DECLARATION OF AUTHENTICITY

Securities and Exchange Commission
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

I, **KERWIN MAX S. TAN**, designated as Chief Financial, Risk, and Compliance Officer of **Robinsons Land Corporation and Subsidiaries,** with contact number (632) 8397-1888 and office address at 15th Floor, Robinsons Cyberscape Alpha, Sapphire and Garnet Roads, Ortigas Center, Pasig City, do hereby certify the authenticity of the attached SEC 17-Q (Quarterly Report) with attached unaudited consolidated financial statements for the period ended September 30, 2023, submitted on November 9, 2023 online, and affirm that they are true and correct to the best of my knowledge.

KERWIN MAX S. TAN
Chief Financial, Risk and
Compliance Officer

SEC Number 93269-A
File Number

ROBINSONS LAND CORPORATION
AND SUBSIDIARIES

(Company's Full Name)

Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila

(Company's Address)

8397-1888

(Telephone Number)

September 30, 2023

(Quarter Ended)

SEC Form 17-Q

(Form Type)

Amendment Designation (If applicable)

CN 000452R - Listed

(Secondary License Type and File Number)

COVER SHEET

9	3	2	6	9	–	A				

SEC Registration Number

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

(Company's Full Name)

Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila

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

Kerwin S. Tan
(Contact Person)

8397-1888
(Company Telephone Number)

1 2 *Month* **3 1** *Day*
(Fiscal Year)

1 7 - Q
(Form Type)

Month *Day*
(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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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 **September 30, 2023**

2. Commission identification number **93269-A**

3. BIR Tax Identification No. **000-361-376-000**

4. Exact name of issuer as specified in its charter

   ROBINSONS LAND CORPORATION

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

6. Industry Classification Code: ______ (SEC Use Only)

7. Address of issuer's principal office   Postal Code

   Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila

8. Issuer's telephone number, including area code

   8397-1888

9. Former name, former address and former fiscal year, if changed since last report

   Not applicable

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	**4,848,487,586 shares**
Registered bonds payable	**₱31,791,710,000.00**

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

Yes [/] No [ ]

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

PHILIPPINE STOCK EXCHANGE **COMMON STOCK**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [/] No [ ]

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

Yes [/] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Financial Statements and, if applicable, Pro Forma Financial Statements meeting the requirements of SRC Rule 68, Form and Content of Financial Statements, shall be furnished as specified therein. **See Exhibit II**

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

See Exhibit I

PART II--OTHER INFORMATION

The Company’s retained earnings include accumulated equity in undistributed net earnings of investee companies and affiliates amounting to ₱5,548 million as of September 30, 2023 and ₱6,724 million as of December 31, 2022. This amount, plus ₱20,000 million of retained earnings appropriated for expansion and ₱5,651 million cost of treasury shares, are not available for dividend declaration.

SIGNATURES

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

Issuer **FREDERICK D. GO**
Signature & Title President and Chief Executive Officer
Date **November 7, 2023**

Issuer **KERWIN MAX S. TAN**
Signature & Title Chief Financial, Risk and Compliance Officer
Date **November 7, 2023**

ROBINSONS LAND CORPORATION
3rd Quarter CY 2023 PERFORMANCE

I. Results of Operations

In Millions (except for Earnings per Share)	For the Nine Months Ended September 2023	2022	Horizontal Analysis Inc. (Dec.)		Vertical Analysis 2023	2022
REVENUES						
Real Estate Operations						
Rental income	**₱13,669**	₱11,308	₱2,361	21%	**45%**	32%
Real estate sales	**6,993**	17,914	(10,922)	(61%)	**23%**	50%
Amusement income	**561**	269	292	109%	**2%**	1%
Others	**5,740**	4,888	852	17%	**19%**	14%
	26,963	34,380	(7,417)	(22%)	**89%**	96%
Hotel Operations	**3,246**	1,387	1,860	134%	**11%**	4%
	30,209	35,766	(5,557)	(16%)	**100%**	100%
COSTS						
Real Estate Operations						
Cost of rental services	**3,995**	4,108	(113)	(3%)	**13%**	11%
Cost of real estate sales	**3,376**	13,153	(9,776)	(74%)	**11%**	37%
Cost of amusement services	**243**	129	114	88%	**1%**	0%
Others	**3,405**	3,347	58	2%	**11%**	9%
	11,019	20,737	(9,718)	(47%)	**36%**	58%
Hotel Operations	**2,947**	1,554	1,393	90%	**10%**	4%
	13,965	22,291	(8,325)	(37%)	**46%**	62%
	16,244	13,476	2,768	21%	**54%**	38%
GENERAL AND ADMINISTRATIVE EXPENSES	**3,593**	3,225	369	11%	**12%**	9%
INCOME BEFORE OTHER INCOME (LOSSES)	**12,651**	10,251	2,399	23%	**42%**	29%
OTHER INCOME (LOSSES)	**(1,474)**	(758)	(716)	(94%)	**(5%)**	(2%)
INCOME BEFORE INCOME TAX	**11,177**	9,493	1,684	18%	**37%**	27%
PROVISION FOR INCOME TAX	**1,314**	1,642	(328)	(20%)	**4%**	5%
NET INCOME	**₱9,862**	₱7,851	₱2,011	26%	**33%**	22%
Net Income Attributable to:						
Equity holders of Parent Company	**₱8,842**	₱6,739	₱2,103	31%	**29%**	19%
Non-controlling interest in consolidated subsidiaries	**1,020**	1,112	(92)	(8%)	**3%**	3%
	₱9,862	₱7,851	₱2,011	26%	**33%**	22%
Basic/Diluted Earnings Per Share	**₱1.79**	₱1.32	₱0.47	36%		

Robinsons Land Corporation (“RLC”, the “Company”) demonstrated strong revenue growth across all business units and a record-high consolidated EBIT and EBITDA margins. For nine months September 30, 2023, net income attributable to equity holders of parent grew 31% to ₱8,842 million versus the same period last year. This was achieved despite a high base due to the recognition of profits from our China project in 2022. Excluding the effect of the China profit from last year, the net income attributable to parent for the first three quarters of the year would have soared to an astounding 64% year-on-year increase.

Consolidated revenues registered at ₱30,209 million, while EBITDA and EBIT reached ₱16,664 million and ₱12,651 million to soar by 17% and 23%, respectively. The combination of increased revenues and improved operational efficiency led to register impressive operating margins to record highs of 55% (EBITDA) and 42% (EBIT).

Robinsons Malls demonstrated remarkable growth, with total revenues surging by 27% vs same period last year to ₱11,776 million, contributing 39% to the Company's consolidated revenues. The rental revenues experienced an impressive 32% increase, propelled by strong consumer spending and the normalization of business operations nationwide.

EBITDA increased by 48% year-on-year to ₱7,003 million, while EBIT soared by 119% year-on-year to ₱4,437 million, the highest in the Company's history so far.

Total mall leasable space currently stands at 1.6 million square meters, accommodating over 8,000 retailers.

Robinsons Offices demonstrated stable topline results, achieving a 5% growth in revenues to ₱5,537 million in the first nine months of 2023. EBITDA and EBIT stood at ₱4,687 million and ₱3,912 million, respectively. RLC's office portfolio comprises 31 office buildings with a gross leasable space of 741,000 square meters, strategically located in major central business districts, key cities, and urban areas. Notably, sixteen of these office assets had been infused into RLC's flagship real estate investment trust, RL Commercial REIT, Inc. (RCR).

The tourism and hospitality sector also made substantial contributions to the Company's performance. **Robinsons Hotels and Resorts** (RHR) experienced a revenue surge of 134% and registered a record breaking revenue of ₱3,246 million in the first three quarters of 2023. Likewise, the revenues for third quarter 2023 alone registered a record of ₱1,243 million, surpassing the previous record achieved in 2Q2023. Revenues for the 3rd quarter increased 11% on a quarter-on-quarter basis led by Fili Hotel and Westin Manila. Higher average room rates, increased food and beverage sales, and the revival of Meetings, Incentives, Conferences, and Exhibitions (MICE) events positioned RLC's hospitality business on a trajectory for solid financial performance. For the three quarters, EBITDA and EBIT experienced impressive growth rates of 286% and 279%, respectively, reaching ₱788 million and ₱300 million.

Accounting for 28% of consolidated revenues, the **RLC Residences and Robinsons Homes** generated combined realized revenues of ₱8,442 million, which grew by 34% versus same period last year. This is supported by higher collections, faster construction progress, and strong equity earnings contribution from joint venture projects. EBITDA surged by 40% to ₱3,335 million, while EBIT jumped by 41% to ₱3,265 million versus same period last year.

Robinsons Logistics and Industrial Facilities (RLX) posted revenues of ₱477 million in the first nine months of 2023, a healthy growth of 17% versus the same period last year. EBITDA increased by 29%, while EBIT accelerated by 34% to ₱445 million and ₱335 million, respectively. RLX owns eight industrial facilities strategically located in Sucat, Muntinlupa, Sierra Valley in Cainta, San Fernando, Mexico in Pampanga, and Calamba, Laguna.

The **Integrated Developments Division** recorded ₱714 million of revenues from a portion of deferred gain on sale of land to joint venture entities. EBITDA and EBIT settled at ₱397 million and ₱394 million, respectively

II. Financial Position

In Millions	Sep. 30 2023	Dec. 31 2022	Horizontal Inc. (Dec.)		Vertical 2023	Vertical 2022
ASSETS						
Current Assets						
Cash and cash equivalents	**₱5,888**	₱8,278	(₱2,390)	(29%)	**3%**	4%
Receivables	**15,294**	15,064	230	2%	**7%**	7%
Subdivision land, condominium and residential units for sale	**34,969**	32,512	2,457	8%	**15%**	15%
Other current assets	**3,352**	4,896	(1,543)	(32%)	**1%**	2%
Total Current Assets	**59,503**	60,749	(1,246)	(2%)	**26%**	27%
Noncurrent Assets						
Noncurrent receivables	**6,565**	6,389	177	3%	**3%**	3%
Investment properties	**135,603**	131,122	4,481	3%	**59%**	59%
Property and equipment	**16,645**	15,694	951	6%	**7%**	7%
Investments in joint ventures	**5,020**	2,805	2,215	79%	**2%**	1%
Right-of-use assets	**1,372**	1,427	(55)	(4%)	**1%**	1%
Other noncurrent assets	**4,976**	5,250	(273)	(5%)	**2%**	2%
Total Noncurrent Assets	**170,182**	162,687	7,496	5%	**74%**	73%
	₱229,686	₱223,436	₱6,249	3%	**100%**	100%
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and accrued expenses	**₱18,324**	₱19,164	(₱839)	(4%)	**8%**	9%
Current portion of loans payable	**6,192**	17,752	(11,560)	(65%)	**3%**	8%
Contract liabilities, deposits and other current liabilities	**7,302**	6,438	864	13%	**3%**	3%
Total Current Liabilities	**31,818**	43,354	(11,536)	(27%)	**14%**	19%
Noncurrent Liabilities						
Contract liabilities, deposits and other noncurrent liabilities	**9,288**	8,309	979	12%	**4%**	4%
Loans payable - net of current portion	**46,927**	33,407	13,521	40%	**20%**	15%
Deferred tax liabilities - net	**3,065**	2,919	146	5%	**1%**	1%
Total Noncurrent Liabilities	**59,280**	44,635	14,645	33%	**26%**	20%
Total Liabilities	**91,098**	87,989	3,109	4%	**40%**	39%
Equity						
Equity attributable to equity holders of the Parent Company						
Capital Stock	**5,194**	5,194	-	-	**2%**	2%
Additional paid-in capital	**39,035**	39,035	-	-	**17%**	17%
Treasury stock	**(5,651)**	(2,567)	3,084	120%	**(2%)**	(1%)
Equity reserves	**15,977**	15,977	-	-	**7%**	7%
Other comprehensive income	**(77)**	(48)	29	60%	**(0%)**	(0%)
Retained Earnings						
Unappropriated	**58,063**	51,762	6,301	12%	**25%**	23%
Appropriated	**20,000**	20,000	-	-	**9%**	9%
	132,540	129,352	3,188	2%	**58%**	58%
Non-controlling interest	**6,047**	6,095	(48)	(1%)	**3%**	3%
Total Equity	**138,587**	135,447	3,140	2%	**60%**	61%
TOTAL LIABILITIES AND EQUITY	**₱229,686**	₱223,436	₱6,249	3%	**100%**	100%

RLC's financial position remains robust and well-capitalized with total assets amounting to ₱229,686 million which includes cash of ₱5,888 million.

As of September 30, 2023, Cash and cash equivalents decreased by 29% due to repayment of loans, outflows incurred for capital expenditures and operating expenses, partially offset by the successful bond listing, resulting in proceeds amounting to ₱15,000 million.

Receivables (current and non-current) saw a 2% increase, reaching a total of ₱21,859 million, mainly due to receivables generated from the realized sales made as of third quarter of 2023.

Subdivision land, condominium and residential units for sale, Investment properties and Property and equipment all increased by 8%, 3%, and 6%, respectively, as a result of additional capital expenditures made during the specified period.

Investments in joint ventures significantly increased by 79% to ₱5,020 million primarily driven by the take up of equity share from the net income of the joint ventures, along with additional investments made during the period.

Other assets (current and non-current) decreased by 18% to ₱8,329 million primarily due to decline in VAT, advances to lot owners, and restricted cash.

Accounts payable and accrued expenses decreased by 4% mainly due to payments made to suppliers and contractors.

Total loans payable increased to ₱53,119 million from ₱51,159 million as of December 31, 2022 due to additional ₱15,000 million bonds, which represents the second and final tranche of the Company's ₱30,000 million debt security program. The net debt to equity ratio stood at 36% as of September 30, 2023, after accounting for the repayment of bonds made in July.

Contract liabilities, deposits and other liabilities (current and non-current) increased by 12% to ₱16,590 million due to additional advances and deposits from tenants during the period.

Deferred tax liabilities increased by 5% to ₱3,065 million mainly due to increase in deferred tax on excess of real estate revenue based on percentage-of-completion over real estate revenue based on tax rules.

Shareholders' equity landed at ₱138,587 million, net of ₱5,651 million of treasury stock resulting from the RLC's buyback program which was launched in November 2021.

III. Key Performance Indicators

A summary of key performance indicators of RLC are presented below. The Company employs analyses using comparisons and measurements based on the financial data for current periods against the same period of the past year.

The key performance indicators are as follows:

	As of September 30, 2023	As of December 31, 2022
Current ratio[1]	1.87:1	1.40:1
Acid test ratio (Quick ratio) [2]	0.77:1	0.65:1
Debt-to-equity ratio[3]	0.40:1	0.40:1
Asset-to-equity ratio[4]	1.66:1	1.65:1
Net book value per share[5]	₱27.34	₱25.59

	For the Period Ended September 30	
	2023	2022
Earnings per share[7]	₱1.79	₱ 1.32
Interest coverage ratio[8]	6.65x	7.68x
Net profit/operating margin[9]	42%	29%
Solvency ratio[10]	0.41	0.34
Return on equity[11]	9%	7%
Return on assets[12]	5%	4%

Notes:
1. **Current Ratio** is computed as Current Assets over Current Liabilities.
2. **Acid Test Ratio (Quick Ratio)** is computed as Quick Assets (which is the total of Cash and cash equivalents, Current receivables, Current contract assets, and Other current assets) over Current Liabilities
3. **Debt-to-Equity Ratio** is computed as the ratio of financial indebtedness (which for the applicable periods is equivalent to the book value of loans payable and short-term loans) to Equity attributable to equity holders of the Parent Company
4. **Asset-to-Equity Ratio** is computed as Total Assets over Total Shareholders' Equity.
5. **Net Book Value per Share** is computed as Equity attributable to equity holders of the Parent Company divided by total number of outstanding shares.
6. For the period ended September 30, 2023 and 2022, the ratios were calculated on a 12-month basis for solvency ratio, return on equity, and return on assets.
7. **Earnings per Share** is computed as Net Income attributable to equity holders of the Parent Company over weighted average number of outstanding shares.
8. **Interest Coverage Ratio** is computed as Earnings before interest and taxes (EBIT) over interest expensed and capitalized from financial indebtedness.
9. **Net Profit/Operating Margin** is computed as EBIT over Total revenues
10. **Solvency Ratio** is computed as Earnings before interest, taxes, depreciation and amortization (EBITDA) over financial indebtedness (which for the applicable periods is equivalent to the book value of loans payable and short-term loans).
11. **Return on Equity** is computed as Net income attributable to equity holders of Parent Company over Equity attributable to equity holders of the Parent Company.
12. **Return on assets** is computed as Net income attributable to equity holders of Parent Company over Total Assets.

