


Certification

I JOCELYN A. VALLE, Finance Head of PHILIPPINE ESTATES CORPORATION with SEC registration number 112978 with principal office at 35th Floor, One Corporate Centre, Julia Vargas Avenue cor. Meralco, Avenue, Ortigas Center, Pasig City, on oath state:

- 1) That on behalf of PHILIPPINE ESTATES CORPORATION, I have caused this SEC FORM 17Q-3Q to be prepared;
- 2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
- 3) That the company PHILIPPINE ESTATES CORPORATION will comply with the requirements set forth in SEC Notice dated 24 JUNE 2020 for a complete and official submission of reports and/or documents through electronic mail; and
- 4) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

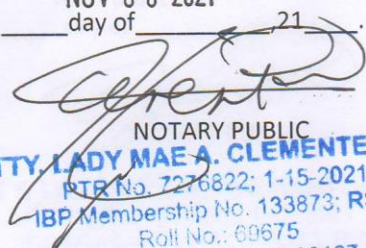
IN WITNESS WHEREOF, I have hereunto set my hand this 8TH day of November, 2021. Pasig City.



JOCELYN A. VALLE
Finance Head
TIN : 110-820-293

SUBSCRIBED AND SWORN to before me this NOV 08 2021
day of 21.

ID No. _____


NOTARY PUBLIC
ATTY. LADY MAE A. CLEMENTE-DIATA
PTR No. 7276822; 1-15-2021
IBP Membership No. 133873; RSM
Roll No.: 00675
MCLE Compliance No. VII - 0000167; 7-2-2019
Appointment No. 156 (2021-2022)
Julia Vargas Ave. cor. Meralco Ave.
Ortigas Center, Pasig City

Doc. No. 298

Page No. 61

Book No. 5

Series of 2021.

COVER SHEET

SEC Registration Number

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Company Name

P	H	I	L	I	P	P	I	N	E	E	S	T	A	T	E	S	C	O	R	P	O	R	A	T	I	O	N
A	N	D	S	U	B	S	I	D	I	A	R	Y															

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

3	5	T	H	F	L	O	O	R	,	O	N	E	C	O	R	P	O	R	A	T	E					
C	E	N	T	E	R	,	D	O	Ñ	A	J	U	L	I	A	V	A	R	G	A	S	A	V	E	.	
C	O	R	.	M	E	R	A	L	C	O	A	V	E	.	,	O	R	T	I	G	A	S				
C	E	N	T	E	R	,	P	A	S	I	G	C	I	T	Y											

Form Type

1	7	-	Q
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	A		
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COMPANY INFORMATION

Company's Email Address

phes_finance@yahoo.com

Company's Telephone Number/s

8637-3112

Mobile Number

09178338243

No. of Stockholders

708

Annual Meeting
Month/Day

November / 5

Fiscal Year
Month/Day

December/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Jocelyn A. Valle

Email Address

joyavalle@yahoo.com

Telephone Number/s

8637-3112

Mobile Number

NA

Contact Person's Address

35Th Floor, One Corporate Center, Doña Julia Vargas Ave. Corner Meralco Avenue, Ortigas Center, Pasig City
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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.

SEC Number 112978
File Number _____

PHILIPPINE ESTATES CORPORATION

Company's Full Name

^{35TH} Flr. One Corporate Centre, Julia Vargas cor. Meralco Ave., Ortigas Center, Pasig City

Company's Address

8637-3112

Telephone Number

DECEMBER 31

Fiscal Year Ending
(Month and day)

SEC-FORM 17-Q

Form Type

N.A.

Amendment Designation(If applicable)

September 30, 2021

Period Ended Date

N.A.

