

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)

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C	E	N	T	E	R	,	P	A	S	I	G	C	I	T	Y											

Form Type

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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

710

Annual Meeting
Month/Day

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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

phes_finance@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)

March 31, 2023

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 **March 31, 2023**

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. Address of issuer's principal office
35th Fl., One Corporate Centre, Julia Vargas cor. Meralco Ave., Ortigas Center, Pasig City

8. Issuer's telephone number, including area code
(632) 8637-3112

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: **2,891,099,660 Common Shares**

Amount of Debt Outstanding: P 141,766,688 (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 March 31, 2023 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 Philippine Financial Reporting Standards (PFRS) issued by the Accounting Standards Council (ASC).

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
- e. There were no dividends declared and paid on the Company's Common Equity.
- f. There have been no material events that happened subsequent to the interim period that needs disclosure herein.
- 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

As the world continued to slowly move away from the long and far reaching effects the Covid-19 pandemic wrought to the global economy, the Philippines had to deal with another matter that significantly affected its domestic economy. For the first time in 2 years, Covid-19 took a back seat, and was overtaken by the Philippine national elections in all forms of media.

The Company, however, stayed focused and continued on its endeavors that it started before 2021 ended.

The sales of its projects in Iloilo continued to improve from the previous years, resulting in almost the complete sellout of the remaining inventories of both Costa Smeralda and Wellford Homes Jaro Parcel A. With this, the Company has decided to apply for the amendment of the License to Sell of Wellford Homes Jaro Parcel B, in order to be able to sell housing units and to augment to its current inventory of lots only. In this regard, construction of the two new housing model units to be offered in Parcel B have already begun, and are slated to be finished, complete with interior design, before the end of the second quarter of 2023.

For Cebu, the sellout of the inventories of Pacific Grand Villas and Pacific Grand Townhomes has left the Company with only Wellford Residences Mactan as its remaining project for sale. Although planning for Pacific Grand Villas Phase 5 has been completed, and the preliminary permits already acquired, recent developments have forced the Company to start considering other areas within Cebu province for possible new residential projects.

In Malolos, sales of Wellford Homes Malolos has continued to improve due to the increased number of broker groups, as well as effective marketing efforts. In fact, for the first time in the Company's history, a seller from Malolos was able to generate enough sales to qualify for the Company's new car incentive, wherein a seller who is able to generate at least P50 Million reservation sales is awarded a new Honda Brio.

On the construction side, a lot of houses in both Cebu and Iloilo projects were completed and turned over to buyers, as the government slowly relaxed its regulations that were placed during the height of the Covid-19 pandemic.

This year saw even more houses constructed, not just in Iloilo and Cebu, but most significantly from Malolos. With a lot of the initial buyers in Wellford Homes Malolos already completing their downpayments and having bought house and lot packages, the Company will need to award and construct more housing units this coming year than it ever has.

Lastly, construction of Wellford Residences Mactan has gone more smoothly than expected, such that the initial projected completion date of the first tower and amenity area of 2024 has been moved forward to the last quarter of 2023. This will mark not just a milestone in the books of the Company, but more as an early gift to the buyers of Wellford Residences Mactan, who have been eagerly anticipating the delivery of their units.

New Residential and Commercial Projects

For the coming year, the Company has already laid out its plans on how to improve its current inventory, as well as prepare for the new upcoming projects in its pipeline.

In Luzon, the Company will apply for the Licenses to Sell and Certificates of Registration of Wellford Homes Malolos Phases 3 and 4 by the 1st quarter of 2023. These phases comprise the last portions of Wellford Homes Malolos, and will give the Company sufficient inventory to last for another 2 years.

At the same time, the Company has identified several properties ready for planning and development, such as Wellford Homes Sta. Maria, which is a 40-hectare horizontal mixed-use development, Wellford Homes Balagtas, a 10-hectare horizontal residential development, and Winfields Village Tanza Cavite, a 19.7-hectare horizontal development.

In Iloilo, the Company has already applied for the amendment of the License to Sell of Wellford Homes Parcel B, to allow the Company to offer housing units in the said project. Planning for Wellford Homes Parcels C & D, which will be follow-up projects to Wellford Homes Parcel B, will commence before the end of 2023.

The Company will continue to explore other opportunities for new projects, looking for potential growth areas outside of the locations of its current projects.

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

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

Pacific Grand Townhomes Phase 1

The Pacific Grand Townhomes is a middle-class Victorian-themed townhouse project located in Lapu-Lapu City. It boasts of the exclusivity of a pocket community, consisting of 43 units of elegantly designed houses. This stylish community is proximate to private and public institutions, recreational areas, schools, resorts, business and trade centers.