Robinsons Land Corporation and Subsidiaries

Unaudited Interim Condensed Consolidated Financial Statements
September 30, 2023 and for the Nine months Ended September 30, 2023 and 2022
(With Comparative Audited Consolidated Statement of
Financial Position as of December 31, 2022)

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(With Comparative Audited Figures as at December 31, 2022)

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 6, 21, 25 and 26)	**₱5,888,200,506**	₱8,277,999,180
Receivables (Notes 7, 21, 25 and 26)	**15,294,259,663**	15,064,345,195
Subdivision land, condominium and residential units for sale (Note 8)	**34,968,568,887**	32,511,606,471
Other current assets (Notes 9, 25 and 26)	**3,352,330,755**	4,895,538,746
Total Current Assets	**59,503,359,811**	60,749,489,592
Noncurrent Assets		
Noncurrent receivables (Notes 7, 21, 25 and 26)	**6,565,081,407**	6,388,500,204
Investment properties (Note 10)	**135,603,241,811**	131,122,250,297
Property and equipment (Note 11)	**16,645,202,887**	15,693,982,344
Investments in joint ventures and advances (Note 12)	**5,020,179,998**	2,804,874,254
Right-of-use assets (Note 27)	**1,372,331,457**	1,427,441,661
Other noncurrent assets (Notes 13, 21, 25 and 26)	**4,976,215,249**	5,249,657,360
Total Noncurrent Assets	**170,182,252,809**	162,686,706,120
	₱229,685,612,620	₱223,436,195,712
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses (Notes 14, 25, 26 and 27)	**₱18,324,168,571**	₱19,163,597,250
Contract liabilities, deposits and other current liabilities (Notes 15, 21, 25 and 26)	**7,301,947,595**	6,437,853,940
Current portion of loans payable (Notes 16, 25 and 26)	**6,192,099,717**	17,752,329,647
Total Current Liabilities	**31,818,215,883**	43,353,780,837
Noncurrent Liabilities		
Loans payable - net of current portion (Notes 16, 25 and 26)	**46,927,289,590**	33,406,786,019
Contract liabilities, deposits and other noncurrent liabilities (Notes 15, 17, 21, 25 and 26)	**9,287,641,410**	8,309,133,852
Deferred tax liabilities - net (Note 24)	**3,065,147,268**	2,919,369,118
Total Noncurrent Liabilities	**59,280,078,268**	44,635,288,989
Total Liabilities	**91,098,294,151**	87,989,069,826
Equity		
Equity attributable to equity holders of the Parent Company		
Capital stock (Note 19)	**₱5,193,830,685**	₱5,193,830,685
Additional paid-in capital (Note 19)	**39,034,651,633**	39,034,651,633
Treasury stock (Note 19)	**(5,651,031,851)**	(2,566,837,514)
Equity reserves (Note 19)	**15,976,614,438**	15,976,614,438
Other comprehensive income:		
Remeasurements of net defined benefit liability - net of tax	**(23,367,770)**	(23,367,770)
Fair value reserve of financial assets at FVOCI - net of tax	**(35,486,399)**	(23,090,476)
Cumulative translation adjustment	**(18,074,211)**	(1,731,724)
Retained earnings (Note 18)		
Unappropriated	**58,062,977,748**	51,761,840,147
Appropriated	**20,000,000,000**	20,000,000,000
	132,540,114,273	129,351,909,419
Non-controlling interest	**6,047,204,196**	6,095,216,467
	138,587,318,469	135,447,125,886
	₱229,685,612,620	₱223,436,195,712

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For Period July to September		For the Period January to September	
	2023 (Unaudited)	2022 (Unaudited)	**2023 (Unaudited)**	2022 (Unaudited)
REVENUES (Notes 5 and 22)				
Real Estate Operations				
Rental income (Notes 10, 22 and 27)	**₱4,624,696,247**	₱4,081,943,305	**₱13,669,219,725**	₱ 11,308,319,984
Real estate sales	**2,454,594,929**	1,777,010,148	**6,992,607,620**	17,914,485,746
Amusement income	**206,458,247**	134,500,559	**560,899,526**	268,727,876
Others	**2,046,043,114**	1,697,147,150	**5,740,257,836**	4,888,111,366
	9,331,792,537	7,690,601,162	**26,962,984,707**	34,379,644,972
Hotel Operations (Note 22)	**1,243,285,302**	580,350,489	**3,246,265,598**	1,386,747,483
	10,575,077,839	8,270,951,651	**30,209,250,305**	35,766,392,455
COSTS (Note 23)				
Real Estate Operations				
Cost of rental services	**1,366,894,253**	1,380,567,904	**3,994,882,350**	4,108,045,402
Cost of real estate sales (Note 8)	**1,188,672,658**	884,426,045	**3,376,183,568**	13,152,534,681
Cost of amusement services	**90,915,691**	63,558,358	**242,655,918**	129,001,392
Others	**1,134,634,278**	1,255,889,416	**3,404,920,993**	3,347,052,770
	3,781,116,880	3,584,441,723	**11,018,642,829**	20,736,634,245
Hotel operations	**1,076,011,922**	554,671,771	**2,946,537,733**	1,554,025,494
	4,857,128,802	4,139,113,494	**13,965,180,562**	22,290,659,739
GROSS INCOME	**5,717,949,037**	4,131,838,157	**16,244,069,743**	13,475,732,716
GENERAL AND ADMINISTRATIVE EXPENSES (Note 23)	**1,315,719,362**	963,145,719	**3,593,431,336**	3,224,574,959
INCOME BEFORE OTHER INCOME (LOSSES)	**4,402,229,675**	3,168,692,438	**12,650,638,407**	10,251,157,757
OTHER INCOME (LOSSES)				
Interest income	**55,981,442**	20,828,674	**117,045,542**	86,870,144
Gain on sale of investment property	-	-	-	11,007,514
Gain (loss) on foreign exchange	**2,601,152**	36,714,010	**2,333,614**	212,469,190
Gain on sale of property and equipment	**1,392,200**	6,670,707	**5,902,070**	35,248,934
Equity in net loss of a joint venture	**(138,565,310)**	(50,703,296)	**(344,734,756)**	(131,492,028)
Interest expense (Notes 16 and 27)	**(474,997,786)**	(369,334,253)	**(1,254,455,672)**	(972,054,319)
	(553,588,302)	(355,824,158)	**(1,473,909,202)**	(757,950,565)
INCOME BEFORE INCOME TAX	**3,848,641,373**	2,812,868,280	**11,176,729,205**	9,493,207,192
PROVISION FOR INCOME TAX (Note 24)	**440,648,417**	325,374,115	**1,314,498,175**	1,642,406,880
NET INCOME	**3,407,992,956**	2,487,494,165	**9,862,231,030**	7,850,800,312
OTHER COMPREHENSIVE INCOME				
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Cumulative translation adjustment	**354,673**	15,995,384	**(16,342,487)**	13,089,278
Other comprehensive loss not to be reclassified to profit or loss in subsequent periods				
Remeasurement of net defined benefit liability	-	3,511,160	-	3,511,160
Fair value reserve of financial assets at FVOCI, net of income tax effect (Note 7)	**5,251,573**	(18,716,011)	**(12,395,923)**	(48,846,238)
	5,251,573	(15,204,851)	**(12,395,923)**	(45,335,078)
Total Other Comprehensive Income	**5,606,246**	790,533	**(28,738,410)**	(32,245,800)
TOTAL COMPREHENSIVE INCOME	**₱3,413,599,202**	₱2,488,284,698	**₱9,833,492,620**	₱7,818,554,512

(Forward)

	For Period July to September		For the Period January to September	
	2023 (Unaudited)	2022 (Unaudited)	**2023 (Unaudited)**	2022 (Unaudited)
Net Income Attributable to:				
Equity holders of Parent Company	**₱3,056,880,534**	₱2,045,169,261	**₱8,841,834,662**	₱6,738,522,012
Non-controlling interest in consolidated subsidiaries	**351,112,422**	442,324,904	**1,020,396,368**	1,112,278,300
	₱3,407,992,956	₱2,487,494,165	**₱9,862,231,030**	₱7,850,800,312
Total Comprehensive Income Attributable to:				
Equity holders of Parent Company	**₱3,062,486,780**	₱2,045,959,794	**₱8,813,096,252**	₱6,706,276,212
Non-controlling interest in consolidated subsidiaries	**351,112,422**	442,324,904	**1,020,396,368**	1,112,278,300
	₱3,413,599,202	₱2,488,284,698	**₱9,833,492,620**	₱7,818,554,512
Basic/Diluted Earnings Per Share (Note 20)	**₱0.63**	₱0.40	**₱1.79**	₱1.32

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	For the Nine months Ended September 30, 2023 (Unaudited)											
	Attributable to Equity Holders of the Parent Company											
	Capital Stock (Note 19)	**Additional Paid-in Capital** (Note 19)	**Treasury Stock** (Notes 18 and 19)	**Equity Reserve** (Note 19)	**Remeasurements of Net Defined Benefit Liability** (Note 29)	**Cumulative Translation Adjustment**	**Fair value reserve of financial assets at FVOCI** (Notes 8 and 13)	**Unappropriated Retained Earnings** (Note 18)	**Appropriated Retained Earnings** (Note 18)	**Total**	**Non-controlling Interest**	**Total Equity**
Balances at January 1, 2023	**₱5,193,830,685**	**₱39,034,651,633**	**(₱2,566,837,514)**	**₱15,976,614,438**	**(₱23,367,770)**	**(₱1,731,724)**	**(₱23,090,476)**	**₱51,761,840,147**	**₱20,000,000,000**	**₱129,351,909,419**	**₱6,095,216,467**	**₱135,447,125,886**
Comprehensive income (loss)												
Net income	–	–	–	–	–	–	–	**8,841,834,662**	–	**8,841,834,662**	**1,020,396,368**	**9,862,231,030**
Other comprehensive income	–	–	–	–	–	**(16,342,487)**	**(12,395,923)**	–	–	**(28,738,410)**	–	**(28,738,410)**
Total comprehensive income (loss)	–	–	–	–	–	**(16,342,487)**	**(12,395,923)**	**8,841,834,662**	–	**8,813,096,252**	**1,020,396,368**	**9,833,492,620**
Acquisition of treasury stock	–	–	**(3,084,194,337)**	–	–	–	–	–		**(3,084,194,337)**	–	**(3,084,194,337)**
Cash dividends (Note 18)	–	–	–	–	–	–	–	**(2,540,697,061)**	–	**(2,540,697,061)**	**(1,068,408,639)**	**(3,609,105,700)**
Balances at September 30, 2023	**₱5,193,830,685**	**₱39,034,651,633**	**(₱5,651,031,851)**	**₱15,976,614,438**	**(₱23,367,770)**	**(₱18,074,211)**	**(₱35,486,399)**	**₱58,062,977,748**	**₱20,000,000,000**	**₱132,540,114,273**	**₱6,047,204,196**	**₱138,587,318,469**

	For the Nine months Ended September 30, 2022 (Unaudited)											
	Attributable to Equity Holders of the Parent Company											
	Capital Stock (Note 19)	**Additional Paid-in Capital**	**Treasury Stock**	**Equity Reserves**	**Remeasurement of Net Defined Benefit Liability**	**Cumulative Translation Adjustment**	**Fair value Reserve of Financial Assets at FVOCI**	**Unappropriated Retained Earnings** (Note 18)	**Appropriated Retained Earnings**	**Total**	**Non-controlling Interest**	**Total Equity**
Balances at January 1, 2022	₱5,193,830,685	₱39,040,182,917	(₱438,191,348)	₱17,701,192,360	(₱143,416,050)	₱35,220,967	₱48,990,485	₱39,068,956,487	₱25,500,000,000	₱126,006,766,503	₱4,343,197,520	₱130,349,964,023
Comprehensive income												
Net income	–	–	–	–	–	–	–	6,738,522,012	–	6,738,522,012	1,112,278,300	7,850,800,312
Other comprehensive income	–	–	–	–	3,511,160	13,089,278	(48,846,238)	–	–	(32,245,800)	–	(32,245,800)
Total comprehensive income	–	–	–	–	3,511,160	13,089,278	(48,846,238)	6,738,522,012	–	6,706,276,212	1,112,278,300	7,818,554,512
Sale of investment in subsidiary	–	–	–	–	–	–	–	–	–	–	43,500,000	43,500,000
Stock issue costs	–	–	–	–	–	–	–	(1,050,000)	–	(1,050,000)	–	(1,050,000)
Acquisition of treasury stock	–	(4,458,793)	(1,720,519,068)	–	–	–	–	–	–	(1,724,977,861)	–	(1,724,977,861)
Cash dividends	–	–	–	–	–	–	–	(2,554,795,493)	–	(2,554,795,493)	(1,043,660,280)	(3,598,455,773)
Balances at September 30, 2022	₱5,193,830,685	₱39,035,724,124	(₱2,158,710,416)	₱17,701,192,360	(₱139,904,890)	₱48,310,245	₱144,247	₱43,251,633,006	₱25,500,000,000	₱128,432,219,361	₱4,455,315,540	₱132,887,534,901

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Nine months Ended September 30	
	2023	2022
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱11,176,729,205**	₱9,493,207,192
Adjustments for:		
Depreciation (Notes 10 and 11)	**3,957,774,570**	3,893,977,573
Interest expense (Note 16)	**1,121,388,323**	842,400,887
Interest expense on lease liabilities (Note 27)	**133,067,349**	129,653,432
Accretion expense on security deposits	**46,609,788**	37,131,558
Amortization of right-of-use assets (Note 27)	**55,110,204**	76,051,003
Net movement in pension liabilities	**62,123,676**	12,681,004
Gain on sale of property and equipment	**(5,902,070)**	(35,248,934)
Gain on sale of an investment property	**-**	(11,007,514)
Equity in net earnings of joint ventures (Note 12)	**(1,391,110,366)**	(876,739,057)
Interest income	**(635,698,742)**	(561,982,274)
Operating income before working capital changes	**14,520,091,937**	13,000,124,870
Decrease (Increase) in:		
Receivables – trade	**(838,574,374)**	3,198,795,293
Subdivision land, condominium and residential units for sale	**(1,467,064,084)**	4,845,113,549
Other current assets	**1,005,933,920**	1,535,940,468
Increase (Decrease) in:		
Accounts payable and accrued expenses and other liabilities	**(1,753,681,320)**	124,432,879
Customers' deposits	**2,057,234,375**	(13,525,717,804)
Cash generated from operations	**13,523,940,454**	9,178,689,255
Interest received from cash and short-term investments	**127,218,759**	81,557,102
Interest received from installment contract receivables	**518,653,200**	475,112,130
Income tax paid	**(1,178,888,782)**	(1,587,062,658)
Net cash flows provided by operating activities	**12,990,923,631**	8,148,295,829
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (Increase) in:		
Advances to lot owners (Notes 9 and 13)	**(205,195,497)**	(2,254,769,931)
Advances to suppliers and contractors	**(223,740,235)**	(583,918,423)
Receivables from affiliated companies (Notes 7 and 21)	**421,905,486**	(22,223,685)
Other noncurrent assets	**118,541,264**	17,600,468
Additions to:		
Investment properties (inclusive of capitalized borrowing cost) (Note 10)	**(7,916,895,796)**	(7,120,077,208)
Property and equipment (Note 11)	**(1,048,092,695)**	(3,374,338,303)
Investment in joint ventures	**(365,107,867)**	(356,530,333)
Proceeds from:		
Subscription of noncontrolling interest (Note 2)	**-**	43,500,000
Disposal of investment property	**-**	26,785,714
Disposal of property and equipment	**5,902,070**	39,364,127
Net cash flows used in investing activities	**(9,212,683,270)**	(13,584,607,574)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availment of loans payable (Note 16)	**19,940,000,000**	15,000,000,000
Payment of:		
Loans payable (Note 16)	**(17,848,070,000)**	(10,790,500,000)
Cash dividends	**(3,609,109,615)**	(3,599,082,655)
Acquisition of treasury stock (Note 19)	**(3,084,194,337)**	(1,724,977,861)
Interests on loans	**(1,141,414,539)**	(1,086,684,447)
Principal portion of lease liabilities	**(188,177,553)**	(100,635,441)
Debt issue costs	**(221,258,686)**	(185,718,543)
Stock issuance costs	**-**	(1,050,000)
Increase in payable to affiliated companies and other noncurrent liabilities (Notes 15 and 17)	**(15,814,305)**	49,144,773
Net cash flows used in financing activities	**(6,168,039,035)**	(2,439,504,174)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(2,389,798,674)**	(7,875,815,919)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**8,277,999,180**	18,649,773,784
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**₱5,888,200,506**	₱10,773,957,865

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

1. Corporate Information

Robinsons Land Corporation (the Parent Company) is a stock corporation organized and incorporated on June 4, 1980 with a corporate life of 50 years under the laws of the Philippines. The Parent Company and its subsidiaries will collectively be referred herein as “the Group”.

The Group is engaged in the business of selling, acquiring, developing, operating, leasing and disposing of real properties such as land, buildings, shopping malls, commercial centers and housing projects, hotels and other variants and mixed-used property projects. The Group is 65.32% owned by JG Summit Holdings, Inc. (JGSHI or the Ultimate Parent Company). JGSHI is one of the country’s largest conglomerates, with diverse interests in branded consumer foods, agro-industrial and commodity food products, petrochemicals, air transportation and financial services.

The Parent Company’s shares of stock are listed and currently traded at the Philippine Stock Exchange (PSE) under the stock symbol “RLC”.

The Parent Company’s principal executive office is located at Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila.

The interim condensed consolidated financial statements as of September 30, 2023 and for the nine-month periods ended September 30, 2023 and 2022 were approved and authorized for issuance by the Parent Company’s Board of Directors (BOD) on November 7, 2023.

2. Basis of Preparation

The interim condensed consolidated financial statements as of September 30, 2023 and for the nine-month periods ended September 30, 2023 and 2022 have been prepared under 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 (₱), the Parent Company’s functional currency. All amounts are rounded to the nearest Peso unless otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as of December 31, 2022 which have been prepared under Philippine Financial Reporting Standards (PFRSs), as modified by the application of the financial reporting relief on the accounting for significant financing components as issued and approved by the SEC in response to the COVID-19 pandemic.

Statement of Compliance
The interim condensed consolidated financial statements of the Group have been prepared in compliance with PAS 34, as modified by the application of the financial reporting relief on the accounting for significant financing components as issued and approved by the SEC in response to the COVID-19 pandemic.

Deferral of the following provisions of Philippine Interpretations Committee Question & Answer (PIC Q&A) 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry

On December 15, 2020, the Philippine SEC issued SEC Memorandum Circular (MC) No. 34-2020 which further extended the deferral of the following provisions of PIC Q&A 2018-12 until December 31, 2023:

a. Exclusion of land in the determination of percentage of completion (POC) discussed in PIC Q&A No. 2018-12-E
b. Accounting for significant financing component discussed in PIC Q&A No. 2018-12-D
c. Implementation of International Financial Reporting Standards (IFRS) Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods (Philippine Accounting Standards (PAS) 23, *Borrowing Cost*) for Real Estate industry

The exclusion of land in the determination of POC and IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*) for Real Estate industry as discussed in PIC Q&A No. 2018-12-E are not applicable to the Group's real estate operations in the Philippines.

The details and the impact of the adoption of the above financial reporting reliefs are discussed in the Adoption of New and Amended Accounting Standards and Interpretations section of Note 3.