Secondary License Type and File Number

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE
AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **September 30, 2021**
2. Commission identification number **112978**
3. BIR Tax Identification No. **000-263-366**

PHILIPPINE ESTATES CORPORATION

4. Exact name of registrant as specified in its charter
Metro Manila, Philippines
5. Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: SEC Use Only
7. ^{35th} **Flr., One Corporate Centre, Julia Vargas cor. Meralco Ave., Ortigas Center, Pasig City**
Address of issuer's principal office
8. **(632) 8637-3112**
Issuer's telephone number, including area code
9. Former name, former address and former fiscal year, if changed since last report **NA**
10. Securities registered pursuant to Section 4 and 8 of the RSA: Common shares **5,000,000,000** with par Value of P1.00 per share

Number of Shares Common Stock Issued Outstanding: **1,445,549,830 Common Shares**

Amount of Debt Outstanding: P 115,757,884 (as per Financial Statements)

11. Are any or all of the securities listed on the Philippine Stock Exchange?
Yes No[]

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

PHILIPPINE STOCK EXCHANGE COMMON SHARES

12. Indicate by check mark whether the registrant:
 - a) has filed all reports required to be filed by Section 11 of the Revised Securities Act (RSA) and RSA Rule 11(a)-1 hereunder and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such report)
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

The Quarterly Financial Statements of the Company for the period ending September 30, 2021 are incorporated herein by reference and attached as an integral part of this Quarterly Report.

Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Statements of Financial Accounting Standards of the Philippines issued by the Accounting Standards Council.

Earnings per Share

Basic Earnings per share is determined by dividing the Net Income by the weighted average number of shares issued and subscribed during the period.

Financial Information

- a. The management maintains the same system of accounting policies and methods of computation in the Interim Financial Statements.
- b. There were no changes in accounting estimates of amounts reported in interim periods of current financial year or even in prior financial years
- c. There were no issuances, repurchases and repayments of equity securities
- d. There were no changes in the composition of the issuer during the interim period i.e. Business Combinations, Acquisitions, or Disposal of Subsidiaries and Long-term Investments, Restructuring and Discontinuing operations. However, on March 25 and June 15, 2021, the Board of Directors approved the Stock Rights Offering of 1,445,549,830 shares
- e. There were no dividends declared and paid on the Company's Common Equity.
- f. Despite the negative economic effects of the pandemic, there will be continued demand for housing as the vaccine rollout is made. Hence, Philippine Estates Corporation aims to expand its inventory of projects through the acquisition of land in selected areas where economic growth is expected to show resiliency (i.e. Bulacan and Cavite). In this regard, the board of PHES has approved to undertake a Stock Rights Offering ("SRO") to raise capital for land acquisition.
- g. The Company is contingently liable for existing lawsuits and claims from third parties arising from the ordinary course of business. Management believes that the ultimate liability for the abovementioned lawsuits and claims, if any, would not be material in relation to the Financial Position and Operating Results of the company's operations.

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

1. Plan of Operation

Due to the restrictions imposed on the construction industry because of the Covid-19 pandemic, completion of the remaining works of Phase 4 of Pacific Grand Villas in Cebu, Wellford Homes Jaro – Parcel A in Iloilo, as well as a portion of Phase 1 of Wellford Homes Malolos in Bulacan, will be done within 2021.

Although the Company was able to complete most of the housing units scheduled for delivery in 2020, the pandemic affected the operations of several contractors, with some being forced to close operations. This resulted in the Company taking over construction works, particularly several rows of townhouses in Pacific Grand Townhomes. Nonetheless, bidding and awarding of units for construction continues, as the Company aims to fulfill delivery of units on time, as promised to buyers, despite the difficulties brought about by the pandemic. Furthermore, in order to assist the marketing efforts particularly in Wellford Homes Malolos, the Company completed all model houses before the end of 2021, including interior design and landscaping of all model units.

The Company will start the construction of Wellford Residences – Mactan by the fourth quarter of 2021. The first tower will have 80 condominium units and is expected to be completed by 2022.

As the country continues to feel from the economic impact of the Covid-19 pandemic, the Company has gradually shifted sales and marketing efforts online. Even sales events such as project knowledge seminars and the Annual Seller Awards were held online. For this year, more buyer-friendly payment terms will be offered in order to assist those whose sources of income have been adversely affected by the pandemic, such as the OFWs and local employees who belong to the tourism sector.

