

SEC Registration Number

P W - 0 0 0 0 0 8 3 4

Company Name

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D	I	A	R	I	E	S																										

Principal Office (No./Street/Barangay/City/Town)

Province)

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Form Type

SEC Form 17-Q

Department requiring the report

C R M D

Secondary License Type, If Applicable

Not Applicable

## COMPANY INFORMATION

Company's Email Address

www.roxascompany.com.ph

Company's Telephone Number/s

(02) 8810-8901

Mobile Number

-

No. of Stockholders

3,288

Annual Meeting  
Month/Day

Last Wednesday of May

Fiscal Year  
Month/Day

December 31

## CONTACT PERSON INFORMATION

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

Name of Contact Person

Atty. Melchor J. Manalo

Email Address

melchor.manalo  
@roxascompany.com.ph

Telephone Number/s

(632) 8751-9537

Mobile Number

-

Contact Person's Address

7th Floor, Cacho-Gonzales Building, 101 Aguirre Street, Legaspi Village, Makati City

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

**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: **31 March 2023**.
2. SEC Identification Number: **PW- 00000834**.
3. BIR Tax Identification No. : **000-269-435-000**.
4. Exact name of issuer as specified in its charter: **ROXAS AND COMPANY, INC.**
5. **Philippines**  
Province, Country or other jurisdiction of  
Incorporation or Organization
6. (SEC Use Only)  
Industry Classification Code
7. **7<sup>th</sup> Floor Cacho-Gonzales Building, 101 Aguirre Street  
Legaspi Village, Makati City 1229**  
Address of Principal Office
8. **(632) 8810-89-01 to 06**  
Registrant's telephone number, including area code
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 Stock Outstanding and Amount of Debt Outstanding
Authorized Capital Stock	
Common	<b>₱3,375,000,000</b>
Preferred	<b>1,000,000,000</b>
No. of shares subscribed & outstanding:	
Common	<b>2,238,565,159</b>
Preferred	<b>200,000,000</b>
Amount of loans outstanding as of 31 March 2023	<b>₱3,673,409,009</b>

Of the 2,911,885,870 subscribed and outstanding common shares, 673,320,711 common shares and 200,000,000 preferred shares were exempt securities under Section 10.1 of the SRC.

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

Yes [☒]                      No [☐]

2,911,885,870 common shares are listed with the Philippine Stock Exchange (PSE).

12. Check whether the issuer:

(a) Has filed all reports required to be filed by Section 17 of the Securities Regulation Code (SRC) and Rule 17 (a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports);

Yes [☒]      No [ ☐ ]

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

Yes [☒]      No [ ☐ ]

## **PART I – FINANCIAL INFORMATION**

Item 1. Financial Statements

**Please see Annex “A”.**

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

**Please see Annex “B”.**

## **PART II – OTHER INFORMATION**

1. New Projects or Investments in Another Project, Line of Business or Corporation  
**None for the period.**

2. Composition of the Board of Directors:

<b>PEDRO O. ROXAS</b>	-	Chairman
<b>EDGAR P. ARCOS</b>	-	President & CEO
<b>FRANCISCO JOSE R. ELIZALDE</b>	-	Director
<b>SANTIAGO R. ELIZALDE</b>	-	Director
<b>AURELIO R. MONTINOLA III</b>	-	Independent Director
<b>CORAZON S. DE LA PAZ-BERNARDO</b>	-	Independent Director
<b>GERARDO C. ABLAZA, JR.</b>	-	Independent Director

3. Performance of the Corporation or result or progress of operations:  
**Required information is contained in Annexes “A” and “B”.**

4. Suspension of operations:  
**None for the period.**

5. Declaration of dividends:  
**None for the period.**

6. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements:  
**None for the period.**

7. Financing through loans:

**Outstanding short-term and long-term loans amounting to ₱100.0 million and ₱3,573.4 million, respectively, were used for the working capital requirements and real estate, hotel, and coconut projects of the Group.**

8. Offering of rights, granting of Stock Options and corresponding plans therefor:  
**None for the period.**
9. Acquisition of other capital assets or patents, formula or real estates:  
**None for the period.**
10. Any other information, event or happening that may affect the market price of the Company's shares:  
**None for the period.**
11. Transferring of assets, except in the normal course of business:  
**None for the period.**

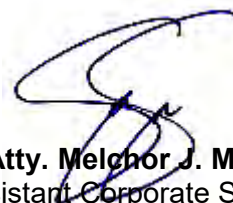
#### SIGNATURE

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 hereunto duly authorized.

**ROXAS AND COMPANY, INC.**

Issuer

By:



**Atty. Melchor J. Manalo**  
Assistant Corporate Secretary

Date: 16 May 2023



# **ANNEX “A”**

## **UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**1st Quarter Ended March 31, 2023  
and 2022**

**ROXAS AND COMPANY, INC.  
AND SUBSIDIARIES**

Unaudited Interim Condensed  
Consolidated Financial Statements  
As of and for the three months ended  
March 31, 2023 and 2022


**ROXAS AND COMPANY, INC. AND SUBSIDIARIES****INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION***Amounts in Thousands*

	<b>March 31, 2023</b> <b>(Unaudited)</b>	<b>December 31, 2022</b> <b>(Audited)</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash (Note 5)	<b>₱32,807</b>	<b>₱36,130</b>
Trade and other receivables (Notes 6 and 19)	<b>229,820</b>	<b>195,101</b>
Contract assets - current portion (Note 20)	<b>96,100</b>	<b>96,100</b>
Real estate for sale and development (Note 7)	<b>317,129</b>	<b>317,921</b>
Inventories (Note 8)	<b>43,691</b>	<b>31,199</b>
Other current assets (Note 9)	<b>234,202</b>	<b>250,057</b>
	<b>953,749</b>	<b>926,508</b>
Assets held for sale	<b>631,856</b>	<b>634,119</b>
<b>Total Current Assets</b>	<b>1,585,605</b>	<b>1,560,627</b>
<b>Noncurrent Assets</b>		
Contract assets - net of current portion (Note 20)	<b>21,940</b>	<b>29,534</b>
Investments in associates (Note 10)	<b>338,336</b>	<b>425,336</b>
Property and equipment (Note 11):		
At cost model	<b>1,635,494</b>	<b>1,651,371</b>
At revaluation model	<b>620,411</b>	<b>620,411</b>
Right-of-use assets (Note 12)	<b>2,151</b>	<b>2,151</b>
Investment properties (Note 13)	<b>9,253,312</b>	<b>9,253,312</b>
Deferred income tax assets - net (Note 24)	<b>58,306</b>	<b>61,960</b>
Other noncurrent assets (Note 9)	<b>210,142</b>	<b>210,363</b>
<b>Total Noncurrent Assets</b>	<b>12,140,092</b>	<b>12,254,438</b>
<b>TOTAL ASSETS</b>	<b>₱13,725,697</b>	<b>₱13,815,065</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables (Notes 16 and 19)	<b>₱1,283,297</b>	<b>₱1,185,500</b>
Short-term borrowings (Note 14)	<b>100,000</b>	<b>100,000</b>
Current portion of long-term borrowings (Note 15)	<b>1,190,012</b>	<b>1,190,012</b>
Contract liabilities (Note 20)	<b>133,781</b>	<b>136,208</b>
Current portion of lease liability (Note 12)	<b>2,797</b>	<b>2,797</b>
	<b>2,709,887</b>	<b>2,614,517</b>
Liabilities directly associated with the assets held for sale	<b>415,073</b>	<b>414,270</b>
<b>Total Current Liabilities</b>	<b>3,124,960</b>	<b>3,028,787</b>
<b>Noncurrent Liabilities</b>		
Long-term borrowings - net of current portion (Note 15)	<b>2,011,859</b>	<b>2,013,458</b>
Deferred income tax liabilities - net (Note 24)	<b>98,060</b>	<b>98,060</b>
Retirement liability (Note 17)	<b>42,807</b>	<b>42,817</b>
Lease liability (Note 12)	<b>2,766</b>	<b>—</b>
<b>Total Noncurrent Liabilities</b>	<b>2,155,503</b>	<b>2,154,335</b>
<b>Total Liabilities</b>	<b>5,280,462</b>	<b>5,183,122</b>
<i>(Forward)</i>		

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
<b>Equity attributable to the Equity Holders of the Parent Company (Note 18)</b>		
Capital stock	₱3,111,886	₱3,111,886
Additional paid-in capital	1,589,603	1,589,603
Other equity reserves	738,062	738,062
Retained earnings	4,000,854	4,173,317
Treasury stock	(1,144,645)	(1,144,645)
	8,295,760	8,468,223
<b>Non-controlling Interests (Note 4)</b>	149,475	163,720
<b>Total Equity</b>	<b>8,445,235</b>	<b>8,631,943</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱13,725,697</b>	<b>₱13,815,065</b>

*See accompanying Notes to Interim Condensed Consolidated Financial Statements.*

Certified true and correct:

  
 ROSSWELL C. DELOS REYES  
 Group CFO



**ROXAS AND COMPANY, INC. AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF INCOME**  
*Amounts in Thousands, except Basic/Diluted Earnings (Loss) per Share Data*  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**

	2023 (Unaudited)	2022 (Unaudited)
<b>REVENUES</b> (Note 20)		
Real estate	₱20,639	₱215,296
Hotel	112,086	82,995
Sale of goods	66,932	56,562
	<b>199,658</b>	<b>354,853</b>
<b>COST OF SALES AND SERVICES</b>		
Cost of real estate sales (Note 7)	(10,247)	(72,108)
Cost of hotel sales and services (Note 21)	(63,503)	(48,515)
Cost of goods sold (Note 21)	(84,367)	(68,005)
	<b>(158,117)</b>	<b>(188,628)</b>
<b>GROSS INCOME</b>	<b>41,540</b>	<b>166,225</b>
<b>OPERATING EXPENSES</b> (Note 21)	<b>(70,912)</b>	<b>(86,064)</b>
<b>OTHER INCOME (CHARGES)</b>		
Equity in net earnings of associates (Note 10)	(87,000)	(69,050)
Interest expense (Notes 14 and 15)	(61,845)	(58,770)
Interest income (Notes 5 and 6)	1,217	3,441
Loss on discontinued operations	(8,826)	(11,082)
Others - net (Note 23)	(59)	4,032
	<b>(156,513)</b>	<b>(131,429)</b>
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>(185,885)</b>	<b>(51,269)</b>
<b>INCOME TAX EXPENSE</b> (Note 24)		
Current	821	2,125
Deferred	—	—
	<b>821</b>	<b>2,125</b>
<b>NET LOSS</b>	<b>(₱186,706)</b>	<b>(₱53,393)</b>
<b>Net Loss attributable to:</b>		
Equity holders of the Parent Company	(₱172,462)	(₱41,756)
Non-controlling interests	(14,244)	(11,637)
	<b>(₱186,706)</b>	<b>(₱53,393)</b>
<b>BASIC/DILUTED LOSS PER SHARE</b> <b>ATTRIBUTABLE TO THE EQUITY HOLDERS</b> <b>OF THE PARENT COMPANY</b> (Note 25)	<b>(₱0.08)</b>	<b>(₱0.02)</b>

Certified true and correct:

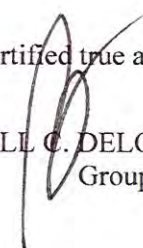
ROSSWELL C. DELOS REYES  
Group CFO

**ROXAS AND COMPANY, INC. AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE**  
**INCOME**

*Amounts in Thousands, except Basic/Diluted Earnings (Loss) per Share Data*  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**

