated less than P6,000 Million for its capital expenditures, including P5,000 Million for project development and P1,000 Million for land acquisitions.

This will be funded by the Registrant's capital resources as mentioned above.

ITEM 7: FINANCIAL STATEMENTS

The audited consolidated financial statements are submitted herewith and can be found in the index portion.

ITEM 8: CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

On August 25, 2020, at the Annual Stockholders' Meeting, the Board agreed to retain SGV and Co. as the external auditor of the Registrant for the year 2020-2021. There are no disagreements with SGV & Co. on accounting and financial disclosure.

The following table shows the fees paid by the Registrant to its external auditor for the past four years: (VAT inclusive)

	Audit and Audit related fees	Tax Fees	Other Fees
2020	2,541,000*		
2019	2,587,200*		
2018	2,340,000*		
2017	1,558,480*		
2016	1,638,560*		
2015	1,489,600*		

*Relates only to audit fees; no other assurance and related services.

The Registrant's Audit Committee recommends the appointment of the external auditor to the Board of Directors which, in turn, recommends to the stockholders for their approval.

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM 10: DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Directors

VICENTE R. SANTOS	Chairman
EXEQUIEL D. ROBLES	Director
MARIZA R. SANTOS-TAN	Director
ANTONIO D. ROBLES	Director
AURORA D. ROBLES	Director
ORESTES R. SANTOS	Director
SIMEON S. CUA	Director
JOSE FERDINAND R. GUIANG	Independent Director
OSMUNDO C. DE GUZMAN	Independent Director

Executive/Corporate Officers

VICENTE R. SANTOS	Chairman
EXEQUIEL D. ROBLES	President
MARIZA R. SANTOS TAN	Treasurer
AURORA D. ROBLES	Assistant Treasurer
DAVID M. DE LA CRUZ	Executive Vice-President
PATRICIA A. O. BUNYE	Corporate Secretary
PANCHO G. UMALI	Assistant Corporate Secretary
CRYSTAL I. PRADO	Assistant Corporate Secretary

Resume of Directors/Executive Officers (covering the past five (5) years)

VICENTE R. SANTOS – Chairman

Term of Office	Four (4) year (2015-2019)
Address	Evangelista St., Brgy. Santolan, Pasig City
Age	62
Positions Held	Executive Vice President, Sta. Lucia Realty & Development, Inc.; EVP, Valley View Realty Dev't Corp.; EVP, RS Maintenance & Services Corp.; EVP, Sta. Lucia East Cinema Corp.; EVP, Sta. Lucia Waterworks Corp.; EVP Rob-San East Trading Corp.; EVP, Sta. East Commercial Corp.; EVP, RS Night Hawk Security & Investigation Agency; EVP, Sta. Lucia East Bowling Center, Inc.; EVP, Sta. Lucia East Department Store, Inc.;Acropolis North, President; Lakewood Cabanatuan, Corporate Secretary Chairman, Orchard Golf& Country Club
Directorships held	Orchard Golf & Country Club; Eagle Ridge Golf & Country Club; Sta. Lucia Land, Inc.

EXEQUIEL D. ROBLES – President/Director

Term of Office	Four (4) year (2015-2019)
Address	F. Pasco Avenue, Dumandan Compound, Santolan, Pasig City
Age	64
Citizenship	Filipino
Positions Held	President and General Manager, Sta. Lucia Realty & Development, Inc.; President, Sta. Lucia East Cinema Corporation; President, Sta.Lucia East Commercial Corporation; President, Sta. Lucia East Bowling Center, Inc.; President, Sta. Lucia East Department Store; President, Valley View Realty and Development Corporation; President, RS Maintenance & Services, Inc.; President, Rob-San East Trading Corporation; President, RS Night Hawk Security & Investigation Agency
Directorships Held	Sta.Lucia Realty & Development, Inc., Sta. Lucia East Cinema Corporation, Sta. Lucia Waterworks Corporation, Sta. Lucia East Commercial Corporation, Sta.

	Lucia East Department Store, Sta.Lucia East Bowling Center, Inc. Valley View Realty Development Corporation, RS Maintenance & Services, Inc.

MARIZA R. SANTOS-TAN – Treasurer

Term of Office	Four (4) year (2015-2019)
Address	G/F, State Center II, Ortigas Avenue, Mandaluyong City
Age	61
Citizenship	Filipino
Positions Held	Vice President for Sales, Sta.Lucia Realty & Development, Inc.; Vice President, Valley View Realty Development, Inc.; Corporate Secretary, RS Maintenance & Services Corporation; Corporate Secretary, Sta.Lucia East Cinema Corporation; Corporate Secretary, Sta.Lucia Waterworks Corporation; Corporate Secretary, Rob-San East Trading Corporation; Corporate Secretary, Sta.Lucia East Commercial Corporation; Corporate Secretary, RS Night Hawk Security & Investigation Agency; Corporate Secretary, Sta. Lucia East Bowling Center, Inc.; Corporate Secretary, Sta. Lucia East Department Store, Inc.; President, Royale Tagaytay Golf& Country Club; Assistant Corporate Secretary, Alta Vista Golf & Country Club; Treasurer, Manila Jockey Club; Corporate Secretary, Worlds of Fun; Corporate Secretary, Eagle Ridge Golf & Country Club
Directorships Held	Sta. Lucia Realty & Development, Inc., Valley View Realty Development, Inc., Orchard Golf & Country Club, Alta Vista Golf & Country Club, Manila Jockey Club, True Value Workshop, Consolidated Insurance Company, Unioil Resources Holdings, Inc.; Ebedev

AURORA D. ROBLES – Assistant Treasurer/Director

Term of Office	Four (4) year (2015-2019)
Address	The Alexandra Condominiums, Meralco Avenue, Pasig City
Age	52
Citizenship	Filipino
Positions Held	Purchasing Manager, Sta. Lucia Realty & Development, Inc.; Stockholder, Valley View Realty Dev't Corp.; Stockholder, RS Maintenance & Services Corp.; Chief Administrative, Sta. Lucia East Cinema Corp.; Chief Administrative, Sta. Lucia Waterworks Corp.; Chief Administrative, Rob-San East Trading Corp.; Stockholder, Sta. East Commercial Corp.; Stockholder, RS Night Hawk Security & Investigation Agency
Directorships Held	CICI General Insurance Corp.

ORESTES R. SANTOS – Director

Term of Office	Three (3) year (2015-2018)
Address	Odyssey St., Acropolis, Quezon City
Age	58
Positions Held	Project Manager, Sta. Lucia Realty & Development, Inc.; President, RS Superbatch, Inc.
Directorships held	City Chain Realty

ANTONIO D. ROBLES – Director

Term of Office	Four (4) year (2015-2019)
Address	Odyssey, Acropolis, Quezon City
Age	55
Positions Held	Stockholder, Sta. Lucia Realty & Development, Inc.; Stockholder, Valley View Realty Dev't Corp.; Stockholder, RS Maintenance & Services Corp.;Treasurer, Orchard Marketing Corporation; Stockholder, Sta. Lucia East Commercial Corp.; Stockholder, RS Night Hawk Security & Investigation Agency; Stockholder, Exan Builders Corp.; Owner, Figaro Coffee; Owner, Cabalen
Directorships held	Exan Builders Corp.

SIMEON S. CUA – Director

Term of Office	One (1) year (2018- 2019)
Address	36 Roosevelt Street, San Juan, Metro Manila
Age	61
Citizenship	Filipino
Positions Held	President and CEO, Philippine Racing Club, Inc.; President, Cualoping Securities, Inc.;
Directorships held	Philippine Racing Club, Inc., Cualoping Securities, Inc.

DAVID M. DE LA CRUZ – Executive Vice President

Term of Office	Four (4) year (2015-2019)
Address	#31, La Naval Street Remmanville Subdivision Better Living, Paranaque
Age	54
Citizenship	Filipino
Positions Held	VP and CFO – Atlas Consolidated Mining and Development Corp., SAVP - Corporate Credit Risk Management - BDO – AC&D Corporate Partners; President / CFO – Geograce Resources Phils. Inc.; Vice President / Head of Sales Amsteel Securities Philippines Inc; Senior Manager – Investment Banking Deutsche Morgan Grenfell Hong Kong Limited; Acting General Manager & Marketing Head – UBP Securities / Manager - Investment Banking - UBP Capital Corporation; Senior Auditor, SGV & Co.

ATTY. PATRICIA A. O. BUNYE – Corporate Secretary

Term of Office	Four(4) year (2015-2019)
Address	CVCLAW CENTER, 11th Avenue cor. 39th Street, Bonifacio Global City, Metro Manila
Age	51
Citizenship	Filipino
Positions Held	Senior Partner, Villaraza Cruz Marcelo & Angangco; Past President, Integrated Bar of the Philippines (Pasay, Parañaque, Las Piñas & Muntinlupa Chapter); Secretary, 15th House of Delegates National Convention, IBP; Past President, Licensing Executives Society Philippines
Directorships Held	Arromanche, Inc.; Baskerville Trading Corporation; Bay Area Holdings, Inc.; Belmont Equities, Inc.; Foundasco Philippines, Inc.; Go Home Bay Holdings, Inc.; Honfeur, Inc.; Kids Stuff Manufacturing, Inc.; Lawphil Investments, Inc.; Liberty Cap Properties, Inc.; Mianstal Holdings, Inc.; Quaestor Holdings, Inc.; Recruitment Center Philippines, Inc.; Westminster Trading Corporation; Winchester Trading Corporation; Windermere Marketing Corporation.

Independent Directors

JOSE FERDINAND R. GUIANG

Term of office	Four (4) year (2015-2019)
Address	Unit 4 Cornhill Villas, Kaimito Ave. Town & Country Exec. Vill., Antipolo
Age	54
Citizenship	Filipino
Positions Held	President, Pharmazel Incorporated; Member, Filipino Drug Association, Inc.; Area Sales Supervisor, Elin Pharmaceuticals, Inc.

OSMUNDO C. DE GUZMAN, JR.

Term of office	Four (4) year (2015-2019)
Address	Walnut cor. Redwood St. New Marikina Subd., San Roque, Marikina City
Age	64
Citizenship	Filipino

Positions Held Treasurer, Sunflower Circle Corp.

Significant Employees

The entire workforce of the Registrant is considered significant as each of its employees has his own responsibilities which are supposed to achieve the Registrant's goals and objectives.

Family Relationships

EXEQUIEL D. ROBLES, ANTONIO D. ROBLES, AND AURORA D. ROBLES are siblings and they are first cousins with VICENTE R. SANTOS, MARIZA R. SANTOS-TAN, and ORESTES R. SANTOS, who are likewise siblings.

Involvement in Certain Legal Proceedings

Legal proceedings involving the Registrant's directors and officers are discussed in Item 3: Legal Proceeding above.

Other than in the above-mentioned cases, the Registrant, its directors, officers or affiliates, any owner of record of more than 10% of its securities, or any associate of any such director, officer or affiliate, or security holder are not, to the knowledge of the Registrant, parties to any material legal proceeding during the past five (5) years up to date, including and/or involving any bankruptcy petition, conviction by final judgment, subject of an order, judgment or decree, and violation of a Securities or Commodities Law.

ITEM 9: EXECUTIVE COMPENSATION

Summary Compensation Table

The Directors and Officers do not receive any form of compensation except for a per diem of Fifteen Thousand Pesos (Php15,000) per meeting of the Board of Directors.

Apart from the per diem, there are no standard arrangements or other arrangements between the Registrant and the directors and executive officers.

Executive Officers

Annual Compensation 2020

Name and Principal Position	Salary*	Bonus*	Other Annual Compensation*
Executive Officers			
Vicente R. Santos – Chairman	XXX	XXX	XXX
Exequiel D. Robles – President/Director	XXX	XXX	XXX
Mariza Santos-Tan – Treasurer/Director	XXX	XXX	XXX
Aurora D. Robles – Assistant Treasurer/Director	XXX	XXX	XXX
David M. Dela Cruz – Executive Vice President	XXX	XXX	XXX
Patricia A.O. Bunye – Corporate Secretary	XXX	XXX	XXX
Total for Above Estimated	7,500	2,475	XXX
Actual	7,450	2,580	XXX
All other officers** as a group unnamed			
Estimated	2,500	500	XXX
Actual	2,130	365	XXX

Annual Compensation 2019

Name and Principal Position	Salary*	Bonus*	Other Annual Compensation*
Executive Officers			
Vicente R. Santos – Chairman	XXX	XXX	XXX
Exequiel D. Robles – President/Director	XXX	XXX	XXX
Mariza Santos-Tan – Treasurer/Director	XXX	XXX	XXX
Aurora D. Robles – Assistant Treasurer/Director	XXX	XXX	XXX
David M. Dela Cruz – Executive Vice President	XXX	XXX	XXX
Patricia A.O. Bunye – Corporate Secretary	XXX	XXX	XXX
Total for Above Estimated	7,500	2,475	XXX
Actual	7,450	2,580	XXX
All other officers** as a group unnamed			
Estimated	2,500	500	XXX
Actual	2,130	365	XXX

Annual Compensation 2018

Name and Principal Position	Salary*	Bonus*	Other Annual Compensation*
Executive Officers			
Vicente R. Santos – Chairman	XXX	XXX	XXX
Exequiel D. Robles – President/Director	XXX	XXX	XXX
Mariza Santos-Tan – Treasurer/Director	XXX	XXX	XXX
Aurora D. Robles – Assistant Treasurer/Director	XXX	XXX	XXX
David M. Dela Cruz – Executive Vice President	XXX	XXX	XXX
Patricia A.O. Bunye – Corporate Secretary	XXX	XXX	XXX
Total for Above Estimated	7,500	2,475	XXX

Actual	7,450	2,580	XXX
All other officers** as a group unnamed			
Estimated	2,500	500	XXX
Actual	2,130	365	XXX

Annual Compensation
2017

Name and Principal Position	Salary*	Bonus*	Other Annual Compensation*
Executive Officers			
Vicente R. Santos – Chairman	XXX	XXX	XXX
Exequiel D. Robles – President/Director	XXX	XXX	XXX
Mariza Santos-Tan – Treasurer/Director	XXX	XXX	XXX
Aurora D. Robles – Assistant Treasurer/Director	XXX	XXX	XXX
David M. Dela Cruz – Executive Vice President	XXX	XXX	XXX
Patricia A.O. Bunye – Corporate Secretary	XXX	XXX	XXX
Total for Above Estimated	7,500	2,475	XXX
Actual	7,450	2,580	XXX
All other officers** as a group unnamed			
Estimated	2,500	500	XXX
Actual	2,130	365	XXX

ITEM 11: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Stockholders who/which are directly/indirectly the record/beneficial owners of more than 5% of the Registrant's voting securities as of 31 December 2020:

Title of class	Name and address of record owner and h relationship with issuer	Name of beneficial owner owner and relationship with record owner	Citizenship	No. of Shares	Percent
Common	Sta. Lucia Realty & Dev't., Inc. Ground Flr., State Center Bldg. II, Ortigas Avenue cor. EDSA Mandaluyong City	-same-	Domestic	6,701,005,767	81.75%

Security Ownership of Management

Directors/Officers & Nominees as of December 31, 2020

Title of class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percentage of Class
Common	VICENTE R. SANTOS Chairman	712,494	Filipino	0.01%
	Evangelista St., Brngy. Santolan, Pasig City	233,000		0.00%
Common	EXEQUIEL D. ROBLES President and Director	712,500	Filipino	0.01%
	F. Pasco Ave., Dumandan Compound, Santolan, Pasig City	230,000		0.00%
Common	MARIZA R. SANTOS-TAN Treasurer and Director G/F, State Centre II Ortigas Avenue, Mandaluyong City	1	Filipino	0.00%
Common	AURORA D. ROBLES Assistant Treasurer and Director Alexandra Condominium, Meralco Ave., Pasig City	1	Filipino	0.00%
Common	ATTY. PATRICIA A.O. BUNYE Corporate Secretary 11th Avenue cor. 39th Street Bonifacio Global City, Metro Manila Makati City	0	Filipino	0.00%
Common	DAVID M. DE LA CRUZ Executive Vice President 31 La Naval Street Remmanville Subdivision, Better Living Paranaque			
	SIMEON S. CUA	0	Filipino	0.00%
Common	Makati City			

	Director 36 Roosevelt Street San Juan, Metro Manila	999	Filipino	0.00%
Common	ANTONIO D. ROBLES Director Odyssey St., Acropolis, Quezon City	1	Filipino	0.00%
Common	ORESTES R. SANTOS Director Odyssey St., Acropolis, Quezon City	1	Filipino	0.00%
Common	JOSE FERDINAND R. GUIANG Independent Director #71 K-6 St., Camias Road, Quezon City	1	Filipino	0.00%
Common	OSMUNDO C. DE GUZMAN, JR. Independent Director Walnut cor. Redwood St., New Marikina Subd. San Roque, Marikina City	1	Filipino	0.00%

Title of class	**Name of Beneficial Owner**	**Amount of Ownership as Director & Officers**	**Percent of Class**
Common	DIRECTORS & EXECUTIVE OFFICERS	1,889,000	0.02%

<u>Voting Trust Holders</u>

The Registrant is not a party to any voting trust. No shareholder of the Registrant holds more than 5% of the outstanding capital stock of the Registrant through a voting trust or other similar agreements.

ITEM 12: CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

As previously disclosed, SLRDI entered into a Property-for-Equity Swap with the Registrant in exchange for 10,000,000,000 shares of the latter. As of December 31, 2018, there 2,600,000 treasury shares which arise from the settlement of intercompany advances between SLI and SLRDI which provides assignment of certain number of shareholding of SLRDI to SLI be assigned to the latter.

The Registrant's President, EXEQUIEL D. ROBLES, is the President and General Manager of SLRDI. The Registrant’s directors, ANTONIO D. ROBLES, a stockholder of SLRDI, and AURORA D. ROBLES, the Purchasing Manager of SLRDI, are siblings of MR. EXEQUIEL D. ROBLES who are all first cousins of MARIZA R. SANTOS-TAN, the Vice-President for Sales of SLRDI, VICENTE R. SANTOS, the Executive Vice-President of SLRDI, and ORESTES R. SANTOS, Project Manager of SLRDI, who, in turn, are siblings.

A director, president and chief executive officer of Philippine Racing Club Inc. and president of Cualoping Securities Corporation, namely SIMEON S. CUA is also a director of the Registrant.

PART IV – CORPORATE GOVERNANCE

ITEM 13: COMPLIANCE WITH LEADING PRACTICE ON CORPORATE GOVERNANCE

This portion has been deleted pursuant to SEC Memorandaum Circular No. 5, Series of 2013. Please refer to 2020 SEC Integrated Annual Corporate Governance Report (I-ACGR).

PART V – EXHIBITS AND SCHEDULES

ITEM 14: EXHIBITS AND REPORTS ON SEC FORM 17-C

Exhibits

The Registrant has attached hereto as Annex "A" its Audited Financial Statements for the year ended 31 December 2019 together with the Registrant's Annual Report on SEC Form 17-A. The Registrant has not entered into any material contracts.

Reports on SEC Form 17-C

The following current reports have been reported by the Registrant during the year 2020 through official letters dated:

January 21, 2020
"Sta. Lucia prepares hotel, resort expansion on tourism prospects."

February 14, 2020
"Results of the Special Meeting of the Board of Directors held on 13 February 2020."

February 17, 2020
"Setting the date of the 2020 Annual Stockholders' Meeting."

March 16, 2020
"Risks and impact of the Coronavirus Disease 2019 ("COVID-19") on the business operations of Sta. Lucia Land, Inc. (the "Corporation") as well as measures that the Corporation will undertake or has undertaken to mitigate such risks."

May 21, 2020
"Notice of Postponement of the 2020 Annual Stockholders' Meeting."

May 21, 2020
"Results of the Special Meeting of the Board of Directors held on 21 May 2020."

May 22, 2020
"Setting the date of the 2020 Annual Stockholders' Meeting."

August 20, 2020
"Results of the 2020 Annual Stockholders' Meeting."

August 20, 2020
"Results of the 2020 Organizational Meeting of the Board of Directors."

December 11, 2020
"Results of the Special Meeting of the Board of Directors held on 10 December 2020."

STA. LUCIA LAND, INC. AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
SEC FORM 17-A

CONSOLIDATED FINANCIAL STATEMENTS

SUPPLEMENTARY SCHEDULES

FINANCIAL RATIOS

	31-Dec-20	31-Dec-19
Current Ratio	**2.01**	**2.67**
Debt to Equity	**0.97**	**0.93**
Interest Coverage Ratio	**341.52%**	**274.35%**
Return on Asset	**3.73%**	**4.30%**
Return on Equity	**9.65%**	**10.77%**

SIGNATURES

Pursuant to the requirement of Section 17 of the Securities Regulation Code and Section 141 of the Corporate Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in MANDALUYONG CITY on 17 MAY 2021

STA. LUCIA LAND, INC.
Issuer

VICENTE R. SANTOS
Chairman of the Board

EXEQUIEL D. ROBLES
President / CEO

MARIZA R. SANTOS-TAN
Treasurer

CRYSTAL I. PRADO
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 17 MAY 2021 in MANDALUYONG CITY, affiants exhibiting to me their government issued IDs, to wit:

Name	**Government I.D.**	**Date/Place Issued**
VICENTE R. SANTOS	155-810-416	BIR RDO 43
EXEQUIEL D. ROBLES	P5067324A	17 Nov 2017/ DFA NCR EAST
MARIZA R. SANTOS-TAN	P1089376A	5 Dec 2016/ DFA NCR EAST
CRYSTAL I. PRADO	Roll of Attorneys No. 57242	May 2009/Ortigas, Pasig City

Doc. No. 374;
Page No. 76;
Book No. XXX;
Series 2021

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47018
IBP No. 156979/01.25.21/RSM
PTR No. 4638655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025921/04.29.2019
G/F Sta. Center II Bldg.
Ortigas Avenue, Mandaluyong City

PART VI – SUSTAINABILITY REPORT

STA. LUCIA LAND, INC.

Contextual Information

Company Details	
Name of Organization	Sta. Lucia Land Inc. ("SLI" or the "Corporation")
Location of Headquarters	Penthouse, Building III, Sta. Lucia Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal 1900
Location of Operations	SLI projects are strategically located around the Philippines, with prominent projects situated in CALABARZON, Metro Manila, Davao Region, Iloilo Region, Central and Eastern Visayas, MIMAROPA, Ilocos Region and CAR.
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	This report covers the sustainability activities of SLI, specifically of its corporate offices and properties directly controlled and managed by SLI and its subsidiaries, Sta. Lucia Homes, Inc. and Santalucia Ventures, Inc.
Business Model, including Primary Activities, Brands, Products and Services	SLI is a leading Philippine developer of residential communities, with a portfolio consisting of developments that include residential, commercial, leisure and retail assets. SLI is focused on establishing its presence all over the country to cater to the needs of its stakeholders by expanding its landbanking activities and providing state of the art horizontal and vertical developments. SLI conducts its business through the following main operating segments: 1. Residential Projects, which include horizontal and vertical developments; 2. Commercial Properties; and 3. Services, such as housing construction and marketing services. Aside from its residential and commercial developments, SLI has recently ventured into developing office buildings to boost its recurring income. It envisions developing a self-sustaining community targeting domestic and overseas Filipino markets across high-end, upper middle-income and affordable segments.
Reporting Period	January to December 2020
Highest Ranking Person responsible for this report	David M. Dela Cruz Executive Vice President/Chief Financial Officer/Chief Risk

	Officer

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.

Management attended online workshops for key personnel and consultations with primary stakeholders and confirmed that sustainability goals have long been part of SLI's business mechanism and mindset.

SLI considered a combination of internal and external factors in identifying material topics. These include SLI's overall mission and competitive strategy, and the concerns expressed directly by its stakeholders. This report highlights material topics on the following:

1. Economic – Economic performance, procurement practices, anti-corruption;
2. Environmental – Resource management, ecosystem and biodiversity;
3. Social – Employment, occupational health and safety, training and education, local communities.

The process for the assessment of material topics was conducted in accordance with the guidelines of the Global Reporting Initiative ("GRI") Standards:

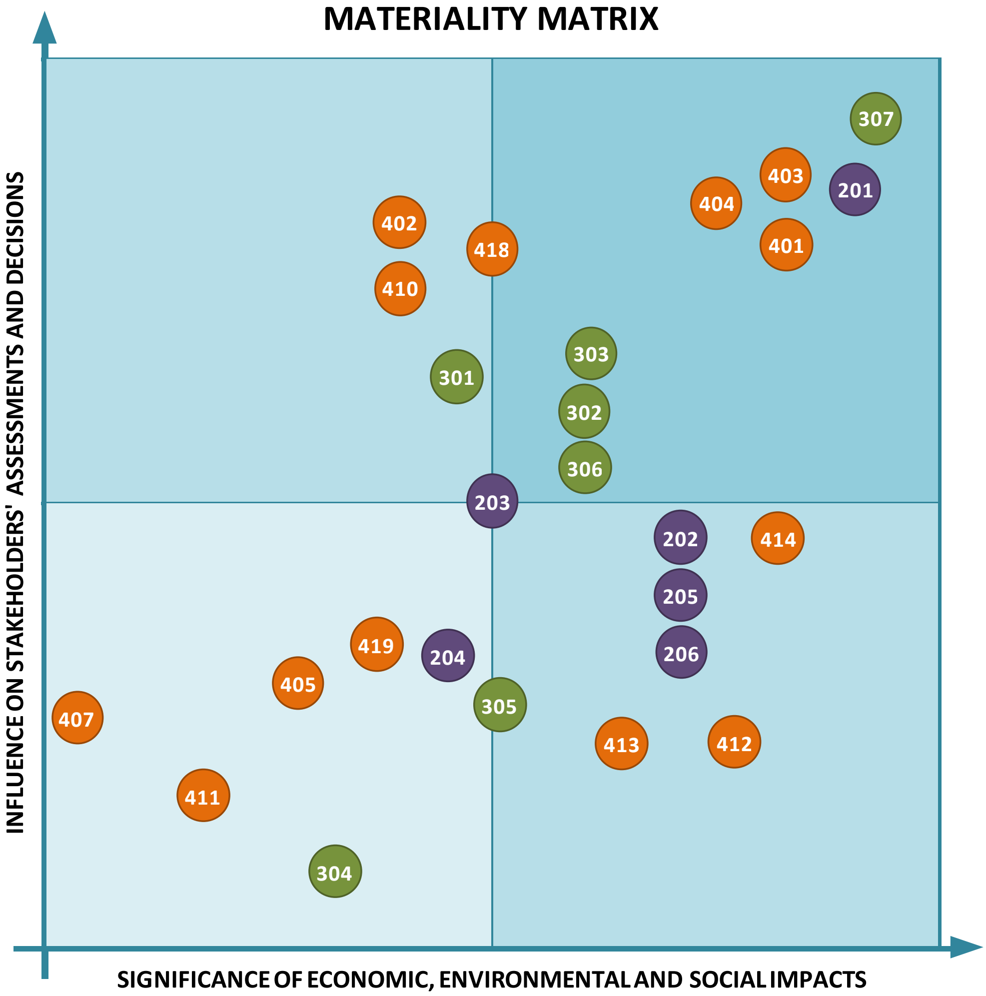
1. Prioritization – SLI identified which among its stakeholders have a significant impact on the Corporation. As SLI's stakeholders play a vital role on its operations, SLI ensures that its stakeholders are actively engaged in the achievement of SLI's sustainability goals.
2. Materiality Assessment – This report covers the activities of SLI, specifically the corporate offices and properties directly controlled and managed by SLI. The operations of each unit were gauged using metrics in relation to the material topics. Result of materiality assessment is shown below:

401 - Employment
402 - Labor Management/Relation
403 - Occupational Health and Safety
404 - Training and Education
405 - Diversity and Equal Opportunity
406 - Non-discrimination
407 - Freedom of Association/Collective Bargaining

410 - Security Practices
411 - Rights of Indigenous People
412 - Human Rights Assessment
413 - Local Communities
414 - Supplier Social Assessment
418 - Customer Privacy
419 - Socioeconomic Compliance

301 - Materials
302 - Energy
303 - Water
304 - Biodiversity
305 - Emissions
306 - Effluents and Waste
307 - Environmental Compliance

201 - Economic Performance
202 - Market Presence
203 - Indirect Economic Impact
204 - Procurement Practices
205 - Anti-corruption
206 - Anti-competitive Behavior



3. Information Gathering – Information was gathered and collected directly through operations, consultations and feedback from stakeholders.
4. Management Review – This report was reviewed by top management. SLI assessed the results of its first annual sustainability report and used the same as basis for updating its objectives for SLI's sustainability journey.

ECONOMIC

Sta. Lucia Land, Inc. is principally engaged in real estate development, both horizontal and vertical, in various locations across the country. The Corporation has built a track record in the area of horizontal residential developments, particularly gated subdivisions, and has expanded into vertical developments, mall operations, housing construction and marketing. With over 45 years track record of real estate development, the Corporation has completed over 250 projects and developed over 10,000 hectares of land across more than 70 cities and municipalities across the Philippines.

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount (in millions)	Units
Direct Economic Value Generated (revenue)	6,853	PhP
Direct Economic Value Distributed:	5,145	PhP
a. Operating Costs	2,393	PhP
b. Employee Wages and Benefits	85	PhP
c. Payments to suppliers, and other operating costs	982	PhP
d. Dividends given to stockholders and interest payments to loan providers	993	PhP
e. Taxes given to the Government	691	PhP
f. Investments to community (e.g. donations, CSR)	1	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Corporation contributes to the economy by building sustainable community developments, and generating economic activity in the areas in which it operates and for its local suppliers.	Customers, suppliers, communities, employees, shareholders, business partners	In order to ensure that the Corporation will retain its positive impact on the economy and its commitment in building sustainable communities, it continues to establish a strong brand equity by catering to domestic and overseas Filipino markets across high-end, upper middle-income and affordable segments. With its strong track record in the field of real estate development, the

		Corporation will stand firm to its tag line "building dreams" and will continue its legacy in developing world-class projects that will become sustainable communities.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
With the effect of the COVID-19 pandemic, the Corporation faces certain risks related to decrease in demand of projects from domestic and OFW markets. The Corporation faces risk related to cancellation of sales as well as substantial decrease in revenues and operating profits as result of slowdown in economic growth in the Philippines.	Customers, suppliers, communities, employees, shareholders, business partners	The management has adopted mitigation measures to minimize the impact of the pandemic to its sales such as monitoring its receivable balances on a regular basis. Safety protocol procedures were also strictly observed to maintain a safe workplace for employees and clients. As overall response, the Corporation continuously monitors the political and economic situations and policies in the relevant jurisdictions to anticipate any effect it may have on the Corporation and its business. The Corporation shall ensure the continuity of the business operations in the event of escalations.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
A significant portion of the demand for the Corporation's products is from Overseas Filipino Workers (OFWs), expatriate Filipinos, and their families.	Customers, suppliers, communities, employees, shareholders, business partners	The Corporation targets developing provincial areas, employees and small-medium business owners to optimize its identification of future acquisitions and landbanking activities.

Climate-related risks and opportunities

Governance Disclose the organization's governance around climate related risks and opportunities	
a. Describe the board's oversight of climate-related risks and opportunities	Under SLI's Manual on Corporate Governance, the Board oversees that a sound ERM framework is in place to effectively identify, monitor, assess and manage key business risks. Moreover, the Board established a separate Board Risk Oversight Committee, which is responsible for oversight of the ERM framework.
b. Describe management's role in assessing and managing climate-related risks and opportunities	Under SLI's Manual on Corporate Governance, the Chief Audit Executive shall establish a risk-based internal audit plan, including policies and procedures, to determine the priorities of the internal audit activity, consistent with the organization's goals. In addition, the Board has appointed a Chief Risk Officer who shall have the adequate authority, stature and shall be provided with the necessary resources and support to fulfill his responsibilities as the ultimate champion of ERM.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	
a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	The Corporation faces the risk of natural disasters such as massive floods, fire, typhoons, volcanic eruptions and earthquakes which may directly affect the developments throughout the Philippines. In this regard, the Corporation recognizes opportunities in improving its activities to promote disaster preparedness and prevention, as well as that of the local community.
b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	The Corporation recognizes the financial consequences of climate-related risks whether the same occurs in the design, construction or operational stage of the development. The Corporation considers such risks in planning its strategy and making the necessary adjustments in its annual budget.

c. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario	The Corporation conducts its due diligence before making land acquisitions and finalizing the design for its developments to minimize climate-related risks on its projects. The Corporation also considers the quality of materials used to ensure that its developments withstand extreme weather and/or natural disasters.
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks	
a. Describe the organization’s processes for identifying and assessing climate-related risks	Under SLI’s Manual on Corporate Governance, the Board oversees that a sound ERM framework is in place to effectively identify, monitor, assess and manage key business risks.
b. Describe the organization’s processes for managing climate-related risks	The Corporation’s Enterprise Risk Management Framework can be accessed at http://stalucialand.com.ph/corporate-governance/enterprise-risk-management/.
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	The Corporation’s Risk Management Plan is updated to determine whether the risks identified, assessed, quantified and aggregated remain current and are among the key risks priorities. Measures and/ or controls identified to address these key risk priorities are evaluated if still effective in mitigating subject risks. Risk monitoring and reporting activities are reviewed to ensure its effectiveness such that these risks priorities and control activities are optimized and utilized to help management meet its goals and objectives.
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	
a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	As the Corporation’s major operations are directly affected by natural calamities, climate-related risk are measured through the following: • Delays on project timeline in terms of days. • Costs of repairs on assets affected. • Costs of maintenance from wear and

	tear especially on vertical properties.
b. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	In managing the exposure in the identified risks, the Corporation are seeing opportunities through: • Continuous trainings on employees especially those engaged in planning and project engineering. • Conduct of regular check on properties and maintenance of assets. • Continuous assessment of appropriate protocols and proper documentation to track the Corporation's responses on climate-related risks.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers*	100	%

*Local suppliers are those registered and are operating in the Philippines.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Corporation has a broad base of local suppliers and is not dependent on one or limited number of suppliers.	Local suppliers	SLI's procurement practices ensure that while value for money is considered, it also generates benefits towards society and the economy while minimizing its impact on the environment. Contracts entered into with its suppliers are assessed for corporate governance, financial robustness and attractiveness, innovation capacity along with business integrity and ethics. Contracts for services are assessed with regard to

		working conditions and fair wages. With these, SLI remains assured that economic values, social elements and environmental impacts are taken into account as resources flow in and out of the organization.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Unethical procurement practices may expose the Corporation to compromised business integrity and ethics.	Local suppliers	The Corporation endeavors to deal honestly and ethically with customers, suppliers, competitors, employees and other stakeholders in all matters. The Corporation also has the following committees to oversee and ensure compliance with the foregoing policy: Corporate Governance Committee and Related Party Transactions Committee.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Corporation recognizes the opportunity to develop and improve its procurement practices.	Local suppliers	The Corporation endeavors to deal honestly and ethically with customers, suppliers, competitors, employees and other stakeholders in all matters.

Anti- Corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of business partners to whom the organization's anticorruption policies and procedures have been communicated to	100	%
Percentage of directors and management that have	100	%

received anticorruption training		
Percentage of employees that have received anti-corruption training	100	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Directors, management and employees are informed that based on the Code of Business Conduct and Ethics of the Corporation, no director and employee should do anything which might give rise to the impression that he or she has been or might be influenced by a gift or hospitality or other consideration to show bias for or against any person or organization while carrying out official duties. The Board of Directors and key officers attend annual Corporate Governance trainings to maintain the principles of good corporate governance.	Employees, Management, Board of Directors	The Corporation views corruption as an undermining factor to fair competition, which hampers innovations and poses legal and reputational consequences. It is a considerable obstacle to economic development as it holds back the development not only of the organization but the community as a whole. With this, the Corporation strives to be a persistent and responsible organization that drives positive change to the communities in which it operates. The Corporation is committed to fight corruption and to be a catalyst to effectively correct any irregularities it encounters.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the business risks involved in decreasing its trainings on anti-corruption.	Employees, Management, Board of Directors	To ensure the mitigation of corruption within the organization, the Corporation increased its awareness of such practices to be able to prevent and detect possible breaches as well as to respond to such cases.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the opportunity to develop	Employees, Management, Board of Directors	The Corporation strengthened its Business

and improve its anti-corruption trainings.		Ethics and Compliance Programs by promoting enhanced leadership and consistently reviewing and assessing its policies and controls. The Corporation has also established its Corporate Governance Committee, Board Risk Oversight Committee and Related Party Transactions Committee.

Incidents on Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Based on the Code of Business Conduct and Ethics of the Corporation, no director and employee should do anything which might give rise to the impression that he or she has been or might be influenced by a gift or hospitality or other consideration to show bias for or against any person or organization while carrying out official duties.	Employees, Management, Board of Directors	The Corporation strictly implements its Code of Business Conduct and Ethics.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the business risks that will affect the organization due	Employees, Management, Board of Directors	To ensure the mitigation of corruption within the organization, the Corporation

to corruption.		increased its awareness to such practices to be able to prevent and detect possible breaches as well as to respond to such cases.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the opportunity to ensure that the organization remains without any incident of corruption.	Employees, Management, Board of Directors	The Corporation strengthened its Business Ethics and Compliance Programs by promoting enhanced leadership and consistently reviewing and assessing its policies and controls. The Corporation has also established its Corporate Governance Committee, Board Risk Oversight Committee and Related Party Transactions Committee.

ENVIRONMENT

Resource Management

Energy Consumption within the organization

Disclosure	Quantity	Units
Energy Consumption Electricity	3,569,787	kWh
Energy Consumption Diesel	4,844	GJ
Energy Consumption Gasoline	3,289	GJ
Energy Consumption LPG	N/A	GJ
Energy Consumption Renewable Sources	322.93	GJ

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	22,987	GJ
Energy reduction (LPG)	N/A	GJ
Energy reduction (diesel)	5,990	GJ
Energy reduction (electricity)	0	kWh

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Energy consumed by SLI primarily comes from electricity for its operations as well as from the residential projects that are still under the Corporation's management. It also uses diesel and gasoline for its Corporation-owned vehicles.	Employees, customers and management	As most of SLI's economic activities directly rely on energy consumption, specifically electricity, it is imperative that efficient energy use is one of its strategies in lowering energy consumption as it results in cost saving benefits and the reduction of its impact on the environment. By continuously monitoring and keeping track the consumption of each residential property before turning over to its individual home owners association, the Corporation would be able compare and assess means on how to efficiently manage electricity consumptions by setting

		standard averages.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The amount of energy consumption relates to climate-related risks.	Employees and management	The Corporation had started its initiatives by shifting to the use of renewable energy through solar panels in some parts of its mall operations.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes opportunities to minimize consumption and shift to renewable energy sources.	Employees and management	The Corporation had started its initiatives by shifting to the use of renewable energy through solar panels in some parts of its mall operations.