New Residential and Commercial Projects

For this year, the Company is looking to launch two (2) new residential projects, with both contiguous to existing projects.

The initial government permits for Wellford Homes at Jaro Grand Estates (Phase 3) – Parcel B have already been acquired, with the License to Sell the only remaining permit to be processed. Target launch of the said project will be by the 4th quarter of 2021.

Planning is currently underway for Pacific Grand Villas Five, which will be a purely residential phase, a low density development, modern Mediterranean in style and will still feature spacious indoor and outdoor areas just like its previous Phases. With the absence of substantial lots/house and lots inventory in Cebu, the Company is looking to secure all the necessary permits for its launch in the 1st quarter of 2022.

Planning of the commercial components of Jaro Grand Estates in Iloilo, is also in the works. This is in anticipation of the increasing number of residents in our existing and future horizontal projects.

The Company will be looking for additional properties in Luzon, particularly the Bulacan area, for its future projects, based on the warm acceptance by the market of the Company's Wellford Homes Malolos project. In the second quarter of 2021, the Company started to masterplan the Sta Maria property for a mixed-use development.

To support liquidity, the Company is offering attractive and flexible payment terms to buyers and has also accredited new contractors which can deliver built units faster so as to expedite collection of loan proceeds from partner institutions. Pre-selling of its units and CTS Financing are being explored to fund projects especially for newly launched projects

The Company continues to develop and generate cash flow through the following projects:

- ***Wellford Homes at Jaro Grand Estates (Phase 3) – Parcel A***

This project is our third residential community in Iloilo City. The house-and lot packages are mainly designed for homebuyers inclined for economy, maximizing value-for-money. Jaro Grand Estates is consisting of about 10 hectares, the initial offering is an American inspired duplex bungalow-type house model.. These single-level houses are very much suited also for senior citizens and retirees. The project was launched in November 2016, with the land development and house construction well underway.

- ***Wellford Homes – Malolos***

Wellford Homes – Malolos is a residential development with an area of approximately 6.7 hectares located in Barangay Longos, Malolos City, Bulacan. This horizontal development is American inspired. Housing design reflects the suburban feel with the American ambiance reflected even in the design of the community facilities and amenities. The subdivision is designed to provide generous areas for roads and open spaces, which accounts for nearly 42% of the total developable area. Based on the projections, the development will generate Php1.15 Billion gross revenues upon completion of the project.

- ***Wellford Residences - Mactan***

As the Company's answer to the housing backlog in the economic sector in the area, PHES launched Wellford Residences-Mactan. WR-Mactan is a two-tower medium rise condominium project in one of the Company's prime and highly accessible properties in Mactan, Cebu, located in Barangay Suba-basbas in the City of Lapu-Lapu, the project will offer around 200 condominium units and is expected to generate for the Company approximately P541M in Revenue.

2. Financial Position

The Company maintained its Financial Position as its total assets stood at P1.66B. Current ratio registered at 3.62:1. Current assets reached P1.25B while current liabilities amounted only to P0.35B. Debt –to- equity ratio stood at 0.53:1 The Balance Sheet shows that accounts are indicators of positive liquidity condition. Hereunder are the significant or material changes in the Balance Sheet accounts as of September, 2021.

Causes for material changes (5% or more) from period to period:

- a. Cash – the decrease of 21.17% was basically attributable to the payments of prior years' payables.
- b. Prepayments and other current assets – the increase of 27.14% was due to an increase in other prepaid expenses, like PSE and SEC filing fees for the SRO.

- c. Property and equipment, net – the decrease of 5.57% was due to an increase of accumulated depreciation.
- d. Accounts payable and other liabilities – the increase of 17.55% was due to an increase in payments made by the buyers for the titling fees and an increase in Deferred Output VAT from the installment sales.
- e. Deferred gross profit - the decrease of 5.96% was due to higher percentage of completion of the real estate inventories sold, thus realized higher gross profit for the period.
- f. Customers' Deposits – the increase of 91.22% was due to an increase in reservation fees for the period.
- g. Retirement benefits obligation - the decrease of 5.82% was due to an increase in retirement fund for the period.