Costa Smeralda.

The second of our exclusive residential communities in Iloilo City, Costa Smeralda is themed after the famed Italian coastal resorts. Offering 395 lot-units, we introduced in this village four trendy yet sophisticated house designs of varying floor areas, blending form and function to perfectly suit the requirements of discriminating buyers.

Wellford Homes – Jaro, 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. Consisting of about 10 hectares, the initial offering is an American inspired two 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 almost completed.

Wellford Homes – Malolos

Wellford Homes is a residential development with an area of approximately 6.7 hectares located in Barangay Longos, Malolos City, Bulacan. This horizontal development has an American inspired theme. 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. It is an affordable and quality development that offers a master planned community with a total of 554 residential units with two-storey houses and lot-only properties envisioned to be completed by 4Q 2026.

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 be composed of 197 residential units and 38 parking spaces. It is envisioned to be completed by 4Q 2024.

2. Financial Position

The Company maintained its Financial Position as its total assets stood at P3.13B. Current ratio registered at 6.77:1. Current assets reached P2.39B while current liabilities amounted only to P0.35B. Debt -to- equity ratio stood at 0.22:1 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 March 31, 2023.

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

- a. Cash – the increase of 42.531% was basically attributable to the improved collections on sales.
- b. Contract Assets - the increase of 6.66% was due to an excess of the consideration that was already delivered by the Company compared to the amount recognized as installment contracts receivable
- c. Prepayments and Other Assets – the increase of 5.03% was due to an increase in VAT Input of the payments to contractors of Wellford Residences and Wellford Homes Malolos projects.
- d. Accounts payable and other liabilities - the increase of 22.78% was due to an increase of output VAT of the collections from the customers and an increase of payables to contractors with payment terms.
- e. Customers' deposits – the increase of 90.79% was due to an increase of sales reservation fees.
- f. Retention payable and refundable bonds - the increase of 8.45% pertains to the 10% retained payment of each progress billing of contractors to be paid until full completion of the contract of on-going projects.

3. Result of Operations

For the 1Q 2023, the Company was able to post consolidated net sales of ₱ 36.15M thus registering a decrease of ₱ -1.51M or -4.01% compared to the sales for same period in 2022 of ₱ 37.66M.

Realized Gross Profit increased by 26.04% or ₱4.52M from ₱21.90M this 1Q 2023 compared to ₱17.37M in 1Q 2022. Consequently, Net Income before tax increased to ₱3.87M compared from ₱0.15M in 1Q 2022, an increase of 2462.70% or ₱3.72M. This was primarily due to an increase in other income compared for the same period in 2022 by 71.70% or 1.63M from 2.27M in 1Q 2022 compared to 3.90M in 1Q 2023

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>Q1 2023</u>	<u>Q1 2022</u>
Return on sales	10.12%	-0.10%
Past due ratio	8.00%	5.27%
Gross Profit rate	60.56%	46.12%
Working Capital Turnover	0.02	0.02

4. Other Notes to 1Q 2023 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 relationships 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.**

There were no any material commitments for capital expenditures, the general purpose of such commitments and expected sources of funds of such expenditures.

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

There were no any known trends, events or uncertainties (Material Impact 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
	31-Mar-23	31-Dec-22
ASSETS		
Current Assets		
Cash	18,380,860	12,896,370
Trade and other receivables (net)	229,712,694	240,302,213
Contract assets	255,645,494	239,673,132
Advances to related parties (net)	0	0
Real estate inventories, net	1,776,832,632	1,752,993,351
Prepayments and other current assets	104,807,633	99,787,492
	2,385,379,313	2,345,652,558
Non-current Assets		
Trade and other receivables (net of current portion)	0	0
Advances to related parties (net of current portion)	644,707,253	644,705,635
Property and equipment, net	33,453,387	33,987,925
Financial Asset at FVOCI	50,000,000	50,000,000
Investment property	162,394	162,394
Deferred tax assets	4,971,690	4,971,690
Other noncurrent assets	10,259,073	10,286,686
	743,553,797	744,114,330
TOTAL ASSETS	3,128,933,110	3,089,766,888
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other liabilities	121,513,947	98,967,502
Deferred gross profit	0	0
Borrowings (current portion)	103,086,127	99,331,806
Lease liabilities	849,136	849,136
Contract Liabilities	81,344,296	77,637,926
Customers' deposits	6,712,855	3,518,430
	313,506,361	280,304,800
Non-current Liabilities		
Advances from related parties	113,260,809	113,260,809
Borrowings (non- current portion)	38,680,561	38,680,561
Lease liabilities (net of current portion)	464,541	464,542
Retention payable and refundable bonds	28,547,122	26,322,916
Deferred Tax Liabilities	66,141,841	66,141,841
Retirement benefits obligation	9,140,126	9,140,126
	256,235,000	254,010,795
Total liabilities	569,741,360	534,315,595
Equity		
Capital Stock	2,891,099,660	2,891,016,410
Remeasurement gain on retirement benefits	7,074,717	7,074,716
Deficit	-338,982,627	-342,639,833
Total equity	2,559,191,750	2,555,451,293
TOTAL LIABILITIES AND EQUITY	3,128,933,110	3,089,766,888