Water Consumption within the organization

Disclosure	Quantity	Units
Water Consumption	308,016	Cubic meters
Water Withdrawal	Not measured	Cubic meters
Water Recycled and Reused	Not measured	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Corporation manages the water consumption of common areas in its developments, mall operations, and head and branch offices.	Employees and management	The Corporation through Sta. Lucia Waterworks manages its water consumption by regular monitoring and documenting of consumption.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the risks in overconsumption of water, which may lead to climate-related risks.	Employees and management	The Corporation, through Sta. Lucia Waterworks has been active in exploring ways to manage the water consumption of the Corporation. Monthly checking is put in place for proper documentation.

What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
There are opportunities in developing ways to conserve water.	Employees and management	The Corporation, through Sta. Lucia Waterworks has been active in exploring ways to manage the water consumption of the Corporation. Monthly checking is put in place for proper documentation

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
- Cement	1,110,745	Bags
- Steel Bars	256,368	Pcs
- Aggregates	122,050	Cubic meters
Percentage of recycled input materials used to manufacture the organization's primary products and services	Not measured	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The construction services of the Corporation entail the use of materials. In this regard, the Corporation enters into contracts with local suppliers and/or contractors for the construction of its horizontal and vertical developments.	Local suppliers and/or contractors	The Corporation imposes guidelines on its contractors and suppliers on materials to ensure the high standard and quality of such materials. The guidelines include the careful evaluation of construction materials used on project developments. This is to ensure that project developments use innovative sustainable materials that are disaster-resistant and can withstand natural calamities.

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Corporation recognizes the risks in depleting the natural resources used for construction materials.	Local suppliers and/or contractors	The Corporation imposes materials performance targets on its contractors and suppliers and promotes the use of innovative sustainable materials.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes opportunities in improving the materials used in its operations to further its sustainability goals.	Local suppliers and/or contractors	The Corporation imposes materials performance targets on its contractors and suppliers and promotes the use of innovative sustainable materials.

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A	
Habitats protected or restored	N/A	Ha
IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Corporation factors in the ecosystem and biodiversity value of the land in making land acquisitions and landscaping for projects.	Employees, management, customers	The Corporation is committed to creating a positive impact in the preservation of biodiversity. Before SLI acquires land for future developments, it undertakes area evaluations. The Corporation reviews the general condition of the area and takes into consideration the economic condition and its proximity to highly protected areas and areas with high biodiversity value.

		This is done to mitigate any disruptions for future developments and avoid of any possible violations of governmental and environmental laws and regulations. In this regard, landscaping of its projects includes the use of endemic trees and preservation of free flowing waters in some of its projects.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Corporation recognizes that disrupting the ecosystem and protected habitats can lead to the extinction of species and climate-related risks.	Employees, management, customers	In assessing areas for future development, the Corporation performs feasibility studies. The study involves assessment if the benefits exceed the costs. Things that are being considered are the general condition of the land being evaluated; its demographic location; as well as if the area is situated near a high biodiversity value or protected areas.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Corporation recognizes opportunities in actively participating in the preservation and restoration of protected habitats and endangered species.	Employees, management, customers	The Corporation promotes the general well-being of its stakeholders ensuring that it plays its role in the preservation of the environment.

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity*	Units
Direct (Scope 1) GHG Emissions	2,524	Tonnes

		CO_2e
Energy Indirect (Scope 2) GHG Emissions	451	Tonnes CO_2e
Emissions of ozone-depleting substances (ODS)	0	Tonnes

**Figures represent an approximate amount of emissions based on local and international standards on GHG emissions.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
GHG Emissions primarily comes from electricity for SLI's operations, and the use of diesel and gasoline for Corporation-owned vehicles.	Employees and management	The Corporation manages its electricity consumption as well as its usage on diesel and gasoline through regular monitoring and documenting of consumption.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the effect of increased GHG emissions on climate-related risks.	Employees and management	The Corporation had started its initiatives by shifting to the use of renewable energy through solar panels in some parts of its mall operations to minimize its electricity consumption that contributes to the emission of GHG.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes opportunities in developing means to reduce its GHG emissions.	Employees and management	The Corporation had started its initiatives by shifting to the use of renewable energy through solar panels in some parts of its mall operations to minimize its electricity consumption that contributes to the emission of GHG.

Air pollutants

Disclosure	Quantity	Units
NO_x	Not measured	Kg
SO_x	Not measured	Kg
Persistent organic pollutants (POPs)	Not measured	Kg
Volatile organic compounds (VOCs)	Not measured	Kg
Hazardous air pollutants (HAPs)	Not measured	Kg

Particulate matter (PM)	Not measured	Kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Corporation ensures that its developments implement measures to ensure good air quality.	Employees and management	The Corporation is in the process of establishing measures to monitor and reduce the amount of air pollutants from its operations, if any.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the risks of air pollutants to health and safety, and climate-related risks.	Employees and management	The Corporation is in the process of establishing measures to monitor and reduce the amount of air pollutants from its operations, if any.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes opportunities in promoting good air quality to maintain a high standard of living for its customers for the development of sustainable communities.	Employees and management	The Corporation is in the process of establishing measures to monitor and reduce the amount of air pollutants from its operations, if any.

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	Not measured	Kg
Reusable	Not measured	Kg
Recyclable	Not measured	Kg
Composted	Not measured	Kg
Incinerated	Not measured	Kg
Residuals/Landfilled	Not	Kg

	measured	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Caring for the environment through proper waste management is one of SLI's initiatives. Proper waste management procedures are strictly observed in the areas managed and controlled by SLI. The Corporation is currently implementing as systematic process of collecting waste and its proper disposal observing the proper segregation of waste duly transporting the same to appropriate places suitable for its disposal.	Local contractors, employees and management	The Corporation manages the proper segregation as well as proper disposal of its solid waste. By continuous monitoring and documenting the volume it produces, the Corporation can gauge its impact to the environment.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the climate-related risks of mismanaging solid waste and failing to reduce the amount of such waste resulting from its operations.	Local contractors, employees and management	The Corporation is making sure that there is an active monitoring and proper documentation of the solid waste it produces. The data gathered are being analyze and assess in order eliminate or at least minimize its impact to the community.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the opportunities in improving its waste management system and reducing the total residual waste resulting from its operations.	Local contractors, employees and management	The Corporation has taken its step in the use of recyclable materials as well as promoting the use of single use plastic in its commercial operations to reduce its impact in its solid waste management.

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	Not measured	Kg
Total weight of hazardous waste transported	Not measured	Kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Corporation is in the process of establishing measures to reduce and properly manage its hazardous waste, if any.	Local contractors, employees and management	The Corporation is in the process of establishing measures to monitor and reduce the amount of hazardous waste generated from its operations, if any.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the climate-related risks of mismanaging hazardous waste.	Local contractors, employees and management	The Corporation is in the process of establishing measures to monitor and reduce the amount of hazardous waste generated from its operations, if any.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the opportunities in improving its reducing the amount of hazardous waste generated from its operations, if any.	Local contractors, employees and management	The Corporation is in the process of establishing measures to monitor and reduce the amount of hazardous waste generated from its operations, if any.

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	Not measured	Cubic meters
Percent of wastewater recycled	Not measured	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Corporation is in the process of establishing measures to reduce water	Local contractors, employees and management	The Corporation is in the process of establishing measures to monitor and

discharges and to recycle wastewater in its operations.		reduce the amount of water discharges generated from its operations.
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes the climate-related risks of damage due to untreated wastewater.	Local contractors, employees and management	The Corporation is in the process of establishing measures to monitor and reduce the amount of water discharges generated from its operations.
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The Corporation recognizes opportunities in improving its measures to reduce water discharges and to recycle wastewater in its operations.	Local contractors, employees and management	The Corporation is in the process of establishing measures to monitor and reduce the amount of water discharges generated from its operations.

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Corporation is required to comply with environmental laws and regulations in the course of its business.	Management	The Corporation has made efforts to meet and exceed all statutory and regulatory standards on environmental compliance in its normal course of business. In keeping with the Corporation's commitment to sustainable development, all projects are assessed for

		their environmental impact and, where applicable, are covered by an Environmental Compliance Certificate ("ECC") issued by the Department of Environment and Natural Resources prior to construction or expansion. To date, the Corporation is compliant with relevant environmental regulations.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Non-compliance with such laws may negatively affect the financial performance of the Corporation.	Management	The Corporation has made efforts to meet and exceed all statutory and regulatory standards on environmental compliance in its normal course of business. In keeping with the Corporation's commitment to sustainable development, all projects are assessed for their environmental impact and, where applicable, are covered by an ECC issued by the Department of Environment and Natural Resources prior to construction or expansion. To date, the Corporation is compliant with relevant environmental regulations.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Corporation recognizes opportunities in entering environmental initiatives.	Management	The Corporation has made efforts to meet and exceed all statutory and regulatory standards on environmental compliance in its normal course of business.

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee Data

Disclosure	Quantity	Units
Total Number of Employees	160	
Female Employees	90	#
Male Employees	70	#
Attrition Rate	8.50%	rate
Ratio of lowest paid employee against minimum wage	1:1	ratio

Employee Benefits

Disclosure	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	13%	7%
PhilHealth	Y	4%	2%
Pag-ibig	Y	0%	0%
Parental leaves	Y	0%	0%
Vacation leaves	Y	100%	100%
Sick leaves	Y	100%	100%
Medical benefits (aside from PhilHealth)	Y	100%	100%
Housing assistance (aside from Pag-ibig)	N	N/A	N/A
Retirement fund (aside from SSS)	N	N/A	N/A
Further education support	N	N/A	N/A
Company stock options	N	N/A	N/A
Telecommuting	N	N/A	N/A
Flexible-working Hours	N	N/A	N/A
(Others)			

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Corporation had increased its workforce despite the pandemic in order to address the increasing demand in support as brought about by the increase in the number for clients the Corporation serves. The Corporation had remained firm with its commitment to reach out every Filipino through its products and services offered. Not only focused to its clients, the Corporation continuously pursues to promote the safety and welfare of its employees.	The Corporation aims to keep its attrition rate low to minimize disruption in its operations and promote the development of its employees. The Corporation ensures that employee benefits accorded by law are complied with. The Corporation's reward/compensation policy accounts for the performance of the Corporation beyond short-term

	financial measures. In order to ensure the promotion of employee health and well-being, the Corporation offers health care benefits covered by its health insurance provider. Employees are also involved in deciding, planning and implementing employee activities and programs such as sports and summer outing events, Corporation parties and employee uniform
What are the Risk/s Identified?	**Management Approach**
High attrition rates may negatively impact productivity in the workforce.	The Corporation values its employees and strives to promote good working conditions and work culture.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes the opportunity to increase its engagement with its employees to identify issues and areas of improvement.	The Corporation implements measures to identify employee concerns and get feedback to improve working conditions.

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees	421.50	
a. Female employees	319	Hours
b. Male employees	102.50	Hours
Average training hours provided to employees		
a. Female employees	3.54	Hours/employee
b. Male employees	1.46	Hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Corporation encourages its employees to be competent in their skills so that they can grow professionally and support the overall goals of the organization. The Corporation provides trainings and opportunities to enhance their skills and knowledge. Experienced employees are hands on with new hires to guide them in their growth and professional journey in the organization.	The Corporation supports the development of its employees' skills and professional growth by providing training and seminars to all of its employees. Depending on their work assignment and employee development plans, employees undergo or are sent to specialized training courses.

What are the Risk/s Identified?	**Management Approach**
The Corporation recognizes the business risks resulting from the stagnant development of its employees, which may affect its financial performance.	The Corporation supports the development of its employees' skills and professional growth by providing training and seminars to all of its employees. Depending on their work assignment and employee development plans, employees undergo or are sent to specialized training courses.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities for growth for its employees that will contribute to the overall success and financial performance of the Corporation.	The Corporation supports the development of its employees' skills and professional growth by providing training and seminars to all of its employees. Depending on their work assignment and employee development plans, employees undergo or are sent to specialized training courses.

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	N/A	%
Number of consultations conducted with employees concerning employee-related policies	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Corporation encourages the participation of its employees in regular staff meetings, coordination meetings and consultations.	The Corporation assures the rights of employees to self-organization and collective bargaining. Moreover, the Corporation implements measures to identify and quickly resolve employee concerns.
What are the Risk/s Identified?	**Management Approach**
The Corporation recognizes the business risks in having low employee engagement to performance and productivity.	The Corporation assures the rights of employees to self-organization and collective bargaining. Moreover, the Corporation implements measures to identify and quickly resolve employee

	concerns.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes the opportunity to increase its engagement with its employees to identify issues and areas of improvement.	The Corporation assures the rights of employees to self-organization and collective bargaining. Moreover, the Corporation implements measures to identify and quickly resolve employee concerns.

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	56.25	%
% of male workers in the workforce	43.75	%
Number of employees from indigenous communities and/or vulnerable sector*	2	#

*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Corporation provides equal opportunities to its employees and fosters diversity in its workforce.	The Corporation adopts a policy of non-discrimination in its recruitment process and management of employees.
What are the Risk/s Identified?	**Management Approach**
The Corporation recognizes the risks in financial performance and productivity due to discrimination in the recruitment process and management of employees.	The Corporation adopts a policy of non-discrimination in its recruitment process and management of employees.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities in having a diverse workforce and providing equal opportunities to sustain competitiveness and a policy of meritocracy.	The Corporation adopts a policy of non-discrimination in its recruitment process and management of employees.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	N/A	Man-hours
No. of work-related injuries	N/A	#

No. of work-related fatalities	N/A	#
No. of work-related ill-health	N/A	#
No. of safety drills	0	#

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
The Corporation is committed in providing a workplace sanctuary to its employees and ensures that safety is the utmost priority. The Corporation guarantees that employees are not involved in occupational activities that pose high risk for specific disease or high incidence of accidents. The Corporation ensures that safety measures are always in place and employees employed are physically fit and able to perform their jobs, healthy and medically-assisted, if necessary.	The Corporation institutes an annual physical exam to monitor the health and safety of its employees. Newly hired employees have to pass medical exam prior to hiring. Health insurance is also provided upon regularization. In cases where an employee gets sick for an extended period, he/she shall secure a fit to work clearance to ensure that he/she has fully recovered and does not pose a threat of communicable diseases to their co-employees and the public they deal with. In line with pandemic, the Corporation is taking proactive steps to maintain a safe workplace and encourages the adoption of practices protecting the health of its employees, clients, and others. The Corporation’s employees, clients, and others are constantly reminded of the following while working or staying inside the office premises: 1. Sanitation: Appointment and regular cleaning by our activated Sanitation Teams to continually disinfect offices and our mall where the supermarkets, drugstores, clinics and other essential stores that need to be open in the service of the public. 2. Washing of hands frequently with warm, soapy water for at least 20 seconds 3. Covering of mouth with tissue whenever sneezing or coughing, and discarding used

	tissues in the trash 4. Avoiding people who are or appears to be sick with respiratory symptoms 5. Cleaning frequently touched surfaces 6. Staying at home and keeping away from crowds 7. Taking adequate rest and taking plenty of fluids 8. Seeking appropriate medical care if there is a persistent fever when difficulty of breathing has started or when he/she becomes weak. 9. Contactless temperature taking measures of employees and customers before entering premises 10. No Mask, No Entry Policy 11. Set-up of waiting areas for guests and customers barring entry into offices and social distancing/shield protection 12. Shield protection and social distancing in offices 13. Limit of 5 persons with social distancing in a meeting room 14. Minimize visits of customers and guests by setting up online payments and encouraging online meetings or calls. 15. Registration and log-in of visitors for contact tracing. Further, regular weekly disinfection procedures are implemented in the workplace. The Corporation has also been proactive in providing regular antigen test to its employees.
What are the Risk/s Identified?	**Management Approach**
The Corporation recognizes the business risks in failing to ensure its employees' health and safety.	The Corporation regularly assesses its health and safety measures and compliance with the relevant laws.

What are the Opportunity/ies Identified?	Management Approach
The Corporation recognizes opportunities to improve health and safety measures in its operations and overall productivity.	The Corporation regularly assesses its health and safety measures and compliance with the relevant laws.

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in company policy
Forced labor	N	
Child labor	N	
Human Rights	Y	Sexual Harassment Policy

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Corporation did not have any incidents relating to violations of labor laws and human rights in 2020.	The Corporation is compliant with all relevant laws, regulations and codes of best business practices.
What are the Risk/s Identified?	**Management Approach**
Non-compliance with labor laws and violation of human rights may result in loss of productivity and low employee performance, and thus financially affect the operations of the Corporation.	The Corporation is compliant with all relevant laws, regulations and codes of best business practices.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities in increasing awareness of compliance with labor laws and the protection of human rights, and in improving its grievance mechanisms to allow for employees to report any incidents involving violations thereof.	The Corporation is compliant with all relevant laws, regulations and codes of best business practices.

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy.
Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the

		supplier policy
Environmental performance	N/A	
Forced labor	N/A	
Child labor	N/A	
Human Rights	N/A	
Bribery and corruption	N/A	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The compliance of our suppliers with environmental and labor laws, human rights and anti-corruption laws affects the Corporation's reputation.	The Corporation establishes a good partnership approach to its suppliers that enables them to acknowledge the importance of the business to them, ensuring that they provide their best efforts to provide their best service. The Corporation prioritizes the best value for every cost incurred. Suppliers' selection involves selecting who provides reliability and quality through the products and services they offer.
What are the Risk/s Identified?	**Management Approach**
The Corporation recognizes the reputational and financial risks in associating with business that are antithetical to its policies.	The Corporation continuously reaches out to existing and new suppliers to ensure that the best benefits are received from them.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities in establishing measures to ensure that its long-term business partners are like-minded in the goal to build sustainable communities through best business practices.	The Corporation secures to build a good relationship to its suppliers. By doing so, this guarantee that the Corporation receives the best product and services to them with utmost priority to reliability and quality.

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on	Collective or individual rights that have been identified that is a particular	Mitigating measures (if negative) or enhancement measures (if

local communities (exclude CSR projects; this has to be business operations)			indigenous people (Y/N)?	concern for the community	positive)
Development of sustainable communities	CALABARZON, Metro Manila, Davao Region, Iloilo Region, Central and Eastern Visayas, MIMAROPA, Ilocos Region and CAR	N/A	N	Job creation; promoting local suppliers	SLI prioritizes local suppliers for its project developments, which boosts the local economy. Also, as commercial segments are included in its developments, employment opportunities are made available to local communities.

*Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available:

Certificates	Quantity	Units
FPIC process is still undergoing	N/A	#
CP secured	N/A	#

What are the Risk/s Identified?	Management Approach
The Corporation recognizes the business risks in failing to consider the well-being of the local community when assessing projects.	The Corporation has committed itself to be a catalyst for change in contributing to a more productive and resilient community. In doing so, it ensures that it gives back to local communities. SLI has institutionalized outreach activities and programs to foster good relationships with the local communities in which it operates. SLI assures a positive impact by focusing

	on activities and programs promoting environmental protection and sustainability, disaster risk preparedness, reduction and resiliency.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities in supporting and creating a positive impact on local communities.	The Corporation actively engages with the local communities and conducts outreach activities and programs to foster good relationships with the local communities in which it operates. SLI assures a positive impact by focusing on activities and programs promoting environmental protection and sustainability, disaster risk preparedness, reduction and resiliency.

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N?)
Customer Satisfaction	85%	N

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Customer satisfaction is a significant factor in determining whether the organization has achieved its goal of building sustainable communities.	To attain good customer satisfaction, the Corporation has organized a defined customer service group with the goal of ensuring that the best services are offered not only to its existing clients but for all its stakeholders including those potential clients.
What are the Risk/s Identified?	**Management Approach**
Customer dissatisfaction may lead to a decrease in the Corporation's financial performance.	The Corporation has organized a defined customer service group that is task to focus on addressing customer concerns on a timely manner, extending the best service that the Corporation can offer.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities in increasing engagement with its customers to gather feedback.	In line with the organization of a customer service group, the Corporation has also designed a customer feedback process to gather customer's comments and suggestion for consideration in the assessment of business improvement.

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Corporation ensures that its developments do not pose any health and safety risk to its customers in the design, construction and operation stages.	The health and safety of its customers are among the foremost priorities of the Corporation. Such factors are taken into account during the design, construction and operations of the Corporation's developments. Due to the COVID-19 pandemic, the Corporation implemented protocols to safeguard the health and safety of its customers, such as taking proactive steps to maintain a safe workplace and encourages the adoption of practices protecting the health of its employees, clients, and others. The Corporation's employees, clients, and others are constantly reminded to follow the minimum health and safety protocols as defined by the IATF. Also, to minimize contacts, the Corporation has maximized the use of online payment platforms by expanding and opening new payment gateways.
What are the Risk/s Identified?	**Management Approach**
The Corporation recognizes the reputational risk and financial consequences of building subpar developments that may pose health and safety risks to its customers. Moreover, due to the COVID-19 pandemic, health and safety has become a top priority for customers; there is significant reputational and financial risk in failure to observe health and safety protocols.	The health and safety of its customers are among the foremost priorities of the Corporation. Such factors are taken into account during the design, construction and operations of the Corporation's developments.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities in upgrading the materials and standards for its developments to increase the health and safety standards for its customers.	The health and safety of its customers are among the foremost priorities of the Corporation. Such factors are taken into account during the design, construction and operations of the Corporation's developments.

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	0	#

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Corporation adopted the necessary measures to solicit feedback from customers on the marketing of its developments.	The Corporation conducts regular meetings with its marketing and sales team to ensure that its products are accurately depicted and that potential customers receive the correct information.
What are the Risk/s Identified?	**Management Approach**
The Corporation recognizes the reputational risk and financial consequences of publishing false information on its developments.	The Corporation conducts regular meetings with its marketing and sales team to ensure that its products are accurately depicted and that potential customers receive the correct information.
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities in improving its mechanisms to solicit feedback and handle complaints from customers on marketing.	The Corporation conducts regular meetings with its marketing and sales team to ensure that its products are accurately depicted and that potential customers receive the correct information.

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	0	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Corporation's customers are the buyers and tenants of its developments, and any information collected are protected under the Corporation's Data Privacy Policy.	The Data Privacy Policy of the Corporation is available at https://stalucialand.com.ph/wp-content/uploads/2019/05/Data-Privacy-Policy-FINAL.pdf
What are the Risk/s Identified?	**Management Approach**
The Corporation recognizes the reputational risks and financial consequences of failing to maintain the privacy of its customers' data.	The Data Privacy Policy of the Corporation is available at https://stalucialand.com.ph/wp-content/uploads/2019/05/Data-Privacy-Policy-FINAL.pdf
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities in adopting measures to secure and maintain the privacy of its customers' data.	The Data Privacy Policy of the Corporation is available at https://stalucialand.com.ph/wp-content/uploads/2019/05/Data-Privacy-Policy-FINAL.pdf

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Corporation did not have any data breach in 2020.	The Corporation has put in place organizational, physical and technical security measures to protect the personal information of its customers, such as: 1. Use of secured servers, firewalls, encryptions and other latest security tools. 2. Limited access to personal information to those duly authorized processors. All transfers are made after complying with the established confidentiality policy and practices in place. 3. Maintaining a secured server operating environment by performing regular security patch update and

	server hardening. The Data Privacy Policy of the Corporation is available at https://stalucialand.com.ph/wp-content/uploads/2019/05/Data-Privacy-Policy-FINAL.pdf
What are the Risk/s Identified?	**Management Approach**
The Corporation recognizes that data leaks may lead to customer dissatisfaction and pose a reputational risk for the Corporation.	The Data Privacy Policy of the Corporation is available at https://stalucialand.com.ph/wp-content/uploads/2019/05/Data-Privacy-Policy-FINAL.pdf
What are the Opportunity/ies Identified?	**Management Approach**
The Corporation recognizes opportunities to update its cybersecurity and data protection systems by meeting the requirements of the ISO27001 standard, which measures and evaluates information security management systems.	The Data Privacy Policy of the Corporation is available at https://stalucialand.com.ph/wp-content/uploads/2019/05/Data-Privacy-Policy-FINAL.pdf

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key Products and Services	Societal Value/Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impacts
Residential Developments	SLI-developed projects were designed to provide sustainable communities. Each developed project has been designed to provide families with leisure and recreational activities through its features and amenities. Exclusive use of state-of-the-art clubhouses, swimming pools and sports facilities are just some of the amenities that are made available. Strict measures are also employed to ensure 24/7 security and safety of it stakeholders.	Alongside with the Corporation's continued growth outside of the Metro and its vision to expand its presence around the Philippines, it recognizes its impact on the environment and biodiversity of the local communities in which it operates. It recognizes that project developments may bring out the following potential negative impacts: 1. Possible displacement of biodiversity and local community; 2. Increase in volume of population in the area and resultant increase in demand and consumption of water and energy; 3. Impact on the air quality of the area; and 4. Increase in volume of waste due to higher consumption that contributes to pollution. Nonetheless, the Corporation takes	No material negative impacts identified.
Commercial Spaces in Residential Developments	Commercial areas are integrated in the company's residential developments provide homeowners access to goods and services within walking distance, as well as provide entrepreneurs an avenue to access a key demographic market. These developments also help stimulate economic activity of		No material negative impacts identified.

	the local community, bringing in more potential customers for local businesses and generating employment opportunities.	measures to minimize the impact on the ecosystem and protected habitats, if any, and protects the biodiversity in local communities.	
Hotel Rooms	SLI provide affordable, quality accommodation options for tourists who contribute economic value to the local areas where we operate.		No material negative impacts identified.
Office Spaces	SLI has started providing suitable location. through its newly developed Sta. Lucia Business Center, where businesses can operate and grow contributing to job creation and increased economic activity in the area where it is located.		No material negative impacts identified.
Mall Spaces	SLI have provided a space where stakeholder benefits from the foot traffic to the malls. It allows foreign and local enterprises to access key markets and scale their businesses. People around can access quality products that meet their needs from food, medicine, clothing, and other needs that improve their quality of life.		No material negative impacts identified.

STA.LUCIA LAND INC.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Sta. Lucia Land, Inc. and its subsidiaries** (the Group) is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the year ended December 31, 2020, in accordance with the prescribed financial reporting framework indicated therein, 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.

The Board of Directors is responsible for overseeing the Group'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 auditor appointed by the stockholders, has audited the consolidated financial statements of the Group 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.

Vicente R. Santos,
Chairman of the Board

Exequiel D. Robles,
President & Chief Executive Officer

David M. Dela Cruz
EVP - Chief Financial Officer

29 APR 2021

SUBSCRIBED AND SWORN to before me, this ____ day of ________ 2021, affiant exhibiting to me their community tax certificates.

Doc. No. 329;
Page No. 67;
Book No. XLIX;
Series of 2021

JERRY B. DELA CRUZ
Notary Public for Mandaluyong City
Until 31 December 2021
Appointment No. 0257-20
Roll Number 47018
IBP No. 154979/01.25.21/RSM
PTR No. 4638655/02.01.21/Mandaluyong
MCLE Compliance No. VI-0025921/04.29.2019
G/F State Center II Bldg.
Ortigas Avenue, Mandaluyong City

C O V E R   S H E E T
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

0	0	0	3	1	0	5	0				

C O M P A N Y   N A M E

S T A .   L U C I A   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)*

P e n t h o u s e   B l d g .   3 ,   S t a .   L u c i a
M a l l ,   M a r c o s   H i g h w a y   c o r .   I m e l
d a   A v e n u e ,   C a i n t a ,   R i z a l

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S	S E C	N / A

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
www.stalucialand.com.ph	8681-7322	N/A

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
265	Third Friday 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
David M. Dela Cruz	dmdelacruz@stalucialand.com.ph	8681-7322	N/A

CONTACT PERSON's ADDRESS

Penthouse Bldg. 3, Sta. Lucia Mall, Marcos Highway cor. Imelda Avenue, Cainta, Rizal

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.*

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

Tel: (632) 8891 0307
Fax: (632) 8819 0872
ey.com/ph

BOA/PRC Reg. No. 0001,
October 4, 2018, valid until August 24, 2021
SEC Accreditation No. 0012-FR-5 (Group A),
November 6, 2018, valid until November 5, 2021

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Sta. Lucia Land, Inc. and Subsidiaries
Penthouse Bldg. 3, Sta. Lucia Mall
Marcos Highway cor. Imelda Avenue
Cainta, Rizal

Opinion

We have audited the accompanying consolidated financial statements of Sta. Lucia Land, Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the 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, 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2020 in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Real Estate Revenue Recognition

The Group's revenue recognition process, policies and procedures are significant to our audit because these involve application of significant judgment and estimation in the following areas: (1) assessment of the probability that the entity will collect the consideration from the buyer; (2) application of the output method as the measure of progress in determining real estate revenue; (3) determination of the actual costs incurred as cost of sales; and (4) recognition of cost to obtain a contract.

In evaluating whether collectability of the amount of consideration is probable, the Group considers the significance of the buyer's initial payments in relation to the total contract price (buyer's equity). Collectability is also assessed by considering factors such as past history with buyers, age of installment contracts receivables and pricing of the property. Management regularly evaluates the historical sales cancellations and back-outs, after considering the impact of coronavirus pandemic, if it would still support its current threshold of buyers' equity before commencing revenue recognition.

In measuring the progress of its performance obligation over time, the Group uses the output method. This method measures progress based on physical proportion of work done on the real estate project which requires technical determination by the Group's project development engineers and project managers. This is based on the quarterly project accomplishment report prepared by the Group's project development engineers as approved by the project managers which integrates the surveys of performance as of quarter end of the construction activities for both sub-contracted and those that are fulfilled by the developer itself.

In determining the actual costs incurred to be recognized as cost of sales, the Group estimates costs incurred on materials, labor and overhead which have not yet been billed by the contractor.

The Group identifies sales commission after contract inception as the cost of obtaining the contract. For contracts which qualified for revenue recognition, the Group capitalizes the total sales commission due to sales agent as cost to obtain contract and recognizes the related commission payable. The Group uses percentage of completion (POC) method in amortizing sales commission consistent with the Group's revenue recognition policy.

The disclosures related to real estate revenue are included in Note 4 to the consolidated financial statements.

Audit Response

We obtained an understanding of the Group's revenue recognition process.

For the buyers' equity, we evaluated management's basis of the buyer's equity by comparing this to the historical analysis of sales cancellations from buyers with accumulated payments above the collection threshold. We also considered the impact of the coronavirus pandemic to the level of cancellations during the year. We traced the analysis to supporting documents such as deed of cancellation.

For the application of the output method, in determining real estate revenue, we obtained an understanding of the Group's processes for determining the POC, and performed tests of the relevant controls. We obtained the certified POC reports prepared by the project development engineers and assessed their competence and objectivity by reference to their qualifications, experience and reporting responsibilities. For selected projects, we conducted ocular inspections, made relevant inquiries, including inquiries on how the coronavirus pandemic affected the POC during the period and obtained the supporting details of POC reports showing the completion of the major activities of project construction.

For the cost of sales, we obtained an understanding of the Group's cost accumulation process and performed tests of the relevant controls. For selected projects, we traced costs accumulated, including those incurred but not yet billed costs, to supporting documents such as invoices and accomplishment reports from the contractors and official receipts.

For the recognition of cost to obtain a contract, we obtained an understanding of the sales commission process. For selected contracts, we agreed the basis for calculating the sales commission capitalized and the portion recognized in profit or loss, particularly: (a) the percentage of commission due against contracts with sales agents, (b) the total commissionable amount (i.e., net contract price) against the related contract to sell, and, (c) the POC against the POC used in recognizing the related revenue from real estate sales.

Other Information

Management is responsible for the Other Information. Other Information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2020, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2020 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 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 consolidated 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 and fair presentation of the consolidated financial statements in accordance with PFRSs, 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 a manner that achieves fair presentation.

- 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Michael C. Sabado.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
SEC Accreditation No. 0664-AR-4 (Group A),
November 11, 2019, valid until November 10, 2022
Tax Identification No. 160-302-865
BIR Accreditation No. 08-001998-073-2020,
December 3, 2020, valid until December 2, 2023
PTR No. 8534357, January 4, 2021, Makati City

May 17, 2021

STA. LUCIA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2020	2019
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 5 and 27)	**₱942,820,503**	₱903,368,151
Receivables (Notes 6, 19 and 27)	**3,494,595,518**	2,368,876,780
Contract assets (Notes 4 and 6)	**1,880,380,969**	1,618,898,886
Real estate inventories (Note 7)	**24,931,122,564**	21,870,084,999
Other current assets (Note 8)	**5,400,988,661**	4,715,650,033
Total Current Assets	**36,649,908,215**	31,476,878,849
Noncurrent Assets		
Installment contracts receivables - net of current portion (Notes 6 and 27)	**1,014,073,112**	547,168,163
Contract assets - net of current portion (Notes 4 and 6)	**967,495,032**	1,241,636,221
Investment properties (Note 10)	**5,712,412,564**	5,597,417,842
Property and equipment (Note 11)	**54,853,789**	58,903,900
Financial assets at fair value through other comprehensive income (FVOCI) (Notes 9 and 27)	**821,448,225**	948,175,535
Pension asset (Note 20)	**328,530**	–
Other noncurrent assets (Note 8)	**565,280,118**	482,115,594
Total Noncurrent Assets	**9,135,891,370**	8,875,417,255
	₱45,785,799,585	₱40,352,296,104
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt (Notes 14 and 27)	**₱6,148,970,554**	₱3,521,188,200
Accounts and other payables (Notes 12, 19 and 27)	**5,407,788,319**	4,784,226,831
Income tax payable	**87,348,124**	49,578,644
Contract liabilities - current portion (Notes 4, 6 and 13)	**3,591,662,052**	3,039,228,284
Long-term debt - current portion (Note 14)	**3,027,518,421**	467,000,000
Total Current Liabilities	**18,263,287,470**	11,861,221,959
Noncurrent Liabilities		
Long-term debt - net of current portion (Notes 14 and 27)	**8,002,309,255**	10,998,030,651
Contract liabilities - net of current portion (Notes 4, 6 and 13)	**379,516,810**	418,387,376
Pension liabilities (Note 20)	**–**	6,015,885
Deferred tax liabilities - net (Note 24)	**1,442,870,704**	954,645,124
Total Noncurrent Liabilities	**9,824,696,769**	12,377,079,036
Total Liabilities	**28,087,984,239**	24,238,300,995
Equity		
Capital stock (Note 15)	**10,796,450,000**	10,796,450,000
Additional paid-in capital	**330,004,284**	330,004,284
Retained earnings (Note 15)	**7,846,506,131**	6,138,559,844
Treasury shares (Note 15)	**(1,640,000,000)**	(1,640,000,000)
Net unrealized gain on fair value of financial assets at FVOCI (Note 9)	**364,692,477**	491,419,787
Remeasurement gains (losses) on pension - net of tax (Note 20)	**162,454**	(2,438,806)
Total Equity	**17,697,815,346**	16,113,995,109
	₱45,785,799,585	₱40,352,296,104

See accompanying Notes to Consolidated Financial Statements.

STA. LUCIA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2020	2019	2018
REVENUE			
Real estate sales (Notes 4, 21 and 22)	**₱5,383,079,540**	₱5,871,496,779	₱2,428,307,857
Rental income (Notes 22 and 23)	**534,700,679**	898,291,953	858,758,442
Interest income (Note 16)	**479,793,372**	647,009,860	300,973,297
Commission income	**91,526,979**	93,579,168	181,286,064
Dividend income (Note 9)	**9,202,279**	5,662,941	7,157,683
Others (Note 17)	**354,844,435**	294,247,077	255,736,621
	6,853,147,284	7,810,287,778	4,032,219,964
COSTS OF SALES AND SERVICES			
Cost of real estate sales (Notes 7, 21 and 22)	**2,025,251,641**	2,680,779,445	959,025,588
Cost of rental income (Notes 10, 17 and 22)	**368,364,448**	550,171,787	553,974,130
	2,393,616,089	3,230,951,232	1,512,999,718
SELLING AND ADMINISTRATIVE EXPENSES			
Commissions	**622,045,846**	687,847,930	324,666,305
Taxes, licenses and fees	**99,410,726**	100,089,878	70,826,085
Advertising	**68,721,678**	107,850,974	59,715,755
Salaries and wages and other benefits (Notes 19 and 20)	**85,024,174**	82,484,066	65,093,880
Representation	**48,995,547**	71,117,895	17,987,405
Repairs and maintenance	**41,053,548**	62,952,804	33,631,046
Depreciation and amortization (Note 11)	**21,661,127**	23,054,735	16,950,967
Professional fees	**16,403,046**	42,787,122	21,077,509
Utilities	**6,925,050**	14,926,519	7,476,177
Expected credit loss (Note 6)	**1,350,074**	1,066,676	1,393,944
Transportation, travel, office supplies and miscellaneous	**55,617,204**	68,325,213	51,579,006
	1,067,208,020	1,262,503,812	670,398,079
INTEREST EXPENSE (Notes 14 and 18)	**993,299,139**	886,019,509	706,707,500
INCOME BEFORE INCOME TAX	**2,399,024,036**	2,430,813,225	1,142,114,667
PROVISION FOR INCOME TAX (Note 24)	**691,077,749**	694,616,305	76,935,383
NET INCOME	**1,707,946,287**	1,736,196,920	1,065,179,284
OTHER COMPREHENSIVE INCOME			
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods			
Unrealized gains (losses) on fair value of financial assets at FVOCI (Note 9)	**(126,727,310)**	(77,348,407)	37,007,331
Remeasurement gains (losses) on pension - net of tax (Note 20)	**2,601,260**	839,569	(3,064,700)
	(124,126,050)	(76,508,838)	33,942,631
TOTAL COMPREHENSIVE INCOME	**₱1,583,820,237**	₱1,659,688,082	₱1,099,121,915
Basic/Diluted Earnings Per Share (Note 25)	**₱0.21**	₱0.21	₱0.12

See accompanying Notes to Consolidated Financial Statements.