3. Result of Operations

For the 3Q 2021, the Company was able to post a consolidated net sales of ₱ 43.67M thus registering a decrease of ₱25.18M or -36.57% compared to the Sales for same period in 2020 of ₱ 68.85M..

Realized Gross Profit increased by 10.62% or ₱2.01M from ₱20.99M this 3Q 2021 compared to ₱18.97M in 3Q 2020. Thus, Net Income before tax increased to ₱0.96M compared from ₱0.45M in 3Q 2020, an increase of 112.75% or ₱0.51M. This was primarily due to higher realized gross profit and recorded other income for the period.

Comparative Top Key Performance Indicators of the Company:

Management evaluates the Company's performance as it relates to the following:

- a. Sales – The Company gauges its performance by determining the Return on Sales (net income after tax over the net sales). It indicates net profitability of each peso of sales.
- b. Accounts Receivable – The Company assesses the efficiency in collecting receivables and in managing of credit by determining the past due ratio thru the aging of receivables.
- c. Gross Profit Margin – Measures effectiveness of pricing and control of project development cost. This is derived by dividing Gross Profit over Net Sales.
- d. Working Capital – The Company's ability to meet obligations is measured by determining Current Assets over Current Liabilities. Working Capital turnover is calculated by dividing Sales over Average Net Working Capital.

Variance Analysis – Another tool that measures efficiency on how the actual sales were attained via a vis forecasted sales.

<u>INDICATOR</u>	<u>Q3 2021</u>	<u>Q3 2020</u>
Return on sales	2.21%	0.66%
Past due ratio	5.49%	7.00%
Gross Profit rate	57.14%	52.24%
Working Capital Turnover	0.05	11.0

4. Other Notes to 3Q 2021 Operations and Financials:

Analysis of material events and uncertainties known to management that would address the past and would have an impact on future operations:

- **Any known trends, demands, commitments, events or uncertainties that will have an impact on the issuer's liquidity;**

At present, the uncertainty that may have a material impact on sales is the economic situation. The seemingly improving economic situation has already translated into a significant buying mood for the real estate market. Overall, there are no contingencies that may affect future operations of the Company. In such eventuality, the resolution of this is dependent to a large extent, on the efficacy of the fiscal measures and other actions.

- **Any event that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;**

The Company sees no event that will trigger direct or contingent financial obligation that is material to the Company despite of the effect of pandemic COVID-19..

- **All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during reported period.**

There were no material off-balance sheet transactions, agreements, obligations, (including contingent obligations), and other relationship of the Company with unconsolidated entities or other persons created during the reported period

- **Any material commitments for capital expenditures, the general purpose of such commitments and expected sources of funds of such expenditures.**

Despite the negative economic effects of the pandemic, there will be continued demand for housing as the vaccine rollout is made. Hence, the Company aims to expand its inventory of projects through the acquisition of land in selected areas where economic growth is expected to show resiliency (i.e. Bulacan and Cavite). In this regard, the board of the Company has approved to undertake a Stock Rights Offering ("SRO") to raise capital for land acquisition.

The proceeds will be used to acquire land to be developed by the Company.

- **Any known trends, events or uncertainties (Material Impact on Sales)**

Due to Global Pandemic, there were significant material impacts on sales.

- **Any significant elements of income or loss (from continuing operations)**

Considering the evolving nature of this pandemic, the Company will continue to monitor the situation to determine the impact to its financial position, performance and cash flows.

- **Seasonal aspects that had material effect on the financial condition or results of operation.**

Projects are launched at no particular time of the year depending on several factors such as completion of plans and permits and appropriate timing in terms of market condition and strategies. Development and construction works follow.

- **Internal and external sources of liquidity**

Collections from selling activities provide liquidity. Externally, the Company avails of credit lines offered by banks and other financial institution, private or government. The Company periodically reviews its capital structure and existing obligations.

Compliance with Leading Practice on Corporate Governance

The Company has adopted the Manual of Corporate Governance and full compliance with the same has been made since the adoption of the Manual.