	2023 (Unaudited)	2022 (Unaudited)
<b>NET LOSS</b>	<b>(₱186,706)</b>	<b>(₱53,393)</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>—</b>	<b>—</b>
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(₱186,706)</b>	<b>(₱53,393)</b>
<b>Total Comprehensive Loss attributable to:</b>		
Equity holders of the Parent Company	<b>(₱172,462)</b>	<b>(₱41,756)</b>
Non-controlling interests	<b>(14,244)</b>	<b>(11,637)</b>
	<b>(₱186,706)</b>	<b>(₱53,393)</b>

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

Certified true and correct:  
  
ROSSWELL C. DELOS REYES  
Group CFO

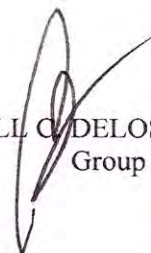
**ROXAS AND COMPANY, INC. AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
*Amounts in Thousands*  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**

	2023 (Unaudited)	2022 (Unaudited)
<b>CAPITAL STOCK</b> (Note 18)	<b>₱3,111,886</b>	<b>₱3,111,886</b>
<b>ADDITIONAL PAID-IN CAPITAL</b> (Note 18)	<b>1,589,603</b>	<b>1,599,313</b>
<b>TREASURY STOCK</b> (Note 18)	<b>(1,144,645)</b>	<b>(1,158,877)</b>
<b>OTHER EQUITY RESERVES</b> (Note 18)	<b>738,062</b>	<b>740,954</b>
<b>RETAINED EARNINGS</b> (Note 18)		
<b>Unappropriated</b>		
Balance at beginning of period	2,542,052	1,513,298
Net loss	(172,462)	(41,756)
Reversal for treasury stock	-	13,836
Balance at end of period	2,369,589	1,513,298
<b>Appropriated</b>		
Balance at beginning of period	1,631,265	1,659,333
Adjustment (reversal) for treasury stock	-	(13,836)
Balance at end of period	1,631,265	1,645,497
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>	<b>8,295,760</b>	<b>7,452,071</b>
<b>NON-CONTROLLING INTERESTS</b>		
Balance at beginning of period	163,720	213,496
Net loss	(14,244)	(11,637)
Balance at end of period	149,475	201,859
	<b>₱8,445,235</b>	<b>₱7,653,930</b>

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

Certified true and correct:

ROSSWELL C. DELOS REYES  
Group CFO





**ROXAS AND COMPANY, INC. AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(Amounts in Thousands)*  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**

	2023 (Unaudited)	2022 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (loss) before income tax:	(₱185,886)	(₱51,266)
Adjustments for:		
Equity in net loss of associates (Note 10)	87,000	69,050
Interest expense (Notes 14 and 15)	61,845	66,287
Interest income (Notes 5, 6 and 19)	(1,217)	(3,441)
Depreciation and amortization (Notes 11 and 21)	24,501	24,973
Loss from discontinued operations	8,826	
Increase in retirement liability	-	1,085
Operating income (loss) before working capital changes	(4,930)	106,688
Decrease (increase) in:		
Trade and other receivables	(34,719)	(290,299)
Inventories	(12,492)	12,343
Real estate for sale and development	792	71,264
Other current assets	23,488	(29,806)
Other noncurrent assets	221	1,433
Increase in trade and other payables	47,457	98,316
Net cash generated from (used in) operations	19,777	(30,061)
Interest received	1,217	3,441
Income taxes paid including creditable withholding taxes	(821)	(2,127)
Net cash generated from (used in) operating activities	20,173	(28,747)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net increase in property and equipment	(8,626)	3,018
Net cash provided by investing activities	(8,626)	3,018
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of interest (Note 15)	(14,900)	-
Net availments (payments) of long-term borrowings (Note 15)	-	927
Lease liability	31	-
Proceeds from issuances of treasury shares (Note 18)	-	5,049
Net cash used in financing activities	(14,869)	5,976
<b>NET DECREASE IN CASH FOR THE PERIOD</b>	<b>(3,323)</b>	<b>(19,753)</b>
<b>CASH AT BEGINNING OF THE PERIOD</b>	<b>36,130</b>	<b>63,572</b>
<b>CASH AT END OF THE PERIOD</b>	<b>₱32,807</b>	<b>₱43,819</b>

*See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

Certified true and correct:

ROSSWELL C. DELOS REYES  
Group CFO

## **ROXAS AND COMPANY, INC. AND SUBSIDIARIES**

### **NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**(Amounts in Thousands, Except When Otherwise Indicated)**

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#### **1. Corporate Information**

Roxas and Company, Inc. (the Parent Company or RCI), formerly CADP Group Corporation (CADPGC), was organized in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on October 7, 1918.

On November 29, 1948, the shares of stock of the Parent Company were listed in the Philippine Stock Exchange (PSE) with a stock symbol RCI.

RCI is the holding company for a group of companies with interests in (i) the real estate, hotels and resorts development and management business thru its wholly-owned subsidiary, Roxaco Land Corporation (RLC), (ii) sugar milling and ethanol manufacturing businesses of Roxas Holdings, Inc (RHI), (iii) coconut processing and exports thru its subsidiary, Roxas Sigma Agriventures, Inc. (RSAI) and (iv) renewable energy development. RCI is owned by various individual shareholders and domestic corporations, namely: SPCI Holdings, Inc. and Pesan Holdings, Inc., among others. As at both March 31, 2023 and 2022; RCI has 3,288 and 3,294 shareholders respectively.

The principal and registered office of RCI is located at 7th Floor, Cacho-Gonzales Building, 101 Aguirre Street, Legaspi Village, Makati City.

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#### **2. Basis of Preparation and Statement of Compliance**

The unaudited interim condensed consolidated financial statements of the Group have been prepared on a historical cost basis, except for land properties under property and equipment and investment properties that are stated at fair value and assets held for sale that are stated at lower of cost and fair value less cost to sell. The unaudited interim consolidated financial statements are presented in Philippine Peso, which is the functional and presentation currency of the Group. All amounts are rounded to the nearest thousands, unless otherwise indicated.

The unaudited interim consolidated financial statements of the Group have been prepared in compliance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

The unaudited interim consolidated financial statements, which have been prepared by the Group to be filed with the SEC for its quarterly reporting to comply with the amended Securities Regulation Code Rule 68, do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended December 31, 2022.

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#### **3. Summary of Changes in Accounting Policies**

##### Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial periods. The adoption of the following new and revised Philippine Financial Reporting Standards (PFRS) did not have any material effect on the unaudited interim condensed consolidated financial statements of the Group, unless otherwise indicated. Additional disclosures have been included in the notes to unaudited interim consolidated financial statements, as applicable.

*Effective beginning on or after January 1, 2023*

- Amendments to PAS 12, *Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction*
- Amendments to PAS 8, *Changes in Accounting Estimates and Errors, Definition of Accounting Estimates*
- Amendments to PAS 1, *Presentation of Financial Statements*, and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

*Effective beginning on or after January 1, 2024*

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

*Effective beginning on or after January 1, 2025*

- PFRS 17, *Insurance Contracts*

*Deferred effectivity*

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

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**4. Basis of Consolidation**

The unaudited interim consolidated financial statements of the Group include the financial statements of the Parent Company and following subsidiaries (all incorporated and domiciled in the Philippines) as at March 31, 2023 and December 31, 2022:

	Percentage of Ownership		Noncontrolling Interests		Description of Business
	2023	2022	2023	2022	
RLC*	<b>100.00</b>	100.00	—	—	Real estate
Roxaco-Asia Hospitality Corporation (RAHC)**	<b>51.00</b>	51.00	<b>49.00</b>	49.00	Hotel and leisure
SAMG Memorial Management & Services Inc. (SMMSI)	<b>100.00</b>	100.00	—	—	Funeral and related services
Roxas Green Energy Corporation (RGEC)	<b>100.00</b>	100.00	—	—	Generation and distribution of energy
Roxas Sigma Agriventures, Inc. (RSAI)***	<b>94.98</b>	94.98	<b>5.02</b>	5.02	Coconut processing
United Ventures Corporation (UVC)****	<b>100.00</b>	100.00	—	—	Warehouse leasing

\* On April 16, 2018, its BOD and stockholders authorized the Company to merge with Anya Hotels and Resorts Corporation (AHRC), with RLC as the surviving entity. On December 6, 2018, the Philippines SEC approved the merger of RLC and AHRC.

On July 23, 2018, the Company's BOD and stockholders authorized RLC to merge with Anya Hospitality Corporation (AHC), with RLC as the surviving entity. On February 18, 2019, the Philippine SEC approved the merger of AHC into RLC with RLC being the surviving corporation.

\*\* On May 21, 2018, its BOD approved to change its corporate name from Roxaco-Vanguard Hotels Corporation (RVHC) to Roxaco-Asia Hospitality Corporation (RAHC) and amended the Articles of Incorporation. The Philippine SEC approved the amendment on October 19, 2018.

\*\*\*In September 2021, RSAI amended its Articles of Incorporation increasing its authorized capital stock by ₱600 million.

\*\*\*\* The application for dissolution is still pending with the SEC and BIR as at March 31, 2023.

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**5. Cash**

This account consists of:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Cash on hand	<b>₱3,125</b>	<b>₱3,031</b>
Cash in banks	<b>29,682</b>	<b>33,099</b>
	<b>₱32,807</b>	<b>₱36,130</b>

Cash in banks earn interest at the respective bank deposit rates.

Total interest income earned from cash in banks amounted to ₱0.15 million and ₱0.15 million for the three months ended March 31, 2023 and 2022, respectively.

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**6. Trade and Other Receivables**

This account consists of:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Trade	<b>₱120,602</b>	<b>₱111,298</b>
Due from:		
Related parties (Note 19)	<b>65,494</b>	<b>35,849</b>
Employees	<b>9,423</b>	<b>11,387</b>
Contractors and suppliers	<b>35,174</b>	<b>30,780</b>
Others	<b>52,321</b>	<b>58,981</b>
	<b>283,014</b>	<b>248,295</b>
Allowance for impairment losses	<b>(53,194)</b>	<b>(53,194)</b>
	<b>₱229,820</b>	<b>₱195,101</b>

Trade receivables represent the following:

- Customers' accounts arising from the sale of real estate properties amounting to ₱20.6 million and ₱24.7 million as of both March 31, 2023 and December 31, 2022, respectively.
- Outstanding individual, corporate and travel agency accounts earned from the hotel operation amounting to ₱85.3 million and ₱68.2 million as of as of March 31, 2023 and December 31, 2022, respectively, which generally have a 30-day term.

Total interest income on trade and other receivables amounted to ₱1.2 million and ₱3.2 million for the three months ended March 31, 2023 and 2022 respectively.

Due from employees pertains to the salary, housing and educational loans that are collected from the employees through salary deduction, and advances for business purposes subject to liquidation.

Other receivables, which are normally settled within one year, pertains to nontrade receivables.

## 7. Real Estate for Sale and Development

This account consists of:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Real estate properties for sale	<b>₱253,896</b>	₱259,144
Raw land and land improvements for development	<b>63,233</b>	58,777
	<b>₱317,129</b>	<b>₱317,921</b>

Cost of real estate sales amounted to ₱10.2 million and ₱72.1 million for the three months ended March 31, 2023 and 2022, respectively. In March 2022, the Group sold its raw land with a cost of ₱72.0 million to a third party (Note 6).

Certain real estate properties for sale and development owned by RLC amounting to ₱196 million as at both March 31, 2023 and December 31, 2022 are being used as collateral for the loans availed by the Parent Company and RLC (see Note 15).

## 8. Inventories

Inventories account consists of:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
At cost:		
Finished goods	<b>₱38,143</b>	₱24,704
Packaging materials	<b>5,048</b>	6,234
Supplies	<b>500</b>	261
	<b>43,691</b>	₱31,199
At NRV - finished goods, net of provision for inventory write-down amounting to (₱32.1 million as of both March 31, 2023 and December 31, 2022)	—	—
	<b>₱43,691</b>	<b>₱31,199</b>

Cost of inventories charged to cost of goods sold amounted to ₱17.9 million and ₱68.0 million for the three months ended March 31, 2023 and 2022, respectively (Note 21).