STA. LUCIA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Capital stock (Note 15)	Additional paid-in capital (Note 15)	Treasury stock (Note 15)	Retained earnings	Net unrealized gain on fair value of financial assets at FVOCI (Note 9)	Remeasurement gains (losses) on pension - net of tax (Note 20)	Total
				For the Year Ended December 31, 2020			
Balances as of January 1, 2020	**₱10,796,450,000**	**₱330,004,284**	**(₱1,640,000,000)**	**₱6,138,559,844**	**₱491,419,787**	**(₱2,438,806)**	**₱16,113,995,109**
Comprehensive income (loss)							
Net income	–	–	–	**1,707,946,287**	–	–	**1,707,946,287**
Other comprehensive income (loss)	–	–	–	–	**(126,727,310)**	**2,601,260**	**(124,126,050)**
Total comprehensive income (loss)	–	–	–	**1,707,946,287**	**(126,727,310)**	**2,601,260**	**1,583,820,237**
Balances as of December 31, 2020	**₱10,796,450,000**	**₱330,004,284**	**(₱1,640,000,000)**	**₱7,846,506,131**	**₱364,692,477**	**₱162,454**	**₱17,697,815,346**
				For the Year Ended December 31, 2019			
Balances as of January 1, 2019	₱10,796,450,000	₱330,004,284	(₱1,640,000,000)	₱4,402,362,924	₱568,768,194	(₱3,278,375)	₱14,454,307,027
Comprehensive income (loss)							
Net income	–	–	–	1,736,196,920	–	–	1,736,196,920
Other comprehensive income (loss)	–	–	–	–	(77,348,407)	839,569	(76,508,838)
Total comprehensive income (loss)	–	–	–	1,736,196,920	(77,348,407)	839,569	1,659,688,082
Balances as of December 31, 2019	₱10,796,450,000	₱330,004,284	(₱1,640,000,000)	₱6,138,559,844	₱491,419,787	(₱2,438,806)	₱16,113,995,109
				For the Year Ended December 31, 2018			
Balances as of January 1, 2018	₱10,796,450,000	₱330,004,284	(₱740,000,000)	₱3,337,183,640	₱531,760,863	(₱213,675)	₱14,255,185,112
Acquisition of treasury shares (750.00 million shares at ₱1.20 per share)	–	–	(900,000,000)	–	–	–	(900,000,000)
Comprehensive income (loss)							
Net income	–	–	–	1,065,179,284	–	–	1,065,179,284
Other comprehensive income (loss)	–	–	–	–	37,007,331	(3,064,700)	33,942,631
Total comprehensive income (loss)	–	–	–	1,065,179,284	37,007,331	(3,064,700)	1,099,121,915
Balances as of December 31, 2018	₱10,796,450,000	₱330,004,284	(₱1,640,000,000)	₱4,402,362,924	₱568,768,194	(₱3,278,375)	₱14,454,307,027

See accompanying Notes to Consolidated Financial Statements.

STA. LUCIA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱2,399,024,036**	₱2,430,813,225	₱1,142,114,667
Adjustments for:			
Interest expense (Notes 14 and 18)	**993,299,139**	886,019,509	706,707,500
Depreciation and amortization (Notes 10, 11 and 17)	**145,761,856**	153,025,592	127,996,499
Pension expense (Note 20)	**1,371,671**	1,719,109	963,562
Loss on retirement of property and equipment	**–**	–	624,620
Dividend income (Note 9)	**(9,202,279)**	(5,662,941)	(7,157,683)
Gain on repossession of inventories (Notes 7 and 17)	**(94,277,405)**	(29,602,737)	(34,897,007)
Interest income (Notes 5, 6 and 16)	**(479,793,372)**	(647,009,860)	(300,973,297)
Operating income before changes in working capital	**2,956,183,646**	2,789,301,897	1,635,378,861
Changes in working capital:			
Decrease (increase) in:			
Receivables (Notes 6, 27 and 28)	**(1,453,947,443)**	(222,547,038)	1,077,120,947
Real estate inventories (Notes 7, 27 and 28)	**(2,859,722,128)**	(984,884,383)	(2,124,413,306)
Other current assets (Notes 8 and 28)	**(564,952,240)**	(1,510,394,463)	(2,814,418,048)
Contract assets (Notes 4, 6 and 27)	**12,659,106**	(1,485,973,801)	(1,374,561,306)
Increase (decrease) in:			
Accounts and other payables (Notes 12 and 28)	**607,865,921**	(43,988,087)	1,177,239,495
Contract liabilities (Notes 4 and 6)	**513,563,202**	1,394,544,936	839,657,228
Net cash used in operations	**(788,349,936)**	(63,940,939)	(1,583,996,129)
Interest received	**346,632,468**	324,267,244	190,322,415
Income taxes paid	**(166,197,515)**	(286,437,381)	(244,563,492)
Net cash used in operating activities	**(607,914,983)**	(26,111,076)	(1,638,237,206)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Investment properties (Notes 10 and 28)	**(229,565,126)**	(198,719,870)	(104,639,672)
FVOCI (Notes 9 and 28)	**–**	(40,487,342)	–
Property and equipment (Notes 11 and 28)	**(17,917,382)**	(48,305,973)	(6,778,748)
Increase in other noncurrent assets	**(203,550,912)**	(182,311,994)	(95,362,625)
Proceeds from sale of property and equipment (Notes 10 and 17)	**–**	3,599,064	–
Contribution to plan asset (Note 20)	**(4,000,000)**	–	(2,000,000)
Dividends received	**3,686,939**	3,704,544	1,958,397
Net cash used in investing activities	**(451,346,481)**	(462,521,571)	(206,822,648)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans, net of transaction costs (Note 14)	**6,503,481,687**	7,422,038,200	9,211,973,800
Payment of loans (Note 14)	**(4,342,699,333)**	(6,082,100,000)	(6,148,000,000)
Payment of interest (including capitalized borrowing costs)	**(1,079,781,564)**	(1,012,405,178)	(780,250,496)
Increase (decrease) in payable to related parties	**17,713,026**	(65,190)	(369,791)
Net cash provided by financing activities	**1,098,713,816**	327,467,832	2,283,353,513
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**39,452,352**	(161,164,815)	438,293,659
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**903,368,151**	1,064,532,966	626,239,307
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 5)	**₱942,820,503**	₱903,368,151	₱1,064,532,966

See accompanying Notes to Consolidated Financial Statements.

1. Corporate Information

Sta. Lucia Land, Inc. (SLLI or the Parent Company) is a publicly-listed company incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on December 6, 1966 under the name Zipporah Mining and Industrial Corporation. On August 14, 1996, the Parent Company's Articles of Incorporation was amended.

Under the amendment, it changed the corporate name to Zipporah Realty Holdings, Inc. and it transferred the original primary purpose to secondary purpose from being a mining firm to a real estate company with the amended primary purpose to acquire by purchase, lease, and to own and develop and hold for investment and/or disposal, real estate of all kinds together with their appurtenances.

On July 16, 2007, the Parent Company changed its corporate name from Zipporah Realty Holdings, Inc. to Sta. Lucia Land, Inc.

Prior to expiration of its corporate life, the Parent Company filed for a new 50-year corporate life which was approved by the SEC on June 16, 2016. The corporate life of the Parent Company expired on December 5, 2016. The approved new 50-year corporate life is until December 5, 2066.

The registered office address and principal place of business of the Parent Company and its subsidiaries (collectively referred to as the Group) is at Penthouse Bldg. 3, Sta. Lucia Mall, Marcos Highway cor. Imelda Avenue, Cainta, Rizal.

The Group is 81.75% owned by Sta. Lucia Realty and Development Inc. (SLRDI or the Ultimate Parent Company).

Approval of Consolidated Financial Statements
As delegated by the Board of Directors (BOD), the accompanying consolidated financial statements were approved and authorized for issue by the Executive Committee and Audit Committee on May 17, 2021.

2. Basis of Preparation and Other Significant Accounting Policies

Basis of Preparation
The consolidated financial statements of the Group have been prepared using the historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) that have been measured at fair value. The consolidated financial statements are presented in Philippine Peso (₱), which is also the Parent Company's functional currency and all values are rounded to the nearest Philippine peso except when otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period. While there are recent signs of increased market activity with the easing of quarantine measures in key areas in the Philippines, management believes that the impact of COVID 19 situation will remain and recovery is going to be gradual.

Statement of Compliance
The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs), which include the availment of the relief granted by the SEC under Memorandum Circular (MC) Nos. 14-2018 and 3-2019 to defer the implementation of the following accounting pronouncements until December 31, 2020. These accounting pronouncements address the issues of PFRS 15, *Revenue from Contracts with Customers* affecting the real estate industry.

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

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

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

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

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

The details and the impact of the adoption of the above financial reporting reliefs are discussed in the section below under Adoption of New and Amended Accounting Standards and Interpretation.

PFRSs include Philippine Financial Reporting Standards, Philippine Accounting Standards and Interpretations issued by Philippine Interpretations Committee (PIC).

Basis of Consolidation
The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as of December 31, 2020 and 2019 and for each of the three years in the period ended December 31, 2020.

A subsidiary is an entity which the Group controls. Control is achieved when the Group 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, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group 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 Group's voting rights and potential voting rights

The Group 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 or excluded in the consolidated financial statements from the date the Group gains control or 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 Company and to the non-controlling interests (NCI), even if this results in the NCI having a deficit balance.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other similar events. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expense 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. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

The consolidated financial statements include the financial statements of the Parent Company and the following wholly-owned subsidiaries. The voting rights held by the Group in these subsidiaries are in proportion of their ownership interest.

	% of Ownership
Sta. Lucia Homes, Inc. (SLHI)	100.00%
Santalucia Ventures, Inc. (SVI)	100.00%

Adoption of New and Amended Accounting Standards and Interpretation

The accounting policies adopted in the preparation of the Group's consolidated financial statements are consistent with those of the previous financial year, except for the adoption of the following new and amended PFRS and PAS which became effective beginning January 1, 2020. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The nature and impact of each new standard and amendment are disclosed below.

- Amendments to PFRS 3, *Definition of a Business*

  The amendments to PFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments may impact future periods should the Group enter into any business combinations.

- Amendments to PFRS 7, *Financial Instruments: Disclosures* and PFRS 9, *Financial Instruments, Interest Rate Benchmark Reform*

  The amendments to PFRS 9 provide a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

  These amendments do not have a significant impact on the Group.

- Amendments to PAS 1, *Presentation of Financial Statements*, and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*

  The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

  The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

  These amendments do not have a significant impact on the Group.

- Conceptual Framework for Financial Reporting issued on March 29, 2018

  The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the standard-setters in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards.

  The revised Conceptual Framework includes new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

- Amendments to PFRS 16, *COVID-19-related Rent Concessions*

  The amendments provide relief to lessees from applying the PFRS 16 requirement on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. A lessee may elect not to assess whether a rent concession from a lessor is a lease modification if it meets all of the following criteria:

  - The rent concession is a direct consequence of COVID-19;
  - The change in lease payments results in a revised lease consideration that is substantially the same as, or less than, the lease consideration immediately preceding the change;

- Any reduction in lease payments affects only payments originally due on or before June 30, 2021; and
- There is no substantive change to other terms and conditions of the lease.

A lessee that applies this practical expedient will account for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for a change that is not a lease modification, i.e., as a variable lease payment.

The amendments are effective for annual reporting periods beginning on or after June 1, 2020. Early adoption is permitted.

This amendment is not applicable to the Group as there are no rent concessions granted to the Group as a lessee.

- *Adoption of PIC Q&A 2020-03, Q&A No. 2018-12-D: STEP 3- On the accounting of the difference when the percentage of completion is ahead of the buyer's payment*

  PIC Q&A 2020-03 was issued by the PIC on September 30, 2020. The latter aims to provide an additional option to the preparers of financial statements to present as receivables, the difference between the POC and the buyer's payment, with the POC being ahead. This PIC Q&A is consistent with the PIC guidance issued to the real estate industry in September 2019.

  The adoption of this PIC Q&A did not impact the consolidated financial statements of the Group since it has previously adopted the additional guidance issued by the PIC in September 2019.

<u>Future Changes in Accounting Policy</u>
The Group will adopt the following standards and interpretations when these become effective. Except as otherwise stated, the Group does not expect the adoption of these standards to have a significant impact on the consolidated financial statements.

Effective beginning on or after January 1, 2021

- Amendments to PFRS 9, PFRS 7, PFRS 4 and PFRS 16, *Interest Rate Benchmark Reform - Phase 2*

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

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

  The amendments are effective for annual reporting periods beginning on or after January 1, 2021 and applied retrospectively. However, the Group is not required to restate prior periods.

Effective beginning on or after January 1, 2022

- Amendments to PFRS 3, *Reference to the Conceptual Framework*

  The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of PFRS 3, *Business Combinations* to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, *Provisions, Contingent Liabilities and Contingent Assets* or Philippine-IFRIC 21, *Levies*, if incurred separately.

  At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*

  The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

  The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

  The amendments are not expected to have a material impact on the Group.

- Amendments to PAS 37, *Onerous Contracts - Costs of Fulfilling a Contract*

  The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

- *Annual Improvements to PFRSs* 2018-2020 Cycle

  - Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*

    The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to PFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

    The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted. The amendments are not expected to have a material impact on the Group.

  - Amendments to PFRS 9, *Financial Instruments*, *Fees in the '10 per cent' test for derecognition of financial liabilities*

    The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

    The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Group.

  - Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

    The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

    An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022 with earlier adoption permitted. The amendments are not expected to have a material impact on the Group.

Effective beginning on or after January 1, 2023

- Amendments to PAS 1*, Classification of Liabilities as Current or Non-current*

  The amendments clarify paragraphs 69 to 76 of PAS 1, *Presentation of Financial Statements*, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

  - What is meant by a right to defer settlement
  - That a right to defer must exist at the end of the reporting period

- 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, 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

- 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. PFRS 17 is effective for reporting periods beginning on or after January 1, 2023, with comparative figures required. Early application is permitted.

The new standard is not applicable to the Group since none of the entities within the Group have activities that are predominantly connected with insurance or issue insurance contracts.

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 Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (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 Group is currently assessing the impact of adopting these amendments.

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

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

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

	Deferral Period
a. Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)	Until December 31, 2023
b. Treatment of land in the determination of the POC discussed in PIC Q&A 2018-12-E	Until December 31, 2023
c. Treatment of uninstalled materials in the determination of the POC discussed in PIC Q&A 2018-12-E (as amended by PIC Q&A 2020-02)	Until December 31, 2020
d. Accounting for CUSA Charges discussed in PIC Q&A No. 2018-12-H	Until December 31, 2020

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

  In November 2020, the PIC issued the following Q&As which provide additional guidance on the real estate industry issues covered by the above SEC deferrals:
  - PIC Q&A 2020-04, which provides additional guidance on determining whether the transaction price includes a significant financing component
  - PIC Q&A 2020-02, which provides additional guidance on determining which uninstalled materials should not be included in calculating the POC

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

The Group availed of the SEC reliefs to defer the above specific provisions of PIC Q&A No. 2018-12. Had these provisions been adopted, the Group assessed that the impact would have been as follows:

a. The mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments provided for in the contract to sell might constitute a significant financing component. In case of the presence of significant financing component, the guidance should have been applied retrospectively and would have resulted in restatement of prior year financial statements. Adoption of this guidance would have impacted interest income, interest expense, revenue from real estate sales, contract assets, provision for deferred income tax, deferred tax asset or liability for all years presented, and the opening balance of retained earnings. The Group has yet to assess if the mismatch constitutes a significant financing component for its contracts to sell.

b. Had the Group accounted for the revenue from air-conditioning services, CUSA and handling services as principal, this would have resulted in the gross presentation of the related revenue, costs and expenses. Currently, the related revenue is presented net of costs and expenses. There is no impact on opening retained earnings, income and expense and the related balance sheet accounts.

The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

- *IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost)*

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

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

  On February 11, 2020, the Philippine SEC issued MC No. 4-2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above IFRIC Agenda Decision until December 31, 2020. Further, on December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the Real Estate Industry until December 31, 2023. Effective January 1, 2024, the Real Estate Industry will adopt the IFRIC Agenda Decision and any subsequent amendments thereto retrospectively or as the SEC will later prescribe. A real estate company may opt not to avail of the deferral and instead comply in full with the requirements of the IFRIC Agenda Decision.

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

  The Group opted to avail of the relief as provided by the SEC. Had the Group adopted the IFRIC Agenda Decision, borrowing costs capitalized to real estate inventories related to projects with pre-selling activities should have been expensed out in the period incurred.

This adjustment should have been applied retrospectively and would have resulted in restatement of prior year financial statements. A restatement would have impacted interest expense, cost of sales, provision for deferred income tax, real estate inventories, deferred tax liability and the opening balance of retained earnings. The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

As prescribed by SEC MC No. 34-2020, for financial reporting periods beginning on or after January 1, 2021, the availment of the above deferrals will impact the Group's financial reporting during the period of deferral as follows:

a. The financial statements are not considered to be in accordance with PFRS and should specify in the "Basis of Preparation of the Financial Statements" section of the financial statements that the accounting framework is:

   PFRS, as modified by the application of the following financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic:

   1) *Assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04)*
   2) *Application of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods under PAS 23*

b. The Auditor's report will:

   i. reflect in the Opinion paragraph that the financial statements are prepared in accordance with the compliance framework described in the notes to the financial statements; and
   ii. include an Emphasis of Matter paragraph to draw attention to the basis of accounting that has been used in the preparation of the financial statements.

Upon full adoption of the above deferred guidance, the accounting policies will have to be applied using full retrospective approach following the guidance under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

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

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

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

  The Group availed of the SEC relief to defer of adoption of this PIC Q&A until December 31, 2020. Currently, the Group records the repossessed inventory at its fair value less cost to sell and recognize any difference between the carrying amount of the derecognized receivable and the repossessed property in profit or loss. The Group has opted to implement approach 1 in its accounting for sales cancellation which is the repossessed property is recognized at its fair value less cost to repossess.

Significant Accounting Policies

Current versus Noncurrent Classification
The Group presents assets and liabilities in consolidated statement of financial position based on current and noncurrent classification. An asset is current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve (12) months after the reporting period; or
- cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve (12) months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve (12) months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve (12) months after the reporting period.

The Group classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities, respectively.

Cash and Cash Equivalents
Cash includes cash on hand and in banks. Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from dates of placement and that are subject to insignificant risk of changes in value.

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 nonfinancial 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.

For purposes of fair value disclosures, the Group has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy.

Financial Instruments
Date of recognition
The Group recognizes financial assets and liabilities in the consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

Recognition and Measurement of 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 of financial instruments
Financial assets are classified, at initial recognition, as either subsequently measured at amortized cost, at FVOCI, or at fair value through profit or loss (FVTPL).

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. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15. Refer to the accounting policies on Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortized cost or at FVOCI, 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.

As of December 31, 2020 and 2019, the Group’s financial assets comprise of financial assets at amortized cost and financial assets at FVOCI.

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
Financial assets are measured at amortized cost if both of the following conditions are met:
- the asset is held within the Group’s business model whose objective is to hold assets in order to collect contractual cash flows; and,
- the contractual terms of the instrument 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 costs are subsequently measured at amortized cost using the effective interest method less any impairment in value, with the interest calculated recognized as interest income in the consolidated statement of comprehensive income.

The Group classified cash and cash equivalents, installment contracts receivables and other receivables, advances to agents and brokers under “Other current assets”, and deposits in escrow and refundable security deposits under “Other noncurrent assets” as financial assets at amortized cost (see Notes 5, 6 and 8).

Financial assets at fair value through OCI (debt instruments)
The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated statement of comprehensive income 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.

The Group does not have debt instruments at fair value through OCI.

Financial assets at fair value through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI 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 comprehensive income 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 designated at fair value through OCI are not subject to impairment assessment.

The Group's financial assets at fair value through OCI includes investments in quoted and unquoted equity instruments (see Note 9).

Dividends earned on holding these equity instruments are recognized in the consolidated statement of comprehensive income when the Group's right to receive the dividends is established in accordance with PFRS 15, unless the dividends clearly represent recovery of a part of the cost of the investment.

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 comprehensive income.

As of December 31, 2020 and 2019, the Group does not have financial assets at FVTPL.

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 consolidated 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 recognizes 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.

Reclassification of financial assets
The Group can reclassify financial assets if the objective of its business model for managing those financial assets changes. The Group is required to reclassify the following financial assets:

- from amortized cost to FVTPL if the objective of the business model changes so that the amortized cost criteria are no longer met; and,
- from FVTPL to amortized cost if the objective of the business model changes so that the amortized cost criteria start to be met and the instrument's contractual cash flows meet the amortized cost criteria.

Reclassification of financial assets designated as at FVTPL at initial recognition is not permitted. A change in the objective of the Group's business model must be effected before the reclassification date. The reclassification date is the beginning of the next reporting period following the change in the business model.

Modification of financial assets
The Group derecognizes a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new asset, with the difference between its carrying amount and the fair value of the new asset recognized as a derecognition gain or loss in profit or loss, to the extent that an impairment loss has not already been recorded.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR (or credit-adjusted EIR for purchased or originated credit-impaired financial assets) and recognizes a modification gain or loss in the consolidated statement of comprehensive income.

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.

For installment contracts receivables 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 vintage analysis for installment contracts receivables and contract assets that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets such as accrued receivable, receivable from related parties and advances to other companies, 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 cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on lifetime ECL. The Group uses the ratings from the Standard and Poor's (S&P), Moody's and Fitch to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are 120 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.

Determining the stage for impairment
At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 90 days past due.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to 12-months ECL.

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, 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.

Directly attributable transaction costs are documentary stamp tax, underwriting and selling fees, regulatory filing fee and other fees.

As of December 31, 2020 and 2019, the Group's other financial liabilities consist of accounts and other payables (excluding statutory liabilities), short-term debt and long-term debt.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the consolidated statement of comprehensive income.

Only if the criteria in PFRS 9 are satisfied, the designation of financial liabilities at fair value through profit or loss at the initial date of recognition is allowed. The Group has not designated any financial liability as at fair value through profit or loss.

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 profit or loss 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 consolidated statement of comprehensive income.

This category generally applies to the Group's accounts and other payables (excluding statutory liabilities), short-term debt and long-term debt.

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 comprehensive income.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, where the related assets and liabilities are presented at gross in the consolidated statement of financial position.

Real Estate Inventories
Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation or will be occupied by the Group, is held as inventory and is measured at the lower of cost and net realizable value (NRV). In few cases of buyer defaults, the Group can repossess the properties and held it for sale in the ordinary course of business at the prevailing market price. The repossessed properties are included in the "Real Estate Inventories" account in the consolidated statement of financial position. Costs incurred in bringing the repossessed assets to its marketable state are included in their carrying amounts unless these exceed the recoverable values.

Cost includes the purchase price of land and those costs incurred for the development and improvement of the properties such as amounts paid to contractors for construction, capitalized borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, 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 of completion and the estimated costs of sale.

Prepaid Expenses
Prepaid expenses are carried at cost less the amortized portion. These typically comprise prepayments for commissions, marketing fees, advertising and promotions, taxes and licenses, and insurance.

With the exception of commission, which is amortized using percentage of completion, other prepaid expenses are amortized as incurred.

Refundable Deposits
Refundable deposits are measured initially at fair value. After initial recognition, refundable deposits are subsequently measured at amortized cost using the effective interest method.

The difference between the cash received and its fair value is deferred and amortized using the straight-line method under the "Real estate sales" account in the consolidated statement of comprehensive income.

Non-refundable deposits that are applicable against costs of services incurred or goods delivered are measured at fair value.

Other Current Assets
Other current assets are carried at cost and pertain to resources controlled by the Group as a result of past events and from which future economic benefits are expected to flow to the Group. These include advances to contractors and lot owners which are carried at costs less impairment losses, if any.

Investment Properties
Investment properties consist of properties that are held to earn rentals or for capital appreciation or both, and that are not occupied by the Group. Investment properties, except for land, are carried at cost less accumulated depreciation and any impairment in residual value. Land is carried at cost less any impairment in value.

Expenditures incurred after the investment property has been put in operation, such as repairs and maintenance costs, are normally charged against income in the period in which the costs are incurred.

Construction in progress are carried at cost and transferred to the related investment property account when the construction and related activities to prepare the property for its intended use are complete, and the property is ready for occupation. This includes cost of construction and other direct costs. Construction-in-progress is not depreciated until such time that the relevant assets are available for their intended use.

Depreciation of investment properties is computed using the straight-line method over the estimated useful lives of the assets and included under "Costs of Rental Income" in the consolidated statement of comprehensive income. The estimated useful lives and the depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of investment properties.

The estimated useful lives of investment properties follow:

	Years
Land improvements	40
Buildings and improvements	40
Machinery and equipment	5 to 10

Investment properties are derecognized when either they have been disposed of, or when the investment 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 an investment property are recognized in profit or loss in the year of retirement or disposal.

Transfers are made to investment properties 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 investment property 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 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.

The Group discloses the fair values of its investment properties in accordance with PAS 40. The Group engages independent valuation specialist to assess the fair values as at December 31, 2019. The Group's investment properties consist of land and building pertaining to properties, mall and office properties. These were valued by reference to market-based evidence using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

Property and Equipment
Property and equipment are carried at cost less accumulated depreciation and amortization and any impairment in value. The initial cost of property and equipment consists of its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. All other repairs and maintenance are charged against current operations as incurred.

Depreciation and amortization of property and equipment commences once the assets are put into operational use and is computed on a straight-line basis over the estimated useful lives of the property and equipment as follows:

	Years
Office tools and equipment	3 to 5
Transportation equipment	5
Furniture and fixtures	3 to 5
Software	3 to 5

The useful life and depreciation and amortization method are reviewed periodically to ensure that the period and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

When property and equipment are retired or otherwise disposed of, the cost of the related accumulated depreciation and amortization and accumulated provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Fully depreciated and amortized property and equipment are retained in the accounts until they are no longer in use. No further depreciation and amortization is charged against current operations.

Interests in Joint Development Projects

Interests in joint development projects represent one or more assets, usually in the form of real estate development, contributed to, or acquired for the purpose of the joint development and dedicated to the purposes of the joint operations. The assets are used to obtain benefits for the operators. Each operator may take a share of the output from the assets and each bears an agreed share of the expenses incurred. These joint operations do not involve the establishment of a corporation, partnership or other entity, or a financial structure that is separate from the operators themselves. Each operator has control over its share of future economic benefits through its share of the jointly operations. Contribution of the Group to the joint operations are included in real estate inventories.

Impairment of Nonfinancial Assets

This accounting policy relates to the other assets, inventories, interests in joint development projects, investment properties and property and equipment.

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. Impairment losses of continuing operations are recognized in the consolidated statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. 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 comprehensive income unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase. After such reversal the depreciation charge 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.

Customers' Deposits

Customers' deposits represent payment received from customer accounts which have not yet reached the minimum required percentage for recording real estate sale transaction. When the level of required payment is reached, sales are recognized, and these deposits and down payments will be applied against the related receivable.

Under the percentage of completion method of recognizing sales for real estate, when a real estate does not meet the requirements for revenue recognition, the sale is accounted for under the deposit method. Under this method, cash received from customers are recorded under "Customers' Deposits" account in the consolidated statement of financial position. It is also recognized when the cash received from customers is greater than the receivable from customers under percentage of completion. Subsequently, customers' deposits are applied against receivable from customers as a result of the recognition of sales through completion of the project.

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if 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 the taxation authority is included as part of "Other current assets" in the consolidated statement of financial position.

Pension

The Group has a funded, noncontributory defined benefit pension plan covering substantially all of its qualified employees. The Group's pension 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 (PUC) method.

Defined benefit costs comprise the following:
(a) service cost;
(b) net interest on the net defined benefit liability or asset; and
(c) remeasurements 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 profit or loss. Past service costs are recognized when plan amendment or curtailment occurs.

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 high quality corporate 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 profit or loss.

Remeasurements 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 OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. 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).

The 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.

Equity

The Group records capital stock at par value and additional paid-in capital in excess of the total contributions received over the aggregate par values of the equity share. Incremental costs incurred directly attributable to the issuance of new shares are deducted from proceeds and charged to "Additional Paid-in Capital" (APIC) account. If APIC is not sufficient, the excess is charged against retained earnings.

Retained earnings represent accumulated earnings of the Group less dividends declared. The individual accumulated retained earnings of the subsidiaries are available for dividend declaration when they are declared by the subsidiaries as approved by their respective BOD.

Treasury Shares

Treasury shares are recognized at cost and deducted from equity. No gain or loss is recognized in the profit and loss 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 additional paid-in capital. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Retained earnings is restricted to payments of dividends to the extent of the cost of treasury shares.

Revenue from Contract with Customers

The Group primarily derives its real estate revenue from the sale of vertical and horizontal real estate projects. 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 the principal in its revenue arrangements, except for the provisioning of water and electricity in its mall retail spaces and 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.

Real estate sales
The Group derives its real estate revenue from sale of lots, house and lot 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.

In measuring the progress of its performance obligation over time, the Group uses the output method. This method measures progress based on physical proportion of work done on the real estate project which requires technical determination by the Group's project development engineers and project managers. This is based on the quarterly project accomplishment report prepared by the Group's project development engineers as approved by the project managers which integrates the surveys of performance as of quarter end of the construction activities for both sub-contracted and those that are fulfilled by the developer itself.

Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as installment contracts receivables, under trade receivables, is included in the "contract asset" account in the asset section of the consolidated statement of financial position.

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

In case of sales cancellation due to the default of the buyers, the Group derecognizes the outstanding balance of contract asset or installment contracts receivable and recognize the repossessed property at fair value less cost to repossess, with any difference taken to profit or loss.

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 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.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which changes are determined.

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.

Marketing fees, management fees from administration and property management are recognized as expense when services are incurred.

Costs to obtain contract (Commission expense)
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 "Selling and administrative expense" account in the consolidated statement of comprehensive income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Contract Balances
Installment contracts receivables
Installment contracts receivables represent 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. Contract liabilities are recognized as revenue when the Group performs under the contract.

The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Contract fulfillment assets
Contract fulfillment costs are divided into: (i) costs that give rise to an asset; and (ii) costs that are expensed as incurred. When determining the appropriate accounting treatment for such costs, the Group firstly considers any other applicable standards. If those standards preclude capitalization of a particular cost, then an asset is not recognized under PFRS 15.

If other standards are not applicable to contract fulfillment costs, the Group applies the following criteria which, if met, result in capitalization: (i) the costs directly relate to a contract or to a specifically identifiable anticipated contract; (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) the costs are expected to be recovered. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recoverable. The Group's contract fulfillment assets pertain to land acquisition costs.

Amortization, de-recognition and impairment of contract fulfillment assets and capitalized costs to obtain a contract

The Group amortizes contract fulfillment assets and capitalized costs to obtain a contract over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization of contract fulfillment assets and cost to obtain a contract is included within "Cost of real estate sales" and "Selling and administrative expense", respectively.

A contract fulfillment asset or 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.

At each reporting date, the Group determines whether there is an indication that the contract fulfillment asset or capitalized cost to obtain a contract maybe impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits. Where a contract is anticipated to make a loss, these judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Other Revenue and Income Recognition

Rental income

Rental income arising from operating leases on investment properties is recognized in the consolidated statement of comprehensive income as follows:

- Based on certain percentage of net income of operator after adjustments on shared expenses, as provided in the terms of the contract.
- Based on a straight-line basis over the term of the lease plus a certain percentage of sales of the tenants, as provided under the terms of the contract.

Interest income

Interest income is recognized as it accrues using the effective interest method.

Commission income

Commission income is recognized when services are rendered.

Dividend income

Dividend income is recognized when the Group's right to receive the payment is established.

Others

Other income is derived from processing the registration of properties of buyers, collection from surcharges and penalties for late payments which are recognized when services are rendered.

Other income also includes profit share in hotel operations which is derived from the Group's share in service income, net of operating expenses, from units in a specific property development which is being operated as a hotel by a third party. Income is recognized when earned.

Costs and Expenses

Costs and expenses are recognized in the consolidated statement of comprehensive income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Costs and expenses are recognized in the consolidated statement of comprehensive income:

- On the basis of a direct association between the costs incurred and the earning of specific items of income;
- On the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or
- Immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the consolidated statement of financial position as an asset.

Cost of real estate sales

Cost of real estate sales includes all direct materials, labor costs and incidental costs related to the construction of housing units.

Cost of rental income

Cost of rental income is mostly coming from depreciation, utilities and management fees. These are recognized as cost when incurred, except for depreciation which is recognized on a straight-line basis.

Cost of hotel operations

Cost of hotel operations pertains to expenses incurred in relation to sale of goods and rendering of services. These are recognized when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen than can be measured reliably. These are recognized when incurred and measured at the amount paid or payable.

Selling and administrative expenses

Selling and administrative expenses are expenses that are incurred in the course of the ordinary operations of the Group. These usually take the form of an outflow or depletion of assets such as cash and cash equivalents, property and equipment and investment properties. Selling and administrative expenses are costs incurred to sell real estate inventories, which include commissions, advertising and promotions, among others and costs of administering the business.

Expenses are recognized in the consolidated statement of comprehensive income as incurred based on the amounts paid or payable.

Borrowing Costs

Interest and other financing costs incurred during the construction period on borrowings used to finance the acquisition and construction of a qualifying asset are capitalized as to the appropriate asset accounts (included in "Investment Properties" account in the consolidated statement of financial position). All other borrowing costs are expensed in the period in which they occur.

The interest capitalized is calculated using the Group's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amounts capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment.

Interest is capitalized from the commencement of the development work until the date of practical completion. The capitalization of finance costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalized on the purchase cost of a site of property acquired specifically for redevelopment but only where activities necessary to prepare the asset for redevelopment are in progress.

Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended use or sale are complete. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded. Capitalized borrowing cost is based on applicable weighted average borrowing rate for those coming from general borrowings and the actual borrowing costs eligible for capitalization for funds borrowed specifically.

Leases effective January 1, 2019
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee - Short-term leases
The Group applies the short-term lease recognition exemption to its short-term leases of office space (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). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Group as a lessor
Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted on a straight-line basis over the lease term and is included in revenue in the consolidated statement of comprehensive income due to its operating nature. 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 lease 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 and the remaining lease payments will be recognized as income on a straight-line basis over the remaining lease term.

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.

Leases prior to January 1, 2019
The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

A reassessment is made after inception of the lease only if one of the following applies:

a. There is a change in contractual terms, other than a renewal or extension of the arrangement;
b. A renewal option is exercised or extension granted, unless the term of the renewal or extension was initially included in the lease term;
c. There is a change in the determination of whether fulfillment is dependent on a specified asset; or
d. There is substantial change to the asset.

Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c), or (d) and at the date of renewal or extension period for scenario (b).

Group as lessor
Leases where the Group retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease income is recognized on a straight-line basis over the lease term in the profit or loss. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Income Taxes
Current tax
Current 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 have been enacted or substantively enacted at the reporting date.

Deferred tax
Deferred tax is provided, using the liability method, on all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences, carry forward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating losses carryover (NOLCO), to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward benefits of unused tax credits from excess MCIT over RCIT credits and unexpired NOLCO can be utilized. Deferred tax, however, is 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 tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow deferred tax assets to be utilized.

Deferred tax assets and 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 reporting date. Movements in the deferred tax assets and liabilities arising from changes in tax rates are credited to or charged against income for the period.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Basic and Diluted Earnings Per Share
Basic EPS is computed by dividing net income applicable to common stock by the weighted average number of common shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period.

Diluted EPS is computed by dividing net income by the weighted average number of common shares outstanding during the period, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period, and adjusted for the effect of dilutive options and dilutive convertible preferred shares. If the required dividends to be declared on convertible preferred shares divided by the number of equivalent common shares, assuming such shares are converted would decrease the basic EPS, and then such convertible preferred shares would be deemed dilutive.

Where the effect of the assumed conversion of the preferred shares and the exercise of all outstanding options have anti-dilutive effect, basic and diluted EPS are stated at the same amount. As of December 31, 2020 and 2019, the Group has no potential diluted common shares.

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 22 to the consolidated financial statements.

Provisions
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. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingencies
Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Events After the Reporting Date
Post year-end events up to date when the consolidated financial statements are authorized for issue that provide additional information about the Group's financial position at the reporting date (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.

3. **Significant Accounting Judgments and Estimates**

The preparation of the accompanying consolidated financial statements in conformity with PFRSs requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the consolidated financial statements. Actual results could differ from such estimates.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Real estate revenue recognition
Existence of a contract
The Group's primary document for a contract with a customer 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 its other signed documentation such as reservation application, buyer's ledger and official receipts evidencing collections from buyer, 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 collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the buyer's initial payments (buyer's equity) in relation to the total contract price. Collectability is also assessed by considering factors such as past history with buyers, age of installment contracts receivables and pricing of the property. Management regularly evaluates the historical sales cancellations and back-outs, after considering the impact of coronavirus pandemic, if it would still support its current threshold of buyer's equity before commencing revenue recognition.

Revenue recognition method and measure of progress
The Group 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 customer 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 customer is contractually obliged to make payments to the developer up

to the performance completed to date. In addition, the Group requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate revenue recognition. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer of about 20% would demonstrate the buyer's commitment to pay.

The Group has determined that the output method used in measuring the progress of the performance obligation (i.e. percentage of completion) faithfully depicts the Group's performance in transferring control of real estate development to the customers.

Definition of default and credit-impaired financial assets
The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria - for installment contracts receivables, the customer receives a notice of cancellation and does not continue the payments.

Qualitative criteria
The customer meets unlikeliness to pay criteria, which indicates the customer is in significant financial difficulty. These are instances where:

a. The customer is experiencing financial difficulty or is insolvent
b. The customer is in breach of financial covenant(s)
c. An active market for that financial assets has disappeared because of financial difficulties
d. Concessions have been granted by the Group, for economic or contractual reasons relating to the customer's financial difficulty
e. It is becoming probable that the customer will enter bankruptcy or other financial reorganization

The criteria above have been applied to the financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) throughout the Group's ECL calculation.

Incorporation of forward-looking information
The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

To do this, the Group considers a range of relevant forward-looking macro-economic assumptions for the determination of unbiased general industry adjustments and any related specific industry adjustments that support the calculation of ECLs. Based on the Group's evaluation and assessment and after taking into consideration external actual and forecast information, the Group formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies, monetary authorities and selected private-sector and academic institutions.

The base case represents a most-likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of these other representative scenarios.