The Company is taking further steps to enhance adherence to principles and practices of good corporate governance. Among these are as follows:

- Organizational and Procedural Controls
- Independent Audit Mechanism
- Regular Reporting to Audit Committee
- Creation of Board Committees
- Financial and Operational Reporting
- Compliance to Government Regulatory and Reportorial Requirements
- Disclosure of Transparency to the Public

There was no deviation committed by any of the Company's directors and/or officers on the Manual of Corporate Governance during the period covered in this report.

PART II – OTHER INFORMATION

Disclosure not made under SEC FORM 17-C: **NONE**

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY		
STATEMENTS OF FINANCIAL POSITION		
	Interim F/S	Audited F/S
	30-Sep-21	31-Dec-20
ASSETS		
Current Assets		
Cash	13,272,553	16,836,562
Trade and other receivables (net)	549,749,462	539,850,712
Advances to related parties (net)	275,568,827	276,397,919
Real estate inventories, net	396,288,727	390,734,889
Prepayments and other current assets	16,087,331	12,653,243
	1,250,966,899	1,236,473,325
Non-current Assets		
Trade and other receivables (net of current portion)	40,958,981	40,694,028
Advances to related parties (net of current portion)	267,691,325	269,151,715
Property and equipment, net	38,152,338	40,402,837
Financial Asset at FVOCI	50,000,000	50,000,000
Investment property	1,072,016	1,072,016
Deferred tax assets	5,501,261	5,501,261
Other noncurrent assets	7,885,514	7,923,800
	411,261,436	414,745,657
TOTAL ASSETS	1,662,228,334	1,651,218,982
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other liabilities	105,417,238	89,679,391
Deferred gross profit	136,360,842	144,998,054
Borrowings (current portion)	93,819,270	96,027,677
Lease liabilities	984,384	984,384
Customers' deposits	9,233,204	4,828,637
	345,814,938	336,518,143
Non-current Liabilities		
Advances from related parties	104,024,033	104,024,033
Borrowings (non- current portion)	21,938,614	21,938,614
Lease liabilities (net of current portion)	2,405,414	2,405,414
Retention payable and refundable bonds	26,285,444	26,149,094
Deferred Tax Liabilities	62,209,662	62,209,661
Retirement benefits obligation	11,330,231	12,030,231
	228,193,397	228,757,047
Total liabilities	574,008,336	565,275,190
Equity		
Capital Stock	1,445,549,830	1,445,549,830
Remeasurement gain on retirement benefits	2,042,257	2,042,257
Deficit	(359,372,088)	(361,648,295)
Total equity	1,088,219,998	1,085,943,792
TOTAL LIABILITIES AND EQUITY	1,662,228,334	1,651,218,982

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY				
STATEMENT OF INCOME AND DEFICIT				
	2021	2021	2020	2020
	Jul - Sep	Year to date	Jul - Sep	Year to date
REAL ESTATE SALES	43,669,002	146,999,726	68,850,856	114,752,764
LESS: COST OF SALES	18,716,141	68,885,222	32,886,151	49,351,885
GROSS PROFIT	24,952,861	78,114,503	35,964,705	65,400,879
DEFERRED GROSS PROFIT	6,042,115	35,413,097	27,235,809	37,147,056
REALIZED GROSS PROFIT ON CURRENT YEAR	18,910,747	42,701,406	8,728,896	28,253,823
ADD: REALIZED GROSS PROFIT - PRIOR YEAR	2,078,642	16,550,030	10,245,559	14,692,424
TOTAL REALIZED GROSS PROFIT	20,989,389	59,251,436	18,974,455	42,946,247
OPERATING EXPENSES	18,227,087	50,650,103	18,237,330	39,002,548
NET OPERATING INCOME (LOSS)	2,762,301	8,601,332	737,125	3,943,697
FINANCE COST	(4,616,901)	(12,088,814)	(1,157,116)	(6,566,915)
OTHER INCOME	2,819,899	6,533,969	873,707	2,703,863
NET INCOME (LOSS)	965,300	3,046,488	453,716	80,645
LESS: INCOME TAX	0	(770,281)	-	-
DEFERRED INCOME TAX		0	-	-
NET INCOME (LOSS) AFTER PROVISION	965,300	2,276,207	453,716	80,645
RETAINED EARNINGS, BEGINNING	(360,337,388)	(361,648,295)	(360,647,688)	(360,274,617)
NET INCOME (LOSS)	965,300	2,276,207	453,716	80,645
RETAINED EARNINGS, END	(359,372,088)	(359,372,088)	(360,193,971)	(360,193,971)
EARNINGS (LOSS) PER SHARE *	0	0	0	0
			1,445,549,830	