PFRSs include Philippine Financial Reporting Standards, Philippine Accounting Standards (PAS) and Interpretations issued by the Philippine Interpretations Committee (PIC).

<u>Basis of Consolidation</u>
The consolidated financial statements comprise the financial statements of the Group as of September 30, 2023 and December 31, 2022 and for the nine months period ended September 30, 2023 and 2022.

The unaudited interim condensed consolidated financial statements are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances.

An investee is included in the consolidation at the point when control is achieved. 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 results 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 in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

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

Non-controlling interests (NCI) pertain to the equity in a subsidiary not attributable, directly or indirectly to the Parent Company. NCI represent the portion of profit or loss and net assets in subsidiaries not owned by the Group and are presented separately in consolidated statement of comprehensive income and consolidated statement of changes in equity and within equity in the consolidated statement of financial position, separately from equity holders of the Parent Company.

Any equity instruments issued by a subsidiary that are not owned by the Parent Company are non-controlling interests, including preferred shares and options under share-based transactions, if any.

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 assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any non-controlling interest and the cumulative translation differences recorded in equity.
- Recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

The consolidated financial statements include the financial statements of the Parent Company and the following subsidiaries as of September 30, 2023 and December 31, 2022:

	Country of Incorporation	Effective Percentage of Ownership	
		2023	2022
Robinson's Inn, Inc.	Philippines	**100%**	100%
RL Commercial REIT, Inc. (RCR)	Philippines	**66.14%**	66%
Robinsons Properties Marketing & Management Corp.	Philippines	**100%**	100%
Manhattan Buildings and Management Corporation	Philippines	**100%**	100%
Robinson's Land (Cayman), Ltd.	Cayman Islands	**100%**	100%
Altus Mall Ventures, Inc.	Philippines	**100%**	100%
Bonifacio Property Ventures, Inc. (BPVI)	Philippines	**100%**	100%
Bacoor R and F Land Corporation (BRFLC)	Philippines	**70%**	70%
Altus Angeles, Inc. (AAI)	Philippines	**51%**	51%
GoHotels Davao, Inc. (GDI)	Philippines	**51%**	51%
RLC Resources Ltd. (RLCRL)	British Virgin Island	**100%**	100%
Land Century Holdings Ltd. (LCHL)	Hong Kong	**100%**	100%
World Century Enterprise Ltd. (WCEL)	Hong Kong	**100%**	100%
First Capital Development Ltd. (First Capital)	Hong Kong	**100%**	100%
Chengdu Xin Yao Real Estate Development, Co. Ltd. (Chengdu Xin Yao)	China	**100%**	100%
RLGB Land Corporation (RLGB)	Philippines	**100%**	100%
Robinsons Logistix and Industrials, Inc. (RLII)	Philippines	**100%**	100%
RL Property Management, Inc. (RLPMI)	Philippines	**100%**	100%
RL Fund Management, Inc. (RLFMI)	Philippines	**100%**	100%
Malldash Corp.	Philippines	**100%**	100%
Staten Property Management, Inc.	Philippines	**100%**	100%
RL Digital Ventures, Inc.	Philippines	**100%**	100%

The functional currency of Robinson's Land (Cayman), Ltd. and RLCRL is the US Dollar (US$); LCHL, WCEL and First Capital is the Hong Kong Dollar (HKD); and Chengdu Xin Yao is the Renminbi (RMB).

The voting rights held by the Parent Company in the above subsidiaries is equivalent to its ownership interest.

On January 25, 2022, Staten Property Management, Inc. was incorporated to manage, own, operate, and carry on the business of providing management services to residential subdivisions, residential and office buildings, commercial, estate, facility, and industrial developments, among others.

On February 17, 2022, RL Digital Ventures, Inc. was incorporated to engage in, develop, operate, maintain, and/or provide any form of digital activity and service Information technology (I.T.) solution, e-commerce business or platform, internet or cyberspace activity.

On April 20, 2022, a Deed of Assignment was executed between RCR and the Parent Company for the infusion of Cyberscape Gamma into RCR for ₱5,888.00 million. On August 15, 2022, SEC has issued its approval of the valuation of Cyberscape Gamma in the amount of ₱5,888.00 million. In exchange for assignment of Cyberscape Gamma, the Parent Company received 777,807,133 RCR common shares. As the property-for-share swap involved entities that is under control, the equity reserve amounted to ₱1,482 million.

In 2022, BRFLC issued 1,450,000 additional common shares from its registered share capital of 10,000,000 common shares at par of ₱100 per share, 70% of which or 1,015,000 common shares was subscribed and paid up by the Parent Company.
Voting rights held by non-controlling interests on AAI, GDI, BRFLC and RCR are equivalent to 49%, 49%, 30% and 33.86%, respectively. As of September 30, 2023 and December 31, 2022, the Group does not consider these subsidiaries as having material non-controlling interest that would require additional disclosures.

3. **Changes in Accounting Policies**

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of new standards effective in 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these standards did not have an impact on the unaudited interim condensed consolidated financial statements of the Group.

- 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.

- 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.

- 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 Group applied 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.

  - 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 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.

  - 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.

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

Effective beginning on or after January 1, 2023

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

  The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

  - Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and

- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendments to the Practice Statement provide non-mandatory guidance. Meanwhile, the amendments to PAS 1 are effective for annual periods beginning on or after January 1, 2023. Early application is permitted as long as this fact is disclosed.

- Amendments to PAS 8, *Definition of Accounting Estimates*

  The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

  An entity applies the amendments to changes in accounting policies and changes in accounting estimates that occur on or after January 1, 2023 with earlier adoption permitted.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

  The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

  The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

  An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented for annual reporting periods on or after January 1, 2023.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

  The amendments clarify:
  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

  PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

  The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

  - A specific adaptation for contracts with direct participation features (the variable fee approach)
  - A simplified approach (the premium allocation approach) mainly for short-duration contracts

  On December 15, 2021, the FRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB.

  PFRS 17 is effective for reporting periods beginning on or after January 1, 2025 with comparative figures required. Early application is permitted.

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 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 08, 2019, the SEC issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions 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.

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

  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.

  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 relief on the accounting for significant financing component of PIC Q&A No. 2018-12. Had this provision been adopted, the Group assessed that the impact would have been as follows:

  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 consolidated financial statements. Adoption of this guidance would have impacted interest income, interest expense, revenue from real estate sales, installment contracts receivable, provision for deferred income tax, deferred tax asset or liability for all years presented, and the opening balance of retained earnings. These would have impacted the cash flows from operations and cash flows from financing activities for all years presented.

As of September 30, 2023, the Group is still in the process of assessing the impact of significant financing component.

4. Significant Accounting Judgments and Estimates

The preparation of the accompanying consolidated financial statements in conformity with PFRSs, as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic, 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 of the date of the consolidated financial statements. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the interim condensed consolidated financial statements, as they become reasonably determinable. Actual results could differ from such estimates.

Judgments and estimates are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Except as otherwise stated, the significant accounting policies, judgments, estimates and assumptions used in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements as at and for the year ended December 31, 2022.

Assessment of Joint Control
The Parent Company entered into various joint ventures with Shang Properties, Inc., Hong Kong Land Group, DMCI Project Developers, Inc., DoubleDragon Properties Corp, Tyme Global Limited, Robinsons Bank Corporation and Robinsons Retail Holdings, Inc. The Parent Company considers that it has joint control over these arrangements since decisions about the relevant activities of the joint ventures require unanimous consent of the parties as provided for in the joint venture agreements and shareholders' agreements.

5. Operating Segments

<u>Business Segments</u>
The business segment is determined as the primary segment reporting format as the Group's risks and rates of return are affected predominantly by each operating segment.

Management monitors the operating results of its operating segments separately for the purpose of making decision about resource allocation and performance assessment. Group financing (including interest income and interest expense) and income taxes are managed on a group basis and are not allocated to operating segments. The Group evaluates performance based on earnings before interest, income tax, depreciation and other income (losses) (EBITDA).

The financial information on the operations of these business segments as shown below are based on the measurement principles that are similar with those used in measuring the assets, liabilities, income and expenses in the consolidated financial statements which is in accordance with PFRSs except for EBITDA.

Cost and expenses exclude interest, taxes and depreciation.

The Group derives its revenue from the following reportable units:

Robinsons Malls - develops, leases and manages lifestyle centers all over the Philippines.

Residential Division - develops and sells residential condominium units, as well as horizontal residential projects in the Philippines.

Robinsons Offices - develops and leases out office spaces.

Robinsons Hotels and Resorts - owns and operates a chain of hotels in various locations in the Philippines.

Robinsons Logistics and Industrial Facilities - develops and leases out warehouse and logistics facilities.

Robinsons Integrated Developments Division - focuses on strategic land bank acquisition and management, exploration of real estate-related infrastructure projects.

Chengdu Xin Yao (CDXY) - develops and sells real estate projects in China.

The financial information about the operations of these business segments is summarized as follows:

Nine months Ended September 30, 2023 (Unaudited)

	Robinsons Malls	Residential Division	Robinsons Offices	Robinsons Hotels and Resorts	Robinsons Logistics and Industrial Facilities	Robinsons Integrated Developments Division	Chengdu Xin Yao	Intersegment Eliminating Adjustments	Consolidated
Revenue									
Segment revenue:									
Revenues from contracts with customers	**₱560,899,526**	**₱6,309,353,305**	**₱–**	**₱3,246,265,598**	**₱–**	**₱665,498,168**	**₱17,756,147**	**₱–**	**₱10,799,772,744**
Rental income	**8,535,181,571**	**95,513,162**	**4,516,139,051**	**–**	**474,886,681**	**47,499,260**	**–**	**–**	**13,669,219,725**
Other income	**2,680,272,805**	**2,036,653,242**	**1,020,469,837**	**–**	**2,145,923**	**584,707**	**131,322**	**–**	**5,740,257,836**
Intersegment revenue	**37,993,081**	**–**	**349,094,555**	**5,336,931**	**–**	**19,885,410**	**–**	**(412,309,977)**	**–**
Total Revenue	**11,814,346,983**	**8,441,519,709**	**5,885,703,443**	**3,251,602,529**	**477,032,604**	**733,467,545**	**17,887,469**	**(412,309,977)**	**30,209,250,305**
Costs and expenses									
Segment costs and expenses	**4,773,282,589**	**5,106,080,617**	**849,857,379**	**2,458,356,063**	**31,844,276**	**316,913,907**	**9,392,293**	**–**	**13,545,727,124**
Intersegment costs and expenses	**2,931,211**	**35,061,870**	**371,911,176**	**2,405,720**	**–**	**–**	**–**	**(412,309,977)**	**–**
Total Costs and expenses	**4,776,213,800**	**5,141,142,487**	**1,221,768,555**	**2,460,761,783**	**31,844,276**	**316,913,907**	**9,392,293**	**(412,309,977)**	**13,545,727,124**
Earnings before interest, taxes and depreciation	**7,038,133,183**	**3,300,377,222**	**4,663,934,888**	**790,840,746**	**445,188,328**	**416,553,638**	**8,495,176**	**–**	**16,663,523,181**
Depreciation and amortization	**2,566,449,187**	**70,525,224**	**774,390,182**	**488,181,670**	**110,342,758**	**2,914,542**	**81,211**	**–**	**4,012,884,774**
Operating income	**₱4,471,683,996**	**₱3,229,851,998**	**₱3,889,544,706**	**₱302,659,076**	**₱334,845,570**	**₱413,639,096**	**₱8,413,965**	**₱–**	**₱12,650,638,407**

Nine months Ended September 30, 2022 (Unaudited)

	Robinsons Malls	Residential Division	Robinsons Offices	Robinsons Hotels and Resorts	Robinsons Logistics and Industrial Facilities	Robinsons Integrated Developments Division	Chengdu Xin Yao	Intersegment Eliminating Adjustments	Consolidated
Revenue									
Segment revenue:									
Revenues from contracts with customers	₱268,727,876	₱4,807,055,586	₱–	₱1,386,747,483	₱–	₱425,800,012	₱12,681,630,148	₱–	₱19,569,961,105
Rental income	6,492,855,286	69,922,359	4,313,580,356	–	405,933,212	26,028,771	–	–	11,308,319,984
Other income	2,489,597,108	1,433,562,567	964,545,066	–	273,718	132,907	–	–	4,888,111,366
Intersegment revenue	39,387,950	–	496,874,436	1,466,263	–	19,885,410	–	(557,614,059)	–
Total Revenue	9,290,568,220	6,310,540,512	5,774,999,858	1,388,213,746	406,206,930	471,847,100	12,681,630,148	(557,614,059)	35,766,392,455
Costs and expenses									
Segment costs and expenses	4,515,016,255	3,921,429,597	653,596,111	1,182,868,464	60,520,462	236,127,707	10,975,647,526	–	21,545,206,122
Intersegment costs and expenses	10,522	39,398,814	516,760,961	1,443,762	–	–	–	(557,614,059)	–
Total Costs and expenses	4,515,026,777	3,960,828,411	1,170,357,072	1,184,312,226	60,520,462	236,127,707	10,975,647,526	(557,614,059)	21,545,206,122
Earnings before interest, taxes and depreciation	4,775,541,443	2,349,712,101	4,604,642,786	203,901,520	345,686,468	235,719,393	1,705,982,622	–	14,221,186,333
Depreciation and amortization	2,713,236,235	78,114,837	707,989,587	371,157,030	96,115,140	3,220,332	195,415	–	3,970,028,576
Operating income	₱2,062,305,208	₱2,271,597,264	₱3,896,653,199	(₱167,255,510)	₱249,571,328	₱232,499,061	₱1,705,787,207	₱–	₱10,251,157,757

The financial information about the segment assets and liabilities of these operating segments as at September 30, 2023 and December 31, 2022 are as follows:

	As of September 30, 2023 (Unaudited)								
	Robinsons Malls	**Residential Division**	**Robinsons Offices**	**Robinsons Hotels and Resorts**	**Robinsons Logistics and Industrial Facilities**	**Integrated Developments Division**	**Chengdu Xin Yao**	**Intersegment Eliminating Adjustments**	**Consolidated**
Assets and Liabilities									
Segment assets	**₱80,825,068,248**	**₱52,069,263,185**	**₱37,060,213,985**	**₱23,714,906,808**	**₱7,517,677,204**	**₱27,865,549,945**	**₱632,933,245**	**₱–**	**₱229,685,612,620**
Investment in subsidiaries - at cost	**419,012,636**	**5,000,000**	**44,592,727,671**	**25,500,000**	**500,000,000**	**895,500,000**	**–**	**(46,437,740,307)**	**–**
Total segment assets	**₱81,244,080,884**	**₱52,074,263,185**	**₱81,652,941,656**	**₱23,740,406,808**	**₱8,017,677,204**	**₱28,761,049,945**	**₱632,933,245**	**(₱46,437,740,307)**	**₱229,685,612,620**
Total segment liabilities	**₱69,022,299,903**	**₱12,665,964,196**	**₱5,512,133,089**	**₱2,154,966,326**	**₱766,437,390**	**₱811,383,917**	**₱165,109,330**	**₱–**	**₱91,098,294,151**
Other segment information									
Capital expenditures (Notes 10 and 1									**₱8,964,988,491**
Additions to subdivision land, condominium and residential units for sale (Note 8)									**₱4,843,247,652**

	As of December 31, 2022 (Audited)								
	Robinsons Malls	Residential Division	Robinsons Offices	Robinsons Hotels and Resorts	Robinsons Logistics and Industrial Facilities	Integrated Developments Division	Chengdu Xin Yao	Intersegment Eliminating Adjustments	Consolidated
Assets and Liabilities									
Segment assets	₱84,527,249,065	₱46,026,349,452	₱35,804,066,381	₱21,109,683,707	₱6,677,745,819	₱26,597,904,897	₱2,693,196,391	₱–	₱223,436,195,712
Investment in subsidiaries - at cost	419,012,634	5,000,000	44,592,727,673	25,500,000	500,000,000	895,500,000	–	(46,437,740,307)	–
Total segment assets	₱84,946,261,699	₱46,031,349,452	₱80,396,794,054	₱21,135,183,707	₱7,177,745,819	₱27,493,404,897	₱2,693,196,391	(₱46,437,740,307)	₱223,436,195,712
Total segment liabilities	₱68,705,601,952	₱10,890,324,158	₱4,647,509,417	₱1,229,842,716	₱390,828,239	₱1,476,003,598	₱648,959,746	₱–	₱87,989,069,826
Other segment information									
Capital expenditures (Notes 10 and 11)									₱16,532,649,274
Additions to subdivision land, condominium and residential units for sale (Note 8)									₱8,721,292,261

The revenue of the Group consists of sales to domestic customers. Inter-segment revenue accounted for under PFRS arising from lease arrangements amounting ₱412 million and ₱558 million for the nine months period ended September 30, 2023 and 2022, respectively, are eliminated in consolidation.

The carrying amount of assets located outside the Philippines amounted to ₱633 million and ₱2,693 million as of September 30, 2023 and December 31, 2022, respectively.

No operating segments have been aggregated to form the above reportable segments. Capital additions consists of additions to Property and equipment and Investment properties.

Significant customers in lease arrangements include the affiliated entities (see Note 21). Rental income arising from the lease of commercial properties to affiliated companies which are not part of the Group and therefore not eliminated amounted to ₱2,925 million and ₱2,277 million for the nine months period ended September 30, 2023 and 2022, respectively.

The following table shows a reconciliation of the total EBITDA to total income before income tax:

	For the Nine months Ended September 30	
	2023 (Unaudited)	2022 (Unaudited)
EBITDA	**₱16,663,523,181**	₱14,221,186,333
Depreciation and amortization	**(4,012,884,774)**	(3,970,028,576)
Other losses – net	**(1,473,909,202)**	(757,950,565)
Income before income tax	**₱11,176,729,205**	₱9,493,207,192

Except for the impact of COVID-19 pandemic to the operating results of the Group starting March 2020, there are no other trends or events or uncertainties that have had or that are reasonably expected to have a material impact on revenues or income from continuing operations.