Rollforward of provision for inventory write-down as of March 31, 2023 and December 31, 2022 are as follows:

	<b>2023 (Unaudited)</b>	<b>2022 (Audited)</b>
Beginning balance	<b>₱32,086</b>	₱56,397
Write-off against Allowance	—	(26,632)
	<b>₱32,086</b>	<b>₱32,086</b>



## 9. Other Current and Noncurrent Assets

Other current assets account consists of:

	<b>March 31, 2023 (Unaudited)</b>	December 31, 2022 (Audited)
Current and deferred input VAT	<b>₱20,881</b>	₱43,441
Creditable withholding taxes	<b>174,132</b>	168,573
Prepaid expenses	<b>35,349</b>	34,203
Refundable deposits	<b>3,840</b>	3,840
	<b>₱234,202</b>	₱250,057

Current input VAT mainly arises from construction of real estate for sale, construction of the hotel and plant buildings and purchases of goods and services for operations. Deferred input VAT pertains to input VAT on outstanding payable on purchase of services.

Prepaid expenses pertain to prepaid rent, insurance, and taxes.

Others consist of advance payments for outside services and other expenses which are normally utilized within one year.

Other noncurrent assets account consists of:

	<b>March 31, 2023 (Unaudited)</b>	December 31, 2022 (Audited)
Input VAT - noncurrent portion	<b>₱202,053</b>	₱195,771
Deferred input VAT - noncurrent portion	-	6,285
Franchise fee	<b>4,853</b>	5,071
Utility deposits	<b>3,236</b>	3,236
	<b>₱210,142</b>	₱210,363

Deferred input VAT includes unamortized input VAT from purchases or importation of capital goods, which are depreciable assets for income tax purposes, whose aggregate acquisition in a calendar month exceeds ₱1.0 million and input VAT on unpaid purchase of services.

Franchise fee pertains to RAHC's franchise fee to a third-party hotel chain company for the non-exclusive, non-assignable right to use the proprietary marks and system in connection with the establishment and operation of GoHotels. The agreement is for 10 years beginning the opening day of the hotels. Amortization expense amounted to ₱0.03 million for both three months ended March 31, 2023 and 2022.

## 10. Investments in Associates

Movements in investment in associates follow:

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
<b>Associates</b>		
Acquisition cost:		
Balance at beginning of period	₱2,167,054	₱2,167,054
Accumulated equity in net earnings (loss):		
Balance at beginning of period	(1,572,501)	(1,388,258)
Equity in net loss	(87,000)	(184,243)
Balance at end of period	(1,659,501)	(1,572,501)
Unrealized loss on transfer of land -		
Balance at beginning and end of period	(59,030)	(₱59,030)
Other comprehensive income:		
Balance at beginning of period	522,031	318,171
Share in appraisal increase in land, net of tax	–	199,617
Share in remeasurement loss on retirement liability, net of tax	–	4,243
Balance at end of period	522,031	522,031
	970,554	1,057,554
Allowance for impairment loss	(632,218)	(632,218)
	₱338,336	₱425,336

The accumulated equity in net loss of associates amounting to ₱1,659.5 million and ₱1,572.5 million as at March 31, 2023 and December 31, 2022, respectively, is not available for dividend distribution to shareholders, unless received as cash dividends from the associates.

## 11. Property and Equipment

Details and movements of the property and equipment carried at cost follows:

	March 31, 2023 (Three months, Unaudited)						
	Buildings and Improvements	Machinery and Equipment	Land Improvement	Transportation Equipment	Office Furniture, Fixtures and Equipment	Construction in Progress	Total
<b>Cost</b>							
Balance at beginning of period	₱1,955,852	₱716,221	₱49,824	₱22,645	₱160,652	₱21,554	₱2,926,748
Addition/adjustment	–	–	–	–	3,019	6,077	9,096
Reclassification of Assets held for Sale	(292,686)	(7,541)			(2,444)		(302,671)
Balance at end of period	1,663,166	708,680	49,824	22,645	161,227	27,631	2,633,173
<b>Accumulated Depreciation and Amortization</b>							
Balance at beginning of period	244,788	180,244	15,392	18,935	120,850	–	580,209
Depreciation and amortization	9,663	3,759	937	406	10,208	–	24,973
Assets held for sale	(6,315)	(4,225)			(1,900)		(12,440)
Balance at end of period	248,136	179,778	16,329	19,341	129,158	–	592,742
<b>Accumulated Impairment Loss</b>							
Balance at beginning of year	131,542	273,395	–	–	–	–	404,937
Impairment loss	–	–	–	–	–	–	–
Balance at end of year	131,542	273,395	–	–	–	–	404,937
<b>Net Book Value</b>	<b>₱1,283,488</b>	<b>₱255,507</b>	<b>₱33,495</b>	<b>₱3,304</b>	<b>₱32,069</b>	<b>₱27,631</b>	<b>₱1,635,494</b>

	December 31, 2022 (Audited)						
	Buildings and Improvements	Machinery and Equipment	Land Improvement	Transportation Equipment	Office Furniture, Fixtures and Equipment	Construction in Progress	Total
<b>Cost</b>							
Balance at beginning of year	₱1,950,950	₱708,503	₱49,824	₱21,050	₱154,769	₱21,554	₱2,906,650
Additions	4,902	7,900	—	1,595	5,883	—	20,280
Disposals	—	(182)	—	—	—	—	(182)
Reclassification to asset held for sale	(292,686)	(7,541)	—	—	(2,444)	—	(302,671)
Balance at end of year	1,663,166	708,680	49,824	22,645	158,208	21,554	2,624,077
<b>Accumulated Depreciation and Amortization</b>							
Balance at beginning of year	202,887	154,040	11,418	16,932	106,990	—	492,267
Depreciation & amortization	41,901	26,204	3,974	2,003	13,860	—	87,942
Assets held for sale	(6,315)	(4,225)	—	—	(1,900)	—	(12,440)
Balance at end of year	238,473	176,019	15,392	18,935	118,950	—	567,769
<b>Accumulated Impairment Loss</b>							
Balance at beginning of year	34,738	72,199	—	—	—	—	106,937
Impairment loss	96,804	201,196	—	—	—	—	298,000
Balance at end of year	131,542	273,395	—	—	—	—	404,937
Net Book Value	₱1,293,151	₱259,266	₱34,432	₱3,710	₱39,258	₱21,554	₱1,651,371

Certain assets were mortgaged and used as collateral to secure the loan obligations of RSAI and RAHC with the local banks as at March 31, 2023 and December 31, 2022 (see Note 15).

## 12. Right-of-use Assets and Lease Liabilities

### *The Group as a lessee*

The Group has lease contracts for sales office, herb garden and hotel suites used in its operations. Leases of sales office generally have lease terms between 1 and 3 years, while herb garden and hotel suites generally have lease terms of 5 and 25 years, respectively. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of office space for hospitality group with lease terms of 12 months or less and leases of dishwashing machine and house for an expatriate with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The rollforward analysis of this right-of-use assets account follows:

	2023			
	Hotel Suites	Sales Office	Herb Garden	Total
<b>Cost</b>				
At December 31, 2022	₱161,454	₱337	₱384	₱162,175
At March 31, 2023	161,454	337	384	162,175
<b>Accumulated Depreciation and Amortization</b>				
At December 31, 2022	159,303	337	384	160,024
At March 31, 2023	159,303	337	384	160,024
Net Book Value	₱2,151	₱—	₱—	₱2,151

	2022			
	Hotel Suites	Sales Office	Herb Garden	Total
Cost				
At December 31, 2022 and 2021	161,454	337	384	162,175
Accumulated Depreciation and Amortization				
At December 31, 2021	136,135	337	310	136,782
Depreciation and amortization (Note 22)	23,168	—	74	23,242
At December 31, 2022	159,303	337	384	160,024
Net Book Value	₱2,151	₱—	₱—	₱2,151

The rollforward analysis of lease liabilities follows:

	2023	2022
Balance at beginning of period	₱2,797	₱40,822
Interest expense	—	1,485
Payments	—	(39,510)
Balance at end of period	₱2,797	₱2,797

The following are the amounts recognized in consolidated statement of income:

	2023	2022
Depreciation expense of right-of-use assets included in property and equipment and investment properties	₱—	₱—
Interest expense on lease liabilities	—	—
Expenses relating to short-term leases (included in operating expenses) (Note 21)	—	—
	₱—	₱—

The breakdown of lease liabilities as at as at March 31, 2023 and December 31, 2022 follows:

	2023	2022
Lease liabilities	₱2,797	₱2,797
Less: noncurrent portion of lease liabilities	—	—
Current portion of lease liabilities	₱2,797	₱2,797

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 judgment in determining whether these extension and termination options are reasonably certain to be exercised.

### 13. Investment Properties

#### The Parent Company

This account consists of land properties of the Parent Company located in Nasugbu, Batangas, which are held either to earn rentals and/or for capital appreciation amounting to ₱9,253.3 million as of both March 31, 2023 and December 31, 2022.

The Parent Company's investment properties include land properties that are subjected to CARP with total land area of 2,493.6 hectares. Unrealized fair value gain recognized on these investment properties amounted to nil for both three months ended March 31, 2023 and 2022.

#### 14. Short-term Borrowings

This account represents unsecured and secured short-term loans obtained from various local banks for the Group's working capital requirements amounting to ₱100.0 million and ₱100.0 million as of March 31, 2023 and December 31, 2022, respectively, payable within 30 to 180 days. These loans bear an annual interest ranging from 4.50% to 9.75% for the three months ended March 31, 2023 and 2022.

#### 15. Long-term Borrowings

Long-term borrowings consist of loans from:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Bank of the Philippine Islands (BPI)	<b>₱1,324,744</b>	₱1,324,744
Robinsons Bank Corporation (RBC)	<b>752,887</b>	752,887
United Coconut Planters Bank (UCPB)	<b>683,000</b>	683,000
Amalgamated Investment Bancorporation	<b>370,000</b>	370,000
China Bank Corporation (China Bank)	<b>194,781</b>	194,781
Asia United Bank	<b>182,500</b>	182,500
BDO Unibank, Inc.	<b>64,000</b>	64,000
East West Banking Corporation (EWBC)	<b>1,497</b>	1,497
	<b>3,573,409</b>	3,573,409
Current portion	<b>(1,190,012)</b>	(1,190,012)
Noncurrent portion	<b>₱2,383,397</b>	2,383,397
Long-term borrowings attributable to asset disposal group	<b>(371,538)</b>	(369,939)
Noncurrent portion - net of liabilities from discontinued operations	<b>2,011,859</b>	₱2,013,458
	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
RAHC	<b>₱1,377,548</b>	₱1,377,548
RCI	<b>851,595</b>	851,595
RLC	<b>661,266</b>	661,266
RSAI	<b>683,000</b>	683,000
	<b>₱3,573,409</b>	₱3,573,409

#### Loan of RLC

The bank loan is classified as follows:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Current portion	<b>₱472,053</b>	₱472,053
Noncurrent portion	<b>189,213</b>	189,213
	<b>₱661,266</b>	₱661,266

On September 30, 2016, RLC obtained a new loan from BPI, with RCI as the co-mortgagor, amounting to ₱500.0 million. The loan bears variable interest rate and is repriced every quarter. Principal amount is payable quarterly for five years until 2023 with the first payment payable after two years from the release of the loan. As at March 31, 2023 and December 31, 2022, the loan from BPI is secured by RLC's real estate properties for sale and development amounting to ₱359.5 million and certain properties of the Parent Company (see Note 7).