** Based on Weighted Average number of common shares outstanding*

1,445,549,830

**PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**

	CAPITAL STOCK	Remeasurement gain on retirement benefits	DEFICIT	TOTAL
Balance at December 31, 2019	1,445,549,830	1,919,268	-362,193,885	1,085,275,213
Remeasurement gain on retirement benefits				
Net Income (Loss) as of September 30, 2020			80,645	80,645
Balance at September 30, 2020	1,445,549,830	1,919,268	-362,113,240	1,085,355,858
Balance at December 31, 2020	1,445,549,830	2,042,257	-361,648,295	1,085,943,792
Remeasurement gain on retirement benefits				0
Net Income (Loss) as of September 30, 2021			2,276,207	2,276,207
Balance at September 30, 2021	1,445,549,830	2,042,257	-359,372,088	1,088,219,998

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY							
STATEMENT OF CASH FLOW							
						September 2021	September 2020
CASH FLOW FROM OPERATING ACTIVITIES:							
	Net Income (Loss)					2,276,207	80,645
	Adjustment to reconcile net income (loss) to net cash provided by operating activities:						
	Depreciation and Amortization					2,374,106	2,460,582
	Amortization of deferred charges						
	Income from insurance claims						
	Gain on sale of property and equipment						
	Provision for doubtful accounts						
	Decrease (increase) in assets:						
		Trade and other receivables				(10,163,703)	(16,659,007)
		Real estate inventories				(5,553,837)	(228,239,985)
		Intangible Assets					
		Prepayments and other current assets				(3,434,088)	1,693,715
		Other Assets				38,286	(3,046,096)
	Increase (decrease) in liabilities:						
		Accounts payable and other liabilities				15,737,847	19,409,273
		Accrued expenses					263,202,952
		Customers' deposit				4,404,567	
		Retention payable and refundable bonds				136,349	
		Retirement benefits obligation				(700,000)	
		Deferred Income				(8,637,212)	3,884,838
	Net cash provided by (used in) operating activities					<u>(3,521,478)</u>	<u>42,786,918</u>
CASH FLOW FROM INVESTING ACTIVITIES:							
	Additions to raw land inventory						
	Additions to equipment					(123,607)	(271,947)
	Deductions to real estate held for sale						
	Additions to project development costs						(17,368,068)
	Investment in Stock to Waterfront Manila Premier Development Inc.						
	Proceeds from insurance claims						
	Proceeds from sale of property & equipment						
	Net cash provided by (used in) investing activities					<u>(123,607)</u>	<u>(17,640,015)</u>
CASH FLOW FROM FINANCING ACTIVITIES:							
	Additional deposits on subscription						
	Net decrease in due to/from affiliates					2,289,482	(728)
	Net increase in due to stockholders					0	
	Payment of long-term debts						
	Payment for short-term borrowings					(2,208,407)	
	Proceeds of short term borrowings						
	Proceeds of longt term borrowings					0	
	Net cash provided by (used in) financing activities					<u>81,075</u>	<u>(728)</u>
NET INCREASE (DECREASE) IN CASH						(3,564,010)	25,146,176
ADJUSTMENT OF PRIOR PERIODS						-	
CASH AT BEGINNING						16,836,562	13,004,316
CASH, ENDING BALANCE						<u>13,272,553</u>	<u>38,150,492</u>

PROPERTY AND EQUIPMENT (net)