The Group has identified and documented key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

The Group has considered the impact of COVID-19 pandemic and to the extent applicable revised its assumptions in determining macroeconomic variables and loss rates in the ECL computation. The changes in the gross carrying amounts of installment contracts receivables and contract assets during the year and impact of COVID-19 did not materially affect the Group's allowance for ECLs.

Distinction between real estate inventories and investment properties
The Group determines whether a property is classified as investment property or real estate inventories as follows:

Investment property comprises land and buildings (principally offices, commercial and retail property) 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. Transfers are made to investment properties 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.

Real estate inventories comprises property that is held for sale in the ordinary course of business. Principally, this is residential and industrial property that the Group develops and intends to sell before or on completion of construction.

Operating lease commitments - Group as lessor
The Group has entered into commercial property leases on its investment properties. The Group has determined that it retains all significant risks and rewards of ownership of these properties which are leased out on operating leases.

The Group's operating lease contracts are accounted for as cancellable operating leases. In determining whether a lease contract is cancellable or not, the Group considers, among others, the significance of the penalty, including the economic consequence to the lessee.

Recognizing deferred tax assets
The Group reviews the carrying amounts of deferred taxes at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Group will generate sufficient future taxable profit to allow all or part of deferred tax assets to be utilized. The Group looks at its projected performance in assessing the sufficiency of future taxable income.

The Group did not recognize deferred tax assets from NOLCO amounting to ₱0.06 million and ₱0.05 million in 2020 and 2019 for the subsidiaries, respectively (see Note 24). The unrecognized deferred tax asset from NOLCO is not expected to be utilized by the subsidiaries as management assessed that there is no available taxable income against which the deferred income tax asset can be utilized.

Determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates applying paragraph 122 of PAS 1, Presentation of Financial Statements
Upon adoption of the Interpretation, the Group has assessed whether it has any uncertain tax position. The Group applies significant judgement in identifying uncertainties over its income tax treatments. The Group determined, based on its assessment, in consultation with its tax counsel, that it is probable that its uncertain income tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities.

Assessment on whether lease concessions granted constitute a lease modification
In line with the rental relief framework implemented by the government to support businesses and the broader economy due to the impact of COVID-19, the Group waived its right to collect rent and other charges as part of various lease concessions it granted to lessees such as lease payment holidays or lease payment reductions.

The Group applies judgment when assessing whether the rent concessions granted is considered a lease modification under PFRS 16.

In making this judgment, the Group determines whether the rent concessions granted has changed the scope of the lease, or the consideration thereof, that was not part of the original terms and conditions of the lease. The Group assessed that the lease concessions it granted to lessees qualify as lease modifications since the terms and conditions under the corresponding lease contracts have been modified by the waiver and therefore, is a lease modification under PFRS 16. The Group accounted these lease concessions as a new lease from the effective date of the modification and recognized remaining lease payments on a straight-line basis over the remaining lease term in the consolidated statement of comprehensive income for the year ended December 31, 2020.

The rent concessions granted by the Group for the year ended December 31, 2020 amounted to ₱166.54 million.

Management's Use of Estimates
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date 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.

Revenue recognition and measure of progress for real estate sales
The Group's revenue recognition policy requires management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group concluded that revenue from real estate sales is to be recognized over time using the output method. The Group's revenue from real estate sales recognized is based on physical proportion of work done on the real estate project which requires technical determination by the Group's project development engineers and project managers. Apart from involving significant estimates in determining the quantity of imports such as materials, labor and equipment needed, the assessment process for the POC is complex and the estimated project development costs requires technical determination by project development engineers.

Following the pattern of real estate revenue recognition, the cost to obtain a contract (e.g. commission), is determined using the percentage of completion. In view of the continuing community quarantines and restricted mobility, the progress of the Group's performance obligation is adversely affected which resulted to lower percentage-of-completion in 2020.

Real estate sales amounted to ₱5,383.08 million, ₱5,871.50 million and ₱2,428.31 million for the years ended December 31, 2020, 2019 and 2018, respectively (see Note 4).

Evaluation of impairment of receivables and contract assets
The Group uses a provision matrix to calculate ECLs for trade receivables other than installment contracts receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

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. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The Group uses vintage analysis approach to calculate ECLs for installment contracts receivables. The vintage analysis accounts for expected losses by calculating the cumulative loss rates of a given loan pool. It derives the probability of default from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the PD model. It allows the evaluation of the loan activity from its origination period until the end of the contract period.

The assessment of the correlation between historical observed default rates, forecast economic conditions (e.g., foreign exchange growth rate and bank lending rates) 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 customer's actual default in the future.

The Group has considered the impact of COVID-19 pandemic and to the extent applicable revised its assumptions in determining macroeconomic variables and loss rates in the ECL computation. The changes in the gross carrying amounts of installment contracts receivables and contract assets during the year and impact of COVID-19 did not materially affect the Group's allowance for ECLs.

The information about the ECLs on the Group's installment contracts receivables and contract assets is disclosed in Note 6.

The carrying values of installment contracts receivables and contract assets amounted to ₱2,612.15 million and ₱2,847.88 million, respectively, as of December 31, 2020 and ₱1,293.14 million and ₱2,860.54 million, respectively, as of December 31, 2019 (see Notes 4 and 6).

The Group recognized provision for expected credit losses on trade receivables amounting to ₱1.35 million, ₱1.07 million and ₱1.39 million in 2020, 2019 and 2018, respectively.

Evaluation of net realizable value of inventories
Inventories are valued at the lower of cost and NRV. This requires the Group to make an estimate of the inventories' selling price in the ordinary course of business, cost of completion and costs necessary to make a sale to determine the NRV. The Group adjusts the cost of its real estate inventories to net realizable value based on its assessment of the recoverability of the real estate inventories. In determining the recoverability of the inventories, management considers whether those inventories are slow or non-moving or if their selling prices have declined in comparison to the cost. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. In line with the impact of COVID-19, the Group experienced limited selling activities that resulted to lower sales in 2020. In evaluating NRV, recent market conditions and current market prices have been considered. Refer to Note 7 for the related balances.

There was no provision for impairment nor reversal of impairment in 2020, 2019 and 2018.

Evaluation of impairment of other nonfinancial assets (except inventories)
The Group reviews other assets, investment properties and property and equipment for impairment in value. This includes considering certain indications of impairment such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset,

plans in the real estate projects, significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the asset's fair value less costs to sell, except for assets where value in use computation is applied.

The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the asset. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs (Notes 8, 10 and 11).

The carrying values of the Group's nonfinancial assets as of December 31, 2020 and 2019 are disclosed below.

	2020	2019
Investment properties (Note 10)	**₱5,712,412,564**	₱5,597,417,842
Property and equipment (Note 11)	**54,853,789**	58,903,900
Other current assets* (Note 8)	**5,399,332,516**	4,715,088,037
Other noncurrent assets** (Note 8)	**443,556,896**	373,265,033
	₱11,610,155,765	₱10,744,674,812

**excluding advances to agents and brokers.*
***excluding deposits in escrow and refundable security deposits.*

The Group has determined that COVID-19 pandemic has no impact and is not considered as an impairment indicator in the impairment assessment of nonfinancial assets. There was no provision for impairment nor reversal of impairment in 2020, 2019 and 2018 (see Notes 8, 10 and 11).

Estimating pension liabilities and other retirement benefits
The determination of the Group's obligation and cost for pension and other retirement benefits is dependent on selection of certain assumptions used by actuaries in calculating such amounts. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Significant assumptions are disclosed in Note 20 and include among others, discount rate and salary increase rate.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on 1994 Group Annuity Mortality Table and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates.

While the Group believes that the assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in assumptions could materially affect pension obligations. Refer to Note 20 for the related balances.

Fair value of financial instruments
Where the fair values of financial assets and financial liabilities recorded or disclosed in the consolidated statements of financial position cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values. These estimates may include considerations of liquidity, volatility, and correlation. See Note 26 for the related balances.

4. **Revenue from Contracts with Customers**

Disaggregated Revenue Information
The Group derives revenue from the transfer of goods and services over time and at a point in time, respectively, in different product types. The Group's disaggregation of each source of revenue from contracts with customers are presented below:

	2020	2019	2018
Real estate sales by product			
Lot only	**₱4,362,693,042**	₱5,322,051,158	₱1,959,255,620
Condominium units	**1,020,386,498**	549,445,621	469,052,237
Total revenue from contracts with customers	**₱5,383,079,540**	₱5,871,496,779	₱2,428,307,857
Geographical Location			
Luzon	**₱4,587,867,726**	₱4,676,128,465	₱1,640,424,023
Visayas	**412,114,351**	758,037,244	395,358,341
Mindanao	**383,097,463**	437,331,070	392,525,493
Total	**₱5,383,079,540**	₱5,871,496,779	₱2,428,307,857

The Group's real estate sales are revenue from contracts with customers which are recognized over time.

Contract balances are as follows:

December 31, 2020

	Current	**Noncurrent**	**Total**
Installment contracts receivables (Note 6)	**₱1,598,080,782**	**₱1,014,073,112**	**₱2,612,153,894**
Contract assets (Note 6)	**1,880,380,969**	**967,495,032**	**2,847,876,001**
Contract liabilities (Notes 6 and 13)	**3,591,662,052**	**379,516,810**	**3,971,178,862**

December 31, 2019

	Current	Noncurrent	Total
Installment contracts receivables (Note 6)	₱745,974,867	₱547,168,163	₱1,293,143,030
Contract assets (Note 6)	1,618,898,886	1,241,636,221	2,860,535,107
Contract liabilities (Notes 6 and 13)	3,039,228,284	418,387,376	3,457,615,660

In September 2019, the PIC issued additional guidance to the real estate industry on the implementation of PFRS 15, including guidance on the recording of the difference between the consideration received from the customer and the transferred goods to the customer (i.e., measured based on percentage-of-completion). The PIC allowed real estate companies to recognize the difference as either a contract asset or unbilled receivable. If presented as a contract asset, the disclosures required under PFRS 15 should be complied with. Otherwise, the disclosures required under PFRS 9 should be provided.

The Group opted to retain its existing policy of recording the difference between the consideration received from the customer and the transferred goods to the customer as contract assets or contract liabilities.

Installment contracts receivables from real estate sales are collectible in equal monthly principal installments with various terms up to ten (10) years. Interest rates per annum range from 14% to 16%. Titles to the residential units sold are transferred to customers upon full payment of the contract price.

Contract assets represent the right to consideration for assets already delivered by the Group in excess of the amount recognized as installment contracts receivables. Contract assets is reclassified to installment contracts receivables when monthly amortization of the customer 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 services transferred by the Group based on percentage-of-completion. The movement in contract liabilities arise mainly from revenue recognition of completed performance obligations.

Set-out below is the amount of revenue recognized from:

	2020	2019
Amounts included in contract liabilities at the beginning of the year	**₱159,808,171**	₱205,197,531
Performance obligation satisfied in previous years	**1,582,120,704**	1,275,174,767

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 a real estate unit may cover either (a) a lot; and (b) condominium unit. There is one performance obligation in each of these contracts. The Group recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.

Payment commences upon signing of the reservation application and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include down payment of 10% to 20% of the contract price spread over a certain period (e.g., one to three months) at a fixed monthly payment with the remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from one (1) 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.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2020 and 2019 follows:

	2020	2019
Within one year	**₱2,188,930,153**	₱1,866,070,692
More than one year	**1,634,642,231**	1,526,923,242
	₱3,823,572,384	₱3,392,993,934

The remaining performance obligations expected to be recognized within one year and in more than one year relate to continuous development of the Group's real estate projects. The Group's subdivision lots are expected to be completed within 12 months, while the condominium units are expected to be completed within one to two years.

Rental agreements
The Group entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space, (b) provisioning of water and electricity, (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 settle within 7 to 20 days upon receipt of the bill. In case of delay in payments, a penalty of 3% to 36% per annum is charged for the amount due for the duration of delay. The lease arrangement would typically require a tenant to pay a security deposit equivalent to six (6) months rental to cover any defaults in payments, with the excess returned to the tenant.

In line with the rental relief framework implemented by the government to support businesses and the broader economy due to the impact of COVID-19, the Group granted lease concession to its lessees. The concession varies depending on the type of the lessees that are either forced to close and those that remained operational and essential during the quarantine period. Likewise, common area usage and other charges were waived.

Cost to Obtain Contract
As at December 31, 2020 and 2019, the rollforward of the cost to obtain contract included in the other current assets is as follows (see Note 8):

	2020	2019
Balance at beginning of year	**₱183,845,963**	₱30,022,373
Additions	**687,455,976**	935,386,242
Amortization	**(674,265,092)**	(781,562,652)
Balance at end of year	**₱197,036,847**	₱183,845,963

It is the Group's accounting policy, as set out in Note 2, that if a contract or specific performance obligation has exhibited marginal profitability or other indicators of impairment, judgement is applied to ascertain whether the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific key performance indicators that could trigger variable consideration, or service credits.

5. Cash and Cash Equivalents

This account consists of:

	2020	2019
Cash on hand	**₱1,217,500**	₱1,343,336
Cash in banks	**911,066,883**	902,024,815
Cash equivalents	**30,536,120**	–
	₱942,820,503	₱903,368,151

Cash in banks earns interest at the prevailing bank deposit rates.

Cash equivalents include short-term placement made during the year for period of three months based on the immediate cash requirements of the Group, and earn annual interest of 1.00% and 0.15% to 0.25% in 2020 and 2019, respectively.

Interest income earned from cash in banks and cash equivalents amounted to ₱4.25 million, ₱3.61 million, and ₱11.95 million in 2020, 2019, and 2018, respectively (Note 16).

The Group has restricted cash in bank amounting ₱39.05 million and ₱37.08 million as of December 31, 2020 and 2019, respectively. This pertains to the cash deposited in an escrow trust account for socialized housing compliance and recorded under “Other noncurrent asset" in the statements of the financial position (see Note 8).

6. Receivables and Contract Assets

This account consists of:

	2020	2019
Installment contracts receivable:		
Subdivision land	**₱1,880,601,124**	₱937,859,043
Condominium units	**731,552,770**	355,283,987
Receivable from related parties (Note 19):		
Trade	**659,175,564**	549,860,022
Non-trade	**921,832**	721,832
Advances to joint development operations (Note 21)	**356,151,516**	439,560,326
Accrued interest receivable	**618,011,413**	484,850,509
Advances to officers, employees and agents (Note 19)	**116,992,148**	111,454,568
Receivable from tenants	**97,254,072**	62,368,861
Commission receivable	**74,038,309**	21,033,399
Dividend receivable (Note 9)	**20,082,111**	14,566,771
Others	**22,169,773**	18,212,856
	4,576,950,632	2,995,772,174
Less unamortized discount	**50,029,289**	62,824,592
	4,526,921,343	2,932,947,582
Less allowance for expected credit losses	**18,252,713**	16,902,639
	4,508,668,630	2,916,044,943
Less noncurrent installment contracts receivables	**1,014,073,112**	547,168,163
	₱3,494,595,518	₱2,368,876,780

Contract balances as of December 31 are as follows:

2020

	Current	**Noncurrent**	**Total**
Installment contracts receivables	**₱1,598,080,782**	**₱1,014,073,112**	**₱2,612,153,894**
Contract assets	**1,880,380,969**	**967,495,032**	**2,847,876,001**
Contract liabilities	**3,591,662,052**	**379,516,810**	**3,971,178,862**

2019

	Current	Noncurrent	Total
Installment contracts receivables	₱745,974,867	₱547,168,163	₱1,293,143,030
Contract assets	1,618,898,886	1,241,636,221	2,860,535,107
Contract liabilities	3,039,228,284	418,387,376	3,457,615,660

Installment contracts receivables represent the buyer's outstanding balance arising from real estate sales. These are collectible in equal monthly installments with various terms up to 10 years. These are carried at amortized cost. The corresponding titles to the subdivision land or condominium units sold under this arrangement are transferred to the buyers only upon full payment of the contract price. Annual interest rates on installment contracts receivables ranged from 14% to 16%. The total interest income recognized on these interest-bearing installment contracts receivables and contract assets amounted to ₱360.19 million, ₱518.10 million, and ₱236.30 million in 2020, 2019 and 2018, respectively (Note 16).

On March 25, 2020, Republic Act No. 11469, otherwise known as the Bayanihan to Heal as One Act ("Bayanihan 1 Act") was enacted. Bayanihan 1 Act provides that all covered institutions shall implement a 30-day grace period for all loans with principal and/or interest and lease amortization falling due within the ECQ Period without incurring interest on interest, penalties, fees and other charges. Subsequently, on September 11, 2020, Republic Act No. 11494, otherwise known as the Bayanihan to Recover as One Act ("Bayanihan 2 Act"), was enacted. Under Bayanihan 2 Act, a one-time sixty (60)-day grace period is granted for the payment of all existing, current and outstanding loans falling due, or any part thereof, on or before December 31, 2020, without incurring interest on interests, penalties, fees, or other charges and thereby extending the maturity of the said loans. Furthermore, a minimum 30-day grace period shall also be granted by covered institutions to all payments due within the period of community quarantine on rent and utility-related expenditures without incurring penalties, interest and other charges.

In 2020, the Group, provided reliefs under Bayanihan 1 Act and Bayanihan 2 Act, which offered financial reliefs to its borrowers/counterparties as a response to the effect of the COVID-19 pandemic. These relief measures included the restructuring of existing receivables including extension of payment terms.

Based on the Group's assessment, the modifications in the contractual cash flows as a result of the above reliefs are not substantial and therefore do not result in the derecognition of the affected financial assets.

As of December 31, 2020 and 2019, receivables from sales of subdivision land and condominium units with a nominal amount aggregated ₱2,034.60 million and ₱1,230.32 million, respectively. The fair value of the receivables was obtained by discounting future cash flows using the applicable annual rates of similar types of instruments ranging from 5.08% to 7.54% and 6.25% to 8.16% in 2020 and 2019, respectively.

Movement in the unamortized discount arising from noninterest-bearing installment contracts receivables follow:

	2020	2019
Balance at beginning of year	**₱62,824,592**	₱32,251,195
Additions	**102,556,784**	155,869,312
Accretion from unamortized discount (Note 16)	**(115,352,087)**	(125,295,915)
Balance at end of year	**₱50,029,289**	₱62,824,592

Allowance for expected credit losses pertain to trade receivables. Movement follows:

	2020	2019
Balance at beginning of year	**₱16,902,639**	₱15,835,963
Provisions	**1,350,074**	1,066,676
Balance at end of year	**₱18,252,713**	₱16,902,639

Trade receivables from related parties include advances and uncollected rental income from related parties (Note 19). These are noninterest-bearing, due and demandable.

Non-trade receivables from related parties include a rescission of the assignment of land rights (Note 15), sale of lots and assumption of loan of the Ultimate Parent Company (Note 19). These are noninterest-bearing, due and demandable.

Advances to joint development operations pertain to cash advances to land owners or joint development operators for the property or land that will be developed. These advances are liquidated by the joint development operators once the purpose for which the advances were made had been accomplished and accordingly will be offset to the related liability to joint development operators. These are noninterest-bearing, due and demandable.

Accrued interest receivable pertains to interest on installment contracts receivables and contract assets already earned but not yet received.

Advances to officers, employees and agents pertain to loans granted to the Group's employees which are collectible through salary deduction, are noninterest-bearing and have various maturity dates. This also includes advances for liquidation pertaining to cash advances to custodians for site costs and administrative expenses and advances to sales agents for marketing activities which are replenished upon liquidation.

Receivable from tenants represent the outstanding receivable arising from the lease of commercial spaces relating to the Group's mall operations and are collectible within 30 days from billing date.

Commission receivable represents the uncollected and unbilled commission revenue for real estate sales services rendered to outside parties. This is equivalent to a certain percentage of the total contract price of properties sold.

Dividend receivable pertains to cash dividend declared from FVOCI which are not yet received as of date.

Other receivables primarily represent the Group's uncollected development income from the Summerhill Executive Phase 4 project located in Antipolo, Rizal.

7. Real Estate Inventories

A summary of the movement in inventory is set out below:

	2020	2019
Balance at January 1	**₱21,870,084,999**	₱18,303,658,167
Construction and development costs incurred	**2,922,110,458**	2,796,845,602
Land acquired during the year	**1,906,903,486**	3,525,913,178
Repossessed real estate inventories	**150,237,230**	125,344,396
Capitalized borrowing costs	**107,038,032**	147,244,381
Transfers to investment property (Notes 10 and 28)	**–**	(348,141,280)
Costs of real estate sales	**(2,025,251,641)**	(2,680,779,445)
Balance at December 31	**₱24,931,122,564**	₱21,870,084,999

The real estate inventories are carried at lower of cost and net realizable value (NRV). There are no inventories and investment properties recorded at lower than cost.

The Group acquired various lands for development amounting ₱1,906.90 million and ₱3,525.91 million in 2020 and 2019, respectively. Initial stages of development are underway on these properties with a view to sell as subdivision, condominium or commercial space.

Repossessed real estate inventories arising from cancellation of sales due to buyers' default in payment represent previously sold lot inventories which are recorded back to inventories. These are recorded at fair value less cost to sell and cost to complete at the time of transfer and are held for sale in the ordinary course of business. Gain on repossession of real estate inventories amounted to ₱94.28 million, ₱29.60 million and ₱34.90 million in 2020, 2019 and 2018, respectively (Note 17).

Borrowing costs capitalized as part of real estate inventories, where activities necessary to prepare it for its intended use is ongoing, amounted to ₱107.04 million, ₱147.24 million and ₱98.82 million for the years ended December 31, 2020, 2019 and 2018, respectively (Note 18). The capitalization rate used to determine the borrowing cost eligible for capitalization is 6.73%, 7.36% and 6.47% in 2020, 2019 and 2018, respectively.

Real estate inventories recognized as cost of sales amounted to ₱2,025.25 million in 2020, ₱2,680.78 million in 2019 and ₱959.03 million in 2018 and are included as "Costs of real estate sales" in the consolidated statements of comprehensive income. Cost of real estate sales includes acquisition cost of land, amount paid to contractors, development costs and other costs attributable to bringing the real estate inventories to its intended condition.

There was no provision for nor reversal of impairment on real estate inventories in 2020, 2019 and 2018.

No inventories were pledged as collateral to borrowings of the Group as of December 31, 2020 and 2019.

8. Other Assets

This account consists of:

	2020	2019
Advances to contractors	**₱3,681,779,492**	₱3,291,063,731
Advances to lot owners	**491,350,734**	318,610,953
Prepaid commission (Note 4)	**964,410,638**	920,308,655
Input VAT - net	**343,404,146**	271,384,522
Prepaid taxes	**233,929,351**	220,724,285
Security deposits	**82,676,019**	71,770,937
Advances to agents and brokers	**1,656,145**	561,996
Others	**167,062,254**	103,340,548
	5,966,268,779	5,197,765,627
Less noncurrent portion of:		
Advances to contractors	**316,988,273**	289,958,269
Prepaid commission	**126,568,623**	83,306,764
Security deposits	**82,676,019**	71,770,937
Deposits in escrow (Note 5)	**39,047,203**	37,079,624
	₱5,400,988,661	₱4,715,650,033

Advances to contractors represent payments made for the development and construction of real estate inventories and investment properties. The advances will be recouped against contractors' billings.

Advances to lot owners consist of advance payments to land owners which will be applied against the selling price of the real properties that will be acquired. The application is expected to occur within 12 months after the reporting date.

Prepaid commission pertains to payments to agents for sales commission on inventories that are not yet recognized as sales during the year. These are recorded as contract cost when paid. Contract cost is amortized using the percentage of completion method consistent with the measure of progress for revenue recognition.

In 2020, the Group reclassified prepaid commission and deposits in escrow previously presented under "Other current assets" to "Other noncurrent assets" amounting to ₱83.31 million and ₱37.08 million, respectively as of December 31, 2019. The amount was reclassified to conform with the 2020 financial statement presentation.

Input VAT represents VAT on purchase of goods and services. This is presented net of output VAT. The remaining balance is recoverable in future periods.

Prepaid taxes pertain to creditable withholding taxes to be applied against future income tax payable and prepayments for registration of acquired lots.

Security deposits pertain to refundable deposits for the electrical services or upgrade of electrical structures as necessary for every new project of the Group.

Advances to agents and brokers pertain to unliquidated advances to operate branch offices within and outside the Philippines. These advances are liquidated within one year from the dates the advances were made.

Others consist mainly of deposits in escrow, prepayments related to mall operations and security deposits for short-term leases, among others.

9. **Financial Assets at Fair Value through OCI**

Financial assets at FVOCI consists of investments in:

	2020	2019
Investment at cost	**₱456,755,748**	₱456,755,748
Net unrealized gain	**364,692,477**	491,419,787
At end of year	**₱821,448,225**	₱948,175,535

Movement in the investment at cost follows:

	2020	2019
Balance at beginning of year	**₱456,755,748**	₱416,268,406
Additions	**–**	40,487,342
Balance at end of year	**₱456,755,748**	₱456,755,748

Movement in unrealized gain reflected in the other comprehensive income follows:

	2020	2019
Balance at beginning of year	**₱491,419,787**	₱568,768,194
Fair value change during the year	**(126,727,310)**	(77,348,407)
Balance at end of year	**₱364,692,477**	₱491,419,787

The following table provides the fair value hierarchy of the Group's financial assets at FVOCI which are measured at fair value as of December 31, 2020 and 2019:

December 31, 2020

			Fair value measurement using		
	Date of Valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Shares of stock:					
Quoted					
Gaming	December 31, 2020	**₱592,171,231**	**₱592,171,231**	**₱–**	**₱–**
Unquoted					
Real estate	December 31, 2020	**229,276,994**	**–**	**–**	**229,276,994**
		₱821,448,225	**₱592,171,231**	**₱–**	**₱229,276,994**

December 31, 2019

			Fair value measurement using		
	Date of Valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Shares of stock:					
Quoted					
Gaming	December 31, 2019	₱725,304,769	₱725,304,769	₱–	₱–
Unquoted					
Real estate	December 31, 2019	222,870,766	–	–	222,870,766
		₱948,175,535	₱725,304,769	₱–	₱222,870,766

Dividends earned from financial assets at FVOCI amounted to ₱9.20 million, ₱5.66 million and ₱7.16 million in 2020, 2019 and 2018, respectively.

10. Investment Properties

The rollforward analyses of this account follow:

	2020					
	Land	**Land Improvements**	**Buildings and Improvements**	**Machinery and Equipment**	**Construction in Progress**	**Total**
Cost						
Balances at January 1	**₱1,802,529,188**	**₱44,259,000**	**₱4,096,405,938**	**₱412,409,000**	**₱697,531,959**	**₱7,053,135,085**
Additions	**–**	**–**	**13,255,943**	**–**	**225,533,142**	**238,789,085**
Transfer	**–**	**–**	**896,170,625**	**–**	**(896,170,625)**	**–**
Balances at December 31	**1,802,529,188**	**44,259,000**	**5,005,832,506**	**412,409,000**	**26,894,476**	**7,291,924,170**
Accumulated Depreciation						
Balances at January 1	**–**	**13,277,702**	**1,030,030,541**	**412,409,000**	**–**	**1,455,717,243**
Depreciation (Note 17)	**–**	**1,106,475**	**122,687,888**	**–**	**–**	**123,794,363**
Balances at December 31	**–**	**14,384,177**	**1,152,718,429**	**412,409,000**	**–**	**1,579,511,606**
Net Book Value	**₱1,802,529,188**	**₱29,874,823**	**₱3,853,114,077**	**₱–**	**₱26,894,476**	**₱5,712,412,564**

	2019					
	Land	Land Improvements	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Total
Cost						
Balances at January 1	₱1,766,045,000	₱44,259,000	₱3,860,643,218	₱412,409,000	₱404,157,132	₱6,487,513,350
Additions	–	–	14,839,310	–	202,641,145	217,480,455
Transfers from inventory (Notes 7 and 28)	36,484,188	–	220,923,410	–	90,733,682	348,141,280
Balances at December 31	1,802,529,188	44,259,000	4,096,405,938	412,409,000	697,531,959	7,053,135,085
Accumulated Depreciation						
Balances at January 1	–	12,171,227	908,449,561	412,409,000	–	1,333,029,788
Depreciation (Note 17)	–	1,106,475	121,580,980	–	–	122,687,455
Balances at December 31	–	13,277,702	1,030,030,541	412,409,000	–	1,455,717,243
Net Book Value	₱1,802,529,188	₱30,981,298	₱3,066,375,397	₱–	₱697,531,959	₱5,597,417,842

The construction in progress represents capitalized costs arising from the construction of the Parent Company's mall project that is located in Panacan, Davao City. The expected completion date of Ponte Verde Mall is on July 31, 2024. In 2020, the transfer from construction in progress to building and improvements represents the completion of the Sta. Lucia Business Center that is located in Cainta, Rizal.

Depreciation expense recognized as costs of rental income amounted to ₱105.63 million, ₱122.69 million, and ₱110.63 million in 2020, 2019 and 2018, respectively (Note 17).

In 2019, the transfers from inventory represent several condominium units from a number of real estate projects that have been substantially leased to third parties starting 2019.

The aggregate fair value of the Group's investment properties amounted to ₱7,671.80 million and ₱7,563.00 million as of December 31, 2020 and 2019, respectively.

The latest valuation was obtained on December 31, 2019. The fair values were determined by independent professionally qualified appraisers. The fair value of the investment properties disclosed in the financial statements is categorized within Level 3 of the fair value hierarchy.

The fair value of investment properties was determined using the Income Approach based on discounted cash flow analysis as determined by independent professionally qualified appraisers. Under the Income Approach, all expected cash flow from the use of the asset were projected and discounted using the appropriate discount rate reflective of the market expectations.

Borrowing cost capitalized to investment properties in 2020, 2019 and 2018 amounted to ₱9.22 million, ₱18.76 million, and ₱2.86 million, respectively (Note 18). Capitalization rate used to determine the borrowing cost eligible for capitalization is 6.73%, 7.36%, and 6.47% in 2020, 2019 and 2018 respectively.

Rental income from investment properties amounted to ₱534.70 million, ₱898.29 million and ₱858.76 million in 2020, 2019 and 2018, respectively (Note 23). Cost of rental income from investment properties amounted to ₱368.36 million, ₱550.17 million, and ₱553.97 million in 2020, 2019 and 2018, respectively.

The Group has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

There are no investment properties as of December 31, 2020 and 2019 that are pledged as security for liabilities of the Group.

11. Property and Equipment

The rollforward analysis of this account follow:

	2020				
	Office Tools and Equipment	**Transportation Equipment**	**Furniture and Fixtures**	**Software**	**Total**
Cost					
Balances at January 1	**₱52,310,560**	**₱101,051,518**	**₱11,914,724**	**₱38,333,814**	**₱203,610,616**
Additions	**6,457,271**	**11,368,236**	**91,875**	**–**	**17,917,382**
Balances at December 31	**58,767,831**	**112,419,754**	**12,006,599**	**38,333,814**	**221,527,998**
Accumulated Depreciation and Amortization					
Balances at January 1	**19,670,414**	**78,229,515**	**8,495,604**	**38,311,183**	**144,706,716**
Depreciation and amortization	**7,808,736**	**13,100,728**	**1,035,398**	**22,631**	**21,967,493**
Balances at December 31	**27,479,150**	**91,330,243**	**9,531,002**	**38,333,814**	**166,674,209**
Net Book Value	**₱31,288,681**	**₱21,089,511**	**₱2,475,597**	**₱–**	**₱54,853,789**

	2019				
	Office Tools and Equipment	Transportation Equipment	Furniture and Fixtures	Software	Total
Cost					
Balances at January 1	₱24,023,004	₱84,582,657	₱12,156,911	₱38,333,814	₱159,096,386
Additions	30,408,662	16,468,861	1,428,450	–	48,305,973
Disposals	(2,121,106)	–	(1,670,637)	–	(3,791,743)
Balances at December 31	52,310,560	101,051,518	11,914,724	38,333,814	203,610,616
Accumulated Depreciation and Amortization					
Balances at January 1	13,500,415	55,631,523	7,312,369	38,116,951	114,561,258
Depreciation and amortization	6,169,999	22,597,992	1,375,914	194,232	30,338,137
Disposals	–	–	(192,679)	–	(192,679)
Balances at December 31	19,670,414	78,229,515	8,495,604	38,311,183	144,706,716
Net Book Value	₱32,640,146	₱22,822,003	₱3,419,120	₱22,631	₱58,903,900

Depreciation expense pertaining to mall operations recognized as costs of rental income amounted to ₱18.48 million, ₱0.42 million, ₱0.41 million in 2020, 2019 and 2018, respectively (Note 17).

The Group has no restrictions on the realizability of its property and equipment and no contractual obligations to purchase, construct or develop property and equipment or for repairs, maintenance and enhancements.

As of December 31, 2020 and 2019, there are no property and equipment pledged to secure obligations of the Group.

12. Accounts and Other Payables

This account consists of:

	2020	2019
Contractors payable	**₱2,492,284,878**	₱1,999,834,799
Accounts payable	**965,359,014**	1,422,039,020
Payable to joint development operators	**810,780,367**	406,059,166
Unearned income	**307,496,448**	301,350,486
Security deposit	**154,569,146**	150,605,991
Interest payable (Note 14)	**145,325,402**	147,342,861
Retentions payable	**137,391,169**	118,078,977
Withholding tax payable	**92,138,519**	84,227,082
Taxes and licenses payable	**64,065,257**	34,203,865
Payable to related parties (Note 19)	**56,318,549**	38,605,523
Commission payable	**51,766,285**	20,029,601
Advances from shareholders (Note 19)	**16,346,102**	16,346,102
Accrued payables	**8,101,325**	27,374,304
Others	**105,845,858**	18,129,054
	₱5,407,788,319	₱4,784,226,831

Contractors payable arises from progress billings received from contractors' completed work on the development of projects. These are non-interest bearing and are normally settled on 30 to 60-day terms.

The Group entered into offsetting agreements with its suppliers whereby the Group sells subdivision land and condominium units in exchange for the delivery of the equivalent value of construction materials or services in accordance with specifications stated in the purchase orders and as stated in the bid proposal. The fair value of materials and services received to date is recorded under "Accounts Payable" until the criteria for revenue recognition are met. These liabilities under offsetting arrangements amounted to ₱773.10 million and ₱1,274.37 million as of December 31, 2020 and 2019, respectively.

Accounts payable also include amounts due to suppliers which are noninterest-bearing and are normally settled on 15 to 60-day terms.

Payable to joint development operators pertains to the share of the joint operators collected by the Group and is normally remitted within 90 days from the date of collection.

Unearned income refers to advanced collections from buyers for the processing of transfer of title that is to be performed upon full payment of the contract price and advanced collection from tenants of various investment properties.

Security deposit pertains to the security deposit from tenants of the Group's leased properties.

Interest payable pertains to interest incurred on bank loans (Note 14). These are settled on a quarterly basis.

Retentions payable represents amounts withheld from payments to contractors as a guaranty for any claims against them. These are non-interest bearing and will be remitted to contractors at the end of the contract work, generally within one year.

Withholding tax payable consists of taxes withheld for remittance to the government.

Taxes and licenses payable are amounts due to local government units for the processing of registration fees and licenses related to the Group's land acquisitions.

Commission payable represents amount payable and accrued to the Group's marketing arms and brokers/ agents.

Advances from shareholders are advances for the working capital on the Group's administrative expenses related to selling properties.

Accrued payables mostly include utilities pertaining to mall operations and unpaid salaries by the Group and are normally settled on 15 to 60-day terms.

Other payables primarily consist of professional fees, documentary stamp tax, unearned rent and mandatory employer's contributions which are noninterest-bearing and are normally settled within one year.

13. Contract Liabilities

This account consists of customers' reservation fees, down payments and excess of collections over the installment contracts receivables recognized under the percentage of completion method. The excess of collections is applied against the installment contracts receivables that will be recognized in the succeeding years.

The movement in contract liabilities is mainly due to revenue recognition of completed performance obligations. For the years ended December 31, 2020, 2019 and 2018, the amount of revenue from real estate sales includes amount previously included in contract liabilities amounting to ₱159.81 million, ₱205.20 million and ₱153.42 million, respectively.

As of December 31, 2020 and 2019, the contract liabilities account amounted to ₱3,971.18 million and ₱3,457.62 million, respectively. Details follow:

	2020	2019
Collections below equity threshold	**₱3,258,186,456**	₱2,580,805,733
Excess of collections over POC	**712,992,406**	876,809,927
	₱3,971,178,862	₱3,457,615,660

The Group requires buyers of the residential condominium units and subdivision lots to pay a minimum percentage of the total selling price before revenue recognition. These reservation fees and down payments will be applied against the installment contracts receivables when revenue recognition is met.

14. Short-term and Long-term Debt

Short-term debt

Below are the details of the short-term debt:

	2020	2019
Loans under revolving credit facility	**₱4,311,482,354**	₱2,202,700,000
Single payment short-term loan	**1,477,488,200**	978,488,200
Loans under notes facility agreement	**360,000,000**	340,000,000
	₱6,148,970,554	₱3,521,188,200

Loans under revolving credit facility agreement follow:

	2020	2019
Beginning balance	**₱2,202,700,000**	₱748,000,000
Availments	**5,418,481,687**	4,954,800,000
Payments	**(3,309,699,333)**	(3,500,100,000)
Ending balance	**₱4,311,482,354**	₱2,202,700,000

In 2020, the Group obtained various unsecured short-term loans amounting to ₱2,309.98 million from various financial institutions and qualified institutional buyers of securities arranged by Multinational Investment Bancorporation (MIB). These loans have maturity periods ranging from 3 to 6 months, with annual interest rates ranging from 3.25% to 5.92%. Of the total ₱2,309.98 million loans availed, ₱1,110.20 million were settled in 2020. As of December 31, 2020, the outstanding balance from these loans amounted to ₱1,199.78 million.

In March 2020, unsecured 3-months loans were borrowed from SLRDI amounting to ₱1,200.00 million with 5% annual interest rates (Note 19).

On June 29, 2020, the Group availed the credit facility from Maybank Philippines, Inc. - Trust Department amounting to ₱50.00 million with an annual interest rate of 5% for the initial period of ninety-one (91) days from the date hereof. This loan was renewed on December 28, 2020.