6. Cash and Cash Equivalents

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Cash on hand and in banks	**₱3,401,829,084**	₱6,252,030,579
Short-term investments	**2,486,371,422**	2,025,968,601
	₱5,888,200,506	₱8,277,999,180

Cash in banks earns annual interest at the prevailing bank deposit rates. Short-term investments are invested for varying periods of up to nine months and earn interest at the prevailing short-term investment rates.

7. Receivables

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Trade	**₱18,495,077,345**	₱17,425,706,791
Affiliated companies	**2,477,449,518**	2,899,355,004
Others	**1,099,741,907**	1,340,711,304
	22,072,268,770	21,665,773,099
Less allowance for impairment losses	**212,927,700**	212,927,700
	21,859,341,070	21,452,845,399
Less noncurrent portion	**6,565,081,407**	6,388,500,204
	₱15,294,259,663	₱15,064,345,195

Trade receivables include installment contract receivables, rental receivables, accrued rent receivables and receivables from hotel operations. Installment contract receivables pertain to accounts collectible in monthly installments over a period of one (1) to ten (10) years and are carried at amortized cost, except for receivables from lease-to-own arrangements which are carried at fair value through OCI. Others pertain to receivable from condominium corporations, advances to officers and employees, receivable from insurance companies, accrued interest receivable and advances to various third parties.

Allowance for impairment losses on trade receivables follows:

	Rental Receivables	**Hotels Operations**	**Installment Contracts**	**Total**
Balances as at September 30, 2023 (Unaudited) and December 31, 2022 (Audited)	**₱190,148,722**	**₱3,778,978**	**₱19,000,000**	**₱212,927,700**

8. Subdivision Land, Condominium and Residential Units for Sale

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Land use right and development cost	**₱352,218,894**	₱374,111,344
Land and condominium units	**17,513,209,788**	15,956,858,765
Residential units and subdivision land	**1,899,577,803**	1,921,642,512
Land held for development	**15,203,562,402**	14,258,993,850
	₱34,968,568,887	₱32,511,606,471

The subdivision land, condominium and residential units for sale are carried at cost.

A summary of the movement in inventory is set out below:

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Beginning balance	**₱32,511,606,471**	₱37,679,441,733
Construction and development costs incurred	**4,685,839,139**	5,176,823,883
Land acquisition	**157,408,513**	3,544,468,378
Transfers from:		
Other current asset	**783,487,675**	97,718,250
Unrealized land costs	**206,410,657**	142,177,145
Cost of real estate sales	**(3,376,183,568)**	(14,129,022,918)
	₱34,968,568,887	₱32,511,606,471

No borrowing cost were capitalized for the nine months period ended September 30, 2023 and 2022.

The amount of subdivision land, condominium and residential units for sale recognized as cost of real estate sales in the unaudited interim condensed consolidated statements of comprehensive income amounted to ₱3,376 million and ₱13,153 million for the nine months period ended September 30, 2023 and 2022, respectively.

Land Use Right

On October 20, 2015, the Chinese government awarded the Contract for Assignment of the Rights to the Use of State-Owned Land (the Contract) to the Group. In May 2016, the Masterplan had been completed and was submitted for approval to the Chinese government in the same month. The Chinese government approved the Masterplan in the first quarter of 2017 and construction activities have commenced (recognized as land use right and development cost).

Under the Contract, the Group is entitled to transfer, lease, mortgage all or part of the state-owned construction land use right to a third party. Upon receipt of the Certificate of State-owned Land Use Right Assignment, the land title will be subdivided into Individual Property Titles which will be issued to unit owners one year after completion of the development and turn-over of the units to the buyers. When all or part of the state-owned construction land use right is transferred, through sale of commercial units and high-rise condominium units to buyers, the rights and obligations specified in the Contract and in the land registration documents shall be transferred accordingly to the buyer. The use term will be the remaining years as of the date of transfer based on the original use term specified in the Contract.

When the use term under the Contract expires (residential: 70 years and commercial: 40 years) and the land user continues using the assigned land under the Contract, an application for renewal shall be submitted to the Chinese government not less than one (1) year prior to the expiration of the use term.

No subdivision land, condominium and residential units for sale were pledged as security to liabilities as of September 30, 2023 and December 31, 2022.

9. Other Current Assets

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Restricted cash	**₱63,148,423**	₱434,299,396
Advances to lot owners	**376,035,949**	1,159,147,175
Advances to suppliers and contractors	**1,751,502,674**	1,505,665,519
Prepaid expenses	**823,598,746**	1,052,252,379
Input value-added tax - net	**230,439,324**	633,740,496
Supplies	**107,605,639**	110,433,781
	₱3,352,330,755	₱4,895,538,746

Restricted cash includes the deposits in local banks for the purchase of land.

Advances to lot owners consist of advance payments to landowners which shall be applied against the acquisition cost of the real estate properties.

Advances to suppliers and contractors consist of advance payment for the construction of residential projects. These are recouped from billings which are expected to occur in a short period of time.

Prepaid expenses consist mainly of prepayments for taxes and insurance and cost to obtain contract in relation to the Group’s real estate sales. The cost to obtain contracts which include prepaid commissions and advances to brokers/agents amounted to ₱495 million and ₱414 million as of September 30, 2023 and December 31, 2022, respectively

Input VAT - net can be applied against future output VAT.

Supplies consist mainly of office and maintenance materials.

10. Investment Properties

A summary of the movement in the investment properties is set out below:

	September 30, 2023 (Unaudited)					
	Land Held for Future Development	**Land**	**Land Improvements**	**Buildings and Improvements**	**Construction In Progress**	**Total**
Cost						
Balances at January 1, 2023	**₱21,000,922,667**	**₱31,997,976,856**	**₱478,680,251**	**₱109,895,464,575**	**₱15,609,876,833**	**₱178,982,921,182**
Additions	**88,270,309**	**884,364,070**	**3,285,104**	**1,366,154,255**	**5,574,822,058**	**7,916,895,796**
Retirements / disposal	–	–	-	-	–	–
Reclassification and transfers - net (Notes 11 and 13)	**(1,691,622,356)**	**1,933,130,792**	**-**	**1,690,731,217**	**(2,047,331,309)**	**(115,091,656)**
Balances at September 30, 2023	**19,397,570,620**	**34,815,471,718**	**481,965,355**	**112,952,350,047**	**19,137,367,582**	**186,784,725,322**
Accumulated Depreciation						
Balances at January 1, 2023	–	–	**256,513,452**	**47,604,157,433**	–	**47,860,670,885**
Depreciation (Note 23)	–	–	**16,420,463**	**3,304,392,163**	–	**3,320,812,626**
Balances at September 30, 2023	–	–	**272,933,915**	**50,908,549,596**	–	**51,181,483,511**
Net Book Value	**₱19,397,570,620**	**₱34,815,471,718**	**₱209,031,440**	**₱62,043,800,451**	**₱19,137,367,582**	**₱135,603,241,811**

	December 31, 2022 (Audited)					
	Land Held for Future Development	Land	Land Improvements	Buildings and Improvements	Construction In Progress	Total
Cost						
Balances at January 1, 2022	₱28,302,991,865	₱18,042,486,420	₱464,968,467	₱104,599,289,174	₱18,199,335,815	₱169,609,071,741
Additions	4,595,862,441	332,776,611	13,088,463	1,444,108,746	6,247,340,674	12,633,176,935
Retirements / disposal	–	–	(2,180,250)	-1,145,483,648	–	(1,147,663,898)
Reclassification and transfers - net (Notes 11 and 13)	(11,897,931,639)	13,622,713,825	2,803,571	4,997,550,303	(8,836,799,656)	(2,111,663,596)
Balances at December 31, 2022	21,000,922,667	31,997,976,856	478,680,251	109,895,464,575	15,609,876,833	178,982,921,182
Accumulated Depreciation						
Balances at January 1, 2022	–	–	233,961,454	44,436,056,412	–	44,670,017,866
Depreciation (Note 23)	–	–	23,932,427	4,314,384,490	–	4,338,316,917
Retirements / disposal	–	–	(1,380,429)	(1,146,283,469)	–	(1,147,663,898)
Balances at December 31, 2022	–	–	256,513,452	47,604,157,433	–	47,860,670,885
Net Book Value	₱21,000,922,667	₱31,997,976,856	₱222,166,799	₱62,291,307,142	₱15,609,876,833	₱131,122,250,297

Investment properties consist mainly of lifestyle centers, office buildings and industrial facilities that are held to earn rentals. Land held for future development pertains to land held for capital appreciation and land banking activities for development. Land pertains to land where offices, malls and hotels are situated. Building and improvements pertains to offices and malls for leasing.

The construction in progress items reclassified to their respective asset accounts during the nine months period ended September 30, 2023 and for the year ended December 31, 2022 amounted to ₱2,047 million and ₱8,837 million, respectively. The reclassifications in 2023 represent office buildings in Iloilo, Bacolod, and Calamba. The reclassifications in 2022 represent commercial, office buildings, and logistic facilities in Gapan, Iloilo, Ilocos, Cebu, Antipolo and Pampanga. The remaining construction in progress represents new and expansion projects in various cities in Metro Manila and other parts of Luzon and Visayas regions. These normally take three (3) to five (5) years to construct until completion.

Depreciation expense charged to operations amounted to ₱3,321 million and ₱3,298 million for the nine months ended September 30, 2023 and 2022, respectively.

Borrowing costs capitalized amounted to ₱653 million and ₱417 million for the nine months period ended September 30, 2023 and 2022, respectively. These amounts were included in the unaudited interim condensed consolidated statements of cash flows under additions to investment properties. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization for the nine months period ended September 30, 2023 and 2022 is 4.72% and 3.85%, respectively (see Note 16).

The aggregate fair value of investment properties as of September 30, 2023 and December 31, 2022 amounted to ₱387.9 billion and ₱380.1 billion, respectively. The fair values of the investment properties were determined by independent professionally qualified appraisers and exceed their carrying cost

The following table provides the fair value hierarchy of the Group's investment properties as of September 30, 2023 and December 31, 2022:

		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)**
		September 30, 2023 (Unaudited)			
Investment properties	**Various**	**₱387,886,329,904**	**₱–**	**₱–**	**₱387,886,329,904**
		December 31, 2022 (Audited)			
Investment properties	Various	₱380,084,439,164	₱–	₱–	₱380,084,439,164

The fair values of the land held for future development were measured through market data approach which provides an indication of value by comparing the subject asset with an identical or similar assets for which price information is available. This approach was used for the land as it is commonly used in the property market since inputs and data for this approach are available.

The fair values of the buildings (retail, office and warehouses) were measured through income approach using the discounted cash flow analysis. This approach converts anticipated future gains to present worth by projecting reasonable income and expenses for the subject property.

The construction-in-progress were measured at cost until such time the fair value becomes reliably measurable or construction is completed (whichever comes earlier).

Rental income derived from investment properties amounted to ₱13,669 million and ₱11,308 million for the nine months period ended September 30, 2023 and 2022, respectively (see Note 22).

Property operations and maintenance costs arising from investment properties amounted to ₱424 million and ₱472 million for the nine months period ended September 30, 2023 and 2022, respectively.

There are no investment properties as of September 30, 2023 and December 31, 2022 that are pledged as security to liabilities. The Group has no restrictions on the realizability of its investment properties. Except for contracts awarded, there are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The total contractual commitments arising from awarded contracts for the acquisition, development and construction of investment properties amounted to ₱8,001 million and ₱8,538 million as of September 30, 2023 and December 31, 2022, respectively.

11. Property and Equipment

	September 30, 2023 (Unaudited)					
	Land Improvements	**Buildings and Improvements**	**Construction in Progress**	**Theater Furniture and Equipment**	**Other Equipment**	**Total**
Cost						
Balances at January 1, 2023	**₱51,042,999**	**₱11,392,348,908**	**₱6,862,770,413**	**₱1,236,263,555**	**₱5,795,980,092**	**₱25,338,405,967**
Additions	**–**	**293,437,343**	**336,415,718**	**21,003,170**	**397,236,464**	**1,048,092,695**
Reclassifications (Note 10)		**3,285,796,898**	**(2,945,684,814)**		**199,977,708**	**540,089,792**
Balances at September 30, 2023	**51,042,999**	**14,971,583,149**	**4,253,501,317**	**1,257,266,725**	**6,393,194,264**	**26,926,588,454**
Accumulated Depreciation						
Balances at January 1, 2023	**29,901,739**	**3,272,626,994**	**–**	**1,132,319,683**	**5,209,575,207**	**9,644,423,623**
Depreciation	**3,331,841**	**315,767,990**	**–**	**28,708,084**	**289,154,029**	**636,961,944**
Balances at September 30, 2023	**33,233,580**	**3,588,394,984**	**–**	**1,161,027,767**	**5,498,729,236**	**10,281,385,567**
Net Book Value	**₱17,809,419**	**₱11,383,188,165**	**₱4,253,501,317**	**₱96,238,958**	**₱894,465,028**	**₱16,645,202,887**

	December 31, 2022 (Audited)					
	Land Improvements	Buildings and Improvements	Construction in Progress	Theater Furniture and Equipment	Other Equipment	Total
Cost						
Balances at January 1, 2022	₱50,792,999	₱7,722,487,666	₱3,118,444,583	₱1,236,263,555	₱5,451,624,930	₱17,579,613,733
Additions	250,000	858,279,581	2,697,308,497	–	343,634,261	3,899,472,339
Retirement/disposal	–	–	–	–	(70,589,644)	(70,589,644)
Reclassifications (Note 10)	–	2,811,581,661	1,047,017,333	–	71,310,545	3,929,909,539
Balances at December 31, 2022	51,042,999	11,392,348,908	6,862,770,413	1,236,263,555	5,795,980,092	25,338,405,967
Accumulated Depreciation						
Balances at January 1, 2022	25,303,357	2,980,813,662	–	1,063,696,727	4,819,820,547	8,889,634,293
Depreciation	4,598,382	291,813,332	–	68,622,956	460,344,304	825,378,974
Retirement/disposal	–	–	–	–	(70,589,644)	(70,589,644)
Balances at December 31, 2022	29,901,739	3,272,626,994	–	1,132,319,683	5,209,575,207	9,644,423,623
Net Book Value	₱21,141,260	₱8,119,721,914	₱6,862,770,413	₱103,943,872	₱586,404,885	₱15,693,982,344

Borrowing cost capitalized amounted to ₱126 million and ₱76 million for the nine months period ended September 30, 2023 and 2022, respectively (Note 16).

There are no property and equipment items as of September 30, 2023 and December 31, 2022 that are pledged as security to liabilities. The Group has no restrictions on the realizability of its property and equipment. Except for contracts awarded, there no contractual obligations to purchase, construct or develop property and equipment or for repairs, maintenance and enhancements.

The total contractual commitments arising from awarded contracts for the acquisition, development and construction of property and equipment amounted to ₱905 million as of September 30, 2023 and ₱966 million as of December 31, 2022.

Depreciation expense charged to operations amounted to ₱637 million and ₱596 million for the nine months period ended September 30, 2023 and 2022, respectively.

12. Interests in Joint Ventures and Joint Operations

Interest in Joint Ventures

This account consists of the following:

	Percentage of ownership	**September 30, 2023 (Unaudited)**	December 31, 2022 (Audited)
RHK Land Corporation	60.00	**₱1,267,043,081**	₱1,022,365,924
Robinsons DoubleDragon Corp.	65.72	**672,110,718**	672,520,252
RLC DMCI Property Ventures, Inc.	50.00	**501,569,927**	442,060,861
Shang Robinsons Properties, Inc.*	50.00	**2,220,822,466**	329,666,522
GoTyme Bank Corporation	20.00	**358,633,806**	338,260,695
Balance at end of period		**₱5,020,179,998**	₱2,804,874,254

**Net of deferred gain from sale of land offset against the carrying amount of investment*

Details and movements of interests in joint ventures for the nine months period ended September 30, 2023 and for the year ended December 31, 2022 are as follows:

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Investment in stocks - cost:		
Balance at beginning of year	**₱4,146,619,188**	₱3,790,088,855
Additions	**365,107,867**	356,530,333
Balance at end of year	**4,511,727,055**	4,146,619,188
Accumulated equity in net earnings:		
Balance at beginning of year	**2,104,428,315**	620,207,514
Equity in net earnings during the year (Note 21)	**1,391,110,366**	1,484,220,801
Balance at end of year	**3,495,538,681**	2,104,428,315
Unrealized interest income on the loans to joint venture	**(159,565,174)**	(200,761,844)
Unrealized gain on sale of land to joint venture	**(2,827,520,564)**	(3,245,411,405)
	₱5,020,179,998	₱2,804,874,254

As of September 30, 2023 and December 31, 2022, there is no objective evidence that the Group's interests in joint ventures are impaired.

Joint Venture with Hong Kong Land Group
On February 5, 2018, the Parent Company's BOD approved the agreement with Hong Kong Land Group (HKLG) represented by Hong Kong Land International Holdings, Ltd. and its subsidiary Ideal Realm Limited to form a joint venture corporation (JVC).

On June 14, 2018, RHK Land Corporation (RHK Land), the JVC, was incorporated. The Company and HKLG owns 60% and 40%, respectively, of the outstanding shares in RHK Land. The principal office of the JVC is at 12F Robinsons Cyberscape Alpha, Sapphire and Garnet Roads, Ortigas Center, Pasig City.

The Company and HKLG, through RHK Land, shall engage in the acquisition, development, sale and leasing of real property. RHK Land shall initially undertake the purchase of a property situated in Block 4 of Bridgetowne East, Pasig City, develop the property into a residential enclave and likewise carry out the marketing and sales of the residential units. RHK Land also plans to pursue other development projects.

In October 2018, the Parent Company entered into a Shareholder Loan Agreement with RHK Land (see Note 21). Repayment date falls on the fifth anniversary of the effective date (see Note 21).

The investment in RHK Land is accounted as an investment in joint venture using equity method of accounting because the contractual arrangement between the parties establishes joint control.