In September 2019, RLC converted its short-term loan facility with China Bank amounting to ₱200.0 million into a 5-year term loan including a 1 ½ year grace period. The loan bears variable interest rate and repriced quarterly. Principal amount is payable quarterly until 2024.

As at March 31, 2023 and December 31, 2022, RLC loans are secured by real estate mortgages, RCI treasury shares, and pledge over RHI shares of stock owned by the Parent Company (*amounts in thousands*) as follows:

	2023	2022
Shares of stock of RHI (299.6 million in both 2023 and 2022)	<b>₱274,515</b>	₱274,515
Real estate properties for sale and development of RLC (Note 7)	<b>196,000</b>	196,000
RCI treasury shares (120.0 million in both 2023 and 2022)	<b>78,000</b>	78,000
	<b>₱548,515</b>	₱548,515

#### Loans of RAHC

The bank loans are classified as follows:

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Current portion	<b>₱610,238</b>	₱610,238
Noncurrent portion	<b>767,310</b>	767,310
	<b>₱1,377,548</b>	₱1,377,548

In September 2016, RAHC converted its short-term loan facility from BPI amounting to ₱628.0 million into term loan facility for GoHotel North EDSA and Cubao. The loan bears variable interest rate for the first two years and fixed interest rate for the succeeding five years until maturity. Principal amount is payable quarterly after the two-year grace period for seven years until 2023.

In February 2020, loan pertaining to GoHotel Cubao was fully paid amounting to ₱295.0 million.

In May 2017, RAHC converted its short-term loan facility from BPI amounting to ₱460.0 million into a term loan for GoHotel Timog. The loan bears variable interest rate for the first two years and fixed interest rate for the succeeding five years until maturity. Principal amount is payable quarterly after the two-year grace period for seven years until 2024.

In September 2017, RAHC entered into a ten-year term loan facility with RBC amounting to ₱330.0 million to take out existing loan with BDO which funded the development of GoHotel Manila Airport Road and for general working capital purposes. The loan bears minimum interest rate of 3.75% for the first two years and indicative interest of 6% for the succeeding years until maturity. Principal amount is payable quarterly after the two-year grace period for eight years until 2027.

In September 2019, RAHC obtained a ten-year term loan from RBC amounting to ₱450.0 million to take out the BDO loan which funded the development of GoHotel Ermita and for general working capital purposes. Principal amount is payable quarterly after the two-year grace period for eight years until 2029.

As of December 31, 2019, ₱200.0 million outstanding loans of GoHotel Cubao has been transferred to the net balance of the liabilities held for sale. The loan was paid in 2020 upon sale of Go Hotel Cubao.

The loan facilities are secured by RAHC's properties amounting to ₱2,065.3 million and ₱2,165.5 million as at March 31, 2023 and December 31, 2022, respectively.

#### Loans of RSAI

The bank loans are classified as follows:

	2023	2022
Current portion	₱-	₱-
Noncurrent portion	683,000	683,000
	<b>₱683,000</b>	<b>₱683,000</b>

On June 1, 2017, RSAI converted its short-term loan facility from UCPB amounting to ₱500.0 million into a term loan. Principal amounts are payable quarterly after the two-year grace period for seven years until 2024.

The loan facility is secured by RSAI's coconut processing plant amounting to ₱779.1 million and ₱478.0 million as at March 31, 2023 and December 31, 2022, respectively (see Note 11).

#### Loan of RCI

The bank loans are classified as follows:

	2023	2022
Current portion	₱477,661	₱477,661
Noncurrent portion	373,934	373,934
	<b>₱851,595</b>	<b>₱851,595</b>

In September 2020, the Parent Company converted its short-term loan facility from BPI amounting to ₱474.5 million into a three-year medium term loan which bears variable interest rate. Principal repayments bullet on maturity in the year 2023. This loan facility is secured (via Cross Collateral Agreement) by real estate mortgages and pledge over RHI shares of stock owned by the Parent Company and additional collateral as may be agreed upon.

In March 2021, RCI entered into a Restructuring and Financing Agreement with Amalgamated Investment Bancorporation (AIB) whereas the parties have agreed to restructure the subscription and the short term loan as follows: a) RCI as the Borrower shall secure a loan from AIB as Lender in the total amount of ₱370.0 million (the Loan); and b) the proceeds of the Loan shall be used by RCI to redeem 300 million preferred shares and fully paid the short term loan. The loan bears an interest rate equivalent to the a) higher of 7% per annum or b) one-year Base Rate plus an interest spread of 2.5% to be determined annually on each Interest Rate Setting Date.

*Loan restructuring in 2022:*RLC*China Bank*

In November 2022, RLC restructured the medium-term loan with China Bank with the balance of ₱185.7 million for 9 years with one year grace period on the payment of interest and about 3 years on the payment of principal at 7% interest per annum, subject to yearly repricing. Payment of interest commenced in February 2023.

RAHC*Robinsons Bank*

In November 2022, RAHC restructured Term Loan 1 and 2 with the balances of ₱450.0 million and ₱288.8 million, respectively, into a new Term Loan 3, for a total amount of ₱778.2 million including capitalized interest of ₱39.4 million. The loan has tenor of 81 months, maturing on September 30, 2020. Interest rate is at prevailing market rate, repriced annually.

RSAI*Land Bank (formerly with UCPB)*

In November 2022, RSAI restructured ₱683.0 million loans with Land Bank, inclusive of the ₱60.8 million capitalized interest and other charges. The tenor of loan is 7 years inclusive of six months grace period at 8% interest per annum fixed for one year and subject to semi-annual repricing.

*Loan Restructuring in 2020:*RCI*BPI Loan*

BPI and RCI signed a Medium Term Loan Agreement and converted the short term loan to medium term loan ₱474.5 million which will mature in August 2023. The principal payment of the loan will be due at maturity. Interest payment will be due annually.

RLC*BPI Loan*

Short term loan amounting to ₱228.0 million was converted to medium term loan with a corresponding increase in interest rate from 6.25% to 7.5%. The principal payment of the loan will be due at maturity. Interest payment will be due semi-annually. The loan is due in August 2023.

For the outstanding long term loan amounting to ₱329.2 million, the principal payment was changed from quarterly payment to bullet payment and is due in July 2023. A payment of ₱280.0 million was made in February 2021 from sale of properties. Total unpaid borrowings to BPI amounted to ₱276.8 million and ₱556.2 million as at March 31, 2023 and December 31, 2022, respectively.

*AUB*

Short term loan amounting to ₱188.5 million is converted to 3-year term loan maturing in July 2023. Interest rate is reduced from 7.5% to 6.0%.

*BDO*

Short term loan amounting to ₱80.0 million is converted to 3-year term loan maturing in June 2024. Interest rate is at 5.5%.

RAHC*BPI Loan*

BPI and RAHC signed an amendment to terms and condition of the Loan Agreement for the ₱610.0 million loan balance. The agreement amended the quarterly amortization of principal to bullet payment



at the maturity of the loan. Interest payment was likewise amended from quarterly to semi-annually. The bank waived the DSCR requirement but maintained the DE ratio to 3.0.

#### *RBCs Loan*

##### a) Term Loan 1

In June 2020, the bank granted additional grace period for the loan payment amortization, to begin March 2023. The deferred loan amortization due to additional grace period will be due at maturity via bullet payment. Interest will be based on the prevailing mandated lending rate, subject to repricing. The interest will be payable semi-annually.

##### b) Term Loan 2

In June 2020, the bank granted additional grace period from the last amortization. The original loan maturity was retained. The deferred loan amortization due to additional grace period will be due at maturity via bullet payment. Interest will be based on the prevailing mandated lending rate, subject to repricing. The interest will be payable semi-annually.

Based on the Group's assessment, these modifications in the contractual cash flows are not substantial and therefore do not result in the derecognition of the affected financial liabilities. Total modification gain/loss recognized in the consolidated statements of income as a result of these modifications amounted to ₱35.7 million.

#### *Interest Expense*

Total interest expense recognized from short-term and long-term loans amounted to ₱69.6 million and ₱66.3 million for the three months ended March 31, 2023 and 2022, respectively.

#### *Maturities*

The maturities of the long-term borrowings are as follow:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Less than one year	<b>₱1,190,012</b>	₱1,190,012
Between one and two years	<b>30,000</b>	30,000
Between two and five years	<b>1,130,572</b>	1,130,572
Over five years	<b>852,886</b>	852,886
	<b>₱3,203,470</b>	₱3,203,470

#### *Change in Liabilities Arising from Financing Activities*

	Short-term borrowings (Note 14)		Long-term borrowings	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Balance at the beginning of the period	<b>₱100,000</b>	₱249,816	<b>₱3,573,409</b>	₱3,416,855
Availments	—	—	—	6,737
Payments and reclassification from short-term to long-term	—	(149,816)	—	149,816
Transferred to assets held for sale	—	—	<b>(369,939)</b>	(369,939)
Balance at the end of the year	<b>₱100,000</b>	₱100,000	<b>₱3,203,470</b>	₱3,203,470

## 16. Trade and Other Payables

This account consists of:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Trade	<b>₱333,138</b>	₱317,893
Accrued expenses	<b>230,384</b>	242,092
Accrued interest	<b>224,503</b>	151,524
Due to related parties (Note 19)	<b>203,108</b>	187,386
Statutory payables	<b>122,205</b>	113,091
Retention payable	<b>68,640</b>	67,529
Payroll and other employee benefits	<b>25,655</b>	25,465
Dividends (Note 18)	<b>21,921</b>	21,921
Payables to contractors	<b>44,852</b>	17,655
Others	<b>8,891</b>	40,944
	<b>₱1,283,297</b>	<b>₱1,185,500</b>

## 17. Retirement Benefits

### Retirement Benefits

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

	<b>2023 (Three months)</b>	<b>2022 (Three months)</b>
Net interest cost	<b>₱-</b>	₱809
Current service cost	<b>764</b>	276
	<b>₱764</b>	<b>₱1,085</b>

The cumulative remeasurement gain on retirement liability (shown as part of other equity reserve) recognized as other comprehensive income amounted to ₱2.31 million, net of tax, as of both March 31, 2023 and December 31, 2022.

### Retirement Liability

Retirement liability recognized in the consolidated statements of financial position follows:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Present value of obligation	<b>₱46,528</b>	₱46,528
Fair value of plan assets	<b>(3,701)</b>	(3,711)
Retirement liability	<b>₱42,807</b>	<b>₱42,817</b>

Movements in the defined benefit obligation follow:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Balance at beginning of period	<b>₱46,528</b>	₱95,540
Interest cost	-	9,136
Current service cost	<b>764</b>	3,510
Actuarial loss (gain) on DBO due to:		
Experience adjustments		(44,113)
Changes in financial assumptions		(17,545)
Balance at end of period	<b>₱47,292</b>	₱46,528

Movements in the fair value of plan assets for the three months ended March 31, 2023 and year ended December 31, 2022 follow:

	<b>2023</b>	<b>2022</b>
Balance at beginning of the year	<b>₱3,711</b>	₱7,107
Interest income	-	220
Return on plan assets, excluding amounts included in interest income	<b>(10)</b>	(3,616)
Balance at end of the year	<b>₱3,701</b>	₱3,711

Plan assets of the Group as at March 31, 2023 and December 31, 2022 consist of:

Cash in banks and cash equivalents	7%
Government securities and other assets	93%
	<b>100%</b>

The Group does not expect to contribute to the respective plans in 2023.

The latest available actuarial valuation of the plan for the Group is as of December 31, 2022.