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY					
STATEMENT OF INCOME AND DEFICIT					
		2023		2022	
		Jan-Mar	Year to date	Jan-Mar	Year to date
REAL ESTATE SALES		36,145,474	36,145,474	37,656,876	37,656,876
LESS: COST OF SALES		14,256,250	14,256,250	20,290,213	20,290,213
GROSS PROFIT		21,889,224	21,889,224	17,366,663	17,366,663
OPERATING EXPENSES		17,510,434	17,510,434	16,243,540	16,243,540
NET OPERATING INCOME (LOSS)		4,378,790	4,378,790	1,123,123	1,123,123
FINANCE COST		(4,400,887)	(4,400,887)	(3,238,746)	(3,238,746)
OTHER INCOME		3,891,905	3,891,905	2,266,628	2,266,628
NET INCOME (LOSS)		3,869,808	3,869,808	151,005	151,005
LESS: INCOME TAX		(212,601)	(212,601)	(188,446)	(188,446)
DEFERRED INCOME TAX		0	-	-	-
NET INCOME (LOSS) AFTER PROVISION		3,657,207	3,657,207	(37,441)	(37,441)
		0			
RETAINED EARNINGS, BEGINNING		(342,639,833)	(342,639,833)	(351,028,312)	(351,028,312)
NET INCOME (LOSS)		3,657,207	3,657,207	(37,441)	(37,441)
RETAINED EARNINGS, END		(338,982,626)	(338,982,626)	(351,065,753)	(351,065,753)
EARNINGS (LOSS) PER SHARE *		0	0	(0)	(0)
		* Based on Weighted Average number of common shares outstanding		2,891,099,660	

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY				
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY				
	CAPITAL STOCK	Remeasure ment gain on retirement	DEFICIT	TOTAL
Subscribed at December 31, 2021	1,819,102,963	4,322,581	-351,028,312	1,472,397,232
Net Income (Loss) as of March 31, 2022			-37,441	-37,441
Balance at March 30, 2022	1,819,102,963	4,322,581	-351,065,753	1,472,359,790
Subscribed and paid at December 31, 2022	2,891,016,410	7,074,717	-342,639,834	2,555,451,293
Add: Full payment of subscribed shares	83,250			83,250
Net Income (Loss) as of March 31, 2023			3,657,207	3,657,207
Balance at March 31, 2023	2,891,099,660	7,074,717	-338,982,627	2,559,191,750

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY								
STATEMENT OF CASH FLOW								
						March 2023	March 2022	
CASH FLOW FROM OPERATING ACTIVITIES:								
	Net Income (Loss)					3,657,207	(37,441)	
	Adjustment to reconcile net income (loss) to net cash provided by operating activities:							
	Depreciation and Amortization					626,227	777,021	
	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 (net)				10,589,520	20,780,093	
		Contract assets				(15,972,362)		
		Due from Affiliates						
		Real estates Inventories				(16,674,798)	(296,961,799)	
		Intangible Assets						
		Prepayments and other current assets				(5,020,140)	(54,142,985)	
		Other Assets				27,613	(1,147,723)	
		Increase (decrease) in liabilities:						
		Accounts payable and other liabilities				22,546,445	(5,449,603)	
		Contract Liabilities				3,706,369		
		Accrued expenses					(1,678,453)	
		Customers' Deposit				3,194,425		
		Retention payable and refundable benefits				2,224,206		
		Retirement benefits obligation						
		Deferred Income				0	(13,349,938)	
	Net cash provided by (used in) operating activities					<u>8,904,710</u>	<u>(351,210,828)</u>	
CASH FLOW FROM INVESTING ACTIVITIES:								
	Additions to raw land inventory					(7,164,483)		
	Additions to equipment					(91,689)	(151,457)	
	Deductions to real estate held for sale							
	Additions to project development costs							
	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>(7,256,172)</u>	<u>(151,457)</u>	
CASH FLOW FROM FINANCING ACTIVITIES:								
	Additional deposits on subscription							
	Net increase in due to/from affiliates					(1,619)	(547,891)	
	Proceeds from SRO					83,250		
	Payment of long-term debts							
	Payment for short-term borrowings						(548,456)	
	Proceeds of short term borrowings					3,754,321		
	Net cash provided by (used in) financing activities					<u>3,835,952</u>	<u>(1,096,347)</u>	
NET INCREASE (DECREASE) IN CASH						5,484,490	(352,458,632)	
ADJUSTMENT OF PRIOR PERIODS						-		
CASH AT BEGINNING						12,896,370	385,033,386	
CASH, ENDING BALANCE						<u>18,380,861</u>	<u>32,574,754</u>	