In August and November 2020, the Group also obtained unsecured short-term loans amounting to ₱720.00 million and ₱788.50 million, respectively from RCBC Trust and Investments Group for working capital purposes. These loans have maturity periods ranging from 3 to 6 months with annual interest rate of 3.25%. Of the total ₱1,508.50 million loans availed, ₱508.50 million was settled in 2020.

In August and December 2020, unsecured 3-months loans were borrowed from Bank of Commerce (BOC) amounting ₱100.00 million and ₱250.00 million, respectively, with 5.75% annual interest rates. Of the total ₱350.00 million loans availed, ₱100.00 million was settled in 2020.

In 2019, the Group obtained various unsecured short-term loans amounting to ₱4,704.80 million from various financial institutions and qualified institutional buyers of securities arranged by MIB. These have maturity periods ranging from 3 to 6 months, with annual interest rates ranging from 5.00% to 7.00%. Of the total ₱4,704.80 million loans availed, ₱1,290.00 million and ₱2,866.10 were settled in 2020 and 2019, respectively. The remaining balance on these loans amounted to ₱548.70 million and ₱1,838.70 million as of December 31, 2020 and 2019, respectively.

In November and December 2019, unsecured 3-months loans were borrowed from BOC amounting to ₱100.00 million and ₱150.00 million, respectively. These loans bear interest rates per annum of 5.75%. Of the total ₱250.00 million loans availed, all were settled in 2020. The remaining balance on these loans amounted to nil and ₱250.00 million as of December 31, 2020 and 2019, respectively.

In 2018, the Group obtained various unsecured short-term loans amounting to ₱1,423.00 million from various financial institutions and qualified institutional buyers of securities arranged by MIB. These have maturity periods ranging from 3 to 6 months, with annual interest rates ranging from 3.75% to 6.00%. Of the total ₱1,423.00 million loans availed, ₱10.00 million and ₱384.00 million were settled in 2020 and 2019, respectively. Total outstanding loans amounted to ₱43.00 million and ₱53.00 million as of as of December 31, 2020 and 2019, respectively.

In December 2018, the credit facility amounting to ₱250.00 million which bears annual interest rate of 6.00% was fully drawn during the same year. Of the total ₱250.00 million loans availed, all were settled in 2019.

In 2017, various unsecured short-term loans amounting to ₱2,194.00 million were obtained from various financial institutions and qualified institutional buyers of securities arranged by MIB. These have maturity periods ranging from 3 to 6 months, with annual interest rates ranging from 3.75% to 6.75%. Of the total ₱2,194.00 million loans availed, ₱41.00 million and ₱2,133.00 million were settled in 2020 and 2018, respectively. Total outstanding loans amounted to ₱20.00 million and ₱61.00 million as of December 31, 2020 and 2019, respectively.

Single payment short-term loan

The rollforward analyses of single payment short-term loan follow:

	2020	2019
Beginning balance	**₱978,488,200**	₱2,500,000,000
Availments	**725,000,000**	978,488,200
Payments	**(226,000,000)**	(2,500,000,000)
Ending balance	**₱1,477,488,200**	₱978,488,200

On March 13 and August 20, 2020, the Group borrowed 3-months unsecured loan from China Bank Corporation-Trust and Asset Management Group amounting to ₱500.00 million and ₱225.00 million, respectively, with an annual interest rate of 3.25%. Of the total ₱725.00 million loans availed, ₱225.00 million were settled in 2020.

On March 29, 2019, the Group borrowed a one-year unsecured loan from China Bank Corporation (CBC) amounting ₱978.49 million with annual interest rate of 7.63%. Of the total ₱978.49 million loan availed, ₱1.00 million was settled in 2020.

On October 25, 2018, the Group borrowed a six-month unsecured loan from RCBC amounting to ₱1,500.00 million with annual interest rate of 6.33%. The loan was paid on April 3, 2019.

On August 3 and August 14, 2017, the Group obtained a one-year unsecured loan from RCBC with annual interest rate of 4.25% totaling ₱2,000.00 million. Of the total ₱2,000.00 million loan availed, ₱1,000.00 million were settled in 2018. The remaining balance on this loan amounting to ₱1,000.00 million were paid on August 4, 2019.

Loans under notes facility agreement

Movement in the account is as follows:

	2020	2019
Beginning balance	**₱340,000,000**	₱360,000,000
Availments	**360,000,000**	–
Payments	**(340,000,000)**	(20,000,000)
Ending balance	**₱360,000,000**	₱340,000,000

On March 13, 2020, the Group availed 3-month unsecured loans from Banco De Oro (BDO) amounting to ₱360.00 million, with an interest rates ranging from 5.00% to 5.38% per annum. These loans were outstanding as of December 31, 2020.

In December 2018, the Group availed 3-month unsecured loans from BDO amounting to ₱260.00 million, with interest rates ranging from 4.88% to 6.50% per annum. Of the total ₱260.00 million loans availed, ₱240.00 million and ₱20.00 million were settled in 2020 and 2019, respectively.

In August 2018, the Group availed a 3-month unsecured loan from BDO amounting ₱100.00 million. This loan was renewed upon maturity and was paid in full in 2020.

Long-term debt

Below are the details of the long-term debt:

	2020	2019
Bonds		
Series B Bonds	**₱2,000,000,000**	₱2,000,000,000
Loans under term facility agreement	**9,071,000,000**	9,538,000,000
	11,071,000,000	11,538,000,000
Less current portion of:		
Bonds	**1,997,838,544**	–
Loans under term facility agreement	**1,029,679,877**	467,000,000
	8,043,481,579	11,071,000,000
Less: unamortized debt issuance cost	**41,172,324**	72,969,349
	₱8,002,309,255	₱10,998,030,651

The rollforward analyses of the long-term debt follow:

	2020	2019
Beginning balance	**₱11,538,000,000**	₱10,100,000,000
Availments	–	1,500,000,000
Payments	**(467,000,000)**	(62,000,000)
	₱11,071,000,000	₱11,538,000,000

In July and September 2019, 5-year unsecured loans were borrowed from Bank of the Philippines Islands amounting ₱1,000.00 million and ₱500.00 million, respectively. These loans bear interest rates of 6.15% per annum.

In 2018, unsecured one (1) 7-year Corporate Notes Facility was drawn by the Group from China Banking Corporation, Development Bank of the Philippines, China Bank Savings and Maybank Philippines, Inc. totaling ₱2,000.00 million, ₱2,000.00 million, ₱500.00 million and ₱500.00 million, respectively. The 7-year Corporate Notes Facility bears annual interest rates of 6.85% for the 1st to 2nd year and 7.80% for the 3rd to 7th year. Of the total ₱5,000.00 million corporates notes facility availed, ₱250.00 million was settled in 2020.

On June 22, 2017, the Group exercise its Early Redemption Option for the Series A unsecured Fixed-Rate Peso bonds in the amount of ₱2,000.00 million at the early redemption price of One Hundred and One Percent (101%) of the principal amount, plus all accrued interest on the bonds at the Early Redemption Option Date. This was paid using the proceeds from the ₱3,100.00 million, ten (10) year Corporate Note Facility with financial institutions, with a maximum of nineteen (19) investors, ₱2,100.00 million of which was availed by the Group during the first half in 2017. This note is intended for the strategic land banking, capital expenditures for ongoing and new projects, and general corporate purposes.

On October 27, 2017, the remaining unsecured ₱1,000.00 million of the ten (10) year Corporate Note Facility was drawn by the Group. The ten (10) year Corporate Note Facilities bear annual interest rates at 6.85% for the 1st to 5th year and 7.14% for the 6th to 10th year. Of the ₱3,100.00 million loans availed, ₱217.00 million and ₱62.00 million were settled in 2020 and 2019, respectively.

On December 22, 2015, the Group issued a total of ₱4,000.00 million Unsecured Fixed-Rated Peso bonds, broken down into ₱2,000.00 million Series A Bonds due in 2018 at a fixed rate equivalent to 6.73% per annum and a ₱2,000.00 million Series B Bonds due in 2021 at a fixed rate equivalent to 6.72% per annum. The Bonds have been rated by the Credit Rating and Investors Services Philippines Inc. on October 16, 2015. The bonds shall constitute the direct, unconditional, and unsecured obligations of the Issuer and shall at all times rank pari passu and ratably without preference among themselves and among any present and future unsecured obligations of the Issuer, except for any statutory preference or priority established under Philippine law.

The proceeds of the bonds were used by the Group to fully refinance existing secured loans, for capital expenditure requirements, and/or general corporate purposes.

The bonds is repaid at par (or 100% of face value), plus any outstanding interest, on the relevant maturity date of each series or on December 22, 2018 for the Series A Bonds and on March 22, 2021 for the Series B Bonds, unless the Group exercises its early redemption option for the Series A or Series B Bonds.

Interest on the bonds is payable quarterly in arrears every March 22, June 22, September 22 and December 22 of each year, starting on March 22, 2016.

The Group is required to maintain a maximum of debt-to-equity ratio of 1.50:1:00, a minimum current ratio of 2.00:1.00 and a minimum debt service coverage ratio of 1.25. The Group has complied with the debt covenants.

Movement in unamortized debt issuance cost for long-term debt follows:

	2020	2019
Beginning balance	**₱72,969,349**	₱101,224,760
Additions	**–**	11,250,000
Amortization	**(31,797,025)**	(39,505,411)
Ending balance	**₱41,172,324**	₱72,969,349

Interest expense on short-term and long-term debts amounted to ₱1,090.22 million, ₱1,047.40 million, and ₱800.88 million in 2020, 2019 and 2018, respectively (Note 18). Of the total interest expense, amortization of transaction cost on short-term and long-term loans amounted to ₱31.80 million, ₱39.51 million, and ₱28.14 million in 2020, 2019 and 2018, respectively, and included under "Interest expense" in the consolidated statements of comprehensive income (Note 18).

Borrowing costs capitalized as part of real estate inventories and investment properties in 2020, 2019 and 2018 amounted to ₱116.26 million, ₱166.00 million, and ₱101.68 million, respectively (Notes 7, 10 and 18).

15. Equity

The capital stock as of December 31, 2020 and 2019 consists of:

	Shares	**Amount**
Par value per share – ₱1.00		
Authorized common shares	**16,000,000,000**	**₱16,000,000,000**
Issued shares	**10,796,450,000**	**10,796,450,000**
Treasury shares	**2,600,000,000**	**1,640,000,000**
Outstanding shares	**8,196,450,000**	**8,196,450,000**

<u>Registration Track Record:</u>

a) The Parent Company was incorporated as Zipporah Mining and Industrial Corporation ('Zipporah Mining') on December 6, 1966 as a mining firm which was amended to a real estate developer.

b) On September 14, 1987, the Parent Company launched its Initial Public Offering where a total of 20,000.00 million common shares were offered at an offering price of ₱1.00 per share.

c) Subject to a restructuring program, the BOD of the Parent Company approved on November 22, 1995 the offering of up to 1,000.00 million shares of stock out of the increase in the authorized capital stock from ₱50.00 million to ₱2,000.00 million at a par value of ₱1.00 to a group of investors led by the Ultimate Parent Company. This was subsequently approved and ratified by the stockholders in a Special Stockholders' Meeting on December 18, 1995.

d) On December 18, 1995, the stockholders of the Parent Company approved a number of changes in the corporate structure as part of its diversification scheme. These were:

   1. The change of its name to Zipporah Realty Holdings, Inc.;
   2. The increase in the number of directors from nine to eleven;
   3. The waiver of the pre-emptive rights over the future issuances of shares;
   4. The change in the primary and secondary purposes;
   5. The change in the par value of its shares from ₱0.01 to ₱1.00; and
   6. The increase in its authorized capital stock to ₱2,000.00 million.

   The first four changes were approved by the SEC on August 14, 1996 while the last two corporate acts were approved on January 22, 1997.

e) On June 15, 2007, the BOD approved the following resolutions and was ratified by the stockholders on July 16, 2007:

   1. Change in Corporate name to Sta. Lucia Land, Inc.;
   2. Increase in authorized capital stock of the Parent Company from ₱2,000.00 million divided into 2,000.00 million shares to ₱16,000.00 million divided into 16,000.00 million shares or an increase of ₱14,000.00 million with a par value of ₱1.00 per share;
   3. Subscription of the Ultimate Parent Company of up to 10,000.00 million shares out of the increase in the Parent Company's authorized capital stock; and
   4. Subscription of the Ultimate Parent Company to such shares shall be at par value, and the consideration for which shall be the assignment and transfer by the Ultimate Parent Company to the Parent Company of assets acceptable to the Parent Company at a reasonable discount on the fair market value of such assets. The fair market value was determined by independent professionally qualified appraisers. The fair value represents the amount at which the assets could be exchanged between a knowledgeable, willing buyer and knowledgeable, willing seller in an arm's length transaction at the date of valuation.

   The above resolutions were ratified by the Parent Company's shareholders on July 16, 2007.

f) On December 8, 2007, the Parent Company and the Ultimate Parent Company executed various deeds of assignment wherein the Ultimate Parent Company assigned all its rights, title and interest to certain properties consisting of investment properties (Sta. Lucia East Grand Mall) amounting to ₱4,710.00 million and certain parcels of land amounting to ₱6,018.50 million and assumption of mortgage in the investment properties of ₱723.60 million. The investments of the Ultimate Parent Company through the assignment of various properties, net of mortgage assumed, were issued with shares of stock totaling ₱10,000.00 million.

   The Group has 265 and 263 existing certified shareholders as at December 31, 2020 and 2019, respectively.

<u>Treasury Shares</u>
In 2010, the Parent Company had intercompany receivables from the Ultimate Parent Company amounting ₱1,029.88 million. The receivables ballooned to ₱1,358.69 million as of December 31, 2011. As full settlement of the receivables amounting to ₱1,358.69 million, the Ultimate Parent Company assigned shares of stocks of "Saddles and Clubs Leisure Park" to the Parent Company.

Also, the Parent Company accumulated ₱442.42 million receivables from Sta. Lucia East Commercial Corporation (SLECC) arising from uncollected rental income.

As of March 31, 2014, the Parent Company's recognized assets consisting of the "Saddles and Clubs Leisure Park" amounted to ₱1,358.69 million and receivables from SLECC amounted to ₱442.42 million. In aggregate, the assets amounted to ₱1,801.11 million.

In July 2014, the Parent Company agreed to enter into an agreement with the Ultimate Parent Company to convert portion of the Ultimate Parent Company's investments into treasury shares as settlement of the assets recognized by the Parent Company aggregating ₱1,801.11 million. Accordingly, on July 8, 2014, the Ultimate Parent Company and the Parent Company executed a deed of assignment.

Under the deed of assignment, the parties agreed to rescind its previous arrangement with respect to the assignment of the "Saddles and Clubs Leisure Park" project which resulted in the reversion of the assignment and the reinstatement of the receivables from the Ultimate Parent Company amounting ₱1,358.69 million. The parties also agreed to assign the SLECC receivables of ₱442.42 million to the Ultimate Parent Company. As a result, the total amount of receivables from the Ultimate Parent Company amounted to ₱1,801.11 million.

In order to fully settle the receivables from the Ultimate Parent Company amounting ₱1,801.11 million as of March 31, 2014, the Ultimate Parent Company agreed to assign, convey and transfer in favor of the Parent Company 3,000.00 million shares out of the Ultimate Parent Company's total shareholdings in the Parent Company. Upon exercise, the shares will become treasury shares.

The parties agreed to execute the assignment of the 3,000.00 million of the Parent Company shares in 2 tranches:

- Tranche 1 - 2,250.00 million shares, which covered ₱900.00 million of the advances, were transferred within 30 days from the signing of the Deed of Assignment. The Parent Company successfully executed Tranche 1 in September 2014.

- Tranche 2 - 750.00 million shares, which shall cover the remaining ₱901.11 million of the advances, to be transferred within 1 year from the date of the Deed of Assignment, or when the Parent Company accumulates more than ₱901.11 million in unrestricted retained earnings, whichever is earlier.

On December 27, 2018, pursuant to the Deed of Assignment, the Ultimate Parent Company and the Parent Company executed Tranche 2 in the Deed of Assignment. The Parent Company acquired 750.00 million treasury shares at a price of ₱1.20 per share to settle the ₱900.00 million advances under Tranche 2.

On December 22, 2015, the Group's 400.00 million treasury shares costing ₱0.40 per share were reissued at ₱0.75 per share, thus increasing the outstanding shares to 8,946.45 million.

<u>Retained Earnings</u>
In accordance with Revised Securities Regulation Code Rule 68, Annex 68-D, after reconciling items, the Group's retained earnings available for dividend declaration as of December 31, 2020, amounted to ₱5,756.88 million.

The retained earnings are restricted to dividends to the extent of shares held in treasury amounting ₱ 1,640.00 million.

Capital Management

The primary objective of the Group's capital management policy is to ensure that debt and equity capital are mobilized efficiently to support business objectives and maximize shareholder value. The Group establishes the appropriate capital structure for each business line that properly reflects its credit rating and allows it the financial flexibility, while providing sufficient cushion to absorb cyclical industry risks. The Group manages its capital structure and make adjustments to it, in light of changes in economic decisions.

The Group's sources of capital include all the components of the equity totaling ₱17,697.82 million and ₱16,114.00 million as of December 31, 2020 and 2019, respectively.

The Group monitors capital using a gearing ratio, which is total debt divided by total equity. The Group includes within debt, interest-bearing loans and external borrowings whether in the form of short-term notes or long-term notes and bonds.

The following table shows how the Group computes for its net debt-to-equity ratios as of December 31, 2020 and 2019:

	2020	2019
Debt (Note 14)	**₱17,178,798,230**	₱14,986,218,851
Less: Cash and cash equivalent (Note 5)	**942,820,503**	903,368,151
Net debt	**16,235,977,727**	14,082,850,700
Equity	**17,697,815,346**	16,113,995,109
Net debt-to-equity ratio	**0.92:1**	0.87:1

16. **Interest Income**

This account consists of:

	2020	2019	2018
Interest income from:			
Installment contracts receivables and contract assets (Note 6)	**₱360,186,578**	₱518,104,433	₱236,303,281
Accretion from unamortized discount (Note 6)	**115,352,087**	125,295,915	52,722,001
Cash in banks and cash equivalents (Note 5)	**4,254,707**	3,609,512	11,948,015
	₱479,793,372	₱647,009,860	₱300,973,297

17. **Cost of Rental Income and Other Revenue**

Cost of rental income consists of:

	2020	2019	2018
Utilities	**₱153,094,852**	₱366,324,783	₱369,485,451
Depreciation (Notes 10 and 11)	**124,107,731**	123,109,844	111,045,532
Carpark maintenance	**45,749,904**	8,728,119	9,515,899
Manpower	**27,595,993**	7,219,336	5,906,705
Management fee (Note 19)	**17,779,160**	42,856,491	55,982,602
Others	**36,808**	1,933,214	2,037,941
	₱368,364,448	₱550,171,787	₱553,974,130

Other revenue consists of:

	2020	2019	2018
Surcharges and penalties	**₱144,762,046**	₱93,357,906	₱75,633,291
Gain on repossession of inventories (Note 7)	**94,277,405**	29,602,737	34,897,007
Processing and registration fee	**90,436,685**	84,899,543	58,193,015
Gain from forfeited deposits	**12,401,549**	27,741,788	25,909,716
Profit share in hotel operations	**7,899,001**	54,533,185	47,175,695
Others	**5,067,749**	4,111,918	13,927,897
	₱354,844,435	₱294,247,077	₱255,736,621

Others mainly consists of income from nonrefundable collection from delinquent buyers and foreign exchange gains and losses.

18. **Interest Expense**

Interest expense consists of:

	2020	2019	2018
Interest expense on loans (Note 14)	**₱957,053,856**	₱904,427,702	₱658,880,663
Interest expense on bonds (Note 14)	**133,180,833**	142,974,758	141,995,997
Other financing charges	**19,326,441**	4,622,015	7,512,222
	1,109,561,130	1,052,024,475	808,388,882
Less capitalized borrowing costs (Notes 7, 10 and 14)	**116,261,991**	166,004,966	101,681,382
	₱993,299,139	₱886,019,509	₱706,707,500

19. Related Party Transactions

The related amounts and outstanding balances from related party transactions (RPT) in 2020 and 2019 follow:

	2020			
	Volume	**Outstanding**	**Terms**	**Conditions**
Trade receivables (Note 6)				
Ultimate Parent Company (SLRDI)				
Sharing of expenses, collection from buyers collected by SLRDI, unremitted share of SLRDI, marketing fee	**₱137,234,705**	**₱585,459,141**	Due and demandable; noninterest-bearing	Unsecured; no impairment (Note 15)
Affiliate (SLECC)				
Rental and management fee (Note 15) (d)	**(7,142,523)**	**37,219,997**	Due and demandable; noninterest-bearing	Unsecured; no impairment
Affiliate (Mall Tenants)				
Rental income (d)	**(20,776,640)**	**36,496,426**	Due and demandable; noninterest-bearing	Unsecured; no impairment
		₱659,175,564		
Non-trade receivables (Note 6)				
Affiliate (Marketing Arm)				
Advances (e)	**₱200,000**	**₱921,832**	Due and demandable; noninterest-bearing	Unsecured; no impairment
Key officers and directors (Note 6) (f)	**₱8,607,794**	**₱73,130,416**	Due and demandable; noninterest-bearing	Unsecured; no impairment
Trade payables (Note 12)				
Ultimate Parent Company (SLRDI)				
Advances	**₱17,713,026**	**₱56,318,549**	Payable on demand; noninterest bearing	Unsecured
Advances from shareholders				
Advances	–	**16,346,102**	Payable on demand; noninterest bearing	Unsecured
		₱72,664,651		

	2019			
	Volume	Outstanding	Terms	Conditions
Trade receivables (Note 6)				
Ultimate Parent Company (SLRDI)				
Sharing of expenses, collection from buyers collected by SLRDI, unremitted share of SLRDI, marketing fee	₱147,593,078	₱448,224,436	Due and demandable; noninterest-bearing	Unsecured; no impairment (Note 15)
(Forward)				
Affiliate (SLECC)				
Rental and management fee (Note 15) (d)	₱363,552,114	₱44,362,520	Due and demandable; noninterest-bearing	Unsecured; no impairment
Affiliate (Mall Tenants)				
Rental income (d)	31,424,706	57,273,066	Due and demandable; noninterest-bearing	Unsecured; no impairment
		₱549,860,022		
Non-trade receivables (Note 6)				
Affiliate (Marketing Arm)				
Advances (e)	₱2,000,000	₱721,832	Due and demandable; noninterest-bearing	Unsecured; no impairment
Key officers and directors (Note 6) (f)	₱14,274,711	₱64,522,622	Due and demandable; noninterest-bearing	Unsecured; no impairment
Trade payables (Note 12)				
Ultimate Parent Company (SLRDI)				
Advances	–	38,605,523	Payable on demand; noninterest bearing	Unsecured
Advances from shareholders				
Advances	–	16,346,102	Payable on demand; noninterest-bearing	Unsecured
		₱54,951,625		

The Group in its regular conduct of business has entered into transactions with related parties. Parties are considered to be related if, among others, one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions, the parties are subject to common control or the party is an associate or a joint venture. These accounts are noninterest-bearing and are generally unsecured. The outstanding accounts with related parties shall be settled in cash. The transactions are made at terms and prices agreed-upon by the parties.

The significant transactions with related parties follow:

a. The Parent Company, in the normal course of business, has transactions with the Ultimate Parent Company consisting of non-interest bearing advances for working capital requirements with no fixed repayment terms.

   Other transactions with the Ultimate Parent Company include noninterest-bearing cash advances for various charges for reimbursements of expenses on gasoline consumption of service vehicles, repairs and maintenance, supplies, rentals for project exhibits and advertising/marketing costs. This pertains to the monthly amortization payment from the buyers of the Parent Company collected by the Ultimate Parent Company due to be remitted to the Parent Company.

   In 2014, SLLI and SLRDI entered into several memorandums of agreements wherein SLLI undertakes the development and marketing of the several projects of SLRDI and has assumed the position of the development contractor and marketing arm. In consideration of the services rendered by SLLI, SLRDI has agreed to the following:

   - Colinas Verdes Bulacan Project - SLRDI has entered into a joint arrangement with Araneta Properties, Inc. (API) for a proceed sharing agreement of 60% - LRDI - 40% API share. SLLI shall be entitled to 75% of SLRDI's share in the joint arrangement and 12% marketing fee on the gross selling price of all sales made from the project;
   - Green Meadows Iloilo Project - SLRDI has entered into a joint arrangement with AFP-Retirement and Separation Benefits System (ARSBS) for a lot sharing agreement of 55% -LRDI - 45% ARSBS share. SLLI shall be entitled to 75% of SLRDI's share in the joint arrangement and 12% marketing fee on the gross selling price of all sales made from the project;
   - Ponte Verde Davao Project- SLRDI has entered into a joint arrangement with Green Sphere Realty Corporation (GSRC) for a lot sharing agreement of 60% - LRDI - 40% GSRC share. SLLI shall be entitled to 75% of SLRDI's share in the joint arrangement and 12% marketing fee on the gross selling price of all sales made from the project; and
   - Valle Verde Davao Project - SLRDI has entered into a joint arrangement with GSRC for a lot sharing agreement of 60% - LRDI - 40% GSRC share. SLLI shall be entitled to 75% of SLRDI's share in the joint arrangement and 12% marketing fee on the gross selling price of all sales made from the project.

   Total share from the proceeds of SLRDI from the joint project development operations amounted to ₱152.58 million, ₱180.71 million, and ₱169.51 million in 2020, 2019 and 2018, respectively. The share amounting ₱38.14 million, ₱45.18 million, and ₱47.13 million are still to be remitted or offset against the receivable from SLRDI as of December 31, 2020, 2019 and 2018, respectively.

b. Effective October 1, 2014, SLLI directly entered into lease agreements with mall tenants. SLECC and SLLI, on the other hand, entered into a management services agreement effective October 1, 2014 wherein SLECC will provide property management and business development services, leveraging its knowledge in the mall operations from the past years. In exchange of

SLECC's services, SLLI shall pay SLECC a management fee equivalent to 5% of the gross rental revenue for managing mall operations including, repairs and maintenance and collection of space rental from storeowners or tenants.

In addition, the Parent Company has receivables from affiliate mall tenants. This pertains to accrued rental income amounting to ₱36.50 million and ₱57.27 million in 2020 and 2019, respectively.

c. The Parent Company made cash advances for pre-operating costs for various expenses like registration fees, taxes and licenses fees to its marketing arm.

   The advances amounted to ₱0.20 million and ₱2.00 million in 2020 and 2019, respectively.

d. The Parent Company made noninterest-bearing cash advances to officers and directors which is subject to liquidation.

   These advances amounted to ₱8.61 million and ₱14.27 million in 2020 and 2019, respectively.

As of December 31, 2020 and 2019, the Group has not made any provision for ECL relating to amounts owed by related parties. There have been no guarantees and collaterals provided or received for any related party receivables or payables. This assessment of the Group is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Key Management Personnel

Compensation of key management personnel by benefit type follows:

	2020	2019
Short-term employee benefits	**₱14,670,000**	₱14,670,000
Post-employment benefits (Note 20)	**554,745**	554,745
	₱15,224,745	₱15,224,745

Approval requirements and limits on the amount and extent of related party transactions

Material related party transaction (MRPT) are transactions amounting to ten percent (10%) or more of the total consolidated assets of the Group and shall be identified taking into account the related party registry. The Related Party Transaction Review Committee shall approve all material related party transactions before their commencement.

All individual MRPTs shall be approved by at least two-thirds (2/3) vote of the BOD, with at least a majority of the Independent Directors voting to approve the MRPT. In case that a majority of the Independent Directors' vote is not secured, the MRPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock.

Aggregate RPT transactions within a twelve (12)-month period that breaches the materiality threshold shall be required when the aggregate RPT transactions meets and exceeds the materiality threshold covering the same related party.

20. **Pension**

The Group has a funded, noncontributory, defined benefit pension plan covering all employees having regular employment status starting 2017. The plan provides a retirement benefit equal to 22.5 days pay for every year of credited service in accordance with the Retirement Pay Law (Republic Act No. 7641). The Group updates the actuarial valuation every year by hiring the services of a third party professionally qualified actuary.

The following tables summarize the components of pension expense and net interest expense recognized in the consolidated statements of comprehensive income, remeasurements recognized in other comprehensive income and the funded status and amounts recognized in the consolidated statements of financial position for the existing pension plan.

Components of pension expense included in "Salaries and wages and other benefits" in the statements of comprehensive income follow:

	2020	2019	2018
Current service cost	**₱1,149,191**	₱1,295,905	₱896,950
Interest cost	**222,480**	423,204	66,612
	₱1,371,671	₱1,719,109	₱963,562

The remeasurements recognized in OCI for the year ended December 31, 2020 and 2019 follows:

	2020	2019	2018
Actuarial losses (gains) due to:			
Experience adjustments	**(₱6,062,141)**	(₱266,739)	₱5,612,027
Changes in financial assumptions	**1,143,224**	889,787	(1,406,984)
Changes in demographic assumptions	**397,984**	(2,325,849)	–
Asset return in net interest cost	**791,542**	503,417	173,100
Change in the effect of the asset ceiling	**13,305**	–	–
	(₱3,716,086)	(₱1,199,384)	₱4,378,143

Changes in the present value of the defined benefit obligation follow:

	2020	2019
Balances at beginning of year	**₱9,820,468**	₱9,496,160
Current service cost	**1,149,191**	1,295,905
Interest cost	**544,054**	731,204
Actuarial losses (gains) due to:		
Changes in financial assumptions	**1,143,224**	889,787
Changes in demographic assumptions	**397,984**	(2,325,849)
Experience adjustments	**(6,062,141)**	(266,739)
Balances at end of year	**₱6,992,780**	₱9,820,468

Changes in the fair value of the plan asset which are in the form of cash follow:

	2020	2019
Balances at beginning of year	**₱3,804,583**	₱4,000,000
Interest income	**321,574**	308,000
Contributions	**4,000,000**	–
Return on plan assets	**(791,542)**	(503,417)
Balances at end of year	**₱7,334,615**	₱3,804,583

The plan deficit (surplus) follow:

	2020	2019
Defined benefit obligation, ending	**₱6,992,780**	₱9,820,468
Fair value of plan assets, ending	**(7,334,615)**	(3,804,583)
Effect of the asset ceiling	**13,305**	–
Balances at end of year	**(₱328,530)**	₱6,015,885

The cost of defined benefit pension plans and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions.

The principal assumptions used in determining pension for the defined benefit plans are shown below:

	2020	2019
Discount rate	**4.05%**	5.54%
Salary increase rate	**3.00%**	3.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant.

	2020		
	Increase/ decrease in rate	**Impact on defined benefit obligation**	
		Increase	**Decrease**
Salary increase rate	**+/-1%**	**₱987,703**	**(₱818,322)**
Discount rate	**+/-1%**	**987,177**	**(803,767)**

	2019		
	Increase/ decrease in rate	Impact on defined benefit obligation	
		Increase	Decrease
Salary increase rate	+/-1%	₱546,085	(₱465,676)
Discount rate	+/-1%	537,381	(451,332)

Shown below is the maturity analysis of the undiscounted benefit payments:

	2020	2019
2020	**₱537,025**	₱5,705,970
2021	–	517,428
2022	**589,260**	–
2023	–	570,084
2024	–	–
2025 - 2029	**5,881,296**	5,724,661

There was no plan amendment, curtailment, or settlement recognized in 2020 and 2019.

21. Interest in Joint Project Development Operations

The Group has entered into joint project development operations with various landowners and other companies, which include related parties. The interests in these joint operations range from 32% to 80% of the value of the whole project depending on the value of the land or investment of the other party against the estimated development costs. These joint project development operations entered into by the Group relate to the development and sale of subdivision land and condominium projects, with certain specified lots or units allocated to the joint operations. The Group's joint project development operations typically require the parties to contribute the land free from any lien, encumbrance and tenants or informal settlers to the project, with the Group bearing all costs related to land development and the construction of subdivision and condominium facilities.

For the year ended December 31, 2020, 2019 and 2018, the real estate sales and cost of real estate sales related to interest in joint project development operations amounted are as follows:

	2020	2019	2018
Real estate sales	**₱391,471,203**	₱429,702,423	₱302,626,900
Cost of real estate sales	**61,054,125**	158,656,792	124,818,574

Sales and marketing costs are allocated to both the Group and the joint development operator. The projects covering the joint operations are expected to be completed in various dates. Capital commitments amounted to ₱5,261.31 million and ₱4,725.00 million as of December 31, 2020 and 2019, respectively.

22. Segment Information

Operating segments are components of an entity for which discrete financial information is available that is regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segments and in assessing performance. Generally, financial information is required to be reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources to segments.

For management purposes, the Group's operating segments are organized and managed separately according to the nature of the products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group has two reportable operating segments as follows:

- *Leasing*
  This segment consists of the Group's investment properties which includes properties that are held to earn rentals and are not occupied by the Group.

- *Residential development*
  This represents the development and selling of subdivision lots and high-rise condominium projects across the Philippines.

For investment properties, financial information is provided to the BOD on a property by property basis. The information provided is net rentals (including gross rent less property expenses). Information on the residential development property segment provided to the BOD is aggregated and is represented by revenue and profit from the sale of real estate inventories.

Segment assets for the investment property segment represent investment property held to earn rentals. Segment assets for the residential development segment represent unsold real estate inventories. Segment liabilities represent loans payable and customers' deposits as these are the only liabilities reported to the BOD on a segmental basis.

The Group's administrative costs, interest income and interest expense are reported to the BOD on a segmental basis. There are no sales between segments.

For the years ended December 31, 2020, 2019 and 2018, there are no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

The following tables regarding business segments present assets and liabilities as of December 31, 2020, 2019 and 2018 and revenue and income information for each of the three years in the period ended December 31, 2020.

	2020		
	Leasing	**Residential Development**	**Total**
Rental income	**₱534,700,679**	**₱–**	**₱534,700,679**
Cost of rental income	**(368,364,448)**	**–**	**(368,364,448)**
Real estate sales	**–**	**5,383,079,540**	**5,383,079,540**
Cost of real estate sales	**–**	**(2,025,251,641)**	**(2,025,251,641)**
Segment gross profit	**166,336,231**	**3,357,827,899**	**3,524,164,130**
Selling and administrative expense	**(34,983,144)**	**(1,032,224,876)**	**(1,067,208,020)**
Interest income	**569,443**	**479,223,929**	**479,793,372**
Interest expense	**–**	**(993,299,139)**	**(993,299,139)**
Commission income	**–**	**91,526,979**	**91,526,979**
Dividend income	**–**	**9,202,279**	**9,202,279**
Other income	**–**	**354,844,435**	**354,844,435**
Provision for income tax	**(43,169,947)**	**(647,907,802)**	**(691,077,749)**
Net income	**₱88,752,583**	**₱1,619,193,704**	**₱1,707,946,287**
Total segment assets	**₱5,985,389,368**	**₱39,800,410,217**	**₱45,785,799,585**
Segment liabilities	**₱426,154,489**	**₱26,131,610,922**	**₱26,557,765,411**
Income tax payable	**–**	**87,348,124**	**87,348,124**
Deferred tax liabilities	**–**	**1,442,870,704**	**1,442,870,704**
Total liabilities	**₱426,154,489**	**₱27,661,829,750**	**₱28,087,984,239**

	2020		
	Leasing	**Residential Development**	**Total**
Cash flows arising from:			
Operating activities	**124,927,203**	**(732,842,186)**	**(607,914,983)**
Investing activities	**(254,368,249)**	**(196,978,232)**	**(451,346,481)**
Financing activities	**–**	**1,098,713,816**	**1,098,713,816**

	2019		
	Leasing	Residential Development	Total
Rental income	₱898,291,953	₱–	₱898,291,953
Cost of rental income	(550,171,787)	–	(550,171,787)
Real estate sales	–	5,871,496,779	5,871,496,779
Cost of real estate sales	–	(2,680,779,445)	(2,680,779,445)
Segment gross profit	348,120,166	3,190,717,334	3,538,837,500
Selling and administrative expense	(45,474,603)	(1,217,029,209)	(1,262,503,812)
Interest income	38,268	646,971,592	647,009,860

(Forward)

	2019		
	Leasing	Residential Development	Total
Interest expense	₱–	(₱886,019,509)	(₱886,019,509)
Commission income	–	93,579,168	93,579,168
Dividend income	–	5,662,941	5,662,941
Other income	65,324,860	228,922,217	294,247,077
Provision for income tax	(98,812,416)	(595,803,889)	(694,616,305)
Net income	₱269,196,275	₱1,467,000,645	₱1,736,196,920
Total segment assets	₱5,832,924,364	₱34,519,371,740	₱40,352,296,104
Segment liabilities	₱441,000,395	₱22,793,076,832	₱23,234,077,227
Income tax payable	–	49,578,644	49,578,644
Deferred tax liabilities	–	954,645,124	954,645,124
Total liabilities	₱441,000,395	₱23,797,300,601	₱24,238,300,995
Cash flows arising from:			
Operating activities	₱340,686,850	(₱366,797,926)	(₱26,111,076)
Investing activities	(196,671,284)	(265,850,287)	(462,521,571)
Financing activities	–	327,467,832	327,467,832

	2018		
	Leasing	Residential Development	Total
Rental income	₱858,758,442	₱–	₱858,758,442
Cost of rental income	(553,974,130)	–	(553,974,130)
Real estate sales	–	2,428,307,857	2,428,307,857
Cost of real estate sales	–	(959,025,588)	(959,025,588)
Segment gross profit	304,784,312	1,469,282,269	1,774,066,581
Selling and administrative expense	(113,357,034)	(505,462,039)	(618,819,073)
Interest income	498,370	300,474,927	300,973,297
Interest expense	–	(706,707,500)	(706,707,500)
Commission income	–	181,286,064	181,286,064
Dividend income	–	7,157,683	7,157,683
Other income	–	255,736,621	255,736,621
Other expense	(781,460)	(50,797,546)	(51,579,006)
Provision for income tax	–	(76,935,383)	(76,935,383)
Net income	₱191,144,188	₱874,035,096	₱1,065,179,284
Total segment assets	₱5,628,128,351	₱29,208,955,514	₱34,837,083,865
Segment liabilities	₱330,473,317	₱19,335,695,285	₱19,666,168,602
Income tax payable	–	19,894,432	19,894,432
Deferred tax liabilities	49,301,827	526,488,770	575,790,597
Total liabilities	₱379,775,144	₱19,882,078,487	₱20,261,853,631
Cash flows arising from:			
Operating activities	₱382,371,833	(₱2,020,609,039)	(₱1,638,237,206)
Investing activities	(108,667,923)	(98,154,725)	(206,822,648)
Financing activities	–	2,283,353,513	2,283,353,513

Capital expenditures consist of additions to investment property amounted to ₱238.79 million and ₱217.48 million in 2020 and 2019, respectively (see Note 10).