The principal actuarial assumptions used in determining retirement benefits and gratuities cost as at beginning of each period follows:

	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Discount rate	<b>3.60% to 4.10%</b>	7.00% to 7.50%
Future salary increases	<b>7.00%</b>	3.00%

The sensitivity analysis based on reasonably possible changes of the assumptions as at both March 31, 2023 and December 31, 2022 are as follows:

Discount Rate	+100 bps	<b>(₱2,358)</b>
	-100 bps	<b>2,706</b>
Salary Rate	+100 bps	<b>2,792</b>
	-100 bps	<b>(2,467)</b>
Turnover Rate	125%	<b>(733)</b>
	75%	<b>852</b>

Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring the retirement liability at the end of each reporting date after adjusting one of the current assumptions according to the applicable sensitivity increment or decrement (based on changes in the relevant

assumption that were reasonably possible at the valuation date) while all other assumptions remained unchanged. The corresponding change in the retirement liability was expressed as a percentage change from the base retirement liability. There were no changes from the previous period in the methods and assumptions used in preparing the sensitivity analyses.

The Group does not currently employ any asset-liability matching.

The maturity analysis of the undiscounted payments as of both March 31, 2023 and December 31, 2022 are as follows:

One year and less	<b>₱ 5,918</b>
More than one year to five years	<b>43,626</b>
More than five years to 10 years	<b>15,468</b>
More than 10 years to 15 years	<b>52,954</b>
More than 15 years to 20 years	<b>35,018</b>
More than 20 years	<b>133,231</b>

Weighted average duration of the defined benefit liability is 14.2 years as of both March 31, 2023 and December 31, 2022.

## 18. Equity

### a. Capital Stock

	March 31, 2023 (Unaudited)		December 31, 2022 (Audited)	
	Number of Shares	Amount	Number of Shares	Amount
"Class A" common stock - ₱1 par value				
Authorized	<b>3,375,000,000</b>	<b>₱3,375,000</b>	3,375,000,000	₱3,375,000
Issued -				
Balance at beginning and end of period	<b>2,911,885,870</b>	<b>2,911,886</b>	2,911,885,870	2,911,886
Treasury stock:				
Balance at beginning of period	<b>(673,320,711)</b>	<b>(1,144,645)</b>	(689,831,368)	(1,172,713)
Issuances	-	-	16,510,657	28,068
Balance at end of period	<b>(673,320,711)</b>	<b>(1,144,645)</b>	(673,320,711)	(1,144,645)
Issued and outstanding	<b>2,238,565,159</b>	<b>₱1,767,241</b>	2,238,565,159	₱1,767,241
Preferred stock - ₱1 par value				
Authorized, 1,000,000,000				
Issued and outstanding	<b>200,000,000</b>	<b>₱200,000</b>	200,000,000	₱200,000

On November 13, 2018, the Parent Company issued 500.0 million preferred shares (500,000,000 preferred shares offered at par value of 1 per share) with a fixed dividend rate of 8.5%, with a corresponding reduction to additional paid-in capital stock pertaining to transaction costs of ₱5.0 million. The preferred shares are cumulative, non-participating, non-voting, and redeemable at the option of the Parent Company, as determined by the BOD.

The BOD, in its Special Meeting held on 12 March 2021, resolved to redeem 300 million redeemable preferred shares, which are not listed with the PSE, issued to Amalgamated Investment Bancorporation pursuant to the Re-structuring and Financing Agreement entered into between the parties. The Board further resolved to redeem the said preferred shares at a redemption price of ₱1.00

per share. The Articles of Incorporation of Roxas and Company, Inc. provides that the preferred shares of the Corporation are redeemable after two (2) years from issuance and are re-issuable upon terms and conditions determined by its BOD. The Board has yet to determine the terms of re-issuance of the said preferred shares.

On August 12, 2021, the BOD approved and authorized the declaration of dividends to the preferred shareholders for the year 2021 as follows:

Description	November 2020 to March 3, 2021	March 4, 2021 to September 3, 2021
Record date	March 3, 2021	September 3, 2021
Payment date	Not yet determined	Not yet determined
Total dividend	₱12.4 million	₱8.3 million

In 2023, the Parent Company issued 8,139,000 treasury shares based on the average market rate of ₱0.62 per share aggregating ₱5.0 million, resulting to a decrease in additional paid-in capital amounting to ₱8.8 million, net of transaction costs of ₱0.0 million.

In 2022, the Parent Company issued 8,139,000 treasury shares based on the average market rate of ₱0.62 per share aggregating ₱5.0 million, resulting to a decrease in additional paid-in capital amounting to ₱8.8 million, net of transaction costs of ₱0.0 million.

b. Track Record of Registration

Date	Number of Shares Licensed	Issue/Offer Price
October 7, 1918	15,000	₱100.00
February 15, 1963	2,500,000	10.00
March 31, 1969	3,000,000	10.00
January 13, 1977	5,000,000	10.00
May 21, 1990	12,500,000	10.00*
December 3, 1996	200,000,000	1.00
October 26, 1999	400,000,000	1.00
April 2, 2002	2,000,000,000	1.00
February 7, 2005	1,962,500,000	1.00
June 23, 2009	3,375,000,000	1.00

\* Par value was subsequently reduced to ₱1.00

c. Other equity reserves

Details of other equity reserves follow:

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
<b>Revaluation Increment on Land</b>		
Balance at end of year	₱—	₱—
<b>Share in Revaluation Increment on Land of an Associate</b>		
Balance at beginning of period	492,521	341,605
Share in revaluation increment on land, net of tax	—	203,860
Balance at end of period	492,521	492,521
<b>Cumulative Share in Changes in Fair Value of AFS Financial Assets of an Associate</b>		
Balance at beginning and end of period	5,129	5,129
<b>Revaluation Increment on Land of a Subsidiary</b>		
Balance at beginning of period	220,663	140,059

Share in appraisal increase, net of tax	–	27,355
Balance at end of period	<b>220,663</b>	220,663
<b>Cumulative Remeasurement Gain (Loss) on Retirement Liability</b>		
Balance at beginning of period	<b>52,260</b>	6,276
Remeasurement gain, net of tax	–	45,984
Balance at end of period	<b>52,260</b>	52,260
<b>Cumulative Share in Remeasurement Loss on Retirement Liability of Associates</b>		
Balance at beginning of period	<b>(32,511)</b>	(32,511)
Share in remeasurement loss, net of tax	–	–
Balance at end of period	<b>(32,511)</b>	(32,511)
	<b>₱738,062</b>	₱738,062

d. Retained Earnings

Details of retained earnings follow:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
<b>Appropriated/Restricted</b>		
Balance at beginning of period	<b>₱1,631,265</b>	₱1,659,333
Reversal for treasury stock and others	-	(28,068)
Balance at end of period	<b>1,631,265</b>	1,631,265
<b>Unappropriated</b>		
Balance at beginning of period	<b>2,542,052</b>	1,821,309
Net income attributable to the Parent Company	<b>(172,463)</b>	692,675
Reversal of restriction for treasury stock	-	44,270
Balance at end of period	<b>2,369,589</b>	2,542,052
	<b>₱4,000,854</b>	₱4,173,317

Retained earnings that are not available for dividend declaration are as follows:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Restricted for treasury stock	<b>₱1,144,645</b>	₱1,144,645
Gain on change in fair value of investment properties, net of debit balance of Other Equity Reserves closed to retained earnings	<b>296,967</b>	296,967
Fair value gains on investment properties included in the retained earnings	<b>5,040,709</b>	5,040,709
Deferred income tax assets	<b>110,888</b>	110,888
	<b>₱6,593,209</b>	₱6,593,209

## e. Share Prices

The principal market for the Parent Company's share of stock is the PSE. The high and low trading prices of the Parent Company's share for each quarter within the last three periods are as follows:

Quarter	High	Low
January 2023 through March 2023	₱0.65	₱0.42
January through December 2022		
First	₱0.78	₱0.48
Second	0.68	0.49
Third	0.64	0.51
Fourth	0.58	0.45
January through December 2021		
First	₱1.35	₱1.00
Second	1.12	1.00
Third	1.09	0.72
Fourth	0.86	0.62

## 19. Related Party Transactions and Balances

The transactions and related balances of the Group with other related parties are as follows:

Related Party	Nature of Transaction	Period	Transactions during the Period*	Trade and Other Receivables (see Note 6)	Amount Due to Related Parties (see Note 15)
<b>Associates</b>					
FDC	Dividends receivable	<b>March 31, 2023</b>	<b>₱–</b>	<b>31,054</b>	<b>₱13,211</b>
		December 31, 2022	–	40,287	₱13,211
FLC	Dividends receivable	<b>March 31, 2023</b>	–	<b>3,369</b>	–
		December 31, 2022	–	3,369	–
RADC	Noninterest-bearing advances	<b>March 31, 2023</b>	–	–	<b>10,966</b>
		December 31, 2022	–	–	10,966
<b>Joint Ventures</b>					
VJPI	Noninterest-bearing advances	<b>March 31, 2023</b>	–	<b>116</b>	<b>182</b>
		December 31, 2022	–	116	182
Marilo Realty Development Corporation	Noninterest-bearing advances	<b>March 31, 2023</b>	–	<b>1,310</b>	<b>156</b>
		December 31, 2022	–	1,310	156
LPC	Defrayment of cost and expenses for restructuring	<b>March 31, 2023</b>	–	–	<b>23,729</b>
		December 31, 2022	–	–	23,729
<b>Entities under common control</b>					
	Interest-bearing advances	<b>March 31, 2023</b>	<b>3,312</b>	<b>3,405</b>	<b>81,250</b>
		December 31, 2022	5,567	–	139,142
		<b>March 31, 2023</b>		<b>₱48,487</b>	<b>₱129,494</b>
		December 31, 2022		₱35,849	₱187,386

\*Amounts represent transactions for the three months ended March 31, 2023 and year ended December 31, 2022.

- In the normal course of business, the Parent Company extends/avails of advances to/from its related parties under common control, with definite repayment terms. The advances to and from related parties are interest-bearing.
- In 2004, RLC and LPC by way of a Deed of Assignment of Rights, assigned to Punta Fuego Holdings Corporation (PFHC) the rights and privileges to their 105 and 245 club shares in CPFI, respectively. In consideration of the assignment of rights and privileges, PFHC pays RLC and LPC an amount equivalent to 85% of the net income earned from the club shares to be remitted on or before May 5 of each year beginning 2005. The respective shares of RLC and LPC were computed in proportion to the number of club shares they have each assigned. In 2005, PFHC

and FDC merged with FDC, as the surviving entity. As a result, FDC assumed the said liability of PFHC to RLC.

Outstanding balances at year end are unsecured and settlement normally occurs in cash, unless otherwise indicated above. No guarantees have been provided or received for these balances. Advances to and from related parties are noninterest-bearing and have no fixed repayment terms unless otherwise indicated above. Impairment review is undertaken each reporting date. As at March 31, 2023 and December 31, 2022, allowance for impairment loss amounting to ₱3.1 million pertains to due from LPC.

c. Compensation of key management personnel is as follows:

	<b>March 31, 2023</b> <b>(Three months,</b> <b>Unaudited)</b>	March 31, 2022 (Three months, Unaudited)
Salaries and short-term benefits	<b>₱10,617</b>	₱10,617
Retirement benefits	<b>1,031</b>	1,031
	<b>₱11,648</b>	<b>₱11,648</b>

#### *Directors' Remuneration*

The Parent Company settled director's remuneration through cash and issuance of treasury shares for the regular board meetings held as follows:

Date of Meeting	No. of shares	Market Value per Share	Share-Based	Cash Compensation	Total Compensation
April 12, 2021	169,903	1.03	175,000	175,000	350,000
May 14, 2021	145,631	1.03	150,000	150,000	300,000
August 12, 2021	196,629	0.89	175,000	175,000	350,000
November 12, 2021	214,286	0.70	150,000	150,000	300,000
May 2, 2022	336,538	0.52	175,000	175,000	350,000
August 12, 2022	307,018	0.57	175,000	175,000	350,000
November 12, 2022	380,435	0.46	175,000	175,000	350,000

The expense recognized on the foregoing amounted to nil for both three months ended March 31, 2023 and 2022; and presented as part of "Salaries and employee benefits" account in the unaudited interim consolidated statements of comprehensive income.