PROPERTY AND EQUIPMENT (net)

Property and equipment as of March 31, 2023 is as follows:

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY					
PROPERTY, PLANT AND EQUIPMENT					
	Right-of-use Asset	Transportati on Equipment	Computer Software	Building & Machineries	TOTAL
				Furniture & Fixtures	
				Office Equipment	
Cost					
At January 1, 2023	4,383,276	7,385,021	350,000	100,094,931	112,213,228
Additions	0	0	0	91,689	91,689
Disposals	-	-			0
March 31, 2023	4,383,276	7,385,021	350,000	100,186,620	112,304,917
Accumulated Depreciation					
At January 1, 2023	-3,244,378	-6,849,746	-262,500	-67,868,679	-78,225,302
Additions	0	0	-29,167	-597,061	-626,227
Disposals	-	-			
March 31, 2023	-3,244,378	-6,849,746	-291,667	-68,465,739	-78,851,530
Net Book Value					
At January 1, 2023	1,138,898	535,275	87,500	32,226,252	33,987,925
March 31, 2023	1,138,898	535,275	58,333	31,720,881	33,453,387

BUSINESS SEGMENT INFORMATION

The business segment report of the Company as of March 31, 2023 is as follows:

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY							
SEGMENT REPORT							
March 31, 2023							
	Metro Manila	Cebu	Bulacan	Iloilo	Davao	Valenzuela	Total
Revenue							
Real estate sales	0	19,522,398	1,180,043	15,443,033	0	0	36,145,474
Cost of real estate sold	0	9,277,102	560,781	4,418,366	0	0	14,256,250
Realized Gross Profit	0	10,245,296	619,262	11,024,666	0	0	21,889,224
Other income	3,116	549,764	732,904	1,169,209	67,710	1,369,201	3,891,905
	3,116	10,795,060	1,352,166	12,193,876	67,710	1,369,201	25,781,129
Expenses							
Depreciation	616,835	3,832	860	4,701	0	0	626,227
Loss on Cancelled Contracts	0	0	0	338,191	0	0	338,191
Other expenses	8,733,200	2,221,198	2,087,601	3,259,932	46,932	197,152	16,546,016
	9,350,035	2,225,030	2,088,461	3,602,824	46,932	197,152	17,510,434
Segment income (loss)	(9,346,919)	8,570,030	(736,295)	8,591,052	20,778	1,172,048	8,270,695
Finance cost	4,400,887	0	0	0	0	0	4,400,887
Retirement Benefit Expense	0	0	0	0	0	0	0
Provision for Def. Income Tax	0	0	0	0	0	0	0
Provision for Income Tax	212,601	0	0	0	0	0	212,601
Net income (loss) for the year	(4,733,431)	8,570,030	(736,295)	8,591,052	20,778	1,172,048	3,657,207
Segment Assets	1,795,322,172	386,013,009	218,953,783	710,559,175	1,633,181	3,680,100	3,116,161,420
Investment in a subsidiary	7,800,000	0	0	0	0	0	7,800,000
Deferred tax assets	4,971,690						4,971,690
Total assets	1,808,093,862	386,013,009	218,953,783	710,559,175	1,633,181	3,680,100	3,128,933,110
Segment liabilities	88,822,746	99,334,528	146,452,147	82,069,601	556,419	1,599,106	418,834,547
Borrowings	141,695,906	0	0	70,782	0	0	141,766,688
Retirement benefits obligation	9,140,126	0	0	0	0	0	9,140,126
Total liabilities	239,658,778	99,334,528	146,452,147	82,140,382	556,419	1,599,106	569,741,360