Property and equipment as of September 30, 2021 is as follows:

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY					
PROPERTY, PLANT AND EQUIPMENT					
	Right-of-use Asset	Transportation Equipment	Computer Software	Building & Furniture & Office Equipment	TOTAL
Cost					
At January 1, 2021	4,383,276	6,326,325	350,000	99,268,007	110,327,609
Additions	0	6,911	0	116,696	123,607
Disposals	-	-			0
September 30, 2021	4,383,276	6,333,236	350,000	99,384,704	110,451,216
Accumulated Depreciation					
At January 1, 2021	-1,195,584	-6,045,255	-29,167	-62,654,765	-69,924,771
Additions	0	-232,231	-87,500	-2,054,375	-2,374,106
Disposals	-	-			
September 30, 2021	-1,195,584	-6,277,486	-116,667	-64,709,141	-72,298,877
Net Book Value					
At January 1, 2021	3,187,693	281,070	320,833	36,613,242	40,402,837
September 30, 2021	3,187,693	55,750	233,333	34,675,563	38,152,338

BUSINESS SEGMENT INFORMATION

The business segment report of the company as of September 30, 2021 is as follows:


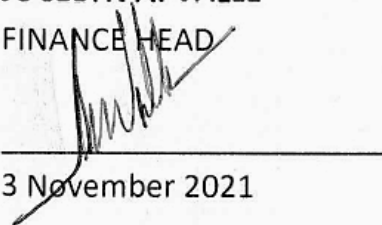
PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY							
SEGMENT REPORT							
	HEAD OFFICE	VALENZUELA	MALOLOS	DAVAO	CEBU	ILOILO	CONSOLIDATED
Sales			70,923,500		26,258,903	49,817,322	146,999,725
Realized Gross Profit			6,211,497		30,855,620	22,184,319	59,251,436
Other Income	6,161	3,123,089	90,958		558,929	2,754,833	6,533,969
Finance Cost	12,088,814						12,088,814
Depreciation	2,084,016		18,592		67,190	204,309	2,374,106
Other Operating Expenses	23,416,807		2,906,102	124,139	11,742,871	10,086,077.29	48,275,997
SEGMENT ASSETS	713,630,831	3,288,472	55,002,365	412,570	385,900,570	503,993,527	1,662,228,335
SEGMENT LIABILITIES	266,052,573	165,383	40,185,028	349,331	139,566,965	127,689,056	574,008,335