## **20. Revenue from Contracts with Customers**

a. Disaggregated revenue information

The Group presented below the disaggregation of revenue from contracts with customers which are based on type of contracts and timing of revenue recognition. This presentation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

	<b>2023</b>	<b>2022</b>
Real estate	<b>₱20,639</b>	₱215,296
Hotels and services	<b>112,086</b>	82,995
Sale of goods	<b>66,932</b>	56,562
	<b>₱199,658</b>	<b>₱354,853</b>



Except for the revenues earned for the sale of real estate, all revenues were earned at the point in time.

#### Hotel

	2023	2022
Room revenue	<b>₱53,586</b>	₱55,649
Food and beverage	<b>37,353</b>	21,479
Spa	<b>3,328</b>	2,036
Others	<b>17,819</b>	3,831
	<b>₱112,086</b>	₱82,995

#### i. Real Estate

March 31, 2023							
Segments	Raw land	Palico Montana	Landing Townhomes	Landing Shophouses	Orchards	SAMG	Total
Sale of real estate	<b>₱20,418</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱220</b>	<b>₱20,638</b>
Geographical markets							
Nasugbu, Batangas	<b>₱20,418</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱220</b>	<b>₱20,638</b>
Timing of revenue recognition							
Goods transferred over time	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱220</b>	<b>₱220</b>
Goods transferred at a point in time	<b>₱20,418</b>						<b>₱20,418</b>

March 31, 2022							
Segments	Raw land	Palico Montana	Landing Townhomes	Landing Shophouses	Orchards	SAMG	Total
Sale of real estate	₱213,700	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	₱1,596	₱215,296
Geographical markets							
Nasugbu, Batangas	₱213,700	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	₱1,596	₱215,296
Timing of revenue recognition							
Goods transferred over time	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	<b>₱-</b>	₱1,596	₱1,596
Goods transferred at a point in time	<b>₱213,700</b>						<b>₱213,700</b>

#### ii. Sale of goods

##### Sale of goods by product type

	2023	2022
Coco milk/cream	<b>₱9,097</b>	₱40,464
Coco water concentrate	<b>22,947</b>	16,077
Fresh Coconut Meat	<b>29,994</b>	-
Other Revenue	<b>4,894</b>	-
Virgin coconut oil	-	21
	<b>₱66,932</b>	₱56,562

##### Sale of goods by sales type

	2023	2022
Export	<b>₱39,091</b>	₱55,158
Domestic	<b>27,841</b>	1,404

	<b>₱66,932</b>	<b>₱56,562</b>
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b. Contract balances

The Company's contract balances as at March 31, 2023 and December 31, 2022 are as follows:

	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Contract asset	<b>₱125,634</b>	₱125,634
Contract liabilities	<b>133,781</b>	136,208

*Receivables*

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

*Contract assets*

Cash received from the sale of real estate properties that does not meet the revenue recognition criteria are recognized in "Customers' deposits" account which is presented as part of "Contract liabilities and customer's deposits" account in the consolidated statements of financial position.

Breakdown as to current and noncurrent portion of the amount recorded under "Contract assets" account follows:

	<b>2023</b>	<b>2022</b>
Contract assets - current	<b>₱96,100</b>	₱96,100
Contract assets - noncurrent	<b>21,940</b>	29,534
	<b>₱118,040</b>	₱117,586

*Contract liabilities*

- a. Deferred income amounting to ₱48.0 million in both 2023 and 2022 pertains to collections from buyers exceeding the recognized sale of real estate based on percentage-of-completion.
  - b. Customers' deposits amounting to ₱91.2 million and ₱96.1 million in 2023 and 2022 respectively, represent noninterest-bearing cash received from the sale of real estate properties, which did not meet the revenue recognition criteria as set out in Note 4. Deposits from sale of real estate properties will be applied against the receivable from the customers upon recognition of revenue
  - c. Guests' deposits pertain to the advance payments of guests for room reservations in the hotels amounting to ₱8.5 million and ₱0.5 million as at period ended March 31, 2023 and year ended December 31, 2022, respectively.
- c. Performance Obligations (PO)

The following are the PO of the Company:

Real Estate Sales

(a) *House and lot*

For sale of house and lot, house and lot are separately identifiable promises but are expected to be combined as one performance obligation since these are not distinct within the context of the contract. The obligation to deliver the house duly constructed in a specific lot is fully integrated in the lot in accordance with the approved plan. If sale occurs upon completion, the Group expects the revenue recognition to occur at a point in time when

control of the asset is transferred to the customer, generally on delivery of the house and lot. If sale occurs prior to completion, the Group expects the revenue recognition to occur over time when satisfying the criterion of which the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

*(b) Residential land*

The developer performs significant activities of land development in accordance with the approved subdivision plan. This includes, but is not limited to, provision of drainage, sewerage, water and electricity system which integrates the common areas and saleable lots. These development activities, however, are not distinct promises but rather necessary and required inputs relative to the developer's promise to deliver the residential lot.

The developer integrates the saleable lots with the land development to be able to transfer the "residential lot" promised in the CTS.

*(c) Memorial lot*

The Company performs significant activities of land development in accordance with the approved memorial garden plan. This includes grading and landscaping, construction of pathways and interment amenities, and installation of water source. These development activities however, are not distinct promises but rather necessary and required inputs relative to the developer's promise to deliver the memorial lot.

Buyer can elect the payment means either as spot cash or in installment for a period ranging from one year to eight years. The Company determines that the payment of the consideration will not coincide with the percentage of completion of the real estate project and concluded that there is a significant financing component for these contracts.

Hotel Revenues

*(a) Hotel rooms*

The Group also offers hotel room accommodations to customers through the four GoHotels of Roxaco Asia Hospitality Corporation and the resort of Anya Hotels and Resorts Corporation.

*(b) Food and beverage*

For the sale of food and beverages, the performance obligation is satisfied when the goods are sold. Payment is generally due within 30 days as the customer receives the goods and services except for some customers with specific credit terms. The Company applies the practical expedient and does not disclose information about the remaining performance obligations that have original expected durations of one year or less.

Manufacturing

*(a) Sale of coconut products*

The Group is involved in manufacturing of coconut products that are being sold either domestic or by export.

## 21. Cost and Expenses

Cost of hotel sales and services consist of:

	<b>March 31, 2023</b> <b>(Three months,</b> <b>Unaudited)</b>	March 31, 2022 (Three months, Unaudited)
Depreciation and amortization	<b>₱14,121</b>	₱13,084
Food and beverage cost	<b>12,436</b>	10,494
Salaries, wages and other employee benefits	<b>14,969</b>	9,802
Outside services	<b>12,761</b>	8,504
Communication, light and water	<b>5,113</b>	5,267
Travel and transportation	<b>134</b>	432
Others	<b>3,969</b>	932
	<b>₱63,503</b>	₱48,515

Other cost of hotel sales and services are expensed as incurred which are incurred for the generation of revenue from ancillary services like laundry.

Cost of goods sold consist of:

	<b>March 31, 2023</b> <b>(Three months,</b> <b>Unaudited)</b>	March 31, 2022 (Three months, Unaudited)
Materials used and changes in inventory	<b>₱47,821</b>	₱25,008
Indirect labor	<b>6,602</b>	15,464
Communication, light and water	<b>8,521</b>	6,302
Depreciation (see Note 11)	<b>4,520</b>	5,355
Packaging materials	<b>1,301</b>	5,231
Factory supplies	<b>5,926</b>	5,137
Direct labor	<b>3,705</b>	4,380
Rent expense	<b>170</b>	373
Repairs and maintenance	<b>173</b>	264
Others	<b>5,628</b>	491
	<b>₱84,367</b>	₱68,005

Operating expenses consist of:

	<b>March 31, 2023</b> <b>(Three months,</b> <b>Unaudited)</b>	March 31, 2022 (Three months, Unaudited)
General and administrative expenses	<b>₱60,389</b>	₱75,420
Selling expenses	<b>10,523</b>	19,165
	<b>₱70,912</b>	₱94,585

General and administrative expenses from consist of:

	<b>March 31, 2023</b> <b>(Three months,</b> <b>Unaudited)</b>	March 31, 2022 (Three months, Unaudited)
Salaries, wages and other employee benefits (Notes 17 and 22)	<b>₱23,212</b>	₱30,744
Yield guarantee	-	15,305
Taxes and licenses	<b>8,758</b>	7,043
Outside services	<b>6,470</b>	6,470
Depreciation and amortization (Note 11)	<b>6,066</b>	6,191
Communication, light and water	<b>7,427</b>	4,691
Insurance	<b>451</b>	1,053
Repairs and maintenance	<b>1,426</b>	1,108
Travel and transportation	<b>1,870</b>	986
Materials and consumables	<b>867</b>	867
Rent	<b>1,306</b>	555
Representation and entertainment	<b>251</b>	251
Others	<b>2,285</b>	156
	<b>₱60,389</b>	₱75,420

Others include professional fees, training and development and other miscellaneous charges.

#### Selling Expenses

This account mainly pertains to marketing, commission on real estate sales and advertising and promotion expenses.

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## 22. Personnel Costs

The components of employee benefits from continuing operations presented under “General and administrative expenses” account (see Note 22) in the consolidated statements of income are as follows:

	<b>March 31,</b> <b>2023</b> <b>(Three months,</b> <b>Unaudited)</b>	March 31, 2022 (Three months, Unaudited)
Salaries and wages	<b>₱23,212</b>	₱23,619
Allowances and other employee benefits	-	6,040
Retirement benefits (Note 17)	-	1,085
	<b>₱23,212</b>	₱30,744

## 23. Other Income

Other income consists of:

	<b>March 31, 2023 (Three months, Unaudited)</b>	<b>March 31, 2022 (Three months, Unaudited)</b>
Sale of scrap	<b>₱-</b>	<b>₱3,239</b>
Penalty for late payment	-	206
Rent income	-	90
Others	<b>(59)</b>	<b>497</b>
	<b>₱(59)</b>	<b>₱4,032</b>

Others include other hotel charges such as shuttle services, laundry services, early and late checkout fees, realty fees, and forfeited reservation deposits.

## 24. Income Taxes

a. Provision for (benefit from) income taxes comprise the following:

	<b>March 31, 2023 (Three months, Unaudited)</b>	<b>March 31, 2022 (Three months, Unaudited)</b>
Current	<b>₱821</b>	<b>₱2,125</b>
Deferred	-	-
	<b>₱821</b>	<b>₱2,125</b>

b. The components of the recognized deferred tax assets and liabilities represent the tax effects of the following temporary differences:

	<b>March 31, 2023 (Unaudited)</b>		<b>December 31, 2022 (Audited)</b>	
	<b>Net Deferred Income Tax Assets</b>	<b>Net Deferred Income Tax Liabilities</b>	<b>Net Deferred Income Tax Assets</b>	<b>Net Deferred Income Tax Liabilities</b>
Deferred tax assets on:				
Customers' deposit	<b>₱26,178</b>	<b>₱-</b>	<b>₱29,832</b>	<b>₱-</b>
Lease liabilities	<b>692</b>	-	692	-
Retirement liability	<b>20,554</b>	-	20,554	-
NOLCO	<b>9,241</b>	-	9,241	-
Excess MCIT over RCIT	<b>7,330</b>	-	7,330	-
Deferred income	<b>16,498</b>	-	16,498	-
Allowance for:				
Impairment losses of receivables	<b>4,295</b>	-	4,295	-
Impairment losses on investments in associates	-	-	-	-
Net discount on loans payable	-	-	-	-
Various accruals	<b>634</b>	-	634	-
Unrealized foreign exchange loss	-	-	-	-
	<b>85,422</b>	-	<b>89,076</b>	-

## Deferred tax liabilities on:

Taxable temporary difference arising from use of installment method of revenue recognition for tax reporting	(6,296)	—	(6,296)	—
Revaluation increment on land	(2,549)	(98,060)	(2,549)	(98,060)
Prepaid commissions	—	—	—	—
Right-of-use assets	(538)	—	(538)	—
Actuarial gain	(15,478)	—	(15,478)	—
Rent receivable	(2,255)	—	(2,255)	—
	(27,116)	(98,060)	(27,116)	(98,060)
Net deferred tax assets (liabilities)	₱58,306	(₱98,060)	₱61,960	(₱98,060)

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**25. Earnings (Loss) Per Share**

Basic/diluted earnings (loss) per share are computed as follows:

	<b>March 31, 2023 (Three months, Unaudited)</b>	March 31, 2022 (Three months, Unaudited)
Net loss attributable to the equity holders of the Parent Company: (Note 17)	<b>(₱172,462)</b>	(₱41,756)
Weighted average number of shares issued and outstanding:		
Issued and outstanding ordinary shares	<b>2,238,565,159</b>	2,230,193,502
Basic/diluted loss per share:	<b>(₱0.08)</b>	(₱0.02)

There are no potential dilutive common shares as at March 31, 2023 and 2022.