23. **Operating Lease**

Operating Leases - Group as Lessor

The Group entered into lease agreements with third parties covering its investment property portfolio. These leases pertain to Sta. Lucia East Grand Mall, Orchard Tower 1, and Stradella. For Sta. Lucia East Grand Mall lease agreement generally provide for either (a) fixed monthly rent, or (b) minimum rent or a certain percentage of gross revenue, whichever is higher. These leases have an average life of one (1) to two (2) years with renewal option included in the contracts. There are no restrictions place upon the lessee by entering into the contract.

Future minimum rentals receivable under cancellable operating leases of the Group follows:

	2020	2019
Within one year	**₱271,094,472**	₱242,447,510
After one year but not more than five years	**109,690,975**	138,377,105
	₱380,785,447	₱380,824,615

Monthly rental from mall tenants was subject to escalation clause of 10% per renewal while for Orchard Tower 1 and Stradella is subject to 5% escalation clause per year.

Rent income recognized amounted to ₱534.70 million, ₱898.29 million, and ₱858.76 million in 2020, 2019 and 2018, respectively.

In 2020, as a result of COVID-19 pandemic, the Parent Company granted lease concessions to its mall tenants which ranges from 50% to 100% of monthly rent depending on the nature of the tenant's operations. Rent concessions provided amounted to ₱166.54 million. These rent concessions qualified as a lease modification, thus, were accounted for as a new lease from the effective date of the modification and recognized remaining lease payments on a straight-line basis over the remaining lease term.

Parent Company
On October 1, 2014, SLLI directly entered into lease agreements with mall tenants. SLECC and SLLI, on the other hand, entered into a management services agreement effective October 1, 2014 wherein SLECC will provide property management business development services for a fee equivalent to 5% of the gross rental revenue (see Note 19).

24. **Income Tax**

Provision for income tax consists of:

	2020	2019	2018
Current - RCIT	**₱203,139,529**	₱315,523,294	₱216,105,289
Deferred	**487,110,754**	378,494,712	(141,338,263)
Final	**827,466**	598,299	2,168,357
	₱691,077,749	₱694,616,305	₱76,935,383

The Group recognized deferred tax asset from remeasurement gain on pension recognized in OCI for the years ended December 31, 2020 and 2019 amounting to ₱1.11 million and ₱0.36 million and deferred tax liability from remeasurement losses amounting ₱1.31 million for the year ended December 31, 2018.

The reconciliation of the statutory income tax rate to the effective income tax rate follows:

	2020	2019	2018
Statutory income tax rate	**30.00%**	30.00%	30.00%
Tax effect of:			
Nondeductible expenses	**0.01**	0.01	0.09
Income subjected to final taxes	**(0.01)**	(0.01)	(0.09)
Nontaxable income	**(1.19)**	(1.42)	(0.19)
Reversal of deferred tax liability	–	–	(23.07)
Effective income tax rate	**28.81%**	28.58%	6.74%

The components of net deferred tax liabilities as of December 31, 2020 and 2019 are as follows:

	2020	2019
Deferred tax assets on:		
Allowance for doubtful accounts	**₱5,475,814**	₱5,070,792
Accrued pension liability	**–**	703,240
	5,475,814	5,774,032
Deferred tax liabilities on:		
Excess of realized gross profit over taxable realized gross profit on real estate sales and difference in tax base and accounting base on rental income	**790,994,300**	395,713,763
Prepaid commission	**235,270,308**	241,606,978
Capitalized borrowing cost	**139,822,527**	107,711,117
Fair value gain on repossessed inventory	**67,115,881**	44,850,820
Unamortized transaction cost	**12,351,697**	21,890,805
Unamortized discount on receivables	**192,423,840**	148,620,237
Lease modification on rental income	**9,141,003**	–
Accrued pension asset	**1,200,085**	–
Others	**26,877**	25,436
	1,448,346,518	960,419,156
Net deferred tax liabilities	**(₱1,442,870,704)**	(₱954,645,124)

The Group did not recognize deferred tax asset on NOLCO of SLHI amounting to ₱0.06 million and ₱0.05 million in 2020 and 2019, respectively, since management believes that the tax benefit related will not reverse through income tax deductions in the near future.

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover As One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As of December 31, 2020, the Group has incurred NOLCO before taxable year 2020 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Availment Period	Amount	NOLCO Applied Previous Year	NOLCO Expired	NOLCO Applied Current Year	NOLCO Unapplied
2019	2020-2022	₱65,190	₱–	₱–	₱–	₱65,190
2018	2019-2021	36,696	–	–	–	36,696
2017	2018-2020	81,066	81,066	–	–	–
		₱182,952	₱81,066	₱–	₱–	₱101,886

As of December 31, 2020, the Group has incurred NOLCO in taxable year 2020 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act, as follows:

Year Incurred	Availment Period	Amount	NOLCO Applied Previous Year	NOLCO Expired	NOLCO Applied Current Year	NOLCO Unapplied
2020	2021-2025	₱87,500	₱–	₱–	₱–	₱87,500

25. Earnings per Share

The basic earnings per share for the years ended December 31, 2020, 2019 and 2018 were computed as follows:

	2020	2019	2018
Net income	**₱1,707,946,287**	₱1,736,196,920	₱1,065,179,284
Weighted average number of shares outstanding	**8,196,450,000**	8,196,450,000	8,946,450,000
Earnings per share	**₱0.21**	₱0.21	₱0.12

There were no potential dilutive shares in 2020, 2019 and 2018.

26. Fair Value Determination

The methods and assumptions used by the Group in estimating fair value of the financial instruments are as follows:

Cash and cash equivalents, receivables and accounts and other payables
Carrying amounts approximate fair values due to the relatively short-term maturities of these financial instruments.

Installment contracts receivables
The fair values of real estate receivable are calculated by discounting expected future cash flows at applicable rates for similar instruments using the remaining terms of maturity. The discount rate used in 2020 and 2019 ranges from .08% to 7.54% and 6.25% to 8.16%, respectively. The carrying value and fair value of the receivables amounted to ₱2,560.15 million and ₱2,612.15 million, respectively in 2020 and ₱1,230.32 million and ₱1,293.14 million, respectively in 2019.

Financial assets at FVOCI quoted equity securities
In 2020 and 2019, the fair values are based on quoted prices published in markets.

Financial assets at FVOCI unquoted equity securities
In 2020 and 2019, the fair values are based on the adjusted net asset value.

Short term debt
Carrying amounts approximate the fair values because they carry interest rates which are the prevailing market rates for similar instruments.

Long term debt
The fair values of bonds payable are calculated by discounting expected future cash flows at applicable rates for similar instruments using the remaining terms of maturity. The discount rate used in 2020 and 2019 ranges from 6.14% to 7.52%. The carrying value and fair value of the bonds payable amounted to ₱8,043.48 million and ₱11,071.00 million, respectively in 2020 and ₱11,071.00 million and ₱11,538.00 million, respectively in 2019.

The quantitative disclosures on fair value measurement hierarchy for assets as of December 31, 2020 and 2019 follow:

		2020			
			Fair value measurements using		
	Carrying values	**Total**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant offer observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets measured at fair value					
Quoted equity securities	**₱592,171,231**	**₱592,171,231**	**₱592,171,231**	**₱–**	**₱–**
Unquoted equity securities	**229,276,994**	**229,276,994**	–	–	**229,276,994**
Assets for which fair value are disclosed				–	
Installment contracts receivables	**2,562,124,605**	**2,612,153,894**	–	–	**2,612,153,894**
Investment properties	**5,712,412,564**	**7,671,803,309**	–	–	**7,671,803,309**
Liabilities for which fair value are disclosed					
Short-term debt	**6,148,970,554**	**6,148,970,554**	–	–	**6,148,970,554**
Long-term debt*	**11,029,827,676**	**11,071,000,000**	–	–	**11,071,000,000**

**Includes current portion of long-term debt*

		2019			
			Fair value measurements using		
	Carrying values	Total	Quoted prices in active markets for identical assets (Level 1)	Significant offer observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Quoted equity securities	₱725,304,769	₱725,304,769	₱725,304,769	₱–	₱–
Unquoted equity securities	222,870,766	222,870,766	–	–	222,870,766
Assets for which fair value are disclosed					
Installment contracts receivables	1,230,318,438	1,293,143,030	–	–	1,293,143,030
Investment properties	5,597,417,842	7,563,000,000	–	–	7,563,000,000
Liabilities for which fair value are disclosed					
Short-term debt	3,521,188,200	3,521,188,200	–	–	3,521,188,200
Long-term debt*	11,465,030,651	11,538,000,000	–	–	11,538,000,000

**Includes current portion of long-term debt*

As at December 31, 2020, the Group's financial assets at FVOCI amounting to ₱592.17 million is carried at fair value based on Level 1 while the fair value for the investment amounting ₱229.28 million is based on Level 3 (Note 9). The fair value for noncurrent receivables is based on Level 3. There have been no transfers between Level 1 and Level 2 during 2020 and 2019.

27. Financial Asset and Liabilities

Offsetting of Financial Instruments
Financial assets and liabilities are offset and the net amount reported in the consolidated statements of financial position where the Group currently has a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the net asset settles the liability simultaneously.

The following table represents the recognized financial instruments that are offset as of December 31, 2020 and 2019, and shows in the 'Net' column what the net impact would be on the Group's consolidated statements of financial position as a result of the offsetting rights.

	December 31, 2020		
	Gross Amount	**Offsetting**	**Net Amount**
Due from related parties	**₱–**	**(₱3,254,988)**	**(₱3,254,988)**
Due to related parties	**585,459,141**	**–**	**585,459,141**
	₱585,459,141	**(₱3,254,988)**	**₱582,204,153**

	December 31, 2019		
	Gross Amount	Offsetting	Net Amount
Due from related parties	₱–	(₱3,254,988)	(₱3,254,988)
Due to related parties	448,224,436	–	448,224,436
	₱448,224,436	(₱3,254,988)	₱444,969,448

SLLI's payable to SLRDI arising from SLRDI's unremitted share in the development and sale of the several projects of the latter is offset against the total receivable from SLRDI.

Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash and cash equivalents, receivables, financial assets at FVOCI, accounts and other payables, short-term debt and long-term debt.

Management closely monitors the cash fund and financial transactions of the Group. These strategies, to an extent, mitigate the Group's interest rate and credit risks.

Exposure to liquidity and credit risks arise in the normal course of the Group's business activities.

The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The Group's financing and treasury function operates as a centralized service for managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Group.

Liquidity risk

Liquidity risk is the risk arising from the shortage of funds due to unexpected events or transactions. The Group manages its liquidity profile to be able to finance the capital expenditures and service the maturing debts. To cover the financing requirements, the Group intends to use internally generated funds and proceeds from debt and equity offerings.

The Group actively manages its liquidity position so as to ensure that all operating, investing and financing needs are met. In mitigating liquidity risk, management measures and forecasts its cash commitments, matches debt maturities with the assets being financed, maintains a diversity of funding sources with its unhampered access to bank financing and the capital markets. As of December 31, 2020 and 2019, the Group has no undrawn facilities. As part of the liquidity risk management, the Group is currently transacting with local banks for a longer term corporate notes and negotiation of higher undrawn credit lines to meet the debtors', suppliers' and contractors' obligations and business expansion.

At the Special Meeting of the Board of Directors of the Group held last February 17, 2018, wherein, subject to securing all required approvals under applicable laws, rules and regulations, the Group was authorized to negotiate and avail of a 10 year Corporate Note Facility with financial institutions, with a maximum of 19 investors, for an aggregate amount of ₱3,000.00 million and with an overallotment option of ₱2,000.00 million, for the pre-payment of existing obligations of the Group, strategic land banking, capital expenditures for ongoing and new projects, and general corporate purposes.

Through scenario analysis and contingency planning, the Group also assesses its ability to withstand both temporary and longer-term disruptions relative to its capacity to finance its activities and commitments in a timely manner and at reasonable cost, and ensures the availability of ample unused credit facilities as back-up liquidity.

Cash are maintained at a level that will enable it to fund its general and administrative expenses as well as to have additional funds as buffer for any opportunities or emergencies that may arise.

The table summarizes the maturity profile of the Group's financial assets and financial liabilities at December 31 based on contractual undiscounted payments:

	2020			
	< 1 year	>1 to < 5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents	**₱942,820,503**	**₱–**	**₱–**	**₱942,820,503**
Receivables:				
Installment contracts receivables:				
Subdivision land	**1,176,925,195**	**672,817,143**	**30,858,786**	**1,880,601,124**
Condominium units	**421,155,587**	**298,393,133**	**12,004,050**	**731,552,770**
Receivable from related parties	**660,097,396**	–	–	**660,097,396**
Advances to joint development operations	**356,151,516**	–	–	**356,151,516**
Advances to officers and employees	**116,992,148**	–	–	**116,992,148**
Commission receivable	**74,038,309**	–	–	**74,038,309**
Accrued interest receivable	**618,011,413**	–	–	**618,011,413**
Receivable from tenants	**97,254,072**	–	–	**97,254,072**
Dividend receivable	**20,082,111**	–	–	**20,082,111**
Others	**₱22,169,773**	**₱–**	**₱–**	**₱22,169,773**
Financial instruments at FVOCI	**821,448,225**	–	–	**821,448,225**
Total Financial Assets	**5,327,146,248**	**971,210,276**	**42,862,836**	**6,341,219,360**
Contract assets	**1,880,380,969**	**919,397,304**	**48,097,728**	**2,847,876,001**
	₱7,207,527,217	**₱1,890,607,580**	**₱90,960,564**	**₱9,189,095,361**
Financial liabilities				
Accounts and other payables:				
Contractors payable	**₱2,492,284,878**	**₱–**	**₱–**	**₱2,492,284,878**
Payable to joint development operators	**810,780,367**	**–**	**–**	**810,780,367**
Accounts payable	**965,359,014**	**–**	**–**	**965,359,014**
Retention payable	**137,391,169**	**–**	**–**	**137,391,169**
Accrued payables	**8,101,325**	**–**	**–**	**8,101,325**
Payable to related parties	**56,318,549**	**–**	**–**	**56,318,549**
Advances from shareholders	**16,346,102**	**–**	**–**	**16,346,102**
Interest payable	**145,325,402**	**–**	**–**	**145,325,402**
Others	**105,845,858**	**–**	**–**	**105,845,858**
Short term and long term debts	**9,176,488,975**	**6,886,357,022**	**1,115,952,233**	**17,178,798,230**
Total Financial Liabilities	**₱13,914,241,639**	**₱6,886,357,022**	**₱1,115,952,233**	**₱21,916,550,894**

	2019			
	< 1 year	>1 to < 5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents	₱903,368,151	₱–	₱–	₱903,368,151
Receivables:				
Installment contracts receivables:				
Subdivision land	539,926,294	382,543,419	15,389,330	937,859,043
Condominium units	206,048,573	143,464,008	5,771,406	355,283,987
Receivable from related parties	550,581,854	–	–	550,581,854
Advances to joint development operations	439,560,326	–	–	439,560,326
Advances to officers and employees	111,454,568	–	–	111,454,568
Commission receivable	21,033,399	–	–	21,033,399
Accrued interest receivable	484,850,509	–	–	484,850,509
Receivable from tenants	62,368,861	–	–	62,368,861
Dividend receivable	14,566,771	–	–	14,566,771
Others	18,212,856	–	–	18,212,856
Financial instruments at FVOCI	948,175,535	–	–	948,175,535
Total Financial Assets	4,300,147,697	526,007,427	21,160,736	4,847,315,860
Contract assets	1,618,898,886	1,193,618,215	48,018,006	2,860,535,107
	₱5,919,046,583	₱1,719,625,642	₱69,178,742	₱7,707,850,967
Financial liabilities				
Accounts and other payables:				
Contractors payable	₱1,999,834,799	₱–	₱–	₱1,999,834,799
Payable to joint development operators	406,059,166	–	–	406,059,166
Accounts payable	1,422,039,020	–	–	1,422,039,020
Retention payable	118,078,977	–	–	118,078,977
Accrued payables	27,374,304	–	–	27,374,304
Payable to related parties	38,605,523	–	–	38,605,523
Advances from shareholders	16,346,102	–	–	16,346,102
Interest payable	147,342,861	–	–	147,342,861
Others	18,129,054	–	–	18,129,054
Short term and long term debts	3,988,188,200	9,093,338,726	1,904,691,925	14,986,218,851
Total Financial Liabilities	₱8,181,998,006	₱9,093,338,726	₱1,904,691,925	₱19,180,028,657

Short term and long-term debts include future interest payments.

Cash and receivables are used for the Group’s liquidity requirements. Refer to the terms and maturity profile of these financial assets under the maturity profile of the interest-bearing financial assets and liabilities disclosed in the interest rate risk section.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts. The credit risk for installment contracts receivables is mitigated as the Group has the right to cancel the sales contract without need for any court action and take possession of the subject lot in case of refusal by the buyer to pay on time the amortization due. This risk is further mitigated because the corresponding title to the subdivision units sold under this arrangement is transferred to the buyers only upon full payment of the contract price.

An impairment analysis is performed at each reporting date using a simplified approach to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating and coverage by letters of credit and other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's installment contracts receivables and contract assets using the simplified approach:

		2020	
	Total	**Vertical**	**Horizontal**
Expected credit loss rate	**0.0%**	**0.0%**	**0.0%**
Estimated total gross carrying amount at default	**₱6,078,070,228**	**₱941,193,349**	**₱ 5,136,876,879**

		2019	
	Total	Vertical	Horizontal
Expected credit loss rate	0.0%	0.0%	0.0%
Estimated total gross carrying amount at default	₱4,658,515,579	₱634,973,213	₱4,023,542,366

The table below shows the maximum exposure to credit risk for the components of the consolidated statements of financial position as of December 31, 2020 and 2019.

	2020	2019
Contract assets	**₱2,847,876,001**	₱2,860,535,107
Installment contracts receivables:		
Subdivision land	**1,880,601,124**	937,859,043
Condominium units	**731,552,770**	355,283,987
Receivable from related parties	**660,097,396**	550,581,854
Accrued interest receivable	**618,011,413**	484,850,509
Commission receivable	**74,038,309**	21,033,399
Receivable from tenants	**97,254,072**	62,368,861
Dividend receivable	**20,082,111**	14,566,771
	₱6,929,513,196	₱5,287,079,531

Given the Group’s diverse base of counterparties, it is not exposed to large concentrations of credit risk. As of December 31, 2020 and 2019, the aging analysis of past due but not impaired receivables presented per class, is as follows:

	2020								
	Neither Past Due nor Impaired	Past Due but not Impaired							
		1-30 days	31-60 days	61-90 days	91-120 days	>120 days	Total	Impaired	Total
Installment contracts receivables:									
Subdivision land	₱1,715,279,324	₱38,203,618	₱25,634,049	₱30,560,591	₱29,391,212	₱23,279,617	₱147,069,087	₱18,252,713	₱1,880,601,124
Condominium units	672,254,998	15,585,105	9,704,510	11,635,941	11,396,731	10,975,485	59,297,772	–	731,552,770
Receivable from related parties	660,097,396	–	–	–	–	–	–	–	660,097,396
Advances to joint development operations	356,151,516	–	–	–	–	–	–	–	356,151,516
Advances to officers and employees	116,992,148	–	–	–	–	–	–	–	116,992,148
Commission receivable	74,038,309	–	–	–	–	–	–	–	74,038,309
Accrued interest receivable	618,011,413	–	–	–	–	–	–	–	618,011,413
Receivable from tenants	97,254,072	–	–	–	–	–	–	–	97,254,072
Dividend receivable	20,082,111	–	–	–	–	–	–	–	20,082,111
Others	22,169,773	–	–	–	–	–	–	–	22,169,773
Total	₱4,352,331,060	₱53,788,723	₱35,338,559	₱42,196,532	₱40,787,943	₱34,255,102	₱206,366,859	₱18,252,713	₱4,576,950,632

	2019								
	Neither Past Due nor Impaired	Past Due but not Impaired							
		1-30 days	31-60 days	61-90 days	91-120 days	>120 days	Total	Impaired	Total
Installment contracts receivables:									
Subdivision land	₱853,972,277	₱17,493,426	₱11,927,507	₱10,244,583	₱9,613,839	₱17,704,772	₱66,984,127	₱16,902,639	₱937,859,043
Condominium units	331,855,508	5,510,590	5,056,497	4,483,047	3,770,244	4,608,101	23,428,479	–	355,283,987
Receivable from related parties	550,581,854	–	–	–	–	–	–	–	550,581,854
Advances to joint development operations	439,560,326	–	–	–	–	–	–	–	439,560,326
Advances to officers and employees	111,454,568	–	–	–	–	–	–	–	111,454,568
Commission receivable	21,033,399	–	–	–	–	–	–	–	21,033,399
Accrued interest receivable	484,850,509	–	–	–	–	–	–	–	484,850,509
Receivable from tenants	62,368,861	–	–	–	–	–	–	–	62,368,861
Dividend receivable	14,566,771	–	–	–	–	–	–	–	14,566,771
Others	18,212,856	–	–	–	–	–	–	–	18,212,856
Total	₱2,888,456,929	₱23,004,016	₱16,984,004	₱14,727,630	₱13,384,083	₱22,312,873	₱90,412,606	₱16,902,639	₱2,995,772,174

The table below shows the credit quality of the Group's financial assets as of December 31, 2020 and 2019.

	2020						
	Neither past due nor impaired				Past due but		
	High Grade	Medium Grade	Low Grade	Total	not impaired	Impaired	Total
Cash in bank and cash equivalents	₱942,820,503	₱–	₱–	₱942,820,503	₱–	₱–	₱942,820,503
Receivables:							
Installment contracts receivables:							
Subdivision land	1,715,279,324	–	–	1,715,279,324	147,069,087	18,252,713	1,880,601,124
Condominium units	672,254,997	–	–	672,254,997	59,297,773		731,552,770
Receivable from related parties	660,097,396	–	–	660,097,396	–	–	660,097,396
Advances to officers and employees	116,992,148	–	–	116,992,148	–	–	116,992,148
Advances to joint development operations	356,151,516	–	–	356,151,516	–	–	356,151,516
Commission receivable	74,038,309	–	-	74,038,309	–	–	74,038,309
Accrued interest receivable	618,011,413	–	–	618,011,413	–	–	618,011,413
Receivables from tenants	97,254,072	–	–	97,254,072	–	–	97,254,072
Dividend receivable	20,082,111	–	–	20,082,111	–	–	20,082,111
Others	22,169,773	–	–	22,169,773	–	–	22,169,773
Financial assets at FVOCI	821,448,225	–	–	821,448,225	–	–	821,448,225
	₱6,116,599,787	₱–	₱–	₱6,116,599,787	₱206,366,860	₱18,252,713	₱6,341,219,360

	2019						
	Neither past due nor impaired				Past due but		
	High Grade	Medium Grade	Low Grade	Total	not impaired	Impaired	Total
Cash in bank and cash equivalents	₱903,368,151	₱–	₱–	₱903,368,151	₱–	₱–	₱903,368,151
Receivables:							
Installment contracts receivables:							
Subdivision land	853,972,277	–	–	853,972,277	66,984,127	16,902,639	937,859,043
Condominium units	331,855,508	–	–	331,855,508	23,428,479	–	355,283,987
Receivable from related parties	550,581,854	–	–	550,581,854	–	–	550,581,854
Advances to officers and employees	111,454,568	–	–	111,454,568	–	–	111,454,568
Advances to joint development operations	439,560,326	–	–	439,560,326	–	–	439,560,326
Commission receivable	21,033,399	–	-	21,033,399	–	–	21,033,399
Accrued interest receivable	484,850,509	–	–	484,850,509	–	–	484,850,509
Receivables from tenants	62,368,861	–	–	62,368,861	–	–	62,368,861
Dividend receivable	14,566,771	–	–	14,566,771	–	–	14,566,771
Others	18,212,856	–	–	18,212,856	–	–	18,212,856
Financial assets at FVOCI	948,175,535	–	–	948,175,535	–	–	948,175,535
	₱4,740,000,615	₱–	₱–	₱4,740,000,615	₱90,412,606	₱16,902,639	₱4,847,315,860

The credit quality of the financial assets was determined as follows:

Cash - high grade pertains to cash deposited in local banks belonging to the top ten banks in the Philippines in terms of resources and profitability.

Receivables - high grade pertains to receivables with no default in payment and pertains to related parties; medium grade pertains to receivables with up to 3 defaults in payment; and low grade pertains to receivables with more than 3 defaults in payment.

Equity price risk
Equity price risk is the risk that the fair values of equities decrease as a result of changes in the levels of equity indices and the value of individual stocks. The Group manages the equity price risk through diversification and placing limits on equity instruments.

The effect on equity, as a result of a change in carrying amount of financial assets at FVOCI as of December 31, 2020 and 2019 due to a reasonably possible change in equity indices, with all other variables held constant, will have an increase on equity by ₱98.50 million and ₱94.82 million, respectively, if equity indices will increase by 10%. An equal change in the opposite direction would have decreased equity by the same amount.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rate as it can cause a change in the amount of interest payments.

The Group manages its interest rate risk by leveraging on its premier credit rating and maintaining a debt portfolio mix of both fixed and floating interest rates. The portfolio mix is a function of historical, current trend and outlook of interest rates, volatility of short-term interest rates, the steepness of the yield curve, and degree of variability of cash flows.

The following table demonstrates the sensitivity of the Group's income before tax and equity to a reasonably possible change in interest rates on December 31, 2020 and 2019, with all variables held constant, (through the impact on floating rate borrowings):

	Effect on income before income tax Increase (decrease)	
	2020	2019
Change in basis points:		
+100 basis points	**(₱153,970,968)**	(₱127,414,317)
-100 basis points	**₱153,970,968**	127,414,317

The assumed change in rate is based on the currently observable market environment. There is no other impact on the Group's equity other than those already affecting the net income.

The terms and maturity profile of the undiscounted interest-bearing financial assets and liabilities, at discounted values together with their corresponding nominal amounts and carrying values are shown in the following table:

	2020						
	Interest terms (p.a.)	**Rate Fixing Period**	**On Demand**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Total**
Financial Assets							
Cash and cash equivalents	Fixed at the date of investment	Various	**₱942,820,503**	**₱–**	**₱–**	**₱–**	**₱942,820,503**
Installment contracts receivables	Fixed at the date of sale	Date of sale	**206,768,183**	**241,202,472**	**723,607,417**	**1,440,575,822**	**2,612,153,894**
Receivables from related parties	N/A	N/A	**660,097,396**	–	–	–	**660,097,396**
Other	N/A	N/A	**22,169,773**	–	–	–	**22,169,773**
Financial assets at fair value through OCI	N/A	N/A	–	–	–	**821,448,225**	**821,448,225**
Total financial assets			**1,831,855,855**	**241,202,472**	**723,607,417**	**2,262,024,047**	**5,058,689,791**
Contract assets			**302,147,387**	**287,881,900**	**863,645,700**	**1,394,201,014**	**2,847,876,001**
Total undiscounted financial and contract assets			**2,134,003,242**	**529,084,372**	**1,587,253,117**	**3,656,225,061**	**7,906,565,792**
Financial Liabilities							
Bonds payable	Variable at 2.5% over 91 days PDST	Quarterly	–	**2,000,000,000**	–	–	**2,000,000,000**
Loans payable	Fixed at the date of loan	Quarterly	–	**6,148,970,554**	–	–	**6,148,970,554**
Notes payable	N/A	N/A	–	**202,500,000**	**845,000,000**	**8,023,500,000**	**9,071,000,000**
Accounts and other payables	N/A	N/A	**5,407,788,319**	–	–	–	**5,407,788,319**
Total undiscounted financial liabilities			**5,407,788,319**	**8,351,470,554**	**845,000,000**	**8,023,500,000**	**22,627,758,873**
Liquidity position (gap)			**(₱3,273,785,077)**	**(₱7,822,386,182)**	**₱742,253,117**	**(₱4,367,274,939)**	**(₱14,721,193,081)**

	2019						
	Interest terms (p.a.)	Rate Fixing Period	On Demand	1 to 3 months	3 to 12 months	1 to 5 years	Total
Financial Assets							
Cash and cash equivalents	Fixed at the date of investment	Various	₱903,368,151	₱–	₱–	₱–	₱903,368,151
Installment contracts receivables	Fixed at the date of sale	Date of sale	89,896,603	157,265,922	471,797,767	574,182,738	1,293,143,030
Receivables from related parties	N/A	N/A	550,581,854	–	–	–	550,581,854
Other	N/A	N/A	18,212,856	–	–	–	18,212,856
Financial assets at fair value through OCI	N/A	N/A	–	–	–	948,175,535	948,175,535
Total financial assets			1,562,059,464	157,265,922	471,797,767	1,522,358,273	3,713,481,426
Contract assets			235,521,593	345,844,323	1,037,532,970	1,241,636,221	2,860,535,107
Total undiscounted financial and contract assets			1,797,581,057	503,110,245	1,509,330,737	2,763,994,494	6,574,016,533
Financial Liabilities							
Bonds payable	Variable at 2.5% over 91 days PDST	Quarterly	–	–	–	2,000,000,000	2,000,000,000
Loans payable	Fixed at the date of loan	Quarterly	–	2,931,188,200	1,057,000,000	–	3,988,188,200
Notes payable	N/A	N/A	–	–	–	9,071,000,000	9,071,000,000
Accounts and other payables	N/A	N/A	4,784,226,831	–	–	–	4,784,226.,831
Total undiscounted financial liabilities			4,769,348,812	2,931,188,200	1,057,000,000	11,071,000,000	19,828,537,012
Liquidity position (gap)			(₱2,971,767,755)	(₱2,428,077,955)	₱452,330,737	(₱8,307,005,506)	(₱13,254,520,479)

28. Notes to Statements of Cash Flows

Below are the non-cash investing and financing activities for December 31, 2020 and 2019:

a. The interest paid excludes capitalized borrowing costs and accretion of bond transaction cost. The capitalized borrowing costs in 2020, 2019, and 2018 amounted to ₱116.26 million, ₱166.00 million, and ₱101.68 million, respectively. The accretion of bond transaction cost amounted to ₱31.80 million, ₱39.51 million, and ₱28.14 million, for the years 2020, 2019, and 2018, respectively.

b. In 2018, the Parent Company acquired 750.00 million treasury shares at the price of ₱1.20 per share to cover the settlement of the ₱900.00 million advances made by the Parent Company to the Ultimate Parent Company. The amount was credited against the outstanding receivables from the Ultimate Parent Company.

c. The Group transferred other current assets to real estate inventories amounting to ₱1,915.50 million in 2019 (nil in 2020).

d. The Group transferred other current assets to other noncurrent assets amounting to ₱443.56 million and ₱373.27 million in 2020 and 2019, respectively.

e. The Group transferred inventories to investment properties amounting to ₱348.14 million in 2019 (nil in 2020).

f. Purchases of lots which remain unpaid as of December 31, 2020, and 2019 amounted ₱1,082.11 million, ₱837.34 million, respectively.

Details of the movement in cash flows from financing activities follow:

	December 31, 2019	**Cash flows**	**Non-cash changes**	**December 31, 2020**
Payable to related parties (Note 19)	**₱38,605,523**	**₱17,713,026**	**₱–**	**₱56,318,549**
Short-term and long-term debt (Note 14)	**14,986,218,851**	**2,160,782,354**	**31,797,025**	**17,178,798,230**
Interest payable	**147,342,861**	**(1,079,781,564)**	**1,077,764,105**	**145,325,402**
Total liabilities from financing activities	**₱15,172,167,235**	**₱1,098,713,816**	**₱1,109,561,130**	**₱17,380,442,181**

	December 31, 2018	Cash flows	Non-cash changes	December 31, 2019
Payable to related parties (Note 19)	₱45,811,724	(₱65,190)	(₱7,141,011)	₱38,605,523
Short-term and long-term debt (Note 14)	13,606,775,240	1,339,938,200	39,505,411	14,986,218,851
Interest payable	147,228,975	(1,012,405,178)	1,012,519,064	147,342,861
Total liabilities from financing activities	₱13,799,815,939	₱327,467,832	₱1,044,883,464	₱15,172,167,235

Non-cash changes pertain to accretion of bond discount from short-term and long-term debt, capitalized borrowing costs to inventories and investment properties and accrual of interest expense.

29. **Contingencies**

Contingencies
The Group has various contingent liabilities arising in the ordinary conduct of business including cases related to property restriction violation. The estimate of the probable cost for the resolution of this claim has been developed in consultation with outside counsel handling the defense in this matter and is based upon an analysis of potential results. In the opinion of management and its legal counsel the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Group's financial position and results of operations. No provision for any liability has been made in the consolidated financial statements.

Disclosures required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, were not provided as it may prejudice the Group's position in ongoing claims and it can jeopardize the outcome of the claims and contingencies.

30. **Other Matters**

COVID-19
The World Health Organization declared the outbreak of COVID-19 virus as a global pandemic on March 11, 2020. On June 29, 2020, the Inter-Agency Task Force of Emerging Infectious Disease (IATF) issued Resolution No. 55-A, placing high-to-moderate risk areas, including all highly urbanized cities in Metro Manila under General Community Quarantine (GCQ) starting July 1 until July 15, 2020, and subsequently extended until July 30, 2020 upon IATF's issuance of the Resolution No. 60-A. On August 3, 2020, the Office of the President issued a Memorandum from the Executive Secretary placing Modified Enhanced Community Quarantine (MECQ) over the National Capital Region, and the provinces of Laguna, Cavite, Rizal, and Bulacan until August 18, 2020. On August 17, 2020, upon IATF's issuance of the Resolution No. 64, Metro Manila and the provinces of Bulacan, Cavite, Laguna and Rizal shall be placed under General Community Quarantine (GCQ) and the rest of the country under Modified General Community Quarantine (MGCQ) until August 31, 2020. This was subsequently extended until October 31, 2020 and until December 31, 2020 upon IATF's issuance of the Resolution Nos. 67 and 81, respectively. On January 1, 2021, the Office of the President issued a Memorandum from the Executive Secretary placing GCQ over the National Capital Region, and MGCQ over the provinces of Bulacan, Cavite, Laguna and Rizal until January 31, 2021 and was subsequently extended until March 28, 2021. On March 27, 2021, the Office of the President issued a Memorandum from the Executive Secretary placing ECQ over the National Capital Region and the provinces of Bulacan, Cavite, Laguna and Rizal starting March 29 to April 4, 2021, and subsequently extended until April 11, 2021. The ECQ shifted to MECQ until May 31, 2021.

The Group continues to abide by and comply with all rules and regulations issued by the government in relation to the COVID-19 pandemic. In line with applicable rules and regulations, the said risks are mitigated by business continuity strategies set in place by the Group. Measures currently undertaken by the Group to mitigate the risks of COVID-19 pandemic on its operations include work-from-home arrangements, proper and frequent sanitation of office premises, cancellation of large group meetings in person, an internal ban on foreign business travel, and the practice of social distancing through remote communication, among others.

The quarantine restrictions and recent social distancing guidelines limit the operations of malls and construction completion. Despite the challenges, the Group prioritized easing the burden of its customers by providing payment grace periods or rental relief. Since physical gatherings were no longer possible, marketing efforts shifted to digital platforms to resume promotional campaigns.

In addition, our strong presence outside Metro Manila is a factor that lessens the impact of the lockdown, as most areas especially in the provinces have already transitioned to MGCQ and we can ramp up construction in those areas.

The Group is closely monitoring the situation and the changes in their target market's behaviour as a result of the "new normal". Despite adverse effect in real estate industry, the Group proves to be resilient that it expects to launch all projects and its leasing expansion on time.

To mitigate the COVID-19 impact to its operations, the Group has been looking to expand its customer base and has appointed Sta. Lucia Ventures, Inc. and seven other marketing companies whose clientele not only includes OFWs and their families but Business Process Outsourcing ("BPO") employees, Small and Medium Enterprise ("SME") owners and other corporate and government employees as well. In addition, the Group intends to expand its retail portfolio by offering these commercial properties via 3 main options: (i) outright sale of the commercial lots, (ii) lease of the commercial lot to retailers, and (iii) building of the Group's own malls in these commercial properties and leasing it to retailers.

31. Events After the Reporting Date

On February 24, 2021, SLRDI purchased parcels of land located in Nasugbu, Batangas, with a total area of 381,876 sq.m. from Roxaco Land Corporation. SLRDI intends to use the properties for residential and commercial developments.

On March 12, 2021, the BOD approved the raising of up to Seven Billion Pesos (₱7,000,000,000.00) through issuance of corporate notes for listing on the Philippine Dealing and Exchange Corporation for the purpose of refinancing maturing and existing debts and to finance our general corporate requirements.

On March 15,2021, the Group entered into a ₱7,000.00 million Corporate Noted Facility Agreement ('Facility Agreement") with RCBC Capital Corporation as the lead arranger and sole book runner.

On March 18, 2021, the Group made the first drawdown amounting to ₱2,000.00 million from the following banks pursuant to the facility agreement:

Tranche A

Note Holder	Maturity Date	Interest Rate	Amount
BPI	March 18, 2021	4.90%	₱341,463,415
BDO	March 18, 2021	4.90%	341,463,415
Robinsons Bank Corporation	March 18, 2021	4.90%	195,121,951
Sub-total			₱878,048,781

Tranche B

Note Holder	Maturity Date	Interest Rate	Amount
RCBC	March 18, 2026	6.04%	₱975,609,756
BPI	March 18, 2026	6.04%	146,341,463
Sub-total			₱1,121,951,219

On March 22, 2021, the ₱2,000.00 million Series B bonds issued on December 22, 2015 has matured and its related maturity payment has been made by the Group to bondholders on the same date.

Subsequently, in a letter dated March 23, 2021, the Philippine Depository & Trust Corp. has effected the closure of the same on the Bond's registry record.

The Group considers these events as non-adjusting subsequent events, which do not impact its financial position and performance as of and for the year ended December 31, 2020.

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

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

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30% to 25% for domestic and resident foreign corporations. For domestic corporations with net taxable income not exceeding Php5 million and with total assets not exceeding Php100 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%.

- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2020 to June 30, 2023.

As clarified by the Philippine Financial Reporting Standards Council in its Philippine Interpretations Committee Q&A No. 2020-07, the CREATE Act was not considered substantively enacted as of December 31, 2020 even though some of the provisions have retroactive effect to July 1, 2020. The passage of the CREATE Act into law on March 26, 2011 is considered as a non-adjusting subsequent event. Accordingly, current and deferred taxes as of and for the year ended December 31, 2020 continued to be computed and measured using the applicable income tax rates as of December 31, 2020 (i.e., 30% RCIT / 2% MCIT) for financial reporting purposes.

Applying the provisions of the CREATE Act, the Group would have been subjected to lower regular corporate income tax rate of 25% effective July 1, 2020.

- Based on the provisions of Revenue Regulations (RR) No. 5-2021 dated April 8, 2021 issued by the BIR, the prorated CIT rate of the Group for CY2020 is 27.50%. This will result in lower provision for current income tax for the year ended December 31, 2020, and lower income tax payable as of December 31, 2020, amounting to ₱186.21 million and ₱70.42 million, respectively or a reduction of ₱16.93 million. The reduced amount will be reflected in the Group's 2020 annual income tax return. However, for financial reporting purposes, the changes will only be recognized in the 2021 financial statements.

- This will result in lower deferred tax liabilities as of December 31, 2020 and provision for deferred tax for the year then ended by ₱40.59 million. These reductions will be recognized in the 2021 financial statements.

SGV
Building a better working world

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

Tel: (632) 8891 0307
Fax: (632) 8819 0872
ey.com/ph

BOA/PRC Reg. No. 0001,
October 4, 2018, valid until August 24, 2021
SEC Accreditation No. 0012-FR-5 (Group A),
November 6, 2018, valid until November 5, 2021

INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Sta. Lucia Land, Inc. and Subsidiaries
Penthouse Bldg. 3, Sta. Lucia Mall
Marcos Highway cor. Imelda Avenue
Cainta, Rizal

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Sta. Lucia Land, Inc. and its subsidiaries (the Group) as at December 31, 2020 and 2019, and for each of the three years in the period ended December 31, 2020, and have issued our report thereon dated May 17, 2021. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to 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 financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
SEC Accreditation No. 0664-AR-4 (Group A),
November 11, 2019, valid until November 10, 2022
Tax Identification No. 160-302-865
BIR Accreditation No. 08-001998-073-2020,
December 3, 2020, valid until December 2, 2023
PTR No. 8534357, January 4, 2021, Makati City

May 17, 2021

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October 4, 2018, valid until August 24, 2021
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November 6, 2018, valid until November 5, 2021

INDEPENDENT AUDITOR'S REPORT ON
COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Sta. Lucia Land, Inc. and Subsidiaries
Penthouse Bldg. 3, Sta. Lucia Mall
Marcos Highway cor. Imelda Avenue
Cainta, Rizal

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Sta. Lucia Land, Inc. and its subsidiaries (the Group) as at December 31, 2020 and 2019, and for each of the three years in the period ended December 31, 2020, and have issued our report thereon dated May 17, 2021. 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 (PFRS) 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 financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Group's financial statements as at December 31, 2020 and 2019, and for each of the three years in the period ended December 31, 2020 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado

Michael C. Sabado
Partner
CPA Certificate No. 89336
SEC Accreditation No. 0664-AR-4 (Group A),
November 11, 2019, valid until November 10, 2022
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May 17, 2021

STA. LUCIA LAND, INC. AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
SEC FORM 17-A

CONSOLIDATED FINANCIAL STATEMENTS

SUPPLEMENTARY SCHEDULES

STA. LUCIA LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED ON SRC RULE 68 AND 68.1 AS AMENDED

DECEMBER 31, 2020

Philippine Securities and Exchange Commission (SEC) issued the amended Securities Regulation Code Rule SRC Rule 68 and 68.1 which consolidates the two separate rules and labeled in the amendment as “Part I” and “Part II”, respectively. It also prescribed the additional information and schedule requirements for issuers of securities to the public.

Below are the additional information and schedules required by SRC Rule 68 and 68.1 as amended that are relevant to the Group. This information is presented for purposes of filing with the SEC and is not a required part of the basic financial statements.

Schedule A. Financial Assets in Equity Securities

Below is the detailed schedule of financial assets in equity securities of the Group as of December 31, 2020:

Name of Issuing entity and association of each issue	Number of Shares	Amount Shown in the Statement of Financial Position
Financial Assets at Fair Value through Other Comprehensive Income (OCI)		
Quoted:		
Philippine Racing Club, Inc.	70,786,759	₱523,114,149
Manila Jockey Club, Inc.	29,894,841	69,057,082
Unquoted:		
Uni-Asia Properties, Inc.	8,812,489	229,276,994
	109,494,089	₱821,448,225

The basis in determining the value of quoted equity securities is the market quotation on December 31, 2020 while unquoted security is valued at cost less any allowance for impairment.

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (other than related parties)

Below is the schedule of advances to employees of the Group with balances above ₱100,000 as of December 31, 2020:

Name	Balance at beginning of year	Additions	Collections/ Liquidations	Balance at end of year
Exequiel D. Robles	₱19,294,881	₱2,035,000	(₱220,000)	21,109,881
Vicente R. Santos	7,042,826	1,680,000	(120,000)	8,602,826
Kristine May Robles	5,779,497	247,785	(272,785)	5,754,497
Aurora D. Robles	4,385,000	840,000	(60,000)	5,165,000
Antonio Robles	4,325,000	840,000	(60,000)	5,105,000
Orestes R. Santos	3,458,718	840,000	(60,000)	4,238,718
Mariza Santos Tan	2,986,618	840,000	(60,000)	3,766,618
Paul Michael Robles	3,392,723	600,000	(438,760)	3,553,963
Maria Rosario Santos	2,000,000	–	(5,000)	1,995,000
Mardon Santos	852,105	–	(5,000)	847,105

(Forward)

Name	Balance at beginning of year	Additions	Collections/ Liquidations	Balance at end of year
Pampolina Jeremy	₱429,393	₱	(₱5,000)	₱424,393
Michelle Robles	313,500	–	(5,000)	308,500
Emerita Jingle Punzalan	275,166	–	(5,000)	270,166
Jose Manuel Escalante	140,600	–	–	140,600
Ma. Lourdes Concepcion	58,081	95,643	(66,884)	140,600
David M. Dela Cruz	112,166	–	(5,000)	107,166
	₱54,846,274	₱8,018,428	(1,388,429)	₱61,476,273

These advances consist of advances for expenses and disbursements necessary in carrying out their functions in the ordinary course of business such as for selling and marketing activities, official business trips, emergency and cash on delivery (COD) purchases of materials, equipment and supplies, repair of Group's vehicles, model units and housing units, registration of titles, etc. and short term loans given to officers and employees. The advances will be liquidated when the purposes for which these advances were granted are accomplished or completed or deducted from the officers'/employees' salaries if not liquidated. No amounts were written-off during the year and all amounts are presented as current.

Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements

Below is the schedule of receivables (payables) with related parties which are eliminated in the consolidated financial statements as of December 31, 2020:

	Nature	Volume of Transactions	Receivable (Payable)	Terms
Sta. Lucia Homes, Inc. (SLHI)	Advances	87,500	(3,927,690)	Non-interest bearing and to be settled within one year
Santalucia Ventures Inc. (SVI)	Advances	23,898,553	180,144,608	Non-interest bearing and to be settled within one year
			176,216,918	

	Balance at beginning of period	Additions	Collections	Balance at end of period
SLHI	(4,015,190)	–	87,500	(3,927,690)
SVI	180,938,812	24,970,320	(25,764,524)	180,144,608
	176,923,622	24,970,320	**(25,677,024)**	176,216,918

The intercompany transactions between the Parent Company and the subsidiaries pertain to commission fees and advances for the pre-operations. There were no amounts written-off during the year and all amounts are expected to be settled within the year.

Related Party Transactions

Due from related parties

Below is the list of outstanding receivable from related parties of the Group presented in the consolidated statements of financial position as of December 31, 2020:

	Relationship	Nature	Balance at end of period
Sta. Lucia Realty and Development, Inc. (SLRDI)	Ultimate Parent Company	a, b, c, d, e, f, g	585,459,141
Sta. Lucia East Commercial Corporation (SLECC)	Affiliate	h	37,219,997
Various mall tenants	Affiliate	h	36,496,426
Others	Affiliates	a, i	921,832
			660,097,396

Nature of intercompany transactions

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

a. Consisting of non-interest bearing advances for working capital requirements with no fixed repayment terms.
b. Pertain to receivables from offsetting agreements with common suppliers with the Ultimate Parent Company.
c. Pertain to noninterest-bearing cash advances for various charges to and from affiliated companies for reimbursements of expenses on gasoline consumption of service vehicles, repairs and maintenance, supplies, rentals for project exhibits and advertising/marketing costs.
d. Represent monthly amortization payment from the buyers of the Group remitted to the Ultimate Parent Company.
e. Pertain to the reinstated due from the Ultimate Parent Company after the after rescission of deposit on land rights and subsequently entering into a deed of assignment of shares of stock.
f. Pertain to payable to Ultimate Parent Company for the Ultimate Parent Company's share in the sale of real estate properties of the Ultimate Parent Company but developed by the Parent Company.
g. Pertains to the due from Ultimate Parent Company for the assumption of the its bank loan
h. Pertain to uncollected rental income.
i. Pertain to non-interest bearing cash advances to officers and directors.

The outstanding balances of intercompany transactions are all due and demandable as of December 31, 2020.

Schedule D. Long-term debt

The Group has long term loans amounting to ₱9,998.78 million as of December 31, 2020.

Schedule E. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, Officers and Employees	Others
Common Shares	16,000,000,000	8,196,450,000	–	6,701,005,767	1,424,994	1,494,019,239

STA. LUCIA LAND, INC.

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

FOR THE YEAR ENDED DECEMBER 31, 2020

Total Unappropriated Retained Earnings - January 1, 2020		₱4,193,381,746
Less:		
Treasury shares		(1,640,000,000)
Income closed to retained earnings and other reconciling items		1,610,901,005
TOTAL RETAINED EARNINGS, AVAILABLE FOR DIVIDEND DECLARATION, BEGINNING		₱4,164,282,751
Net income actually earned/realized during the period:		
Net income during the period closed to retained earnings	1,707,946,287	
Less: Non actual/unrealized income net of tax		
Equity in net income of associate/joint venture	–	
Unrealized actuarial gain	–	
Fair value adjustment (M2M gains)	–	
Fair value adjustment of Investment Property resulting to gain	–	
Adjustment due to deviation from PFRS/GAAP-gain	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS		
- Accretion income	(115,352,087)	
Movement in deferred tax that reduced the amount of income tax expense	–	
Add: Non-actual losses		
Depreciation on revaluation increment (after tax)	–	
Adjustment due to deviation from PFRS/GAAP-loss	–	
Loss on fair value adjustment of investment property (after tax)	–	
Unrealized foreign exchange loss - net (except those attributable to cash)	–	
Net income actually earned during the period		1,592,594,200
Add (Less):		
Dividend declarations during the period		–
Appropriations of retained earnings during the period		–
Reversals of appropriations		–
Effects of prior period adjustments		–
Treasury shares - see beginning reconciliation		–
TOTAL RETAINED EARNINGS, AVAILABLE FOR DIVIDEND DECLARATION, ENDING		₱5,756,877,951

STA. LUCIA LAND, INC. AND SUBSIDIARIES

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

Financial Soundness Indicators

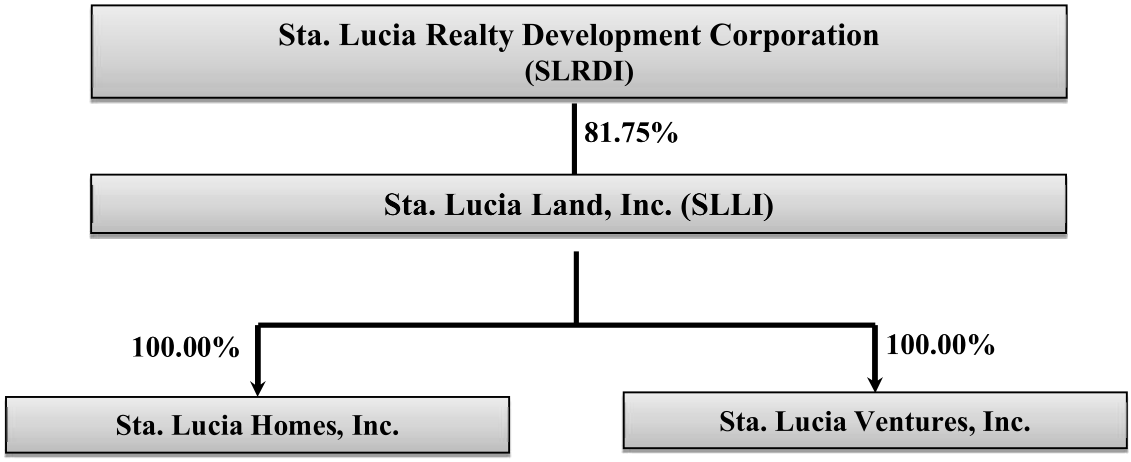
Below are the financial ratios that are relevant to the Group for the years ended December 31, 2020 and 2019:

Financial ratios		**2020**	2019
Current ratio	Current assets / Current liabilities	**2.01:1**	2.66:1
Debt to equity ratio	Total liabilities / Stockholders' Equity	**0.97:1**	0.93:1
Debt to total assets ratio	Total liabilities / Total assets	**0.61:1**	0.60:1
Return on average assets	Net income attributable to Parent Company / Average assets	**3.89%**	4.42%
Book value per share	Stockholders' equity / Total number of shares	**₱2.16**	₱1.97
Earnings per share	Net income / Total number of shares	**₱0.21**	₱0.21
Debt service coverage ratio	EBITDA / Debt Service	**3:19:1**	3.30:1

STA. LUCIA LAND, INC. AND SUBSIDIARIES

CONGLOMERATE MAP

The following chart illustrates the Group's material shareholders and subsidiaries as of the date of this Offering Memorandum.



SEC Number: 031-050

File Number: ________

STA. LUCIA LAND, INC. AND SUBSIDIARIES

(Company's Full Name)

Penthouse Building 3, Sta. Lucia East Grand Mall,
Marcos Highway Cor. Imelda Ave., Cainta Rizal

(Company Address)

(632) 8681-7332

(Telephone Number)

March 31, 2021

(Quarter Ended)

1st Quarter Report – SEC Form 17-Q

(Form Type)

(Amendments)

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q

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

1. For the quarterly period ended **March 31, 2021**

2. Commission identification number: **31050**

3. BIR Tax Identification No.: **000-152-291-000**

   STA. LUCIA LAND, INC. AND SUBSIDIARIES
4. Exact name of issuer as specified in its charter

   Republic of the Philippines
5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: [ ] (SEC UseOnly)

   Penthouse, Bldg. III, Sta. Lucia East Grand Mall, Marcos Highway cor. Imelda Ave., Cainta, Rizal 1900
7. Address of issuer's principal office Postal Code

   (02) 8681-7332
8. Issuer's telephone number,including area code

   ____
9. Former name, former address and former fiscal year, if changed since last report

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

Title of each class	Number of shares of common Stock outstanding
Common	**8, 196,450,000**

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

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

    ____ ____

12. Indicate by checkmark whether the registrant:

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

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

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

ITEM 1: FINANCIAL STATEMENTS

STA. LUCIA LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of March 31, 2021 and December 31, 2020

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	**₱1,041,491,056**	₱942,820,503
Receivables	**3,530,545,230**	3,494,595,518
Contract assets	**1,986,943,343**	1,880,380,969
Real estate inventories	**25,376,395,857**	24,931,122,564
Other current assets	**7,317,361,727**	5,400,988,661
Total Current Assets	**39,252,737,213**	36,649,908,215
Noncurrent Assets		
Installment contracts receivables - net of current portion	**890,920,932**	1,014,073,112
Contract assets - net of current portion	**1,260,638,767**	967,495,032
Investment properties	**5,681,831,549**	5,712,412,564
Property and equipment	**50,382,672**	54,853,789
Financial assets at fair value through other comprehensive income (FVOCI)	**723,556,441**	821,448,225
Pension asset	**328,530**	328,530
Other noncurrent assets	**76,171,535**	565,280,118
Total Noncurrent Assets	**8,683,830,426**	9,135,891,370
	₱47,936,567,639	₱45,785,799,585

LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables	**₱6,537,186,773**	₱5,407,788,319
Short-term debt	**6,596,770,554**	6,148,970,554
Contract liabilities – current portion	**3,962,204,778**	3,591,662,052
Income tax payable	**89,747,446**	87,348,124
Long-term debt - current portion	**926,304,878**	3,027,518,421
Total Current Liabilities	**18,112,214,429**	18,263,287,470
Noncurrent Liabilities		
Long-term debt – net of current portion	**9,885,024,986**	8,002,309,255
Contract liabilities - net of current portion	**418,670,604**	379,516,810
Pension liabilities	**–**	–
Deferred tax liabilities - net	**1,493,192,912**	1,442,870,704
Total Noncurrent Liabilities	**11,796,888,502**	9,824,696,769
Total Liabilities	**29,909,102,931**	28,087,984,239
Equity		
Capital stock	**10,796,450,000**	10,796,450,000
Additional paid-in capital	**330,004,284**	330,004,284
Retained earnings	**8,274,047,277**	7,846,506,131
Treasury shares	**(1,640,000,000)**	(1,640,000,000)
Net unrealized gain on fair value of financial assets at FVOCI	**269,401,953**	364,692,477
Remeasurement losses on pension liabilities	**(2,438,806)**	162,454
Total Equity	**18,027,464,708**	17,697,815,346
	₱47,936,567,639	₱45,785,799,585

STA. LUCIA LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three-month period ended March 31, 2021 and March 31, 2020 and December 31, 2020

	March 31, 2021	March 31, 2020	December 31, 2020
REVENUE			
Real estate sales	**₱1,044,800,512**	₱992,698,852	₱5,383,079,540
Rental income	**116,855,539**	188,891,645	534,700,679
Interest income	**67,993,901**	64,145,449	479,793,372
Commission income	**4,152,173**	2,963,715	91,526,979
Dividend income	**–**	–	9,202,279
Others	**123,715,889**	70,280,061	354,844,435
	1,357,518,014	1,318,979,722	6,853,147,284
COSTS OF SALES AND SERVICES			
Cost of real estate sales	**278,760,656**	370,310,190	2,025,251,641
Cost of rental income	**98,922,972**	112,722,714	368,364,448
	377,683,628	483,032,904	2,393,616,089
SELLING AND ADMINISTRATIVE EXPENSES			
Commissions	**128,335,938**	78,316,662	622,045,846
Representation	**3,024,964**	21,672,818	48,995,547
Taxes, licenses and fees	**46,115,850**	17,651,098	99,410,726
Salaries and wages and other benefits	**10,827,248**	11,019,561	85,024,174
Advertising	**9,382,258**	14,740,725	68,721,678
Repairs and maintenance	**1,519,283**	10,082,649	41,053,548
Utilities	**1,940,802**	835,785	6,925,050
Professional fees	**6,341,919**	10,852,717	16,403,046
Depreciation and amortization	**3,927,519**	4,369,920	21,661,127
Expected credit loss	**–**	862,556	1,350,074
Transportation, travel, office supplies and miscellaneous	**17,835,055**	13,934,913	55,617,204
	229,250,836	184,339,404	1,067,208,020
INTEREST EXPENSE	**257,203,640**	230,148,805	993,299,139
INCOME BEFORE INCOME TAX	**493,379,910**	421,458,609	2,399,024,036
PROVISION FOR INCOME TAX	**65,838,764**	126,437,727	691,077,749
NET INCOME	**427,541,146**	295,020,882	1,707,946,287
OTHER COMPREHENSIVE INCOME			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Unrealized gains on fair value of financial assets at FVOCI	97,891,784	(136,504,172)	(126,727,310)
Remeasurement gains (losses) on pension liabilities - net of tax	–	–	2,601,260
	97,891,784	(136,504,172)	(124,126,050)
TOTAL COMPREHENSIVE INCOME	**₱525,432,930**	₱158,516,710	₱1,583,820,237
Basic/Diluted Earnings Per Share	**₱0.05**	₱0.04	₱0.21

STA. LUCIA LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2021 and March 31, 2020

	March 31, 2021	March 31, 2020
CAPITAL STOCK		
Common shares - ₱1 par value		
Authorized - 16,000,000,000 shares		
Issued and outstanding – 10,796,450,000 shares	**₱10,796,450,000**	₱10,796,450,000
	10,796,450,000	10,796,450,000
ADDITIONAL PAID-IN CAPITAL	**330,004,284**	330,004,284
TREASURY SHARES	**(1,640,000,000)**	(1640,000,000)
RETAINED EARNINGS		
Balance at beginning of year	**7,846,506,131**	6,138,559,844
Net income	**427,541,146**	295,020,882
Balance at end of period	**8,274,047,277**	6,433,580,726
UNREALIZED GAIN ON FAIR VALUE OF AVAILABLE FOR SALE FINANCIAL ASSETS	**269,401,953**	354,915,614
REMEASUREMENT GAIN (LOSS) ON PENSION LIABILITIES- NET OF TAX	**(2,438,806)**	(2,438,806)
	₱18,027,464,708	₱16,272,511,818

STA. LUCIA LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2021 and March 31, 2020

	March 31, 2021	March 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱493,379,910**	₱421,458,609
Adjustments for:		
Depreciation and amortization expense	**31,204,251**	33,547,307
Interest expense	**257,203,640**	230,148,805
Dividend income	**–**	–
Interest income	**(67,993,901)**	(64,145,449)
Operating income before changes in working capital	**713,793,900**	621,009,272
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Receivables	**(253,453,711)**	846,764,277
Real estate inventories	**(445,273,293)**	(138,939,225)
Due from related parties	**–**	(56,836,526)
Other current assets	**(1,916,373,066)**	(1,886,017,634)
Increase (decrease) in:		
Accounts and other payables	**1,129,398,454**	366,286,999
Customers' deposits	**370,542,726**	889,586,182
Net cash generated from (used in) operations	**(1,115,158,890)**	57,785,970
Interest paid	**264,891,636**	45,618,126
Interest received	**67,993,901**	(760,582,515)
Income taxes paid	**(63,439,442)**	(145,000,459)
Net cash provided by (used in) operating activities	**(131,918,895)**	(181,169,606)
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposals of (additions to):		
Property and equipment	**(2,945,118)**	(428,980)
Investment properties	**(188,839)**	(152,014,157)
Other noncurrent assets	**6,504,481**	(284,840,453)
Net cash used in investing activities	**3,370,524**	(437,283,590)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans	**4,855,568,924**	5,882,688,200
Payment of loans	**(4,628,350,000)**	(5,155,800,000)
Net cash provided by financing activities	**227,218,924**	726,888,200
NET INCREASE (DECREASE) IN CASH	**98,670,553**	108,435,004
CASH AT BEGINNING OF YEAR	**942,820,503**	903,368,151
CASH AT END OF PERIOD	**₱1,041,491,056**	₱1,011,803,155

STA. LUCIA LAND, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Sta. Lucia Land, Inc. (SLI or the Parent Company) is a publicly-listed company incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on December 6, 1966 under the name Zipporah Mining and Industrial Corporation. On August 14, 1996, the Parent Company's Articles of Incorporation was amended. Under the amendment, it changed the corporate name to Zipporah Realty Holdings, Inc. and it transferred the original primary purpose to secondary purpose from being a mining firm to a real estate company with the amended primary purpose to acquire by purchase, lease, and to own and develop and hold for investment and/or disposal, real estate of all kinds together with their appurtenances.

On July 16, 2007, the Parent Company changed its corporate name from Zipporah Realty Holdings, Inc. to Sta. Lucia Land, Inc.

Prior to expiration of its corporate life, the Parent Company filed for a new 50-year corporate life which was approved by the SEC on June 16, 2016. The corporate life of the Parent Company expired on December 5, 2016. The approved new 50-year corporate life is until December 5, 2066.

The registered office address and principal place of business of the Parent Company and its subsidiaries (collectively referred to as the Group) is at Penthouse Bldg. 3, Sta. Lucia Mall, Marcos Highway cor. Imelda Avenue, Cainta, Rizal.

The Group is 81.75% owned by Sta. Lucia Realty and Development Inc. (SLRDI or the Ultimate Parent Company).

2. Summary of Significant Accounting Policies

Basis of Preparation

The accompanying interim consolidated financial statements of the Group have been prepared using the historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) that have been measured at fair value. The consolidated financial statements are presented in Philippine Peso (₱), which is also the Parent Company's functional currency and all values are rounded to the nearest Philippine peso except when otherwise indicated.

The interim consolidated financial statements provide comparative information in respect of the previous period. While there are recent signs of increased market activity with the easing of quarantine measures in key areas in the Philippines, management believes that the impact of COVID 19 situation will remain and recovery is going to be gradual.

Statement of Compliance

The interim condensed consolidated financial statements of the Group for the three months ended March 31, 2021 have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial 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, 2019, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), and include the availment of the relief granted by the Securities and Exchange Commission (SEC) under Memorandum Circular Nos. 14-2018 and 3-2019. PFRSs include PAS and Interpretations issued by Philippine Interpretations Committee (PIC).

The interim condensed consolidated financial statements of the Group have been prepared for inclusion in the offering circular in relation to a planned capital-raising activity.

Basis of Consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries.

A subsidiary is an entity which the Group controls. Control is achieved when the Group 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, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group 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 Group's voting rights and potential voting rights

The Group 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 or excluded in the consolidated financial statements from the date the Group gains control or 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 Company and to the non-controlling interests (NCI), even if this results in the NCI having a deficit balance.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other similar events. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expense 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. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

The consolidated financial statements include the financial statements of the Parent Company and the following wholly-owned subsidiaries. The voting rights held by the Group in these subsidiaries are in proportion of their ownership interest.

	% of Ownership
Sta. Lucia Homes, Inc. (SLHI)	100.00%
Santalucia Ventures, Inc. (SVI)	100.00%

Adoption of New and Amended Accounting Standards and Interpretation
The accounting policies adopted in the preparation of the Group's consolidated financial statements are consistent with those of the previous financial year, except for the adoption of the following new and amended PFRS and PAS which became effective beginning January 1, 2020. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The nature and impact of each new standard and amendment are disclosed below.

- Amendments to PFRS 3, *Definition of a Business*

  The amendments to PFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

  These amendments may impact future periods should the Group enter into any business combinations.

- Amendments to PFRS 7, *Financial Instruments: Disclosures* and PFRS 9, *Financial Instruments*, *Interest Rate Benchmark Reform*

  The amendments to PFRS 9 provide a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

  These amendments do not have a significant impact on the Group.

- Amendments to PAS 1, *Presentation of Financial Statements*, and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments do not have a significant impact on the Group.

- Conceptual Framework for Financial Reporting issued on March 29, 2018

  The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the standard-setters in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards.

  The revised Conceptual Framework includes new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

- Amendments to PFRS 16, *COVID-19-related Rent Concessions*

  The amendments provide relief to lessees from applying the PFRS 16 requirement on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. A lessee may elect not to assess whether a rent concession from a lessor is a lease modification if it meets all of the following criteria:

- The rent concession is a direct consequence of COVID-19;
- The change in lease payments results in a revised lease consideration that is substantially the same as, or less than, the lease consideration immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before June 30, 2021; and
- There is no substantive change to other terms and conditions of the lease.

A lessee that applies this practical expedient will account for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for a change that is not a lease modification, i.e., as a variable lease payment.

The amendments are effective for annual reporting periods beginning on or after June 1, 2020. Early adoption is permitted.

This amendment is not applicable to the Group as there are no rent concessions granted to the Group as a lessee.

- *Adoption of PIC Q&A 2020-03, Q&A No. 2018-12-D: STEP 3- On the accounting of the difference when the percentage of completion is ahead of the buyer's payment*

  PIC Q&A 2020-03 was issued by the PIC on September 30, 2020. The latter aims to provide an additional option to the preparers of financial statements to present as receivables, the difference between the POC and the buyer's payment, with the POC being ahead. This PIC Q&A is consistent with the PIC guidance issued to the real estate industry in September 2019.

  The adoption of this PIC Q&A did not impact the consolidated financial statements of the Group since it has previously adopted the additional guidance issued by the PIC in September 2019.

  <u>Future Changes in Accounting Policy</u>
  The Group will adopt the following standards and interpretations when these become effective. Except as otherwise stated, the Group does not expect the adoption of these standards to have a significant impact on the consolidated financial statements.

  Effective beginning on or after January 1, 2021

- Amendments to PFRS 9, PFRS 7, PFRS 4 and PFRS 16, *Interest Rate Benchmark Reform - Phase 2*

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

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

  The amendments are effective for annual reporting periods beginning on or after January 1, 2021 and applied retrospectively. However, the Group is not required to restate prior periods.

  Effective beginning on or after January 1, 2022

- Amendments to PFRS 3, *Reference to the Conceptual Framework*

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of PFRS 3, *Business Combinations* to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, *Provisions, Contingent Liabilities and Contingent Assets* or Philippine-IFRIC 21, *Levies*, if incurred separately.

At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*

  The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

  The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

  The amendments are not expected to have a material impact on the Group.

- Amendments to PAS 37, *Onerous Contracts - Costs of Fulfilling a Contract*

  The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

Annual Improvements to PFRSs 2018-2020 Cycle

- Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*

  The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to PFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

  The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted. The amendments are not expected to have a material impact on the Group.

- Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Group.

- Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

  The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

  An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022 with earlier adoption permitted. The amendments are not expected to have a material impact on the Group.

  Effective beginning on or after January 1, 2023

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

  The amendments clarify paragraphs 69 to 76 of PAS 1, *Presentation of Financial Statements*, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period

- 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, 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

- 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. PFRS 17 is effective for reporting periods beginning on or after January 1, 2023, with comparative figures required. Early application is permitted.

The new standard is not applicable to the Group since none of the entities within the Group have activities that are predominantly connected with insurance or issue insurance contracts.

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 Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (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 Group is currently assessing the impact of adopting these amendments.

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

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

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

	Deferral Period
Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)	Until December 31, 2023
b. Treatment of land in the determination of the POC discussed in PIC Q&A 2018-12-E	Until December 31, 2023
Treatment of uninstalled materials in the determination of the POC discussed in PIC Q&A 2018-12-E (as amended by PIC Q&A 2020-02)	Until December 31, 2020
Accounting for CUSA Charges discussed in PIC Q&A No. 2018-12-H	Until December 31, 2020

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

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

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

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

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

The Group availed of the SEC reliefs to defer the above specific provisions of PIC Q&A No. 2018-12. Had these provisions been adopted, the Group assessed that the impact would have been as follows:

a. The mismatch between the POC of the real estate projects and right to an amount of consideration based on the schedule of payments provided for in the contract to sell might constitute a significant financing component. In case of the presence of significant financing component, the guidance should have been applied retrospectively and would have resulted in restatement of prior year financial statements. Adoption of this guidance would have impacted interest income, interest expense, revenue from real estate sales, contract assets, provision for deferred income tax, deferred tax asset or liability for all years presented, and the opening balance of retained earnings. The Group has yet to assess if the mismatch constitutes a significant financing component for its contracts to sell.

b. Had the Group accounted for the revenue from air-conditioning services, CUSA and handling services as principal, this would have resulted in the gross presentation of the related revenue, costs and expenses. Currently, the related revenue is presented net of costs and expenses. There is no impact on opening retained earnings, income and expense and the related balance sheet accounts.

The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

- *IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost)*

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

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

On February 11, 2020, the Philippine SEC issued MC No. 4-2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above

IFRIC Agenda Decision until December 31, 2020. Further, on December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the Real Estate Industry until December 31, 2023. Effective January 1, 2024, the Real Estate Industry will adopt the IFRIC Agenda Decision and any subsequent amendments thereto retrospectively or as the SEC will later prescribe. A real estate company may opt not to avail of the deferral and instead comply in full with the requirements of the IFRIC Agenda Decision.

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

The Group opted to avail of the relief as provided by the SEC. Had the Group adopted the IFRIC Agenda Decision, borrowing costs capitalized to real estate inventories related to projects with pre-selling activities should have been expensed out in the period incurred.

This adjustment should have been applied retrospectively and would have resulted in restatement of prior year financial statements. A restatement would have impacted interest expense, cost of sales, provision for deferred income tax, real estate inventories, deferred tax liability and the opening balance of retained earnings. The above would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

As prescribed by SEC MC No. 34-2020, for financial reporting periods beginning on or after January 1, 2021, the availment of the above deferrals will impact the Group's financial reporting during the period of deferral as follows:

a. The financial statements are not considered to be in accordance with PFRS and should specify in the "Basis of Preparation of the Financial Statements" section of the financial statements that the accounting framework is:

PFRS, as modified by the application of the following financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic:

1) *Assessing if the transaction price includes a significant financing component (as amended by PIC Q&A 2020-04)*
2) *Application of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods under PAS 23*

b. The Auditor's report will:

   i. reflect in the Opinion paragraph that the financial statements are prepared in accordance with the compliance framework described in the notes to the financial statements; and
   ii. include an Emphasis of Matter paragraph to draw attention to the basis of accounting that has been used in the preparation of the financial statements.

Upon full adoption of the above deferred guidance, the accounting policies will have to be applied using full retrospective approach following the guidance under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

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

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

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

The Group availed of the SEC relief to defer of adoption of this PIC Q&A until December 31, 2020. Currently, the Group records the repossessed inventory at its fair value less cost to sell and recognize any difference between the carrying amount of the derecognized receivable and the repossessed property in profit or loss. The Group has opted to implement approach 1 in its accounting for sales cancellation which is the repossessed property is recognized at its fair value less cost to repossess.

Significant Accounting Policies

Current versus Noncurrent Classification
The Group presents assets and liabilities in interim consolidated statement of financial position based on current and noncurrent classification. An asset is current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve (12) months after the reporting period; or
- cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve (12) months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve (12) months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve (12) months after the reporting period.

The Group classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities, respectively.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from dates of placement and that are subject to insignificant risk of changes in value.

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 nonfinancial 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.

For purposes of fair value disclosures, the Group has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy.

Financial Instruments

Date of recognition

The Group recognizes financial assets and liabilities in the consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

Recognition and Measurement of 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 of financial instruments

Financial assets are classified, at initial recognition, as either subsequently measured at amortized cost, at FVOCI, or at fair value through profit or loss (FVTPL).

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. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15. Refer to the accounting policies on Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortized cost or at FVOCI, 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.

As of March 31, 2021 and December 31, 2020, the Group's financial assets comprise of financial assets at amortized cost and financial assets at FVOCI.

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
Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the Group's business model whose objective is to hold assets in order to collect contractual cash flows; and,
- the contractual terms of the instrument 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 costs are subsequently measured at amortized cost using the effective interest method less any impairment in value, with the interest calculated recognized as interest income in the consolidated statement of comprehensive income.

The Group classified cash and cash equivalents, installment contracts receivables and other receivables, advances to agents and brokers under "Other current assets", and deposits in escrow and refundable security deposits under "Other noncurrent assets" as financial assets at amortized cost (see Notes 5, 6 and 8).

Financial assets at fair value through OCI (debt instruments)
The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated statement of comprehensive income 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.

The Group does not have debt instruments at fair value through OCI.

Financial assets at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI 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 comprehensive income 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 designated at fair value through OCI are not subject to impairment assessment.

The Group's financial assets at fair value through OCI includes investments in quoted and unquoted equity instruments (see Note 9).

Dividends earned on holding these equity instruments are recognized in the consolidated statement of comprehensive income when the Group's right to receive the dividends is established in accordance with PFRS 15, unless the dividends clearly represent recovery of a part of the cost of the investment.

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 comprehensive income.

As of March 31, 2021 and December 31, 2020, the Group does not have financial assets at FVTPL.

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 consolidated 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 recognizes 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.

Reclassification of financial assets
The Group can reclassify financial assets if the objective of its business model for managing those financial assets changes. The Group is required to reclassify the following financial assets:

- from amortized cost to FVTPL if the objective of the business model changes so that the amortized cost criteria are no longer met; and,
- from FVTPL to amortized cost if the objective of the business model changes so that the amortized cost criteria start to be met and the instrument's contractual cash flows meet the amortized cost criteria.

Reclassification of financial assets designated as at FVTPL at initial recognition is not permitted. A change in the objective of the Group's business model must be effected before the reclassification date. The reclassification date is the beginning of the next reporting period following the change in the business model.

<u>Modification of financial assets</u>
The Group derecognizes a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new asset, with the difference between its carrying amount and the fair value of the new asset recognized as a derecognition gain or loss in profit or loss, to the extent that an impairment loss has not already been recorded.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR (or credit-adjusted EIR for purchased or originated credit-impaired financial assets) and recognizes a modification gain or loss in the consolidated statement of comprehensive income.

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.

For installment contracts receivables 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 vintage analysis for installment contracts receivables and contract assets that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets such as accrued receivable, receivable from related parties and advances to other companies, 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 cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on lifetime ECL. The Group uses the ratings from the Standard and Poor's (S&P), Moody's and Fitch to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are 120 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.

Determining the stage for impairment

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 90 days past due.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to 12-months ECL.

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, 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.

Directly attributable transaction costs are documentary stamp tax, underwriting and selling fees, regulatory filing fee and other fees.

As of December 31, 2020 and 2019, the Group's other financial liabilities consist of accounts and other payables (excluding statutory liabilities), short-term debt and long-term debt.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the consolidated statement of comprehensive income.

Only if the criteria in PFRS 9 are satisfied, the designation of financial liabilities at fair value through profit or loss at the initial date of recognition is allowed. The Group has not designated any financial liability as at fair value through profit or loss.

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 profit or loss 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 consolidated statement of comprehensive income.

This category generally applies to the Group's accounts and other payables (excluding statutory liabilities), short-term debt and long-term debt.

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 comprehensive income.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, where the related assets and liabilities are presented at gross in the consolidated statement of financial position.

Real Estate Inventories
Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation or will be occupied by the Group, is held as inventory and is measured at the lower of cost and net realizable value (NRV). In few cases of buyer defaults, the Group can repossess the properties and held it for sale in the ordinary course of business at the prevailing market price. The repossessed properties are included in the "Real Estate Inventories" account in the consolidated statement of financial position. Costs incurred in bringing the repossessed assets to its marketable state are included in their carrying amounts unless these exceed the recoverable values.