Joint Venture with DoubleDragon Properties Corporation
On December 26, 2019, Robinsons DoubleDragon Corp. (RDDC) was incorporated as the joint venture company (JVC) between the Parent Company and DoubleDragon Corporation. The primary purpose is to engage in realty development.

The investment in RDDC is accounted as an investment in joint venture using equity method of accounting because the contractual arrangement between the parties establishes joint control.

Joint Venture with DMCI Project Developers, Inc.
In October 2018, the Parent Company entered into a Joint Venture Agreement with DMCI Project Developers, Inc. (DMCI PDI) to develop, construct, manage, and sell a residential condominium situated in Las Pinas City. Both parties agreed to incorporate a joint venture corporation where each party will hold a 50% ownership.

On March 18, 2019, RLC DMCI Property Ventures, Inc. was incorporated as the joint venture company (JVC) between the Parent Company and DMCI PDI. RLC DMCI Property Ventures, Inc., shall purchase, lease and develop real estate properties situated in Las Pinas City. The proposed project is intended to be a multi-tower residential condominium and may include commercial spaces.

The investments are accounted as joint venture using equity method of accounting because the contractual arrangement between the parties establishes joint control.

Joint Venture with Shang Properties, Inc.
On November 13, 2017, the Parent Company's BOD approved the agreement with Shang Properties, Inc. (SPI) to form a joint venture corporation (JVC).

On May 23, 2018, Shang Robinsons Properties, Inc. (SRPI), the JVC, was incorporated. Both the Parent Company and SPI each own 50% of the outstanding shares in SRPI. The office address of SRPI is at Lower Ground Floor, Cyber Sigma Building, Lawton Avenue, Fort Bonifacio Taguig.

The Parent Company and SPI, through SRPI, shall build and develop a property situated at McKinley Parkway corner 5th Avenue and 21st Drive at Bonifacio Global City, Taguig, Metro Manila. The project is intended to be a mixed-use development and may include residential condominium units, serviced apartments and commercial retail outlets. SRPI also plans to pursue other development projects.

The investment in the SRPI is accounted as an investment in joint venture using equity method of accounting because the contractual arrangement between the parties establishes joint control.

In accordance with the joint venture agreement with SPI, the Parent Company agrees to extend loan to SRPI, at fair and commercial rates comparable to loans extended by third party banks and financial institutions, an amount of ₱1,000 million annually starting April 1, 2019 up to April 1, 2022. As of September 30, 2023 and December 31, 2022, the Parent Company has already extended a loan to SRPI amounting to ₱1,000 million. Out of this amount ₱500 million has already been paid as of September 30, 2023. (see Note 21).

Joint Venture with Tyme Global Limited, Robinsons Bank Corporation and Robinsons Retail Holdings, Inc.

On December 28, 2021, GoTyme Bank Corporation (GTBC) was incorporated as the joint venture company (JVC) between the Company, Tyme Global Limited, Robinsons Bank Corporation and Robinsons Retail Holdings, Inc. The primary purpose is to carry on and engage in a business of a digital bank. The investment in GTBC is accounted as an investment in joint venture using equity method of accounting because the contractual arrangement between the parties establishes joint control.

For the nine months period ended September 30, 2023 and for the year ended December 31, 2022, the Company made additional cash infusion to GoTyme amounting to ₱365 million and ₱357 million, respectively.

<u>Joint Operations</u>

The Group has entered into joint venture agreements with various landowners and other companies with various percentage interests in these joint operations depending on the value of the land or investment against the estimated development costs. These joint venture agreements entered into by the Group relate to the development and sale of subdivision land, condominium and residential units, with certain level of allocation of condominium units/lots to be sold to buyers with provisions for sharing in the cash collection on the sale of allocated developed unites.

The Group's joint venture agreements typically require the joint venture partner to contribute the land free from any lien, encumbrance and tenants or informal settlers to the project, with the Group bearing all the cost related to the land development and the construction of subdivision land, condominium and residential units, including the facilities.

Sales and marketing costs are allocated to both the Group and the joint operations partner. The projects covering the joint venture agreement are expected to be completed within two to three years. Each joint operations party has committed to contribute capital based on the terms of the joint venture agreement.

Interest in joint projects with Horizon Land Property & Development Corporation, formerly Harbour Land Realty and Development Corp and Federal Land, Inc. (Jointly Controlled Operations)
On February 7, 2011, the Parent Company entered into a joint venture agreement with Horizon Land Property & Development Corporation (HLPDC), formerly Harbour Land Realty and Development Corp and Federal Land, Inc. (FLI) to develop Axis Residences (the Project) located along Pioneer Street in Mandaluyong City. The construction of the planned 2-phase residential condominium has commenced in March 2012. One tower of first phase was completed on September 2015.

The agreed contributions of the parties follow:
a. The Parent Company: Road lot valued at ₱89 million and development costs amounting ₱1,390 million
b. FLI: Development costs amounting ₱739 million
c. HLPDC, an affiliate of FLI: Four (4) adjoining parcels of land valued at ₱739 million located along Pioneer St., Mandaluyong City, 21,109 sqm

Further, the sharing of saleable units (inventories) of real estate revenue, cost of real estate sales and any common expenses incurred, are as follows: the Parent Company-50% and FLI-50%. Based on the foregoing, the Parent Company accounted for the joint arrangement as a jointly controlled operations and accordingly, recognized its share in the installment contract receivables, subdivision land, condominium and residential units for sale, deposits to joint venture partners, accounts payable, real estate sales and cost of real estate sales of the joint operations.

On December 6, 2017, the Parent Company executed an addendum agreement with HLPDC and FLI to discontinue the development of Phase II.

The following were the agreements included in the addendum:
a. The development of the Project shall be limited to Phase 1;
b. The discontinuance shall be without fault on either of the Parties. Accordingly, HLPDC and FLI shall reimburse the Parent Company the amount of ₱193 million representing the non-development of four (4) towers of Phase II;
c. Ownership and right of possession of the parcels of land corresponding to Phase II shall remain to be with HLPDC and shall be excluded from the provisions of the JVA.
d. The perpetual right to use the Parent Company’s land contribution is limited to Phase I and to the adjacent properties owned by HLPDC, FLI or its affiliates.

13. **Other Noncurrent Assets**

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Advances to suppliers and contractors	**₱2,526,134,693**	₱2,548,231,613
Advances to land owners	**1,397,720,006**	1,528,296,767
Utility deposits	**758,296,054**	734,364,096
Financial assets at FVOCI	**116,281,324**	126,177,247
Others	**177,783,172**	312,587,637
	₱4,976,215,249	₱5,249,657,360

Advances to suppliers and contractors represents prepayments for the construction of investment properties and property and equipment. These are recouped from billings which are expected to occur in future period.

Advances to land owners consist of advance payments to land owners which shall be applied against the acquisition cost of the real estate properties.

Utility deposits that are refundable consist primarily of bill and meter deposits.

Financial assets at FVOCI represent equity shares of APVI that were retained by the Group and equity shares of Data Analytics Ventures, Inc., both entities under the common control of the ultimate parent company.

Included in “Others” is the upfront fee paid by the Parent Company amounting to ₱100 million to the province of Malolos, Bulacan in relation to the lease agreement executed during the year for the lease of contiguous land situated at Brgy. Bulihan, City of Malolos, owned by the Province of Bulacan, pursuant to Proclamation No. 832 dated July 17, 2014. The project shall involve the lease of the project site and utilization thereof by the Parent Company for a mixed-use development.

The lease period of the project site shall be for the twenty-five years (25) commencing on the third (3rd) project year counted from the commencement of the Construction Date, and terminating on the date 25 years thereafter. The lease shall be automatically renewed for another 25 years upon mutual agreement by the parties. The upfront fee will be offset against the rent due starting on the first (1st) year of operation of the Parent Company in the said property. As of September 30, 2023 and December 31, 2022, the Parent Company does not have right to access nor the right to use the property since the Provincial Government of Bulacan has not yet completed its undertakings which resulted to non-commencement of the lease.

14. Accounts Payable and Accrued Expenses

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Accounts payable	**₱9,108,290,097**	₱9,942,696,393
Taxes and licenses payable	**3,523,474,364**	3,594,138,253
Accrued utilities	**1,561,718,065**	1,797,862,321
Accrued rent expense	**818,967,542**	943,123,868
Accrued contracted services	**721,447,759**	580,627,768
Accrued salaries and wages	**617,682,883**	631,777,932
Commissions payable	**410,061,478**	541,400,098
Accrued interest expense	**318,697,812**	338,724,028
Accrued repairs and maintenance	**311,942,995**	193,480,259
Accrued ads and promo	**209,448,913**	157,149,144
Dividends payable	**19,440,620**	19,444,535
Other accrued expenses	**702,996,043**	423,172,651
	₱18,324,168,571	₱19,163,597,250

Accounts payable mainly includes unpaid billings from suppliers and contractors related to construction activities which are non-interest bearing and are normally settled within 30-90 days term.

Taxes and licenses payable, accrued salaries and wages, accrued interest payable and accrued contracted services are normally settled within one (1) year.

Accrued rent expense primarily represents accrual for film rental expense.

Accrued salaries and wages represents the accrual of salaries of employees payable within 30 days. This also includes accrual of bonuses which are normally settled within one (1) year.
Accrued contracted services represents accrual for outsourced services such as security services, technical support, shuttle services and others.

Commissions payable arises from obligations from revenue contracts with customers which were qualified for revenue recognition under PFRS 15. The Group uses percentage of completion method in amortizing sales commissions.

Other accrued expense primarily includes accrued utilities and advertising expenses.

15. Contract Liabilities, Deposits and Other Current Liabilities

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Contract liabilities (Notes 17 and 21)	**₱3,464,740,504**	₱2,837,695,079
Deposits from lessees (Note 17)	**3,289,150,620**	2,993,252,034
Payable to affiliated companies (Note 21)	**418,270,523**	474,196,804
Current portion of lease liabilities (Note 37)	**129,785,948**	132,710,023
	₱7,301,947,595	₱6,437,853,940

Contract liabilities (including noncurrent portion shown in Note 17) consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the goods and services transferred based on percentage of completion. The movement in the contract liability is mainly due to reservation of sales and advance payment of buyers less real estate sales recognized upon reaching the equity threshold from increase in percentage of completion. The contract liabilities account includes deposits from real estate buyers that have not met the revenue recognition threshold of 10%.

Deposits from lessees (including noncurrent portion shown in Note 17) represent cash received in advance equivalent to three (3) to six (6) months' rent which shall be refunded to lessees at the end of lease term. These are initially recorded at fair value, which was obtained by discounting its future cash flows using the applicable rates of similar types of instruments. Interest expense incurred amounting to ₱47 million and ₱37 million for the nine-month period ended September 30, 2023 and 2022.

Included in the "Deposit from lessees" are unearned rental income amounting to ₱793 million and ₱792 million as of September 30, 2023 and December 31, 2022, respectively.

16. **Loans Payable**

Long-term loans

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Seven-year term loan from MBTC maturing on March 15, 2024. Principal payable in annual installment amounting to two percent (2%) of the total drawn principal amount and the balance upon maturity, with annual fixed rate at 3.1000%, interest payable quarterly in arrears	**₱6,300,000,000**	₱6,440,000,000
Seven-year term loan from BPI maturing on August 10, 2023. Principal payable in annual installment amounting to ₱10 million for six years and the balance upon maturity, with annual fixed rate at 3.8900%, interest payable quarterly in arrears.	**–**	4,940,000,000
Ten-year term loan from BPI maturing on February 13, 2027. Principal payable in annual installment amounting to ₱5 million for nine years and the balance upon maturity, with annual fixed rate at 4.0000%, interest payable quarterly in arrears	**4,470,000,000**	4,475,000,000
Ten-year bonds from BDO and Standard Chartered maturing on February 23, 2025. Principal payable upon maturity, with annual fixed rate at 4.9344%, interest payable semi-annually in arrears.	**1,364,500,000**	1,364,500,000
Five-year term loan from BDO Unibank, Inc. maturing on June 30, 2025. Principal payable upon maturity, with annual fixed rate at 4.0000%, interest payable quarterly in arrears.	**6,000,000,000**	6,000,000,000
Three-year bonds maturing on July 17, 2023. Principal payable upon maturity, with annual fixed rate at 3.6830%, interest payable semi-annually in arrears.	**–**	12,763,070,000
Five-year bonds maturing on July 17, 2025. Principal payable upon maturity, with annual fixed rate at 3.8000%, interest payable semi-annually in arrears.	**427,210,000**	427,210,000
Three-year bonds maturing on August 26, 2025. Principal payable upon maturity, with annual fixed rate of 5.3789% interest payable quarterly in arrears.	**6,000,000,000**	6,000,000,000
Five-year bonds maturing on August 26, 2027. Principal payable upon maturity, with annual fixed rate of 5.9362% interest payable quarterly in arrears.	**9,000,000,000**	9,000,000,000
Three-year bonds maturing on June 30, 2026. Principal payable upon maturity, with annual fixed rate of 6.0972% interest payable quarterly in arrears.	**6,000,000,000**	–
Five-year bonds maturing on June 30, 2028. Principal payable upon maturity, with annual fixed rate of 6.1663% interest payable quarterly in arrears.	**9,000,000,000**	–
Five-year term loan from BPI maturing on August 10, 2028. Principal payable upon maturity, with interest at prevailing market rate, payable monthly.	**4,940,000,000**	–
	53,501,710,000	51,409,780,000
Less debt issue costs	**382,320,693**	250,664,334
Long-term loans net of debt issue costs	**53,119,389,307**	51,159,115,666
Less current portion	**6,192,099,717**	17,752,329,647
Noncurrent portion of long-term loans	**₱46,927,289,590**	₱33,406,786,019

Debt issue costs are deferred and amortized using effective interest method over the term of the related loans. Total interest cost expensed out from long-term loans amounted to ₱1,121 million and ₱842 million for the nine months period ended September 30, 2023 and 2022, respectively.

Capitalized borrowing cost amounted to ₱779 million and ₱493 million for the nine months ended September 30, 2023 and 2022, respectively (see Notes 10 and 11).

Bank and Trust Company maturing on March 15, 2024

On March 15, 2017, the Group borrowed unsecured ₱7,000 million under Term Loan Facility Agreements with Metropolitan Bank and Trust Company.

The loan amounting to ₱7,000 million was released on March 15, 2017 which bears interest rate at 4.7500% per annum and shall be payable quarterly, computed on the basis of a year of 365 calendar days for the actual number of days elapsed. Annual principal payment is two percent (2%) of the total loan amount or ₱140 million.

On November 15, 2021, the interest rate was reduced to a fixed rate of 3.1000% per annum for the remaining term of the loan.

Debt Covenants
The Group is required to maintain a ratio of consolidated total borrowings to consolidated shareholders' equity not exceeding 2:1 as referenced from its consolidated audited financial statements as of its calendar year end December 31 and the consolidated interim financial statements as of March 31, June 30, and September 30. The Group has complied with the debt covenant as of September 30, 2023 and December 31, 2022.

<u>Seven-year term loan from Bank of the Philippine Islands maturing on August 10, 2023</u>
On August 10, 2016, the Group borrowed unsecured ₱5,000 million under Term Loan Facility Agreements with Bank of the Philippine Islands. Interest on the loans shall be calculated on a 30/360-day count basis and shall be paid semi-annually in arrears on February 23 and August 23 of each year at which the bonds are outstanding.

Debt Covenants
The Group is required to maintain a debt-to-equity not exceeding 2:1 as referenced from its consolidated audited financial statements as of its fiscal year end September 30 and consolidated interim financial statements as at March 31. The loan was already settled as of September 30, 2023.

<u>Ten-year term loan from BPI maturing on February 13, 2027</u>
On February 10, 2017, the Group borrowed unsecured ₱4,500 million under Term Loan Facility Agreements with Bank of the Philippine Islands.

The loan was released on February 10, 2017 amounting to ₱4,500 million with interest rate at 4.9500% per annum and shall be payable quarterly, computed on the basis of a year of 365 calendar days for the actual number of days elapsed.

Partial payment for this loan amounting to ₱5 million was made on February 13, 2023 and 2022.

On November 11, 2021, the interest rate was reduced to a fixed rate of 4.0000% per annum until repricing date. On repricing date or on November 13, 2025, the interest rate will revert to 4.9500% per annum until maturity date.

Debt Covenant
The Group is required to maintain a ratio of net debt-to-equity not exceeding 2:1 as measured at each fiscal year-end date based on the audited consolidated financial statements. The Group has complied with the debt covenant as of September 30, 2023 and December 31, 2022.

<u>Ten-year bonds from BDO and Standard Chartered maturing on February 23, 2025</u>
On February 23, 2015, the Group issued ₱1,365 million bonds constituting direct, unconditional, unsubordinated, and unsecured obligations of the Parent Company and shall at all times rank *pari passu* and without preference among themselves and among any present and future unsubordinated and unsecured obligations of the Parent Company, except for any statutory preference or priority established under Philippine law. The net proceeds of the issue shall be used by the Parent Company to refinance existing debt obligations and to partially fund investment capital expenditures.

Interest on the bonds shall be calculated on a 30/360-day count basis and shall be paid semi-annually in arrears on February 23 and August 23 of each year at which the bonds are outstanding.

Debt Covenant
The Group is required to maintain a debt-to-equity not exceeding 2:1 as referenced from its consolidated audited financial statements as of its fiscal year end September 30 and consolidated interim financial statements as at March 31. The Group has complied with the debt covenant as of September 30, 2023 and December 31, 2022.

<u>Five-year term loan from BDO Unibank, Inc. maturing on June 30, 2025</u>
On June 30, 2020, the Group borrowed ₱6,000 million under Term Loan Facility Agreements with BDO Unibank, Inc.

The loan was released on June 30, 2020 which bears interest rate at 4.7500% computed per annum and shall be payable quarterly, computed on the basis of a year of 365 calendar days for the actual number of days elapsed.

On November 26, 2021, the interest rate was reduced to a fixed rate of 4.0000% per annum for the remaining term of the loan.

Debt Covenant
The Group is required to maintain a debt-to-equity ratio not exceeding 2:1. The Group has complied with the debt covenant as of September 30, 2023 and December 31, 2022.