**AGING OF RECEIVABLES
AS OF SEPTEMBER 2021**

PROJECT	PROJECT	RECEIVABLE BALANCE	CURRENT	PAST DUE					TOTAL
				1-30	31-60	61-90	91-120	121-180	
PACIFIC GRAND VILLAS PHASE 1B		18,901,782	17,749,645	-	-	-	-	1,152,137	1,152,137
	LOT PGV1B	223,106	223,106	-	-	-	-	-	-
	H&L PGV1B	18,678,676	17,526,539	-	-	-	-	1,152,137	1,152,137
	<i>* Past Due Ratio</i>	-	-	-	-	-	-	-	-
PACIFIC GRAND VILLAS PHASE 1C		17,646,176	16,207,262	92,348	92,348	92,348	92,348	1,069,522	1,438,913
	LOT PGV1C	730,510	728,475	-	-	-	-	2,036	2,036
	H&L PGV1C	16,915,665	15,478,788	92,348	92,348	92,348	92,348	1,067,487	1,436,877
	<i>* Past Due Ratio</i>	-	-	-	-	-	-	-	-
PACIFIC GRAND VILLAS PHASE 4A		57,834,707	54,887,600	151,505	151,505	151,505	151,505	2,341,087	2,947,107
	LOT PGV4A	17,644,610	16,868,417	54,989	54,989	54,989	54,989	556,237	776,193
	H&L PGV4A	40,190,097	38,019,183	96,516	96,516	96,516	96,516	1,784,850	2,170,914
	<i>* Past Due Ratio</i>	-	-	-	-	-	-	-	-
PACIFIC GRAND VILLAS PHASE 4B		17,948,839	17,417,439	31,259	31,259	31,259	31,259	406,365	531,400
	LOT PGV4B	53,377	53,377	-	-	-	-	-	-
	H&L PGV4B	17,895,462	17,364,062	31,259	31,259	31,259	31,259	406,365	531,400
	<i>* Past Due Ratio</i>	-	-	-	-	-	-	-	-
PACIFIC GRAND TOWNHOMES		50,553,281	48,187,497	134,244	88,475	88,475	88,475	1,966,113	2,365,784
	H&L PGT	50,553,281	48,187,497	134,244	88,475	88,475	88,475	1,966,113	2,365,784
	<i>* Past Due Ratio</i>	-	-	-	-	-	-	-	-
WELLFORD RESIDENCES MADISON BLDG		57,960,642	55,581,307	196,168	138,491	369,816	116,292	1,558,568	2,379,335
	H&L WRM	57,960,642	55,581,307	196,168	138,491	369,816	116,292	1,558,568	2,379,335
	<i>* Past Due Ratio</i>	-	-	-	-	-	-	-	-
CEBU TOTAL		220,845,426	210,030,751	605,524	502,078	733,403	479,878	8,493,792	10,814,675
	<i>* Past Due Ratio</i>	100%	95.1%	-	-	-	-	-	4.90%
CHATEAUX GENEVA		993,053	843,567	3,623	3,623	3,623	3,623	134,994	149,486
	LOT CG	945,425	843,567	3,623	3,623	3,623	3,623	87,367	101,858
	H&L CG	47,628	-	-	-	-	-	47,628	47,628
	<i>* Past Due Ratio</i>	-	-	-	-	-	-	-	-
COSTA SMERALDA		145,367,060	141,879,408	231,437	180,911	201,844	180,911	2,692,551	3,487,653
	LOT CS	51,795,417	50,559,568	25,073	18,265	18,349	18,265	1,155,897	1,235,849
	H&L CS	93,571,643	91,319,839	206,364	162,646	183,495	162,646	1,536,654	2,251,804
	<i>* Past Due Ratio</i>	-	-	-	-	-	-	-	-
WELLFORD HOMES		57,938,745	55,362,384	191,527	180,085	180,132	177,309	1,847,307	2,576,361
	H&L WFH	57,938,745	55,362,384	191,527	180,085	180,132	177,309	1,847,307	2,576,361
	<i>* Past Due Ratio</i>	-	-	-	-	-	-	-	-
ILO ILO TOTAL		204,298,857	198,085,358	426,586	364,619	385,599	361,842	4,674,853	6,213,499
	<i>* Past Due Ratio</i>	100%	97.0%	-	-	-	-	-	3.04%
PLASTIC CITY INDUSTRIAL PARK		4,560,710						4,560,710	4,560,710
EMBASSY POINTE		9,049,365						9,049,365	9,049,365
METRO MANILA		13,610,075		0	0	0	0	13,610,075	13,610,075
	<i>* Past Due Ratio</i>	100%	-	-	-	-	-	-	100.00%
WELLFORD HOMES - MALOLOS		124,263,691	123,970,410	131,016	26,509	88,585	8,444	38,727	293,281
	LOT WFM	38,897,821	38,779,005	39,468	8,444	37,126	8,444	25,333	118,816
	H&L WFM	85,365,870	85,191,405	91,548	18,064	51,459	0	13,394	174,465
	<i>* Past Due Ratio</i>	100%	99.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.24%
GRAND TOTAL		563,018,050	532,086,519	1,163,126	893,205	1,207,588	850,165	26,817,446	30,931,530
	<i>* Past Due Ratio</i>	100%	94.5%	0.2%	0.2%	0.2%	0.2%	4.8%	5.49%

SIGNATURES

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

Issuer	: ELVIRA A. TING
Title	: PRESIDENT / CEO
Signature	: 
Date	: 3 November 2021
Principal Financial Accounting Officer Controller	: JOCELYN A. VALLE
Title	: FINANCE HEAD
Signature	: 
Date	: 3 November 2021