Cost includes the purchase price of land and those costs incurred for the development and improvement of the properties such as amounts paid to contractors for construction, capitalized borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, 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 of completion and the estimated costs of sale.

Prepaid Expenses

Prepaid expenses are carried at cost less the amortized portion. These typically comprise prepayments for commissions, marketing fees, advertising and promotions, taxes and licenses, and insurance.

With the exception of commission, which is amortized using percentage of completion, other prepaid expenses are amortized as incurred.

Refundable Deposits

Refundable deposits are measured initially at fair value. After initial recognition, refundable deposits are subsequently measured at amortized cost using the effective interest method.

The difference between the cash received and its fair value is deferred and amortized using the straight-line method under the "Real estate sales" account in the consolidated statement of comprehensive income.

Non-refundable deposits that are applicable against costs of services incurred or goods delivered are measured at fair value.

Other Current Assets

Other current assets are carried at cost and pertain to resources controlled by the Group as a result of past events and from which future economic benefits are expected to flow to the Group. These include advances to contractors and lot owners which are carried at costs less impairment losses, if any.

Investment Properties

Investment properties consist of properties that are held to earn rentals or for capital appreciation or both, and that are not occupied by the Group. Investment properties, except for land, are carried at cost less accumulated depreciation and any impairment in residual value. Land is carried at cost less any impairment in value.

Expenditures incurred after the investment property has been put in operation, such as repairs and maintenance costs, are normally charged against income in the period in which the costs are incurred.

Construction in progress are carried at cost and transferred to the related investment property account when the construction and related activities to prepare the property for its intended use are complete, and the property is ready for occupation. This includes cost of construction and other direct costs. Construction-in-progress is not depreciated until such time that the relevant assets are available for their intended use.

Depreciation of investment properties is computed using the straight-line method over the estimated useful lives of the assets and included under "Costs of Rental Income" in the consolidated statement of comprehensive income. The estimated useful lives and the depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of investment properties.

The estimated useful lives of investment properties follow:

	Years

Land improvements	40
Buildings and improvements	40
Machinery and equipment	5 to 10

Investment properties are derecognized when either they have been disposed of, or when the investment 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 an investment property are recognized in profit or loss in the year of retirement or disposal.

Transfers are made to investment properties 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 investment property 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 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.

The Group discloses the fair values of its investment properties in accordance with PAS 40. The Group engages independent valuation specialist to assess the fair values as at December 31, 2020. The Group's investment properties consist of land and building pertaining to properties, mall and office properties. These were valued by reference to market-based evidence using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and any impairment in value. The initial cost of property and equipment consists of its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. All other repairs and maintenance are charged against current operations as incurred.

Depreciation and amortization of property and equipment commences once the assets are put into operational use and is computed on a straight-line basis over the estimated useful lives of the property and equipment as follows:

	Years
Office tools and equipment	3 to 5
Transportation equipment	5
Furniture and fixtures	3 to 5
Software	3 to 5

The useful life and depreciation and amortization method are reviewed periodically to ensure that the period and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

When property and equipment are retired or otherwise disposed of, the cost of the related accumulated depreciation and amortization and accumulated provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Fully depreciated and amortized property and equipment are retained in the accounts until they are no longer in use. No further depreciation and amortization is charged against current operations.

Interests in Joint Development Projects

Interests in joint development projects represent one or more assets, usually in the form of real estate development, contributed to, or acquired for the purpose of the joint development and dedicated to the purposes of the joint operations. The assets are used to obtain benefits for the operators. Each operator may take a share of the output from the assets and each bears an agreed share of the expenses incurred. These joint operations do not involve the establishment of a corporation, partnership or other entity, or a financial structure that is separate from the operators themselves. Each operator has control over its share of future economic benefits through its share of the jointly operations. Contribution of the Group to the joint operations are included in real estate inventories.

Impairment of Nonfinancial Assets

This accounting policy relates to the other assets, inventories, interests in joint development projects, investment properties and property and equipment.

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. Impairment losses of continuing operations are recognized in the consolidated statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. 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 comprehensive income unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase. After such reversal the depreciation charge 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.

Customers' Deposits

Customers' deposits represent payment received from customer accounts which have not yet reached the minimum required percentage for recording real estate sale transaction. When the level of required payment is reached, sales are recognized, and these deposits and down payments will be applied against the related receivable.

Under the percentage of completion method of recognizing sales for real estate, when a real estate does not meet the requirements for revenue recognition, the sale is accounted for under the deposit method. Under this method, cash received from customers are recorded under "Customers' Deposits" account in the consolidated statement of financial position. It is also recognized when the cash received from customers is greater than the receivable from customers under percentage of completion. Subsequently, customers' deposits are applied against receivable from customers as a result of the recognition of sales through completion of the project.

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if 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 the taxation authority is included as part of "Other current assets" in the consolidated statement of financial position.

Pension

The Group has a funded, noncontributory defined benefit pension plan covering substantially all of its qualified employees. The Group's pension 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 (PUC) method.

Defined benefit costs comprise the following:

(a) service cost;
(b) net interest on the net defined benefit liability or asset; and
(c) remeasurements 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 profit or loss. Past service costs are recognized when plan amendment or curtailment occurs.

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 high quality corporate 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 profit or loss.

Remeasurements 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 OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. 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).

The 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.

Equity

The Group records capital stock at par value and additional paid-in capital in excess of the total contributions received over the aggregate par values of the equity share. Incremental costs incurred directly attributable to the issuance of new shares are deducted from proceeds and charged to “Additional Paid-in Capital” (APIC) account. If APIC is not sufficient, the excess is charged against retained earnings.

Retained earnings represent accumulated earnings of the Group less dividends declared. The individual accumulated retained earnings of the subsidiaries are available for dividend declaration when they are declared by the subsidiaries as approved by their respective BOD.

Treasury Shares

Treasury shares are recognized at cost and deducted from equity. No gain or loss is recognized in the profit and loss 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 additional paid-in capital. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Retained earnings is restricted to payments of dividends to the extent of the cost of treasury shares.

Revenue from Contract with Customers

The Group primarily derives its real estate revenue from the sale of vertical and horizontal real estate projects. 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 the principal in its revenue arrangements, except for the provisioning of water and electricity in its mall retail spaces and 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.

Real estate sales

The Group derives its real estate revenue from sale of lots, house and lot 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.

In measuring the progress of its performance obligation over time, the Group uses the output method. This method measures progress based on physical proportion of work done on the real estate project which requires technical determination by the Group's project development engineers and project managers. This is based on the quarterly project accomplishment report prepared by the Group's project development engineers as approved by the project managers which integrates the surveys of performance as of quarter end of the construction activities for both sub-contracted and those that are fulfilled by the developer itself.

Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as installment contracts receivables, under trade receivables, is included in the "contract asset" account in the asset section of the consolidated statement of financial position.

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

In case of sales cancellation due to the default of the buyers, the Group derecognizes the outstanding balance of contract asset or installment contracts receivable and recognize the repossessed property at fair value less cost to repossess, with any difference taken to profit or loss.

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 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.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which changes are determined.

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.

Marketing fees, management fees from administration and property management are recognized as expense when services are incurred.

Costs to obtain contract (Commission expense)
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 "Selling and administrative expense" account in the consolidated statement of comprehensive income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Contract Balances
Installment contracts receivables
Installment contracts receivables represent 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. Contract liabilities are recognized as revenue when the Group performs under the contract.

The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Contract fulfillment assets
Contract fulfillment costs are divided into: (i) costs that give rise to an asset; and (ii) costs that are expensed as incurred. When determining the appropriate accounting treatment for such costs, the Group firstly considers any other applicable standards. If those standards preclude capitalization of a particular cost, then an asset is not recognized under PFRS 15.

If other standards are not applicable to contract fulfillment costs, the Group applies the following criteria which, if met, result in capitalization: (i) the costs directly relate to a contract or to a specifically identifiable anticipated contract; (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) the costs are expected to be recovered. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recoverable. The Group's contract fulfillment assets pertain to land acquisition costs.

Amortization, de-recognition and impairment of contract fulfillment assets and capitalized costs to obtain a contract

The Group amortizes contract fulfillment assets and capitalized costs to obtain a contract over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization of contract fulfillment assets and cost to obtain a contract is included within "Cost of real estate sales" and "Selling and administrative expense", respectively.

A contract fulfillment asset or 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.

At each reporting date, the Group determines whether there is an indication that the contract fulfillment asset or capitalized cost to obtain a contract maybe impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits. Where a contract is anticipated to make a loss, these judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Other Revenue and Income Recognition

Rental income
Rental income arising from operating leases on investment properties is recognized in the consolidated statement of comprehensive income as follows:

- Based on certain percentage of net income of operator after adjustments on shared expenses, as provided in the terms of the contract.
- Based on a straight-line basis over the term of the lease plus a certain percentage of sales of the tenants, as provided under the terms of the contract.

Interest income
Interest income is recognized as it accrues using the effective interest method.

Commission income
Commission income is recognized when services are rendered.

Dividend income
Dividend income is recognized when the Group's right to receive the payment is established.

Others
Other income is derived from processing the registration of properties of buyers, collection from surcharges and penalties for late payments which are recognized when services are rendered.

Other income also includes profit share in hotel operations which is derived from the Group's share in service income, net of operating expenses, from units in a specific property development which is being operated as a hotel by a third party. Income is recognized when earned.

Costs and Expenses
Costs and expenses are recognized in the consolidated statement of comprehensive income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Costs and expenses are recognized in the consolidated statement of comprehensive income:

- On the basis of a direct association between the costs incurred and the earning of specific items of income;
- On the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or
- Immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the consolidated statement of financial position as an asset.

Cost of real estate sales
Cost of real estate sales includes all direct materials, labor costs and incidental costs related to the construction of housing units.

Cost of rental income
Cost of rental income is mostly coming from depreciation, utilities and management fees. These are recognized as cost when incurred, except for depreciation which is recognized on a straight-line basis.

Cost of hotel operations
Cost of hotel operations pertains to expenses incurred in relation to sale of goods and rendering of services. These are recognized when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen than can be measured reliably. These are recognized when incurred and measured at the amount paid or payable.

Selling and administrative expenses
Selling and administrative expenses are expenses that are incurred in the course of the ordinary operations of the Group. These usually take the form of an outflow or depletion of assets such as cash and cash equivalents, property and equipment and investment properties. Selling and administrative expenses are costs incurred to sell real estate inventories, which include commissions, advertising and promotions, among others and costs of administering the business.

Expenses are recognized in the consolidated statement of comprehensive income as incurred based on the amounts paid or payable.

<u>Borrowing Costs</u>
Interest and other financing costs incurred during the construction period on borrowings used to finance the acquisition and construction of a qualifying asset are capitalized as to the appropriate asset accounts (included in “Investment Properties” account in the consolidated statement of financial position). All other borrowing costs are expensed in the period in which they occur.

The interest capitalized is calculated using the Group’s weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amounts capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment.

Interest is capitalized from the commencement of the development work until the date of practical completion. The capitalization of finance costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalized on the purchase cost of a site of property acquired specifically for redevelopment but only where activities necessary to prepare the asset for redevelopment are in progress.

Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended use or sale are complete. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded. Capitalized borrowing cost is based on applicable weighted average borrowing rate for those coming from general borrowings and the actual borrowing costs eligible for capitalization for funds borrowed specifically.

Leases effective January 1, 2019
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee - Short-term leases
The Group applies the short-term lease recognition exemption to its short-term leases of office space (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). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Group as a lessor
Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted on a straight-line basis over the lease term and is included in revenue in the consolidated statement of comprehensive income due to its operating nature. 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 lease 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 and the remaining lease payments will be recognized as income on a straight-line basis over the remaining lease term.

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.

Leases prior to January 1, 2019
The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

A reassessment is made after inception of the lease only if one of the following applies:

a. There is a change in contractual terms, other than a renewal or extension of the arrangement;
b. A renewal option is exercised or extension granted, unless the term of the renewal or extension was initially included in the lease term;
c. There is a change in the determination of whether fulfillment is dependent on a specified asset; or
d. There is substantial change to the asset.

Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c), or (d) and at the date of renewal or extension period for scenario (b).

Group as lessor
Leases where the Group retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease income is recognized on a straight-line basis over the lease term in the profit or loss. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the rental income. Contingent rents are recognized as revenue in the period in which they are earned.

<u>Income Taxes</u>
Current tax
Current 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 have been enacted or substantively enacted at the reporting date.

Deferred tax
Deferred tax is provided, using the liability method, on all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences, carry forward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating losses carryover (NOLCO), to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward benefits of unused tax credits from excess MCIT over RCIT credits and unexpired NOLCO can be utilized. Deferred tax, however, is 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 tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow deferred tax assets to be utilized.

Deferred tax assets and 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 reporting date. Movements in the deferred tax assets and liabilities arising from changes in tax rates are credited to or charged against income for the period.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Basic and Diluted Earnings Per Share

Basic EPS is computed by dividing net income applicable to common stock by the weighted average number of common shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period.

Diluted EPS is computed by dividing net income by the weighted average number of common shares outstanding during the period, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period, and adjusted for the effect of dilutive options and dilutive convertible preferred shares. If the required dividends to be declared on convertible preferred shares divided by the number of equivalent common shares, assuming such shares are converted would decrease the basic EPS, and then such convertible preferred shares would be deemed dilutive.

Where the effect of the assumed conversion of the preferred shares and the exercise of all outstanding options have anti-dilutive effect, basic and diluted EPS are stated at the same amount. As of December 31, 2020 and 2019, the Group has no potential diluted common shares.

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 22 to the consolidated financial statements.

Provisions

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. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingencies
Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Events After the Reporting Date
Post year-end events up to date when the consolidated financial statements are authorized for issue that provide additional information about the Group's financial position at the reporting date (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.

3. Significant Accounting Judgments and Estimates

The preparation of the accompanying interim consolidated financial statements in conformity with PFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the consolidated financial statements. Actual results could differ from such estimates.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments
In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Revenue recognition
Selecting an appropriate revenue recognition method for a particular sale transaction requires certain judgments based on the buyer's commitment on the sale which may be ascertained through the significance of the buyer's initial investment and the stage of completion of the project. In determining whether the sales price are collectible, the Group considers that initial and continuing investment of 20% of the net contract price for real estate development and sale would demonstrate the buyer's commitment to pay. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of buyers' equity before allowing revenue recognition.

Distinction between real estate inventories and investment properties

The Group determines whether a property is classified as investment property or real estate inventories as follows:

- Investment property comprises land and buildings (principally offices, commercial and retail property) 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.

- Real estate inventories comprises property that is held for sale in the ordinary course of business. Principally, this is residential and industrial property that the Group develops and intends to sell before or on completion of construction.

Operating lease commitments - Group as lessor

The Group has entered into commercial property leases on its investment properties. The Group has determined that it retains all significant risks and rewards of ownership of these properties which are leased out on operating leases.

The Group's operating lease contracts are accounted for as cancellable operating leases. In determining whether a lease contract is cancellable or not, the Group considers, among others, the significance of the penalty, including the economic consequence to the lessee.

Recognizing deferred tax assets

The Group reviews the carrying amounts of deferred taxes at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Group will generate sufficient future taxable profit to allow all or part of deferred tax assets to be utilized. The Group looks at its projected performance in assessing the sufficiency of future taxable income.

Determination of significant influence on an investee company

If an investor holds, directly or indirectly, less than 20% of the voting power of the investee company, it is presumed that the investor does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an investor from having significant influence.

Since the Group only has 12.50% ownership interest in Uni-Asia, the Group determined that it does not have control or significant influence.

Management's Use of Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, 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.

Revenue and cost recognition on real estate

The Group applies the percentage of completion (POC) method in determining real estate revenue and cost. The POC is based on the physical proportion of work and the cost of sales is determined based on the estimated project development costs applied with the respective project's POC.

Estimating allowance for impairment losses on receivables

The Group maintains allowance for impairment losses at a level based on the result of the individual and collective assessment under PAS 39. Under the individual assessment, the Group is required to obtain the present value of estimated cash flows using the receivable's original EIR. Impairment loss is determined as the difference between the receivable's carrying balance and the computed present value. The collective assessment would require the Group to group its receivables based on the credit risk characteristics (e.g., industry, past-due status and term) of the customers. Impairment loss is then determined based on historical loss experience of the receivables grouped per credit risk profile. The assessment also considers that title of the property passes on to the buyer only when the receivable is fully collected.

Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently. The methodology and assumptions used for the individual and collective assessments are based on management's judgment and estimate. Therefore, the amount and timing of recorded expense for any period would differ depending on the judgments and estimates made for the year.

Evaluation of net realizable value of inventories

Inventories are valued at the lower of cost and NRV. This requires the Group to make an estimate of the inventories' selling price in the ordinary course of business, cost of completion and costs necessary to make a sale to determine the NRV. The Group adjusts the cost of its real estate inventories to net realizable value based on its assessment of the recoverability of the real estate inventories. In determining the recoverability of the inventories, management considers whether those inventories are damaged, slow or non-moving or if their selling prices have declined in comparison to the cost.

Evaluation of impairment of other non-financial assets (except inventories)

The Group reviews other current assets, investment properties and property and equipment for impairment in value. This includes considering certain indications of impairment such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, plans in the real estate projects, significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the asset's net selling price, except for assets where value in use computation is applied.

The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the asset. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

Estimating pension costs
The cost of defined benefit pension plans and other post-employment benefits as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds in the respective currencies with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

Assumed discount rate is used in the measurement of the present value obligation, service and interest cost components of the pension expense. The mortality rate represents the proportion of current plan members who might demise prior to retirement..

Fair value of financial instruments
Where the fair values of financial assets and financial liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values. These estimates may include considerations of liquidity, volatility, and correlation.

4. Aging of Receivables

As of March 31, 2021 (Unaudited)

	Neither Past Due nor Impaired	Past Due but not Impaired						Impaired	Total
		1-30 days	31-60 days	61-90 days	91-120 days	>120 days	Total		
Trade	**₱6,697,919,552**	**₱113,556,516**	**₱74,605,296**	**₱89,083,565**	**₱86,109,810**	**₱72,317,946**	**₱435,673,133**	**₱18,252,714**	**₱7,151,845,399**
Nontrade	**517,290,373**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**517,290,373**
Total	**₱7,215,209,925**	**₱113,556,516**	**₱74,605,296**	**₱89,083,565**	**₱86,109,810**	**₱72,317,946**	**₱435,673,133**	**₱18,252,714**	**₱7,669,135,772**

As of March 31, 2020 (Unaudited)

	Neither Past Due nor Impaired	Past Due but not Impaired						Impaired	Total
		1-30 days	31-60 days	61-90 days	91-120 days	>120 days	Total		
Trade	₱4,756,845,360	₱114,986,172	₱55,136,679	₱48,175,783	₱29,685,643	₱60,378,572	₱308,362,849	₱17,765,196	₱5,082,973,405
Nontrade	253,929,214	–	–	–	–	–	–	–	253,929,214
Total	₱5,010,774,574	₱114,986,172	₱55,136,679	₱48,175,783	₱29,685,643	₱60,378,572	₱308,362,849	₱17,765,196	₱5,336,902,619

5. Segment Information

The following tables regarding business segments present assets and liabilities as of March 31, 2021 and March 31, 2020 and revenue and income information for each of the two periods ended March 31, 2021 and March 31, 2020.

As of March 31, 2021 (Unaudited)	**Leasing**	**Residential Development**	**Total**
Rental income	**₱116,855,539**	**₱–**	**₱116,855,539**
Cost of rental income	**(98,922,972)**	**–**	**(98,922,972)**
Real estate sales	**–**	**1,044,800,512**	**1,044,800,512**
Cost of real estate sales	**–**	**(278,760,656)**	**(278,760,656)**
Segment profit	**17,932,567**	**766,039,856**	**783,972,423**
General and administrative expense	**(13,685,776)**	**(197,730,005)**	**(211,415,781)**
Commission income	**12,646**	**67,981,255**	**67,993,901**
Interest income	**–**	**4,152,173**	**4,152,173**
Interest expense	**–**	**(257,203,640)**	**(257,203,640)**
Other income	**–**	**123,715,889**	**123,715,889**
Other expense	**(159,440)**	**(17,675,615)**	**(17,835,055)**
Provision for income tax	**(1,024,999)**	**(64,813,765)**	**(65,838,764)**
Net income	**₱3,074,998**	**₱424,466,148**	**₱427,541,146**
Segment assets	**₱5,952,169,311**	**₱41,984,398,328**	**₱47,936,567,639**
Segment liabilities	**₱423,267,065**	**₱21,365,708,735**	**₱21,788,975,800**
Accounts and other payables	**–**	**6,537,186,773**	**6,537,186,773**
Income tax payable	**–**	**89,747,446**	**89,747,446**
Deferred tax liability	**–**	**1,493,192,912**	**1,493,192,912**
Total liabilities	**₱423,267,065**	**₱29,485,835,866**	**₱29,909,102,931**
Cash flows arising from:			
Operating activities	**25,671,689**	**(157,590,584)**	**(131,918,895)**
Investing activities	**(188,839)**	**3,559,363**	**3,559,363**
Financing activities	**–**	**227,218,924**	**227,218,924**

As of March 31, 2020 (Unaudited)	Leasing	Residential Development	Total
Rental income	₱188,891,645	₱–	₱188,891,645
Cost of rental income	(112,722,714)	–	(112,722,714)
Real estate sales	–	992,698,852	992,698,852
Cost of real estate sales	–	(370,310,190)	(370,310,190)
Segment profit	76,168,931	622,388,662	698,557,593
General and administrative expense	(18,550,693)	(151,853,800)	(170,404,493)
Commission income	–	2,963,715	2,963,715
Interest income	12,331	64,133,118	64,145,449
Interest expense	–	(230,148,805)	(230,148,805)
Other income	5,311,838	64,968,223	70,280,061
Other expense	(120,678)	(13,814,233)	(13,934,911)
Provision for income tax	(18,846,519)	(107,591,208)	(126,437,727)
Net income	₱43,975,210	₱251,045,672	₱295,020,882
Segment assets	₱5,883,374,613	₱36,073,240,750	₱41,956,615,363
Segment liabilities	₱450,747,525	₱24,104,960,684	₱24,555,708,209
Income tax payable	–	66,798,311	66,798,311
Deferred tax liability	–	1,061,597,024	1,061,597,024
Total liabilities	₱450,747,525	₱25,233,356,019	₱25,684,103,544
Cash flows arising from:			
Operating activities	81,818,358	(243,263,350)	(161,444,992)
Investing activities	(85,670,158)	(351,613,433)	(437,283,591)
Financing activities	–	726,888,200	726,888,200

6. Financial Instruments

Fair Value Information

The methods and assumptions used by the Group in estimating fair value of the financial instruments are as follows:

Cash, receivables accounts and other payables

Carrying amounts approximate fair values due to the relatively short-term maturities of thesefinancial instruments.

Loans payable

Carrying amounts approximate the fair values because they carry interest rates which are the prevailing market rates for similar instruments.

Noncurrent installment contracts receivables

The fair values of real estate receivable are calculated by discounting expected future cash flows atapplicable rates for similar instruments using the remaining terms of maturity.

AFS financial assets

Fair values are based on quoted prices published in markets.

Fair Value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financialinstruments by valuation technique:

Level 1:	quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2:	other techniques for which all inputs which have a significant effect on therecordedfair value are observable, either directly or indirectly
Level 3:	techniques which use inputs which have a significant effect on the recorded fair valuethat are not based on observable market data.

There have been no transfers between Level 1 and Level 2 during 2019 and 2018.

Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash, receivables, AFS financial assetsand accounts and other payables, short-term debt and long-term debt. The Group has otherfinancial liabilities such as accounts and other payables which arise directly from the conduct ofits operations.

Management closely monitors the cash fund and financial transactions of the Group. Thesestrategies, to an extent, mitigate the Group's interest rate and credit risks.

Exposure to liquidity and credit risks arise in the normal course of the Group's business activities.The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The Group's financing and treasury function operates as a centralized service for managingfinancial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Group.

Liquidity risk

Liquidity risk is the risk arising from the shortage of funds due to unexpected events ortransactions. The Group manages its liquidity profile to be able to finance the capital expendituresand service the maturing debts. To cover the financing requirements, the Group intends to useinternally generated funds and proceeds from debt and equity offerings.

The Group actively manages its liquidity position so as to ensure that all operating, investing andfinancing needs are met. In mitigating liquidity risk, management measures and forecasts its cashcommitments, matches debt maturities with the assets being financed, maintains a diversity offunding sources with its unhampered access to bank financing and the capital markets. As part of the liquidity risk management, the Group currentlytransacts with local banks for an extension and negotiation of higher undrawn credit lines to meetthe suppliers' and contractors' obligations and business expansion.

Through scenario analysis and contingency planning, the Group also assesses its ability towithstand both temporary and longer-term disruptions relative to its capacity to finance itsactivities and commitments in a timely manner and at reasonable cost, and ensures theavailabilityof ample unused credit facilities as back-up liquidity.

Cash are maintained at a level that will enable it to fund its general and administrative expenses aswell as to have additional funds as buffer for any opportunities or emergencies that may arise.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrumentor customer contract, leading to a financial loss. The Group is exposed to credit risk from itsoperating activities (primarily for trade receivables) and from its financing activities, includingdeposits with banks and financial institutions, foreign exchange transactions and other financialinstruments.

Financial assets comprise of cash on hand and in bank, trade receivable, interest receivable andAFS financial assets. The Group adheres to fixed limits and guidelines in its dealings withcounterparty banks and its investment in financial instruments. Given the high credit standing ofits accredited counterparty banks, management does not expect any of these financial institutionsto fail in meeting their obligations. The Group's exposure to credit riskfrom cash on hand and inbank and AFS financial assets arise from the default of thecounterparty, with a maximumexposure equal to the carrying amounts of these instruments.

Real estate contracts
Receivable balances are being monitored on a regular basis to ensure timely execution ofnecessary intervention efforts. The credit risk for installment contracts receivables ismitigated asthe Group has the right to cancel the sales contract without need for any court action and takepossession of the subject lot in case of refusal by the buyer to pay on time the amortization due. This risk is further mitigated because the corresponding title to the subdivision units sold underthis arrangement is transferred to the buyers only upon full payment of the contract price.

The credit quality of the financial assets was determined as follows:
Cash - based on the nature of the counterparty.

Receivables - high grade pertains to receivables with no default in payment; medium gradepertains to receivables with up to 3 defaults in payment; and low grade pertains to receivables withmore than 3 defaults in payment.

Equity price risk
Equity price risk is the risk that the fair values of equities decrease as a result of changes in thelevels of equity indices and the value of individual stocks. The Group manages the equity pricerisk through diversification and placing limits on equity instruments.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument willfluctuate because of changes in market interest rates. The Group's exposure to the risk of changesin market interest rates relates primarily to the Group's long-term debt obligations with floatinginterest rates.

The Group's interest rate risk management policy centers on reducing the overall interest expenseand exposure to changes in interest rates. Changes in market interest rates relate primarily to theGroup's interest-bearing debt obligations with floating interest rate as it can cause a change in theamount of interest payments.

The Group manages its interest rate risk by leveraging on its premier credit rating and maintaininga debt portfolio mix of both fixed and floating interest rates. The portfolio mix is a function ofhistorical, current trend and outlook of interest rates, volatility of short-term interest rates, thesteepness of the yield curve, and degree of variability of cash flows.

ITEM 2: MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULT OF OPERATIONS

Result of Operations
(Three-month period ended March 31, 2021 compared to the three-month period ended March 31, 2020)

Revenue

Sta. Lucia Land Inc. and Subsidiaries' (Group) net income grew by 45% or P132.52 million for the three-month period ending March 31, 2021. The Group was able to increase the real estate sales by 5% comparing to the same period last year. As oppose to its commercial operations, the lessening of foothold traffic as effect of the quarantine protocols implemented causes rental income to decrease by 38% amounting P72.04 million as compared to the same period last year. Despite the experienced effect of the pandemic, the Group was able to implement measures to cope up and minimize its expenses. The lowered tax rate from 30% to 25% also contributed to the increase in bottomline of the Group. Other sources of income grew by 76% or P53.44 million as compared to the same period last year. Interest income and commission income increased by 6% and 40% respectively.

Cost and Expense

With the continuous effect of the pandemic, the Group has implemented yield management efforts to cope up and to maximized cost savings. For the three-month period ending March 31, 2021, the Group was able to cut its total operating expenses by 9% amouting to P60.44 million.

Comprehensive Income

Total comprehensive income of the Group reported increased by 231% or P366.92 million for the three-month period ending March 31, 2021 as compared to same period last year. The increase was primarily due to the reported increase in net income as well as the increase in the unrealized gains recognized during the period.

Financial Condition
(*Three months ended March 31, 2021 compared to year ended December 31, 2020)*

Total Assets

Total assets reported by the Group amounts to P47,936.57 million as of 1st quarter of 2021 from P45,785.80 million in December 31, 2020. This shows an increase of P2,150.77 million which is mainly due to increase deployment of capital expeditures to its contractors, primarily to mobilize facilitate massive project developments and launching of new projects all over the country.

Total Liabilities

Group's total liabilities posted an amount of P29,909.10 million as of 1st quarter of 2021 which is 6% higher as compared to P28,087.98 million from December 31, 2020. Accounts payable increase by P1,137.25 million. Long term debt increased by 24% as a result of the first drawdown of a Credit Notes Facility by the Group amounting to P2,000.00 million. The availment and maximization of the Group's access to the debt market was made to maintain a its liquidity position.

Key Performance Indicators

	March 31, 2021	December 31, 2020
Current Ratio	2.17	2.01
Debt to Equity	0.97	0.97
Interest Coverage Ratio	291.82%	341.52%
Return on Asset	0.89%	3.73%
Return on Equity	2.37%	9.65%

*Notes to Key Performance Indicator:

1. Current Ratio = current assets (*cash, receivables, inventories, due from affiliates, prepaid commissions, and other current asset*) over current liabilities (*accounts payable, customer deposit, current portion of bank loans and income tax payables*).
2. Debt to Equity = Total debtover shareholder's equity.
3. Interest Coverage Ratio= Earnings before Income Tax amd Interest Expense over Interest Expense
4. Return on Asset = Net Income over Total Assets
5. Return on Equity = Net Income over shareholder's equity.

Material Changes in the Balance Sheet (+/- 5%) as of March 31, 2021 versus the Balance Sheet as of December 31, 2020

10% increase in cash
Attributable to availment of new loans to maintain high liquidity position and from the increase in realization of receivables arising from real estate sales.

6% increase in current contract assets
Majority of the real estate sales for first quarter of 2021 are from buyers preferring installment term as mode of payments for their purchase as evidenced by the increase in contract assets.

35% increase in other current assets
This consists of increased advances made to contractors by the Group to boost its project developments and project development mobilization for its expansion throughout the country.

12% decrease in non current installment contract receivables
Decrease was the result of the implementation of collection strategies to maximize the inflow of cash from buyers through the opening of various payment gateways.

30% increase in non current contract assets
Majority of the real estate sales for first quarter of 2021 are from buyers preferring installment term as mode of payments for their purchase as evidenced by the increase in contract assets.

8% decrease in property and equipment
Decrease was due to the periodic depreciation recognized throughout the life of the Group's assets.

12% decrease in financial assets at fair value through other comprehensive income
Decrease was due to the movement of market values of quoted investment securities of Phil Racing Inc. and Manila Jockey Club Inc.

87% decrease in other noncurrent assets
Decrease was due to payments advances made to contractors to develop raw lands purchased in the previous year and are falling due within the 12 month of current reporting period.

21% increase in accounts and other payables
Primarily due to the procurement of raw land to be used in project developments under installment payment schemes and billings from contractors that is not due for payment.

77% increase in short term debts
As the Group strived to maintain a strong liquidity, it maximized its access to the debt markets for additional source of funding, increasing its short term borrowings.

10% increase in current contract liabilities
Attributable to increase in reservation fees and collection of down payments from sale of real estate lots during the first quarter of 2021.

69% decrease in current portion long-term debt
The decrease was primarily due to the settlement of the Php2 Billion bonds payable.

24% increase in long-term debt
The settlement of the Php2 Billion bonds payable was made through a new Credit Notes Facility. The facility amounts to a total of Php7 Billion of which Php2 Billion was already drawn in the first drawdown. The second drawdown is expected to be made in the second quarter of 2021.

17% increase in noncurrent contract liabilities
Increase in real estate sales during the period has significantly affected the contract liabilities during the period.

8% increase in retained earnings
Increase in retained earnings is primarily attributable to the net income recognized during the period.

26% decrease in unrealized fair market value of AFS
Decrease was due to the decrease in market price of investment securities in Philippine Racing Inc. and Manila Jockey Club Inc.

1,601% decrease in unrealized loss on pension liabilities
Result of changes in estimates for retirement liability as valued by the independent actuary.

Material Changes in the Income Statement (+/-5%) for the Three-Month Period Ended March 31, 2021 versus the Income Statement for the Three-Month Period Ended March 31, 2020

5% increase in real estate sales
Coping up with the effect of the pandemic, the Group was able to increase its real estate sales through the efforts of its marketing arms as well as the deployments of its sales force with the curtailment of the quarantine protocols implemented by the Government.

38% decrease in rental income
Retail operations were severely hit as majority of establishments were closed. Reduced foot traffic resulted to decrease in rental income.

6% increase in interest income
For the first quarter of 2021, more buyers opted to choose instalment payment scheme increasing interest income.

40% increase in commission income
Increase is directly attributed to the increase in commission recognized from the sales made by the Group's marketing arms.

76% increase in other income

Increase is a result of booking of surcharges / penalties from customer's default on payment, income from hotel operations and gains from repossession.

25% decrease in cost of real estate sales
Increase in horizontal sales take up with greater gross profits during the quarter ended caused the decline of recorded cost of sales despite the increase noted in real estate sales.

12% decrease in cost of rental income
Only those tenants whose offering essentials products and services were mostly allowed to operate. Depending on the quarantine protocols only limited number of tenants continued its operations during the period.

64% increase in commissions
Increase in recognized commission expense was directly proportional to the sales recognized during the period.

86% decrease in representation
Decrease in selling and administrative expenses was still brought about by the limitation of some operations as result of still imposed quarartine protocols by the Government.

161% increase in taxes and licenses
Increase brought about by the payments made in the processing of permits and licenses directly attributable project developments for the mobilization of the development activities druing the first quarter of 2021.

36% increase in advertising expense
Decrease in selling and administrative expenses was still brought about by the limitation of some operations as result of still imposed quarartine protocols by the Government.

10% decrease in depreciation expense
The decrease in depreciation was brought about by the deccline in acquisitions of real properties being used in the normal business operatons.

42% decrease in professional fees
Decrease in selling and administrative expenses was still brought about by the limitation of some operations as result of still imposed quarartine protocols by the Government.

132% increase in utilities
Increase was due to higher consumption of power, water and other utilities during the period.

85% decrease in repairs and maintenance
Decrease in selling and administrative expenses was still brought about by the limitation of some operations as result of still imposed quarartine protocols by the Government.

28% increase in miscellaneous expenses
Increase was due to higher surcharges and penalties, insurance, legal, office supplies, software maintenance and transportation expenses incurred by the Group.

PART II – OTHER INFORMATION

Item 3: Three Months of 2021 Developments

No additional subscription was made by the Company nor was any merger executed.

A. Composition of Board of Directors

Vicente R. Santos	Chairman
Exequiel D. Robles	President
Mariza Santos-Tan	Treasurer
Aurora D. Robles	Assistant Treasurer
Antonio D. Robles	Director
Orestes R. Santos	Director
Simeon Cua	Director
Jose Ferdinand R. Guiang	Independent Director
Osmundo De Guzman, Jr.	Independent Director

B. Performance of the corporation or result/progress of operations.
Please see the unaudited Financial Statements and Management's Discussion and Analysis (MD&A) on result of operation with regards to the performance of the corporation or result/process of operations.

C. Declaration of Dividends.
None

D. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements.
None

E. Offering of rights, granting of Stock Options and corresponding plans thereof.
None

F. Acquisition of additional mining claims or other capital assets or patents, formula, real estate.
Not Applicable

G. Other information, material events or happenings that may have affected or may affect market price of security.
None

H. Transferring of assets, except in normal course of business.
None

Item 4: Other notes to Operations and Financials as of March 31, 2021

I. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents
None

J. Nature and amount of change in estimates of amounts reported in prior periods and their material effect in the current period.
There were no changes in estimates of amounts reported in prior interim period or prior financial years that have a material effect in the current interim period.

K. New financing through loans/issuances, repurchases and repayments of debt and equity securities.
First drawdown of the Php7B Corporate Notes Facility amounting to Php2,000,000,000.00

L. All Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.
There were no material events subsequent to the end of the interim period that has not been reflected in the financial statements for the period covered.

M. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long term investment restructurings, and discontinuing operations.
None

N. Changes in contingent liabilities or contingent assets since the last annual balance sheet date.
None

O. Existence of material contingencies and other material events or transactions during the interim period.
None

P. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
None

Q. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations) , and other relationships of the company with unconsolidated entities or others persons created during the reporting period.
None

R. Material commitments for capital expenditures, general purpose and expected sources of funds.
None

S. Known trends, events or uncertainties that have had or that are reasonably expected to have impact on sales/revenues/income from continuing operations.
None

T. Significant elements of income or loss that did not arise from continuing operations.
None

U. Causes for any material change/s from period to period in one or more line items of the financial statements.

See Management Discussion & Analysis portion of the quarter report

V. Seasonal aspects that had material effect on the financial condition or results of operations.
None

W. Disclosures not made under SEC Form 17-C
None

STA. LUCIA LAND, INC. AND SUBSIDIARIES

FINANCIAL RATIOS
As of March 31, 2021

	March 31, 2021	December 31, 2020
Current Ratio	**2.17**	**2.01**
Debt to Equity	**0.97**	**0.97**
Interest Coverage Ratio	**291.82%**	**341.52%**
Return on Asset	**0.89%**	**3.73%**
Return on Equity	**2.37%**	**9.65%**

SIGNATURES

Pursuant to the Requirements of the Revised Securities Act, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

STA. LUCIA LAND INC.
Issuer

EXEQUIEL D. ROBLES
President & CEO
Date: May 20, 2021