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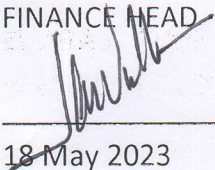
AGING OF RECEIVABLES
AS OF March 25, 2023

PROJECT	PROJECT	RECEIVABLE BALANCE	CURRENT	PAST DUE					TOTAL
				1-30	31-60	61-90	91-120	121-180	
PACIFIC GRAND VILLAS PHASE 1B		1,152,137	0	0	0	0	0	1,152,137	1,152,137
LOT	PGV1B								0
H&L	PGV1B	1,152,137						1,152,137	1,152,137
	* Past Due Ratio	0	0	0	0	0	0	0	
PACIFIC GRAND VILLAS PHASE 1C		757,156	297,316	0	0	0	0	459,840	459,840
LOT	PGV1C	312,394	297,316	0	0	0	0	15,078	15,078
H&L	PGV1C	444,762	0					444,762	444,762
	* Past Due Ratio	0	0	0	0	0	0	0	
PACIFIC GRAND VILLAS PHASE 4A		24,396,472	23,492,706	33,787	33,787	33,787	33,787	768,617	903,765
LOT	PGV4A	11,337,669	10,988,706	11,947	11,947	11,947	11,947	301,175	348,963
H&L	PGV4A	13,058,803	12,504,000	21,840	21,840	21,840	21,840	467,442	554,802
	* Past Due Ratio	0	0	0	0	0	0	0	
PACIFIC GRAND VILLAS PHASE 4B		5,833,679	5,833,239	0	0	0	0	440	440
LOT	PGV4B	53,377	52,937					440	440
H&L	PGV4B	5,780,302	5,780,302						0
	* Past Due Ratio	0	0	0	0	0	0	0	
PACIFIC GRAND TOWNHOMES		15,877,039	15,194,544	43,372	43,372	43,372	43,372	509,009	682,495
H&L	PGT	15,877,039	15,194,544	43,372	43,372	43,372	43,372	509,009	682,495
	* Past Due Ratio	0	0	0	0	0	0	0	
WELLFORD RESIDENCES MADISON BLDG		238,609	238,609	0	0	0	0	0	0
H&L	WRM	238,609	238,609						
LOT	WRM								
	* Past Due Ratio								
CEBU TOTAL		48,255,091	45,056,413	77,159	77,159	77,159	77,159	2,890,043	3,198,677
	* Past Due Ratio	100%	93%						7%
CHATEAUX GENEVA		135,335,819	135,258,791	0	0	0	0	77,028	77,028
LOT	CG	135,288,191	135,258,791					29,400	29,400
H&L	CG	47,628						47,628	47,628
	* Past Due Ratio	0	0	0	0	0	0	0	
COSTA SMERALDA		440,635	440,635	0	0	0	0	0	0
LOT	CS	282,359	282,359	0	0	0	0	0	0
H&L	CS	158,276	158,276						0
	* Past Due Ratio	0	0	0	0	0	0	0	
WELLFORD HOMES		8,008,890	8,008,890	0	0	0	0	0	0
H&L	WFH	8,008,890	8,008,890						0
	* Past Due Ratio	0	0	0	0	0	0	0	
WELLFORD HOMES - 2		0	0	0	0	0	0	0	0
LOT	WFH - 2								
H&L	WFH - 2								
	* Past Due Ratio	0	0	0	0	0	0	0	
ILOILO TOTAL		143,785,344	143,708,316	0	0	0	0	77,028	77,028
	* Past Due Ratio	100%	100%						0%
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		-	-	-	-	13,610,075	13,610,075
	* Past Due Ratio	100%							100%
WELLFORD HOMES -MALOLOS		4,473,813	4,473,813	0	0	0	0	0	0
LOT	WFM	2,528,116	2,528,116						0
H&L	WFM	1,945,697	1,945,697						0
	* Past Due Ratio	100%	100%	0%	0%	0%	0%	0%	0%
GRAND TOTAL		210,124,322	193,238,542	77,159	77,159	77,159	77,159	16,577,145	16,885,780
	* Past Due Ratio	100%	92%	0%	0%	0%	0%	8%	8%

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 : 18 May 2023

Principal Financial Accounting Officer Controller : **JOCELYN A. VALLE**
Title : **FINANCE HEAD**
Signature : 
Date : 18 May 2023