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**26. Contingencies and Commitments**
Yield Guarantee to Real Estate Buyers

During the year ended March 31, 2014, RLC entered into a yield guarantee agreement with buyers of Anya Resort Suites. The said buyers will be entitled to a yield guaranteed along with the usage allowance for the first five years inclusive of fixtures, furniture and equipment and VAT.

Unused Credit Lines

As at March 31, 2023, the Group has unused lines of credit with local banks amounting to nil (see Notes 14 and 15).

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**28. Financial Instruments**
Risk Management, Objectives and Policies

The principal financial instruments comprise of cash in banks, receivables and payables, which arise directly from its operations, and short and long-term borrowings. The Group has other financial instruments such as restricted cash and dividends payable.

The main risks arising from the financial instruments are liquidity risk, interest rate risk and credit risk. Risk management is carried out by senior management under the guidance and direction of the BOD of the Parent Company.

*Liquidity risk*

Liquidity risk arises from the possibility that the Group may encounter difficulties in raising funds to meet maturing obligations.

The Group's objective is to maintain sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the business, the Group aims to maintain flexibility in funding by keeping track of daily cash flows and maintaining committed credit lines available. In addition, the Group, renegotiates the terms of its existing loan agreements with bank creditors and lenders as the need arises (see Notes 14 and 15).

*Credit risk*

Credit risk is the risk that the Group will incur financial loss through default by counterparties in performing their obligations.

Concentration of credit risk with respect to trade receivables is limited due to the large number of customers comprising the Group's customer base and their dispersion across different geographic areas. It has policies in place to ensure that sales of goods are made to customers with an appropriate credit history. There is no concentration of credit risk with respect to receivables relating to real estate sales.

Credit risks for contract receivables is mitigated as the Group has the right to cancel the sales contract without risk for any court action and can take possession of the subject property in case of refusal by the buyer to pay on time the contracts receivables due. This risk is further mitigated because of the corresponding title to the party sold under this arrangement is transferred to the buyers only upon full payment of the contract price.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions.

Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a qualitative risk rating. Risk ratings are subject to regular revision. The credit quality review process allows the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

*Collaterals and other credit enhancements*

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

*Credit quality per class of financial assets*

The credit quality of receivables is managed by the Group through its Marketing Department.

High grade accounts are those receivables from counterparties with whom collections are made without much collection effort. Standard grade accounts consist of receivables from its distributors with good financial condition and with relatively low defaults. Substandard grade accounts on the other hand, are receivables from other counterparties with history of defaulted payments.

*Impairment assessment*

The main consideration for impairment assessment includes whether there are known difficulties in the cash flow of the counterparties. The Group assesses impairment in two ways: individually and collectively.

First, the Group determines allowance for each significant receivable on an individual basis. Among the items that the Group considers in assessing impairment is the inability to collect from the



counterparty based on the contractual terms of the receivables. Receivables included in the specific assessment are the accounts that have been endorsed to the legal department, non-moving accounts receivable and other accounts of defaulted counterparties.

For collective assessment, allowances are assessed for receivables that are not individually significant and for individually significant receivables where there is no objective evidence of individual impairment. Impairment losses are estimated by taking into consideration the age of the receivables, past collection experience and other factors that may affect their collectability.

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows on a financial instrument will fluctuate because of changes in market interest rates.

The Group has interest-bearing loans which bear floating interest rate and expose the Group to interest rate risk.

The quantitative disclosures on risks associated with the Group's financial instruments and the related risk management processes and procedures are disclosed in the annual consolidated financial statements as at and for the year ended December 31, 2022.

#### Capital Management

The primary objective of the capital management is to ensure that it maintains strong credit and healthy capital ratios in order to support its business and maximize shareholder value.

The dividend declaration is dependent on availability of retained earnings and operating requirements. The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for the three months ended March 31, 2023 and 2022.

Management considers the total consolidated equity reflected in the consolidated statements of financial position as its capital. The Group monitors its use of capital using leverage ratios, specifically, debt-to-equity ratio.

The Group is required to maintain a maximum debt-to-equity ratio of 3:1. The Group has the following debt-to-equity ratio:

	<b>March 31, 2023 (Unaudited)</b>	<b>December 31, 2022 (Audited)</b>
Total liabilities	<b>₱5,280,462</b>	₱5,183,122
Total equity	<b>8,445,235</b>	8,631,943
Total liabilities and equity	<b>₱13,725,697</b>	₱13,815,065
Debt-to-equity ratio	<b>0.63:1.0</b>	0.60:1.0

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## 29. Fair Value Measurement

The Group has assets and liabilities that are measured at fair value on a recurring and non-recurring basis in the consolidated statements of financial position after initial recognition. Recurring fair value measurements are those that another PFRS requires or permits to be recognized in the consolidated statements of financial position at the end of each reporting period. These include AFS financial assets. Non-recurring fair value measurements are those that another PFRS requires or permits to be recognized in the consolidated statements of financial position in particular circumstance. These include investment properties and land under property and equipment at revalued amount.

The Group's management determines the policies and procedures for both recurring and non-recurring fair value measurement.

External valuers are involved for valuation of significant assets which are investment properties and land under property and equipment. Involvement of external valuers is decided upon annually by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussion with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents with relevant external sources to determine whether the change is reasonable.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

*Cash in banks and short-term placements, receivables, short-term borrowings, current portion of long-term borrowings, accounts payable and accrued expenses, dividends payable and due to related parties*

The carrying amounts of these instruments approximate their fair values due to their short-term maturities.

*Long-term borrowings*

Fair values of long-term borrowings as at March 31, 2023 and December 31, 2022 were determined based on Level 2 in which the inputs are based on the discounted interest rate of the prevailing comparable instrument in the market.

The Group has no financial instruments carried at fair value in the consolidated financial statements as at March 31, 2023 and December 31, 2022.

*Investment Properties*

The valuation technique used for the investment properties and land under property and equipment is Sales Comparison Approach which is a process to value based on sales of similar or substitute properties and related market data and establishes a value estimated by processes involving comparison.

There are no transfers to Level 1 and Level 2 fair value measurement.

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### 30. Segment Reporting

The Group's identified operating segments, which are consistent with the segments reported to the BOD, are as follows:

- a. **Real Estate**  
RLC is the real estate arm of the Group. RLC acquires, develops, improves, subdivides, leases and sells agricultural, industrial, commercial, residential and other real properties. The Group, through RLC, has subsidiaries namely SMMSI and RAHC.
- b. **Hotel**  
RAHC, a subsidiary of RLC, owns and operates four GoHotels in Metro Manila. Anya Resort Tagaytay, a business segment of RLC, operates the Anya Hotel and Resort in Tagaytay City.
- c. **Anya Hospitality Group**, a business segment of RLC, provides hotel management services to RAHC 4 GoHotels, Anya Resort Tagaytay, and other hotel properties in Batangas.
- d. **Manufacturing**  
RSAI, a subsidiary of the Parent Company based in Tupi, South Cotabato, operates a plant primarily to process coconut based products for export.
- e. **Others**  
Other segments of the Group include the Parent Company, which owns various tracts of lands in Nasugbu, Batangas and RGEC, an entity established primarily for renewable energy.

The Group has one geographical segment with all assets located in the Philippines. The Group operates and derives all revenues from domestic operations. Thus, geographical business information is not required.

The Parent Company's BOD regularly reviews the operating results of the business units to make decisions on resource allocation and to assess performance. Segment revenue and expenses are measured in accordance with PFRS. The presentation and classification of segment revenues and expenses are consistent with the consolidated statements of income.

Financing costs (including interest expense) and income taxes are managed on a per company basis and are not allocated to operating segments. Further, the measurement of the segments is the same as those described in the summary of significant accounting and financial reporting policies.

- a. **Segment revenue and expenses**  
The Group's main revenue stream comes from real estate sales, hotel revenues and export of coconut based products. The real estate and hotel operations segment's customers are mainly direct.
- b. **Segment assets and liabilities**  
Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, real estate for sale and development, inventories, prepaid expenses and property, plant and equipment, net of related accumulated depreciation. Segment liabilities include all operating liabilities and consist principally of trade payables, accruals and customers' deposits, and bank loans. Segments assets and liabilities do not include deferred income taxes.

## c. Inter-segment transfers

Segment revenue, expenses and results include transfers between business segments. Such transfers are accounted for at competitive market prices charged to unrelated customers or by suppliers for similar goods or services.

The following tables present information about the Group's operating segments:

March 31, 2023 (Unaudited)						
	Real Estate	Hotel	Manufacturing	Others	Eliminations	Consolidated Balances
<b>Sales</b>	<b>₱20,683</b>	<b>112,086</b>	<b>66,932</b>	<b>₱–</b>	<b>–</b>	<b>₱199,658</b>
<b>Cost of sales and services</b>	<b>(10,247)</b>	<b>(63,503)</b>	<b>(84,367)</b>	<b>–</b>	<b>–</b>	<b>(158,117)</b>
Interest income	2,130	1,090	–	1,111	(3,114)	1,217
Interest expense	(12,733)	(27,655)	(15,846)	(16,461)	3,114	(69,592)
Others	(17,215)	(44,026)	(13,085)	(9,167)	–	(83,497)
Income (loss) before income tax	(17,430)	(14,965)	(46,366)	(24,517)	–	(98,885)
Loss on discontinued Operations	–	–	–	(8,826)	–	(8,826)
Income tax expense	(652)	(169)	–	–	–	(821)
<b>Segment Income (loss)</b>	<b>(18,082)</b>	<b>(15,134)</b>	<b>(46,366)</b>	<b>(24,517)</b>	<b>(4,393)</b>	<b>(99,706)</b>
Equity in net earnings of associates and a joint venture	–	–	–	(87,000)	–	(87,000)
<b>Consolidated Net Income (Loss)</b>	<b>(₱18,082)</b>	<b>(₱15,134)</b>	<b>(₱46,366)</b>	<b>(₱111,517)</b>	<b>(₱4,393)</b>	<b>(₱186,706)</b>
<b>Assets and Liabilities</b>						
Current assets	₱673,748	₱349,893	₱202,405	₱221,441	(₱297,969)	₱1,149,517
Noncurrent assets	629,232	2,272,026	689,774	10,837,377	(1,852,229)	12,576,180
<b>Total Assets</b>	<b>1,302,979</b>	<b>2,621,919</b>	<b>892,178</b>	<b>11,058,818</b>	<b>(2,150,197)</b>	<b>13,725,697</b>
Current liabilities	61,163	1,623,463	519,532	442,412	622,355	3,146,599
Noncurrent liabilities	726,523	792,405	702,310	1,273,928	(1,294,509)	2,200,658
<b>Total Liabilities</b>	<b>₱665,360</b>	<b>₱2,415,868</b>	<b>₱1,221,842</b>	<b>₱1,716,340</b>	<b>(₱672,153)</b>	<b>₱5,347,257</b>