<u>Three-year "Series C Bonds" maturing on July 17, 2023 and Five-Year "Series D Bonds" maturing on July 17, 2025</u>
On July 17, 2020, the Group issued its "Series C Bonds" amounting to ₱12,763 million and "Series D Bonds" amounting to ₱427 million constituting direct, unconditional, unsecured and unsubordinated peso-denominated obligations of the Parent Company and shall at all times rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Parent Company, other than obligations preferred by law. The net proceeds of the issue shall be used by the Parent Company to: (i) partially fund the capital expenditure budget of the Company for calendar years 2020 and 2021; (ii) repay short-term loans maturing as of second half of calendar year; and (iii) fund general corporate purposes including, but not limited to, working capital. The bonds have been rated PRS Aaa by Philippine Rating Services Corporation (PhilRatings).

Interest on the bonds shall be calculated on a 30/360-day count basis and shall be paid semi-annually in arrears on January 17 and July 17 of each year at which the bonds are outstanding.

Debt Covenant
The Group is required to maintain a debt-to-equity ratio not exceeding 2:1 as referenced from its consolidated financial statements as of its calendar year end December 31 and consolidated interim financial statements as at June 30. The Group has complied with the debt covenant as of September 30, 2023 and December 31, 2022.

Three-year “Series E Bonds” maturing on August 26, 2025 and Five-Year “Series F Bonds” maturing on August 26, 2027

On August 26, 2022, the Group issued its “Series E Bonds” amounting to ₱6,000 million and “Series F Bonds” amounting to ₱9,000 million constituting direct, unconditional, unsecured and unsubordinated peso-denominated obligations of the Parent Company and shall at all times rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Parent Company, other than obligations preferred by law. The net proceeds of the issue shall be used by the Parent Company to: (i) partially fund the capital expenditure budget for project development and land acquisition of the Company for calendar years 2022 and 2023 and to partially repay maturing debt obligations; and (ii) for general corporate purposes including, but not limited to, working capital. The bonds have been rated PRS Aaa by Philippine Rating Services Corporation (PhilRatings).

Interest on the bonds shall be calculated on a 30/360-day count basis and shall be paid quarterly in arrears on February 26, May 26, August 26 and November 26 of each year at which the bonds are outstanding.

Debt Covenant
The Group is required to maintain a debt-to-equity ratio not exceeding 2:1 as referenced from its consolidated financial statements as of its calendar year end December 31 and consolidated interim financial statements as at September 30. The Group has complied with the debt covenant as of September 30, 2023 and December 31, 2022.

Three-year “Series G Bonds” maturing on June 30, 2026 and Five-Year “Series H Bonds” maturing on June 30, 2028

On September 30, 2023, the Group issued its “Series G Bonds” amounting to ₱6,000 million and “Series H Bonds” amounting to ₱9,000 million constituting direct, unconditional, unsecured and unsubordinated peso-denominated obligations of the Parent Company and shall at all times rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Parent Company, other than obligations preferred by law. The net proceeds of the issue shall be used by the Parent Company to: (i) to fully repay maturing debt obligations; (ii) to partially fund the capital expenditure budget for project development of the Company for calendar years 2023 to 2025; and (iii) for general corporate purposes. The bonds have been rated PRS Aaa by Philippine Rating Services Corporation (PhilRatings).

Interest on the bonds shall be calculated on a 30/360-day count basis and shall be paid quarterly in arrears on March 30, June 30, September 30 and December 30 of each year at which the bonds are outstanding.

Debt Covenant
The Group is required to maintain a debt-to-equity ratio not exceeding 2:1 as referenced from its consolidated audited financial statements as of December 31 and consolidated interim financial statements as at March 31, June 30 and September 30. The Group has complied with the debt covenant as of September 30, 2023.

Five-year term loan from Bank of the Philippine Islands maturing on August 10, 2028
On August 10, 2023, the Group borrowed unsecured ₱4,940 million under a loan agreement with Bank of the Philippine Islands.

Interest on the loan shall be calculated on a 365-day year and based on the actual number of days elapsed, which shall be paid monthly in arrears.

Debt Covenants
The Group is required to maintain a debt-to-equity not exceeding 2:1 as referenced from its consolidated audited financial statements as of its year end December 31.

Excluding the debt issue costs, details of the Group's loans payable by maturity follow:

Long-term loans

	Within 1 year	>1 to 2 years	>2 to 3 years	>3 to 4 years	>4 to 10 years	Total
September 30, 2023	**₱6,305,000,000**	**₱7,796,710,000**	**₱12,005,000,000**	**₱13,455,000,000**	**₱13,940,000,000**	**₱53,501,710,000**
December 31, 2022	₱17,848,070,000	₱6,305,000,000	₱13,796,710,000	₱5,000,000	₱13,455,000,000	₱51,409,780,000

Debt issue cost

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Beginning balance	**₱250,664,334**	₱157,415,856
Additions	**221,258,686**	186,712,235
Amortizations	**(89,602,327)**	(93,463,757)
Ending balance	**₱382,320,693**	₱250,664,334

17. **Contract Liabilities, Deposits and Other Noncurrent Liabilities**

This account consists of:

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Deposits from lessees	**₱5,428,332,574**	₱4,248,804,516
Lease liabilities - net of current portion	**2,316,297,002**	2,368,483,131
Contract liabilities - net of current portion (Notes 15 and 21)	**6,920,223**	5,548,129
Retentions payable	**285,709,054**	538,151,171
Pension liabilities	**617,860,994**	555,737,318
Advances for marketing and promotional fund	**421,948,779**	381,826,139
Others	**210,572,784**	210,583,448
	₱9,287,641,410	₱8,309,133,852

Retention payable represents amounts withheld from payments to contractors as guaranty for any claims against them. These are noninterest-bearing and will be remitted to contractors at the end of the contracted work.

Advances for marketing and promotional fund represent advances from tenants for sales promotions and marketing programs. These are tenant's share in the costs of advertising and promotional activities which the Group considers appropriate to promote the business in the mall complex.

Others include payable to holders of non-controlling interests of the Parent Company's subsidiaries.

18. Retained Earnings

Restriction
A portion of the unappropriated retained earnings representing the undistributed net earnings of subsidiaries amounting to ₱5,548 million as of September 30, 2023 and ₱6,724 million as of December 31, 2022 are not available for dividend declaration until received in the form of dividends. Also, ₱20,000 million of retained earnings appropriated for future and ongoing expansions as of September 30, 2023 and December 31, 2022 are also not available for dividends.

The unappropriated retained earnings is further restricted for dividend declaration to the extent of the cost of shares held in treasury amounting to ₱5,651 million as of September 30, 2023.

Appropriation
On December 5, 2022, the BOD approved the reversal of the retained earnings it appropriated in 2021 amounting to ₱25,500 million as the related projects to which the retained earnings were earmarked were completed already. The amount was originally earmarked for the continuing capital expenditures of the Group for subdivision land, condominium and residential units for sale, investment properties and property and equipment.

On the same date, the BOD approved the appropriation of ₱20,000 million, out of the unappropriated retained earnings, to support the capital expenditure requirements of the Group for various projects. These projects and acquisitions are expected to be completed on various dates from 2023 to 2026.

Dividend Declaration
The BOD declared cash dividends in favor of all its stockholders for the nine months period ended September 30, 2023 as follows:

	September 30, 2023	September 30, 2022
Date of declaration	April 21, 2023	March 8, 2022
Date of payment	June 21, 2023	May 13, 2022
Record date	May 31, 2023	April 19, 2022
Dividend per share	₱0.52	₱0.50
Total dividends	₱2,540,697,061	₱2,554,915,493

Dividends payable as of September 30, 2023 and December 31, 2022 amounted to ₱19 million.

19. Capital Stock, Treasury Stock and Equity Reserve

Capital Stock
The details of the number of common shares as of September 30, 2023 and December 31, 2022 follow:

	September 30, 2023		December 31, 2022	
	Shares	**Amount**	Shares	Amount
Authorized - at ₱1 par value	**8,200,000,000**	**₱8,200,000,000**	8,200,000,000	₱8,200,000,000
Issued shares	**5,193,830,685**	**₱5,193,830,685**	5,193,830,685	₱5,193,830,685
Treasury stock				
Balance at beginning of period	**139,989,600**	**₱2,566,837,514**	23,564,900	₱438,191,348
Acquisition of treasury stock	**205,353,499**	**3,084,194,337**	116,424,700	2,128,646,166
Balance at ending of period	**345,343,099**	**₱5,651,031,851**	139,989,600	₱2,566,837,514

Treasury Stock
On November 4, 2021, the BOD approved the 3 billion common share buyback program of the Parent Company. Further, on November 8, 2022, the BOD approved the extension of share buyback program for an additional 3 billion common shares.

In a special meeting held on March 20, 2023, the BOD of the Parent Company approved the extension of the Parent Company's Share Buy-back Program by Three Billion Pesos (₱3,000,000,000) worth of the Parent Company's common shares bringing the total buy-back program to Nine Billion Pesos (₱9,000,000,000).

Equity Reserves
On August 20, 2021, the Parent Company sold its investment to RCR by way of public offering at a selling price of ₱6.45 per share, with a total selling price amounting to ₱22.6 billion, net of transaction costs amounting to ₱737.32 million. As a result of the sale, the equity interest of the Parent Company over RCR changed from 100% to 63.49%. The Group assessed that the change in ownership interest of the Parent Company over RCR as a result of the public offering does not result in a loss of control. Thus, RLC accounted the decrease in ownership interest in RCR as an equity transaction. No gain or loss was recognized upon consolidation, and any difference in the proceeds from sale of shares to public and the amount to be recorded as NCI is recorded as 'Equity Reserve in the consolidated financial statements.

On March 8, 2022, the the Parent Company entered into a Deed of Sale with RCR for the sale of Robinsons Cybergate Bacolod, excluding the land where the building is situated, for ₱734 million. The import on the equity reserve amounted to ₱242 million.

On April 20, 2022, a Deed of Assignment was executed between the Parent Company and RCR for the assignment, transfer, and conveyance by the Parent Company of Robinsons Cyberscape Gamma, excluding the land where the building is situated, with a value of ₱5,888 million, in exchange for the issuance of 778 million shares in RCR. This resulted to increase of the Parent Company's interest in RCR from 63.49% to 66.14%. The impact on the Equity Reserves amounted to ₱1,482 million.

Capital Management
The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to these ratios in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital structure or issue capital securities. No changes have been made in the objective, policies and processes as they have been applied in previous years.

The Group monitors its use of capital structure using a gross debt-to-capital ratio which is gross debt divided by total equity. The Group includes within gross debt all interest-bearing loans and borrowings, while capital represents total equity.

The computation of the Group's gross debt-to-capital ratio is as follows:

		September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
(a)	Loans payable (Note 16)	**₱53,119,389,307**	₱51,159,115,666
(b)	Equity attributable to equity holders of the Parent Company	**132,540,114,273**	129,351,909,419
(c)	Debt-to-capital ratio (a/b)	**0.40:1**	0.40:1

As of September 30, 2023 and December 31, 2022, the Group is compliant with its debt covenants with lenders.

20. Basic Diluted Earnings Per Share

Earnings per share amounts for the nine months ended September 30 were computed as follows:

		2023 (Unaudited)	2022 (Unaudited)
a.	Net income attributable to equity holders of Parent Company	**₱8,841,834,662**	₱6,738,522,012
b.	Weighted average number of common shares outstanding adjusted (Note 19)	**4,934,231,774**	5,120,416,774
c.	Earnings per share (a/b)	**₱1.79**	₱1.32

There were no potential dilutive shares in 2023 and 2022.

21. Related Party Transactions

Related party transactions are made under the normal course of business. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions; and the parties are subject to common control or common significant influence. Affiliates are entities that are owned and controlled by the Ultimate Parent Company and neither a subsidiary or associate of the Group. These affiliates are effectively sister companies of the Group by virtue of ownership of the Ultimate Parent Company. Related parties may be individuals or corporate entities, unless otherwise stated. Transactions are generally settled in cash.

The amounts and balances arising from significant related party transactions are as follows:

	September 30, 2023 (Unaudited)			
	Amount/ Volume	**Receivable (Payable)**	**Terms**	**Conditions**
Ultimate Parent Company				
Rental income/receivable (a)	**₱30,866,314**	**₱11,162,124**	Three to five-year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
Payable to affiliated companies (g)	**2,311,373**	**341,588,688**	Non-interest bearing; due and demandable	Unsecured
Under common control of Ultimate Parent Company				
Cash and cash equivalents (c)				
Cash in banks	**(364,440,962)**	**2,580,609,350**	Interest bearing at prevailing market rate; at 0.50% to 1.50% per annum; due and demandable	Unsecured; no impairment
Short-term investments	**2,486,371,422**	**2,486,371,422**	Interest bearing at prevailing market rate; at 5.00% to 6.10% per annum; due and demandable	Unsecured; no impairment
Interest income	**71,278,730**	**6,922,587**		
Rental income/receivable (a)	**2,879,696,338**	**343,447,520**	Three to 20-year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
Advances to (b)	**5,431,649**	**74,581,941**	Non-interest bearing; due and demandable	Unsecured; no impairment
Payable to affiliated companies (g)	**53,614,908**	**76,582,222**	Non-interest bearing; due and demandable	Unsecured

	September 30, 2023 (Unaudited)			
	Amount/ Volume	**Receivable (Payable)**	**Terms**	**Conditions**
Joint ventures in which the Parent Company is a venturer				
Rental Income (a)	**14,313,083**	**1,632,340**	Three to five-year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
Advances to (b)	**(427,337,135)**	**2,402,867,577**	Interest-bearing at PDST R2 of applicable interest period	Unsecured; no impairment
Other related parties				
Advances to lot owners (f)	**-**	**406,629,869**	Non-interest bearing; due and demandable	Unsecured; no impairment
		₱8,732,395,640		

	December 31, 2022			
	Amount/ Volume	Receivable (Payable)	Terms	Conditions
Ultimate Parent Company				
Rental income/receivable (a)	₱39,923,075	₱15,412,886	Three to five-year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
Payable to affiliated companies (g)	(603,093,024)	343,900,061	Non-interest bearing; due and demandable	Unsecured
Under common control of Ultimate Parent Company				
Cash and cash equivalents (c)				
Cash in banks	(2,723,733,821)	2,945,050,312	Interest bearing at prevailing market rate; at 0.20% to 0.25% per annum; due and demandable	Unsecured; no impairment
Short-term investments	2,025,968,601	2,025,968,601	Interest bearing at prevailing market rate; at 0.375% to 1.25% per annum; due and demandable	Unsecured; no impairment
Interest income	26,861,659	17,096,128		
Rental income/receivable (a)	3,287,061,752	265,367,610	Three to 20-year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
Advances to (b)	37,104,720	69,150,292	Non-interest bearing; due and demandable	Unsecured; no impairment
Payable to affiliated companies (g)	(261,864,291)	130,197,130	Non-interest bearing; due and demandable	Unsecured
Joint ventures in which the Parent Company is a venturer				
Rental Income (a)	9,747,775	–	Three to five-year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
Advances to (b)	8,173,843	2,830,204,712	Interest-bearing at PDST R2 of applicable interest period	Unsecured; no impairment
Sale of land - installment contract receivables (e)	–	–	Interest bearing at 4% interest rate; with remaining 2 annual installments	Unsecured; no impairment
Interest income from sale of land - installment contract receivables (e)	19,289,273	19,289,273		
Elimination of excess of interest income against investment in joint venture - contract liabilities (e)	98,654,651	(98,654,651)		
Other related parties				
Advances to lot owners (f)	11,539,665	406,629,869	Non-interest bearing; due and demandable	Unsecured; no impairment
		₱8,969,612,223		

Outstanding balances consist of the following:

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Cash and cash equivalents (Note 6)	**₱5,066,980,772**	₱4,971,018,913
Advances to affiliated companies (Note 7)	**2,477,449,518**	2,899,355,004
Payable to affiliated companies (Note 15)	**418,170,910**	474,097,191
Advances to lot owners (Note 13)	**406,629,869**	406,629,869
Rental receivables (Note 7)	**356,241,984**	280,780,496
Installment contract receivables (Note 7)	**-**	19,289,273
Others (Note 7)	**6,922,587**	17,096,128
Contract liabilities	**-**	(98,654,651)
	₱8,732,395,640	₱8,969,612,223

Significant transactions with related parties are as follows:

(a) *Rental income*
The Group leases commercial properties to affiliated companies with a lease term of three (3) to twenty (20) years based on prevailing market lease rates.

(b) *Advances to affiliated companies*
The Group, in the normal course of business, has transactions with its major stockholders, ultimate parent company and its affiliated companies consisting principally of lease arrangements and advances principally for working capital requirement, financing for real estate development, and purchase of investment properties.

On June 13, 2019, the Parent Company extended advances to SRPI amounting to ₱1,000 million in accordance with the joint venture agreement. Further, additional advances amounting to ₱1,590 million was released to SRPI in January 2021. In June 2023, SRPI made a partial payment amounting to ₱500 million from this advances.

In the nine months ended September 30, 2023 and in the year ended December 31, 2022, the Parent Company also extended advances to other affiliates amounting to ₱54 million and ₱69 million, respectively.

(c) *Cash and cash equivalents*
The Group maintains savings and current accounts and time deposits with an entity under common control which is a local commercial bank. Cash and cash equivalents earn interest at the prevailing bank deposit rates.

(d) *Sale of land – RHK Land Corporation*
In 2018, the Parent Company also entered into a contract to sell a parcel of land located within the Bridgetowne Complex in Pasig City with RHK Land Corporation (RHK Land). Total selling price of the land is ₱2,706 million was paid in full in 2018. As the project is ongoing development, the payments received from RHK Land was presented as contract liabilities, deposits and other current liabilities in consolidated statement of financial position as of December 31, 2020.

In 2021, the development of this property was completed and all commitments and obligations of the Parent Company to RHK Land were fulfilled. Accordingly, the amounts that are previously under contract liabilities were recognized as real estate revenue in 2021. Out of the amount of selling price and cost of land, ₱1,082 million and ₱724 million were recognized in real estate sales and cost of real estate sales, respectively. These amounts represent the portion sold to Hong Kong Land Group by virtue of its 40% ownership in RHK. The 60% balance will be recognized as RHK starts to sell developed real estate properties to its customers. In the nine months ended September 30, 2023 and 2022, the Parent Company realized ₱69 million and ₱59 million from this deferred gain, respectively.

(e) *Sale of land – Shang Robinsons Properties, Inc.*
In June 2018, the Parent Company entered into a contract to sell two (2) adjoining parcels of land located at Bonifacio, Global City Taguig, with Shang Robinsons Properties Inc. (SRPI), a joint venture with Shang Properties, Inc. (SPI). Total selling price is ₱5,015 million and shall be payable in five (5) annual installments, with interest at a rate of 4% per annum on the unpaid amount of the purchase price. Out of the amount of selling price and cost of land, ₱2,507 million and ₱398 million were recognized in real estate sales and cost of real estate sales, respectively. These amounts represent the portion sold to SPI by virtue of its 50% ownership in SRPI. The remaining 50% will be recognized as SRPI starts to sell developed real estate properties to its customers.

In the nine months ended September 30, 2023 and 2022, the Parent Company realized ₱347 million and ₱187 million from the unrealized gain, respectively.

The outstanding balance for the purchase price amounted to ₱1,003 million has been paid in full in 2022. Interest from the said receivable amounted to ₱10 million for the nine months ended September 30, 2022.

Furthermore, another contract to sell a parcel of land located within the Bridgetowne Complex in Pasig City was entered by the Parent Company with SRPI in January 22, 2021. Total selling price of the land is ₱3,038 million (net of VAT) which was paid in full in 2021. Out of the amount of selling price and cost of land, ₱1,519 million and ₱422 million were recognized in real estate sales and cost of real estate sales, respectively in 2021. These amounts represent the portion sold to SPI by virtue of its 50% ownership in SRPI. The remaining 50% will be recognized as SRPI starts to sell developed real estate properties to its customers. As of September 30, 2023 and December 31, 2022, the Parent Company has not realized income from this deferred gain yet.

(f) *Advances to lot owners*
In 2022 and 2021, the Parent Company made advances to BRFLC’s stockholder amounting to ₱12 million and ₱20 million, respectively, for the purchase of parcels of land. The total remaining outstanding balances as of September 30, 2023 and December 31, 2022 amounted to ₱407 million.

(g) *Payable to affiliated companies*
The Group, in the normal course of business, has transactions with Ultimate Parent Company and its affiliated companies consisting primarily of administrative and support services.

<u>Terms and conditions of transactions with related parties</u>
There have been no guarantees provided or received for any related party receivables or payables. The Group has not recognized any impairment losses on amounts receivables from related parties for the nine months ended September 30, 2023 and 2022. This assessment is undertaken each financial year through a review of the financial position of the related party and the market in which the related party operates.

Compensation of key management personnel by benefit type follows:

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Short-term employee benefits	**₱134,913,411**	**₱131,362,493**
Post-employment benefits	**38,192,946**	**36,374,235**
	₱173,106,357	**₱167,736,728**

There are no other arrangements between the Group and any of its directors and key officers providing for benefits upon termination of employment, except for such benefits to which they may be entitled to under the Group's pension plan.

Approval requirements and limits on the amount and extent of related party transactions
Material related party transactions (MRPT) refers to any related party transactions, either individually, or in aggregate over a twelve (12)–month period with the same related party, amounting to ten percent (10%) or higher of the Group's total consolidated assets based on its latest audited financial statements.

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.

22. Revenue

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 sources of revenue from contracts with customers are presented below:

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Revenue from contracts with customers		
Recognized over time		
Residential development	**₱6,309,353,305**	₱4,807,055,586
Industrial and integrated developments	**665,498,168**	425,800,012
	6,974,851,473	5,232,855,598
Recognized at a point in time		
Residential development	**17,756,147**	12,681,630,148
Hotels and resorts	**3,246,265,598**	1,386,747,483
Amusement income	**560,899,526**	268,727,876
	3,824,921,271	14,337,105,507
Total revenue from contracts with customers	**10,799,772,744**	19,569,961,105
Rental income	**13,669,219,725**	11,308,319,984
Other income	**5,740,257,836**	4,888,111,366
	₱30,209,250,305	₱35,766,392,455

<u>Performance obligations</u>
Information about the Group's performance obligations are summarized below:

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

The sale of real estate unit may cover either the (i) serviced lot; (ii) serviced lot and house and (ii) condominium unit. The Group concluded that 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.

On real estate sales from Chendu Xin Yao, the revenue is recognized under completed contract method. Under this method, all the revenue and costs associated with the sale of the real estate inventories is recognized at a point in time only after the completion of the projects.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the customer. The 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.

After the delivery of the completed real estate unit, the Group provides one-year warranty to repair minor defects on the delivered serviced lot and house and condominium unit. This is assessed by the Group as a quality assurance warranty and not treated as a separate performance obligation.
The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Group's real estate projects. The Group's condominium units are completed within three years and five years, respectively, from start of construction while serviced lots and serviced lots and house are expected to be completed within two to three years from start of development.

Residential development

Type of Product	**September 30, 2023 (Unaudited)**	September 30, 2022 (Unaudited)
Philippines		
Residences	**₱5,794,274,167**	₱3,722,453,561
Homes	**515,079,138**	1,084,602,025
	6,309,353,305	4,807,055,586
China		
Chengdu Xin Yao	**17,756,147**	12,681,630,148
	₱6,327,109,452	₱17,488,685,734

The Group's real estate sales from residential development are revenue from contracts with customers recognized over time and at a point in time.

Real estate sales include interest income from installment contract receivable amounting to ₱477 million and ₱456 million for the nine months period ended September 30, 2023 and 2022, respectively. These are also recognized over time.

Integrated Developments
The real estate revenues pertain to the sale of parcels of land that were recognized at a point in time amounting to ₱665 million and ₱426 million for the nine months period ended September 30, 2023 and 2022, respectively.

Costs to obtain contract
The balances below pertain to the costs to obtain contract presented in the consolidated financial statements.

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Balance at beginning of year	**₱481,930,412**	₱414,292,033
Additions	**678,261,052**	738,341,668
Amortization (Note 23)	**(654,164,531)**	(670,703,289)
Balance at end of year	**₱506,026,933**	₱481,930,412

23. **Costs and General and Administrative Expenses**

Costs
Costs of rental services is composed of depreciation and amortization, property and operations and maintenance costs and accretion of security deposits.

Costs of hotel operations is composed of cost of room services broken down into property operations and maintenance costs and depreciation and amortization, costs of food and beverage and others which is composed mainly of salaries and wages, contracted services, management fee and supplies

Others under costs of real estate operations and hotel operations include expenses for utilities, and other overhead expenses.

General and Administrative Expenses

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Salaries and wages	**₱1,260,279,445**	₱1,009,675,310
Commission	**672,166,197**	521,968,839
Advertising and promotions	**643,639,493**	257,081,082
Taxes and licenses	**550,850,146**	1,044,414,268
Light, water and communication	**125,153,684**	93,515,703
Insurance	**111,170,276**	91,091,600
Association dues	**63,430,383**	69,355,098
Supplies	**61,601,660**	34,791,868
Travel and transportation	**43,237,610**	43,823,774
Entertainment, amusement and recreation	**17,113,009**	16,331,068
Rent	**13,657,475**	12,860,199
Others	**31,131,958**	29,666,150
	₱3,593,431,336	₱3,224,574,959

24. **Income Tax**

The Group's provision for (benefit from) income tax includes the regular corporate income tax (RCIT), minimum corporate income tax (MCIT) and final tax paid at the rate of 20% for peso deposits and 7.50% for foreign currency deposits which are final withholding tax on gross interest income. Details follow:

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Current		
RCIT	**₱999,541,577**	₱1,841,101,212
Final tax	**179,297,564**	5,089,828
MCIT	**49,641**	843,694
	1,178,888,782	1,847,034,734
Deferred	**135,609,393**	(204,627,854)
	₱1,314,498,175	₱1,642,406,880

The reconciliation of statutory income tax rate to the effective income tax rate follows:

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Statutory income tax rate	**25.00%**	25.00%
Reductions in income tax resulting from:		
Interest income subjected to final tax	**(2.11%)**	(0.01)
Income subjected to BOI, PEZA and lower tax	**(11.13%)**	(7.69)
Effective income tax rate	**11.76%**	17.30%

Deferred Income Taxes
Deferred tax assets as of September 30, 2023 and December 31, 2022 relate to the tax effects of lease liabilities, pension liabilities, accrued interest expense, allowance for impairment loss, accrued commissions and MCIT which amounted to ₱999 million and ₱977 million, respectively.

Deferred tax liabilities as of September 30, 2023 and December 31, 2022 relate to the tax effects of excess of real estate revenue based on percentage-of-completion over real estate revenue based on tax rules, unamortized capitalized interest expense, accrued rent income, right-of-use assets, unamortized debt issuance cost and fair value reserve of financial assets at FVOCI which amounted to ₱4,064 million and ₱3,897 million, respectively.

The net deferred tax liabilities as at September 30, 2023 and December 31, 2022 amounted to ₱3,065 million and ₱2,919 million, respectively.

To attract more investments and maintain fiscal prudence and stability in the Philippines, on March 26, 2021 the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was passed 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 took effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation or April 11, 2021.

RCR being a REIT entity is entitled to the deductibility of dividend distribution from its taxable income, provided it complies with the requirements under R.A. No. 9856 and IRR of R.A. No. 9856.

25. **Financial Risk Management Objectives and Policies**

The Group's principal financial instruments comprise of short-term loans, loans payable, deposit from lessees, receivables from affiliated companies, payables to affiliated companies, utility deposits, receivables and cash and cash equivalents. The main purpose of these financial instruments is to raise fund for the Group's operations. The Group has various other financial assets and liabilities such as trade and other receivables and trade and other payables, which arise directly from its operations.

The main risks currently arising from the Group's financial instruments are foreign currency market risk, liquidity risk, interest rate risk and credit risk. The BOD reviews and approves policies for managing each of these risks and they are summarized below, together with the related risk management structure.

Risk Management Structure

The Group's risk management structure is closely aligned with that of the Parent Company. The BOD of the Parent Company and the respective BODs of each subsidiary are ultimately responsible for the oversight of the Group's risk management processes that involve identifying, measuring, analyzing, monitoring and controlling risks.

The risk management framework encompasses environmental scanning, the identification and assessment of business risks, development of risk management strategies, design and implementation of risk management capabilities and appropriate responses, monitoring risks and risk management performance, and identification of areas and opportunities for improvement in the risk management process. Each BOD has created the board-level Audit Committee (AC) to spearhead the managing and monitoring of risks.

Audit Committee

The AC shall assist the Group's BOD in its fiduciary responsibility for the over-all effectiveness of risk management systems, and both the internal and external audit functions of the Group. Furthermore, it is also the AC's purpose to lead in the general evaluation and to provide assistance in the continuous improvements of risk management, control and governance processes.

The AC also aims to ensure that:

a. financial reports comply with established internal policies and procedures, pertinent accounting and audit standards and other regulatory requirements;
b. risks are properly identified, evaluated and managed, specifically in the areas of managing credit, market, liquidity, operational, legal and other risks, and crisis management;
c. audit activities of internal and external auditors are done based on plan, and deviations are explained through the performance of direct interface functions with the internal and external auditors; and
d. the Group's BOD is properly assisted in the development of policies that would enhance the risk management and control systems.

Enterprise Risk Management Group (ERMG)
To systematize the risk management within the Group, the ERMG was created to be primarily responsible for the execution of the enterprise risk management framework. The ERMG's main concerns include:
a. recommending risk policies, strategies, principles, framework and limits;
b. managing fundamental risk issues and monitoring of relevant risk decisions;
c. providing support to management in implementing the risk policies and strategies; and
d. developing a risk awareness program.

Support groups have likewise been created to explicitly manage on a day-to-day basis specific types of risks like trade receivables, supplier management, etc.

Compliance with the principles of good corporate governance is also one of the objectives of the BOD. To assist the BOD in achieving this purpose, the BOD has designated a Compliance Officer who shall be responsible for monitoring the actual compliance with the provisions and requirements of the Corporate Governance Manual and other requirements on good corporate governance, identifying and monitoring control compliance risks, determining violations, and recommending penalties on such infringements for further review and approval of the BOD, among others.

Risk Management Policies
The main risks arising from the use of financial instruments are foreign currency risk, liquidity risk, interest rate risk, credit risk and equity price risk. The Group's policies for managing the aforementioned risks are summarized below.

Foreign Currency Risk
Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises from financial instruments that are denominated in Chinese Renminbi (RMB) and United States Dollar (USD) which result primarily from movement of the Philippine Peso (PHP) against RMB and USD.

The Group does not have any foreign currency hedging arrangements.

The Group does not expect the impact of the volatility on other currencies to be material.

	September 30, 2023 (Unaudited)		December 31, 2022 (Audited)	
Assets				
Cash and cash equivalents	**$748,097**	**₱42,323,576**	$2,285,847	₱127,447,435
Liabilities				
Accounts payable and accrued expenses	**135,407**	**7,660,647**	423,006	23,586,763
Net foreign currency-denominated assets	**$612,690**	**₱34,662,929**	$1,862,841	₱103,860,672

	September 30, 2023 (Unaudited)		December 31, 2022 (Audited)	
Assets				
Cash and cash equivalents	**RMB34,731,624**	**₱268,982,152**	RMB282,753,282	₱2,284,646,520
Liabilities				
Accounts payable and accrued expenses	**21,225,611**	**164,383,631**	124,081,822	1,002,581,122
Net foreign currency-denominated assets	**RMB13,506,013**	**₱104,598,521**	RMB158,671,460	₱1,282,065,398

	September 30, 2023 (Unaudited)		December 31, 2022 (Audited)	
Assets				
Cash and cash equivalents	**SGD1,302**	**₱53,920**	SGD 3,140	₱130,696

	September 30, 2023 (Unaudited)		December 31, 2022	
Assets				
Cash and cash equivalents	**CAD2,372**	**₱100,166**	CAD 29,234	₱1,205,624

The exchange rates used to translate the Group's USD-denominated assets and liabilities as of September 30, 2023 and December 31, 2022 follow:

	September 30, 2023	December 31, 2022
US Dollar - Philippine Peso exchange rate	**₱56.58 to US$1.00**	₱55.76 to US$1.00
Chinese Yuan - Philippine Peso exchange rate	**₱7.74 to RMB1.00**	₱8.08 to RMB1.00
Singapore Dollar - Philippine Peso exchange rate	**₱41.41 to SGD1.00**	₱41.62 to SGD1.00
Canadian Dollar - Philippine Peso exchange rate	**₱42.23 to CAD1.00**	₱41.24 to CAD1.00

The following table sets forth the impact of the range of reasonably possible changes in the USD-PHP exchange rate on the Group's income before income tax for the nine months period ended September 30, 2023 and for the year ended December 31, 2022.

Reasonably Possible Changes in USD-PHP Exchange Rates	Change in Income Before Income Tax
September 30, 2023	
2.0% PHP appreciation	**(₱693,259)**
2.0% PHP depreciation	**693,259**
December 31, 2022	
2.0% PHP appreciation	(₱2,077,212)
2.0% PHP depreciation	2,077,212

Reasonably Possible Changes in RMB-PHP Exchange Rates	Change in OCI
September 30, 2023	
2.0% PHP appreciation	**(₱2,091,970)**
2.0% PHP depreciation	**2,091,970**
December 31, 2022	
2.0% PHP appreciation	(₱25,641,308)
2.0% PHP depreciation	25,641,308

Reasonably Possible Changes in SGD-PHP Exchange Rates	Change in Income Before Income Tax
September 30, 2023	
2.0% PHP appreciation	**(₱1,078)**
2.0% PHP depreciation	**1,078**
December 31, 2022	
2.0% PHP appreciation	(₱2,614)
2.0% PHP depreciation	2,614

Reasonably Possible Changes in CAD-PHP Exchange Rates	Change in Income Before Income Tax
September 30, 2023	
2.0% PHP appreciation	**(₱2,003)**
2.0% PHP depreciation	**2,003**
December 31, 2022	
2.0% PHP appreciation	(₱24,112)
2.0% PHP depreciation	24,112

Sensitivity to foreign exchange rates is calculated on the Group's foreign currency denominated assets and liabilities, assuming a more likely scenario of foreign exchange rate of USD-PHP that can happen within 12 months after reporting date using the same balances of financial assets and liabilities as of reporting date.

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. Its diversified earnings mix provides a solid financial base for the Group, and a stable source of funds for business expansion and other capital requirements. For its operating expenses, the Group maintains a sufficient level of cash and cash equivalents.

As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund-raising activities. Fund-raising activities may include bank loans and capital market issues both onshore and offshore. The Group likewise maintains short-term revolving credit facilities.

The following table summarizes the maturity profile of the Group's financial assets and financial liabilities as of September 30, 2023 and 2022, based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Group's financial assets in order to provide a complete view of the Group's contractual commitments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates.

Balances due within nine (9) months equal their carrying amounts, as the impact of discounting is insignificant.