March 31, 2022 (Unaudited)						
	Real Estate	Hotel	Manufacturing	Others	Eliminations	Consolidated Balances
<b>Sales</b>	<b>₱215,491</b>	<b>95,200</b>	<b>56,562</b>	<b>₱–</b>	<b>(₱3,989)–</b>	<b>₱363,264</b>
<b>Cost of sales and services</b>	<b>(72,108)</b>	<b>(51,968)</b>	<b>(68,005)</b>	<b>–</b>	<b>–</b>	<b>(192,081)</b>
Interest income	2,514	1,554	–	463	(1,091)	3,441
Interest expense	(5,989)	(32,234)	(12,635)	(16,520)	1,091	(66,287)
Others	(38,094)	(38,005)	(8,226)	(6,227)	–	(90,552)
Income (loss) before income tax	101,813	(25,452)	(32,304)	(22,284)	(3,989)–	17,784
Income tax expense	(1,772)	(355)	–	–	–	(2,127)
Segment Income (loss)	100,041	(25,807)	(32,304)	(22,284)	(3,989)	15,657
Equity in net earnings of associates and a joint venture	–	–	–	(69,050)	–	(69,050)
<b>Consolidated Net Income (Loss)</b>	<b>₱100,041</b>	<b>(₱25,807)</b>	<b>(₱32,304)</b>	<b>(₱91,334)</b>	<b>(₱3,989)</b>	<b>(₱53,393)</b>
<b>Assets and Liabilities</b>						
Current assets	₱1,200,031	₱420,402	₱187,284	₱251,242	(₱924,570)	₱1,134,389
Noncurrent assets	1,063,708	2,284,062	785,094	10,303,990	(2,899,198)	11,537,656
<b>Total Assets</b>	<b>2,263,739</b>	<b>2,704,464</b>	<b>972,378</b>	<b>10,555,232</b>	<b>(3,823,768)</b>	<b>12,672,045</b>
Current liabilities	764,007	2,565,157	810,401	375,159	(905,529)	3,609,195
Noncurrent liabilities	561,260	82,562	180,720	983,771	(399,393)	1,408,920
<b>Total Liabilities</b>	<b>₱1,325,267</b>	<b>₱2,647,719</b>	<b>₱991,121</b>	<b>₱1,358,930</b>	<b>(₱1,304,922)</b>	<b>₱5,018,115</b>

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**31. The Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income, or Cash Flows that are Unusual Because of their Nature, Size or Incidence**

Other than those disclosed in the notes to the unaudited interim consolidated financial statements, there are no assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidents.

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**32. The Nature and Amount of Changes in Estimates of Amounts Reported in Prior Interim Period of the Current Year or Changes in Estimates of Amounts Reported in Prior Years, if those Changes Have a Material Effect in the Current Interim Period**

There are no significant changes in estimates reported in prior interim periods of the current year or changes in estimates reported in prior years, which are considered to have material effect on the unaudited interim consolidated financial statements.



# **ANNEX “B”**

## **MANAGEMENT DISCUSSION AND ANALYSIS AND PLAN OF OPERATIONS**

**1st Quarter Ended March 31, 2023  
and 2022**

## MANAGEMENT DISCUSSION AND ANALYSIS AND PLAN OF OPERATIONS

### INTERIM RESULTS (UNAUDITED) – 1st Quarter ending March 31, 2023

#### Results of Operation

Consolidated revenues amounted to ₱200 million, a decrease of 44% against Q1 2022's ₱355 million. The Realty unit contributed ₱21 million, hotel services at ₱112 million, and coconut products at ₱67 million.

The overall operating performance decreased vs. 2022 due to deferred sale of Anya Phase 3, slower house and lot sales, and RAHC's lower occupancy. Coconut export growth decreased because of the low working capital, and extended repairs to address equipment failures. This was offset favorably by 89 corporate and social events, staycation rebound, and strong dining and wellness offers of Anya Hotel.

RSAI prospects for long term growth in non-dairy alternatives is sustained as demand for soy, oat, and coconut registered double digit CAGR. Nut prices went down to P6.50/kg, the lowest in three years. RSAI adjusted its list price in April 2022, the first since the start of commercial operations and reflects post-Ukraine pricing dynamics.

Gross income amounted to ₱42 million.

Operating expenses decreased by 18% to ₱71 million from last year's ₱86 million mainly due to lower revenues and the Group's cost reduction programs across business units.

Equity in net loss from the group's 23.05% investment in Roxas Holdings Inc. (RHI) amounted to ₱87 million, lower than last year's ₱69 million due to the lower sales volume generated by its sugar-related business.

Interest cost of ₱62 million was ₱3 million or 5% higher than same period of last year due to higher rate from loan restructuring.

Net Other income/(loss) of (₱.01) million represents scrap sale, realty fees, penalty for late payment, and forfeited reservation deposits.

Consolidated net loss for the three months ended March 31, 2023 of ₱187 million was higher than last year's loss of ₱53 million. This was mainly due to lower realty asset sales, decline in RAHC hotel room nights and rates, and higher input cost of RSAI coconut production, equity loss from RHI, partly offsetted by improving high-end hospitality revenues in its Anya Hotel.

#### **Financial Position**

Consolidated total assets amounting to ₱13,726 million as at March 31, 2023 is lower than ₱13,815 million as at December 31, 2022 mainly due to loss from operations and share in equity loss of investments in RHI.

Current ratio is at 0.51:1 as at March 31, 2023 and 0.52:1.00 as at December 31, 2022.

Debt to equity (D/E) ratio of 0.63:1 as of March 31, 2023 and 0.60:1.00 as of December 31, 2022 but still within the 0.75:1 ratio limit required by some banks for the company's term loans.

To improve the Company's liquidity, the Group will continue to increase its topline and sell non-

core assets and investments and use the proceeds to reduce debt.

Book value per share is at ₱3.77 as at March 31, 2023.

Trade and other receivables of ₱230 million increased by 18% from December 31, 2022 balance of ₱195 million.

Total liabilities increased from ₱5,183 million to ₱5,280 million due to increase of trade payables and accruals.

Total equity amounting to ₱8,445 million as at March 31, 2023 decreased by 2% from December 31, 2022 balance of ₱8,632 due to net loss for this quarter.

Other than the matters discussed above, there are no:

- Significant elements of income or loss that arose from continuing operations; and
- Seasonal aspects that had a material effect on the financial condition or results of operations.

#### **Top Five Performance Indicators**

The Group's financial performance is determined to a large extent by the following key results:

1. *Gross profit.* This is recognized in full when the collection of the total contract price reached 10% on real estate sales. At this stage, it is reasonably assured that the risks and benefits over the developed assets have been transferred to the lot buyer. In manufacturing and hotel industry, this is the margin on the revenue net of cost of sales.
2. *Export sales.* Export sales represent revenues from products sold by the coconut processing business.
3. *Hotel occupancy and average daily room rate (ADR).* The number represents the average rental income per paid occupied room in a given time period. ADR along with the property's occupancy are the foundations for the property's financial performance.
4. *Earnings before interest, taxes and depreciation (EBITDA)* - This is the measure of cash income from operations.
5. *Return on Equity* - denotes the capability of the Group to generate returns for the shareholders.



The table below presents the top five performance indicators of the Group:

Performance Indicator	For the Period Ended March 31, 2023 (Three Months)	December 31, 2022 (One Year)	December 31, 2021 (One Year)
Gross profit	₱41.5 million	₱273.7 million	₱436.5 million
Export sale of coconut products	₱39.1 million	₱88.0 million	₱184.9 million
Hotel occupancy and average daily room rate			
- Anya Hotel	66% / ₱3,805	60% / ₱4,354	36% / ₱5,755
- Go Hotels	45% / ₱1,487	43% / ₱1,429	55% / ₱1,572
EBITDA	(₱8.0) million	₱1,006.7 million	₱683.8 million
Return on equity	(0.70%)	7.22%	3.08%

#### Key Variable and Other Qualitative and Quantitative Factors

- The Group is not aware of any known trends, events or uncertainties that will result in or that are reasonably likely to result in any material cash flow or liquidity problem.
- The Group is not aware of any events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.
- The Group is not aware of any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period.
- The Group is not aware of any known trend, events or uncertainties that will have material impact on sales.
- Other than matters previously discussed, the Group is not aware of causes for any material changes from period to period in the financial statements.

#### **Plan of Operations**

To establish the property operation's continued growth and to ensure its viability, management intends to push raw land sales and development in Nasugbu, Batangas, footprint expansion and luxury offers in Tagaytay.

To secure new customers and increase export and local sales of coconut exports to maximize plant capacity and negotiate for longer terms with suppliers of raw materials and service providers.

The budget hotels will implement aggressive marketing strategies to offset slower industry recovery and manage pricing pressure from competitors. It will also explore strategic asset plays to optimize brand strength and location advantage.

**ROXAS AND COMPANY, INC AND SUBSIDIARIES**  
**FINANCIAL SOUNDNESS INDICATORS**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>December 31, 2022</b>
1. LIQUIDITY RATIO			
Current Ratio	0.51 : 1.00	0.31 : 1.00	0.52 : 1.00
2. SOLVENCY RATIO			
Debt to Equity ratio	0.63 : 1.00	0.66 : 1.00	0.60 : 1.00
3. Asset to Equity Ratio	1.63	1.66	1.60
4. PROFITABILITY RATIOS			
Return on Assets	(1.36%)	(0.42%)	4.51%
Return on Equity	(22.11%)	(0.70%)	7.22%
Book Value per share	3.77	3.34	3.77

**ROXAS AND COMPANY, INC. AND SUBSIDIARIES**
**Aging of Receivables**
**As at March 31, 2023**

in P'000

Total trade receivables

Allowance for impairment losses

**Trade receivables**

	Not yet due	Current	Past due			
			30 days	60 days	90 days	Over 90 days
<b>Total</b>						
120,602	30,789	20,534	11,749	8,384	9,088	40,058
(22,766)	-	-	-	-	-	(22,766)
<b>97,836</b>	<b>30,789</b>	<b>20,534</b>	<b>11,749</b>	<b>8,384</b>	<b>9,088</b>	<b>17,292</b>

**Non-Trade receivables**

Related parties

Contractors and suppliers

Employees

Others

Total non-trade

Allowance for impairment losses

**Non-Trade receivables**

	Not yet due	Current	Past due			
			30 days	60 days	90 days	Over 90 days
<b>Total</b>						
65,494	15,654	-	846	7,523	16,989	24,483
35,174	4,719	-	3,633	-	13,879	12,943
9,423	9,423	-	-	-	-	-
52,321	44,833	2,025	3,863	109	-	1,491
162,412	74,630	2,025	8,341	7,632	30,868	38,917
-	-	-	-	-	-	(30,428)
<b>162,412</b>	<b>74,630</b>	<b>2,025</b>	<b>8,341</b>	<b>7,632</b>	<b>30,868</b>	<b>8,489</b>

**Summary**

Trade

Non-Trade

Total trade and other receivables

Allowance for impairment losses

**Trade and other receivables**

120,602	30,789	20,534	11,749	8,384	9,088	40,058
162,412	74,630	2,025	8,341	7,632	30,868	38,917
283,014	105,419	22,559	20,090	16,016	39,956	78,976
(53,194)	-	-	-	-	-	(53,194)
<b>229,820</b>	<b>105,419</b>	<b>22,559</b>	<b>20,090</b>	<b>16,016</b>	<b>39,956</b>	<b>25,782</b>