	September 30, 2023 (Unaudited)					
	On Demand	**1 to 3 months**	**4 to 12 months**	**More than 1 year but less than 5 years**	**5 years or more**	**Total**
Financial assets at amortized cost						
Cash and cash equivalents	**₱3,401,829,084**	**₱2,486,371,422**	**₱–**	**₱–**	**₱–**	**₱5,888,200,506**
Receivables						
Trade	**3,102,318,139**	**4,657,118,141**	**5,360,372,883**	**4,452,463,015**	**709,877,467**	**18,282,149,645**
Affiliated companies	**574,708,593**	**500,000,000**	**–**	**1,402,740,925**	**–**	**2,477,449,518**
Others	**66,747,127**	**967,599,335**	**65,395,445**	**–**	**–**	**1,099,741,907**
Other assets						
Restricted cash	**63,148,423**	**–**	**–**	**–**	**–**	**63,148,423**
Utility deposits	**–**	**–**	**–**	**596,237,175**	**162,058,879**	**758,296,054**
Total financial assets	**₱7,208,751,366**	**₱8,611,088,898**	**₱5,425,768,328**	**₱6,451,441,115**	**₱871,936,346**	**₱28,568,986,053**
Accounts payable and accrued expenses	**₱2,472,744,019**	**₱7,819,719,949**	**₱4,508,230,239**	**₱444,993,532**	**₱458,576,516**	**₱15,704,264,255**
Payables to affiliated companies and others (included under Deposits and other current liabilities)	**418,270,523**	**–**	**–**	**–**	**–**	**418,270,523**
Deposits from lessees	**–**	**1,594,275,347**	**1,694,875,273**	**2,252,326,362**	**3,176,006,212**	**8,717,483,194**
Lease liabilities	**–**	**32,446,487**	**97,339,461**	**519,143,798**	**1,797,153,204**	**2,446,082,950**
Loans payable and future interest payment	**–**	**716,867,698**	**8,136,601,015**	**44,328,825,495**	**–**	**53,182,294,208**
Other financial liabilities	**₱2,891,014,542**	**₱10,163,309,481**	**₱14,437,045,988**	**₱47,545,289,187**	**₱5,431,735,932**	**₱80,468,395,130**

	December 31, 2022 (Audited)					
	On Demand	1 to 3 months	4 to 12 months	More than 1 year but less than 5 years	5 years or more	Total
Financial assets at amortized cost						
Cash and cash equivalents	₱6,252,030,579	₱2,025,968,601	₱–	₱–	₱–	₱8,277,999,180
Receivables						
Trade	4,721,637,575	3,687,969,477	4,244,876,548	3,931,480,723	626,814,769	17,212,779,092
Affiliated companies	69,150,292	–	1,000,000,000	1,830,204,712	–	2,899,355,004
Others	81,372,390	1,179,614,378	79,724,536	–	–	1,340,711,304
Other assets						
Restricted cash	434,299,396	–	–	–	–	434,299,396
Utility deposits	2,427,000	–	–	575,511,509	156,425,587	734,364,096
Total financial assets	₱11,560,917,232	₱6,893,552,456	₱5,324,601,084	₱6,337,196,944	₱783,240,356	₱30,899,508,072
Accounts payable and accrued expenses	₱2,601,374,876	₱8,226,497,710	₱4,742,746,029	₱538,151,171	₱554,577,700	₱16,663,347,486
Payables to affiliated companies and others (included under Deposits and other current liabilities)	474,196,804	–	–	–	–	474,196,804
Deposits from lessees	–	1,450,851,140	1,542,400,894	1,762,916,013	2,485,888,503	7,242,056,550
Lease liabilities	–	47,521,861	142,565,584	760,349,787	2,632,151,366	3,582,588,598
Loans payable and future interest payment	–	863,460,184	18,865,454,552	31,683,705,510	–	51,412,620,246
Other financial liabilities	₱3,075,571,680	₱10,588,330,895	₱25,293,167,059	₱34,745,122,481	₱5,672,617,569	₱79,374,809,684

Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk for changes in market interest rates relates primarily to the Group's long-term debt obligation with a floating interest rate.

The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts, whenever it's advantageous to the Group.

The Group has no financial instruments with variable interest rates exposed to interest rate risk as of September 30, 2023 and December 31, 2022.

Credit risk
Credit risk is the risk that 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 from cash and cash equivalents and receivables).

The Group trades only with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.
In addition, receivable balances are monitored on an ongoing basis. These measures result in the Group's exposure to impairment loss as not significant.

With respect to credit risk arising from the Group's financial assets, which comprise of cash and cash equivalents and receivables, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

a. Credit risk exposure
The table below shows the gross maximum exposure to credit risk of the Group as of September 30, 2023 and December 31, 2022 without considering the effects of collaterals and other credit risk mitigation techniques:

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Cash and cash equivalents (net of cash on hand)	**₱5,874,080,488**	₱8,171,721,689
Receivables – net		
Trade receivables		
Installment contract receivable - at amortized cost	**13,887,173,843**	11,107,844,928
Installment contract receivable - at FVOCI	**429,676,757**	409,215,959
Rental receivables	**2,233,720,754**	4,247,611,353
Accrued rent receivable	**1,461,950,551**	1,276,952,876
Hotel operations	**269,627,740**	171,153,975
Affiliated companies	**2,477,449,518**	2,899,355,004
Other receivables	**1,099,741,907**	1,340,711,304
Other assets		
Restricted cash – escrow	**63,148,423**	434,299,396
Utility deposits	**758,296,054**	734,364,096
Financial assets at FVOCI	**116,281,324**	126,177,247
	₱28,671,147,359	₱30,919,407,827

The credit risk on installment contract receivables is 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.

Applying the expected credit risk model did not result in the recognition of an impairment loss for all financial assets at amortized cost for the nine months ended September 30, 2023 and 2022.

b. Risk concentrations of the maximum exposure to credit risk
Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.
Such credit risk concentrations, if not properly managed, may cause significant losses that could threaten the Group's financial strength and undermine public confidence.

Given the Group's diverse base of counterparties, it is not exposed to large concentrations of credit risks.

26. Fair Value of Financial Instruments

The carrying amount of cash and cash equivalents, trade receivables (except installment contract receivables), other receivables, utility deposits, receivable and payable to affiliated companies and accounts payable and accrued expenses are approximately equal to their fair value due to the short-term nature of the transaction.

Set out below is a comparison of carrying amounts and fair values of installment contracts receivables, deposits from lessees and loans payable that are carried in the consolidated financial statements.

	September 30, 2023 (Unaudited)		December 31, 2022 (Audited)	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Installment contract receivable				
Measured at amortized cost	**₱13,887,173,843**	**₱12,641,841,637**	₱11,107,844,928	₱10,155,637,903
Measured at FVOCI	**429,676,757**	**429,676,757**	409,215,959	409,215,959
Equity investment at FVOCI	**116,281,324**	**116,281,324**	126,177,247	126,177,247
Utility deposits	**758,296,054**	**611,498,496**	734,364,096	592,401,475
Retentions payable	**285,709,054**	**236,505,993**	487,736,155	404,186,225
Deposits from lessees	**8,717,483,194**	**7,266,826,065**	7,242,056,550	6,098,633,271
Lease liabilities	**2,446,082,950**	**1,859,620,994**	2,501,193,154	1,895,319,232
Loans payable	**53,119,389,307**	**52,363,135,707**	51,159,115,666	62,394,333,669

The fair values of installment contracts receivables, deposits from lessees, lease liabilities and loans payable are based on the discounted value of future cash flows using the applicable rates for similar types of loans and receivables as of reporting. The fair value of these financial instruments is determined by discounting future cash flows using the applicable rates of similar types of instruments plus a certain spread. This spread is the unobservable input and the effect of changes to this is that the higher the spread, the lower the fair value

The fair value of equity investment at FVOCI is determined using the discounted cash flow method using the applicable rates as of September 30, 2023 and December 31, 2022.

Fair Value Hierarchy
The Group uses the following hierarchy for determining the fair value of financial instruments:

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 the recorded fair value are observable, either directly or indirectly;
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognized in the consolidated financial statements at fair value 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.

Details of the movement in cash flows from financing activities follow:

	For the Period Ended September 30, 2023					
		Non-cash Changes				
	January 1, 2023	**Cash flows**	**Foreign exchange movement**	**Changes on fair values**	**Other**	**September 30 2023**
Loans payable	**₱51,159,115,666**	**₱1,870,671,314**	**₱–**	**₱–**	**₱89,602,327**	**₱53,119,389,307**
Lease liabilities	**2,501,193,154**	**(188,177,553)**	**–**	**–**	**133,067,349**	**2,446,082,950**
Advances for marketing and promotional fund and others	**592,409,587**	**40,111,976**	**–**	**–**	**–**	**632,521,563**
Accrued interest payable	**338,724,028**	**(1,141,414,539)**	**–**	**–**	**1,121,388,323**	**318,697,812**
Payables to affiliated companies and others	**474,196,804**	**(55,926,281)**	**–**	**–**	**–**	**418,270,523**
Dividends payable	**19,444,535**	**(3,609,109,615)**	**–**	**–**	**3,609,105,700**	**19,440,620**
Total liabilities from financing activities	**₱55,085,083,774**	**(₱3,083,844,698)**	**₱–**	**₱–**	**₱4,953,163,699**	**₱56,954,402,775**

	For the Year Ended December 31, 2022 (Audited)					
		Non-cash Changes				
	January 1, 2022	Cash flows	Foreign exchange movement	Changes on fair values	Other	December 31, 2022
Loans payable	₱47,042,864,144	₱4,022,787,765	₱–	₱–	₱93,463,757	₱51,159,115,666
Lease liabilities	2,130,587,963	(214,924,507)	–	–	585,529,698	2,501,193,154
Advances for marketing and promotional fund and others	530,079,444	62,330,143	–	–	–	592,409,587
Accrued interest payable	440,303,722	(1,154,803,274)	–	–	1,053,223,580	338,724,028
Payables to affiliated companies and others	392,987,620	81,209,184	–	–	–	474,196,804
Dividends payable	–	(3,952,989,114)	–	–	3,972,433,649	19,444,535
Total liabilities from financing activities	₱50,536,822,893	(₱1,156,389,803)	₱–	₱–	₱5,704,650,684	₱55,085,083,774

The fair value of installment contracts receivables, deposits from lessees and loans payable disclosed in the consolidated financial statements is categorized within level 3 of the fair value hierarchy. There has been no reclassification from Level 1 to Level 2 or 3 category.

27. Commitments and Contingencies

Operating Lease Commitments - Group as Lessor

The Group has entered into commercial property leases on its investment property portfolio. These non-cancellable leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions. The lease contracts also provide for the percentage rent, which is a certain percentage of actual monthly sales or minimum monthly gross sales, whichever is higher. Total rent income amounted to ₱9,044 million and ₱11,308 million for the nine months period ended September 30, 2023 and 2022, respectively. Total percentage rent recognized as income for the nine months period ended September 30, 2023 and 2022 amounted to ₱2,561 million and ₱1,699 million, respectively.

Future minimum rentals receivable under noncancellable operating leases follows:

	September 30, 2023 (Unaudited)	December 31, 2022 (Unaudited)
Within one (1) year	**₱5,807,111,694**	₱7,551,776,498
After one (1) year but not more than five (5) years	**23,663,744,484**	19,816,200,805
After more than five (5) years	**2,344,745,535**	1,930,650,796
	₱31,815,601,713	₱29,298,628,099

The Group granted rent concessions to its tenants which were affected by the community quarantine imposed by the government amounting to nil and ₱1,006 million for the period ended September 30, 2023 and 2022, respectively. These rent concessions did not qualify as a lease modification, thus, were accounted for as a variable lease payments and reported as reduction of lease income (see Note 4).

Finance Lease Commitments - Group as Lessor

The Group has significantly entered into residential property leases on its residential condominium unit's portfolio. These leases have lease period of 5 to 10 years and the lessee is given the right to purchase the property anytime within the lease period provided that the lessee any arrears in rental payment, condominium dues and other charges.

Future minimum lease payments under finance lease with the present value of future minimum lease payment as follows:

	September 30, 2023 (Unaudited)		December 31, 2022 (Audited)	
	Minimum Lease Payments	**Present Value of Minimum Lease Payments**	Minimum Lease Payments	Present Value of Minimum Lease Payments
Within one (1) year	**₱284,522,644**	**₱267,380,103**	₱288,797,549	₱273,931,038
After 1 year but not more than five years	**145,154,113**	**120,156,562**	120,418,410	99,790,557
Total minimum lease payments	**₱429,676,757**	**₱387,536,665**	₱409,215,959	₱373,721,595

Group as a lessee

The Group has lease contracts for various parcels of land used in its operations. Leases of land generally have lease terms between 25 and 50 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

Right-of-use assets

The roll forward analysis of this account for the nine months period ended September 30, 2023 and for the year ended December 31, 2022 follows:

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Cost		
At January 1	**₱1,828,622,403**	₱1,526,511,062
Additions	**-**	302,111,341
Ending Balance	**1,828,622,403**	1,828,622,403
Accumulated Depreciation		
At January 1	**401,180,742**	327,700,472
Depreciation (Note 26)	**55,110,204**	73,480,270
Ending Balance	**456,290,946**	401,180,742
Net Book Value	**₱1,372,331,457**	₱1,427,441,661

The variable lease payments recognized in the consolidated statement of comprehensive income for nine months ended September 30, 2023 and 2022 amounted to ₱13 million and ₱12 million, respectively.

Lease liabilities

The roll forward analysis of lease liabilities follow:

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
At January 1	**₱2,501,193,154**	₱2,130,587,963
Additions	**-**	408,106,566
Interest expense (Note 25)	**133,067,349**	177,423,132
Payments	**(188,177,553)**	(214,924,507)
As at end of period	**2,446,082,950**	2,501,193,154
Current lease liabilities (Note 15)	**129,785,948**	132,710,023
Noncurrent lease liabilities (Note 17)	**₱2,316,297,002**	₱2,368,483,131

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Future minimum rentals payable under noncancellable operating leases are as follows:

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Within 1 year	**₱238,522,565**	₱207,619,631
After 1 year but not more than 5 years	**1,178,716,740**	990,261,462
After more than 5 years	**6,174,621,929**	6,234,473,023
	₱7,591,861,235	₱7,432,354,116

Capital Commitments
The Group has contractual commitments and obligations for the construction and development of investment properties and property and equipment items aggregating ₱8,906 million and ₱9,504 million as of September 30, 2023 and December 31, 2022, respectively. Moreover, the Group has contractual obligations amounting to ₱3,139 million and ₱5,095 million as of September 30, 2023 and December 31, 2022, respectively, for the completion and delivery of real estate units that have been presold.

Contingencies
The Group has various collection cases or claims against or from its customers and certain tax assessments, arising in the ordinary conduct of business which are either pending decision by the courts or being contested, the outcome of which are not presently determinable. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Group's financial position and results of operations. The Group does not believe that such assessments will have a material effect on its operating results and financial condition. The information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Asset*s, is not disclosed on the grounds that it can be expected to prejudice the outcome of pending assessments.

28. Other Matter

COVID-19 Pandemic
The declaration of COVID-19 by the World Health Organization (WHO) as a pandemic and declaration of nationwide state of calamity and implementation of community quarantine measures throughout the country have caused disruptions in business activities.

As of reporting date, the Group's lifestyle centers have resumed commercial operations. Hotel properties bounced back with the significant easing of travel restrictions, resurgence of domestic tourism, and reopening of international borders. Office properties and industrial facilities remained fully operational and construction works on projects have resumed accordingly.

Seasonality
Except for the significant impact of COVID-19 pandemic to the Group's operations starting March 2020, there were no trends, events or uncertainties that have had or that are reasonably expected to have a material impact on net sales or revenues or income from operations.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

AGING OF RECEIVABLES
As of September 30, 2023

	Total	Neither Past Due nor Impaired	Past Due But Not Impaired: Less than 30 days	30 to 60 days	61 to 90 days	Over 90 days	Past Due and Impaired
Trade receivables							
Installment contract receivables – at cost	**₱13,906,173,843**	**₱12,363,440,750**	**₱229,542,948**	**₱68,827,290**	**₱641,616,953**	**₱583,745,902**	**₱19,000,000**
Installment contract receivables – at FMV	**429,676,757**	**405,872,665**	**2,964,770**	**1,675,739**	**730,450**	**18,433,133**	**–**
Rental receivables	**2,423,869,476**	**898,605,346**	**227,880,945**	**105,102,399**	**88,958,932**	**913,173,132**	**190,148,722**
Accrued rent receivables	**1,461,950,551**	**1,461,950,551**	**–**	**–**	**–**	**–**	**–**
Hotel operations	**273,406,718**	**49,962,194**	**133,955,367**	**26,458,070**	**13,137,630**	**46,114,479**	**3,778,978**
Affiliated companies	**2,477,449,518**	**2,477,449,518**	**–**	**–**	**–**	**–**	**–**
Others	**1,099,741,907**	**1,099,741,907**	**–**	**–**	**–**	**–**	**–**
	₱22,072,268,770	**₱18,757,022,931**	**₱594,344,030**	**₱202,063,498**	**₱744,443,965**	**₱1,561,466,646**	**₱212,927,700**

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

FINANCIAL SOUNDNESS INDICATOR

Ratio	Formula	September 30, 2023	December 31, 2022
Current ratio	Current assets / Current liabilities	1.87:1	1.40:1
Acid test ratio (Quick ratio)	(Cash and cash equivalents + Current receivables + Current contract assets + Other current assets) / Current liabilities	0.77:1	0.65:1
Debt-to-equity ratio	(Short-term loans + Long-term loans) / Equity attributable to equity holders of the Parent Company	0.40:1	0.40:1
Asset-to-equity ratio	Total assets / Total shareholders' equity	1.66:1	1.65:1
Net book value per share	Equity attributable to equity holders of the Parent Company / Number of outstanding shares	₱27.34	₱25.59

Ratio	Formula	September 30, 2023	September 30, 2022
Earnings per share	Net income attributable to equity holders of Parent Company / Weighted average number of outstanding shares	₱1.79	₱1.32
Interest coverage ratio	Earnings before interest and taxes / Interest expensed + Interest capitalized	6.65x	7.68x
Net profit/ Operating margin	Earnings before interest and taxes / Total revenues	42%	29%
Solvency ratios*	Earnings before interest, taxes, depreciation and amortization / (Short-term loans + Long-term loans)	0.41	0.34
Return on equity*	Net income attributable to equity holders of Parent Company / Equity attributable to equity holders of the Parent Company	9%	7%
Return on assets*	Net income attributable to equity holders of Parent Company / Total assets	5%	4%

For the nine months ended September 30, 2023 and 2022, the ratio was calculated on a last twelve months basis.