

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

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

710

Annual Meeting
Month/Day

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 Centre, Doña Julia Vargas Ave. Corner Meralco Avenue, Ortigas Center, Pasig 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.

SEC Number 112978
File Number _____

PHILIPPINE ESTATES CORPORATION

Company's Full Name

35TH Floor 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, 2024

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, 2024**

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} **Floor One Corporate Centre, Julia Vargas cor. Meralco Ave., Ortigas Center, Pasig City**

Address of issuer's principal office

(632) 8637-3112

8. 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: **2,891,099,660 Common Shares**

Amount of Debt Outstanding: ₱ 139,934,361 (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, 2024 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

Philippine Estates Corporation continues to drive strong growth and success across its project developments in Cebu, Iloilo, and Bulacan. The Company’s ongoing commitment to delivering quality homes remains at the forefront of its operations, with notable progress in all projects, reflecting consistent market interest in its offerings.

The Company is pleased to report that Wellford Residences Mactan Building 1 (Madison) now has fully operational power and water utilities. In addition to this, ongoing beautification efforts and extensive landscape enhancements are underway to create a welcoming environment. The Company expects to secure the Occupancy Permit within November 2024, paving the way for homeowners to move in. While the plans for Wellford Residences Mactan Building 2 (Washington) are already finalized, the Company is strategically monitoring the inventory levels of Building 1 to ensure a balanced market entry for Building 2, aligning with current demand and optimizing its resource allocations and is looking to start construction before the end of 2025.

The Company’s horizontal developments continue to expand, with Pacific Grand Townhomes and Pacific Grand Villas Phases 1, 2, and 3 in Cebu completely sold out. To address continued interest, the Company has released additional lot-only inventories in Phases 2 and 4B. In Pacific Grand Villas Phase 4B, construction of houses is actively underway, with continuous backfilling efforts and land development works in progress. Additionally, the remaining fences and amenities are being installed to enhance the community experience. Meanwhile, the launch of Pacific Grand Villas Phase 5 is on temporary hold due to a moratorium on new residential projects in Lapu- Lapu City. The Company anticipates that this restriction will be lifted next year, particularly for vertical residential projects, and it is actively exploring new locations to cater to future growth.

In Iloilo, Wellford Homes at Jaro Grand Estates Phase 3 - Parcel B has already secured its Amended License to Sell and Certificate of Registration, allowing the Company to sell House & Lot packages instead of Lot Only units. The mobilization for land development is now actively underway, positioning the Company to begin site activities before the end of 2024. Following its completion, the Company will proceed with essential work such as road construction, drainage systems, fencing, and other site activities. A clubhouse, amenity area, and road connection from Chateaux Geneva to Wellford Homes Jaro Parcel B will also be constructed, further enhancing accessibility and community experience within Jaro Grand Estates. Other projects such as Chateaux Geneva, Costa Smeralda, and Wellford Homes at Jaro Grand Estates Phase 3 – Parcel A are nearly sold out, reflecting continued strong demand in the region.

In Bulacan, Wellford Homes Malolos continues to see robust sales, with Phases 1 and 2 nearly sold out. We are continuing backfilling efforts in these phases, along with road construction and drainage installation. Phase 3 is now awaiting the release of its License to Sell and Certificate of Registration, with an anticipated launch by the end of 2024, while backfilling is also underway to prepare the site for development. This reflects the Company’s commitment to meeting housing demands in key growth areas. For Phase 4, the Company is re-planning to ensure compliance with DHSUD guidelines. This includes consolidating titles and subdividing the land to prepare for future development. Additionally, we are planning to acquire a container van office to serve

as both a site office and a sales office, providing a convenient, on-site hub for operations and client engagement. Construction of the amenity area is set to begin in 2025.

Construction progress is notable, with a large number of houses in Cebu and Iloilo completed and handed over to buyers. Several houses in Malolos have also been turned over, demonstrating the Company's continued efforts to meet project timelines.

New Residential and Commercial Projects

As the Company moves forward, Philippine Estates Corporation is focused on enhancing its current inventory and preparing for an exciting lineup of new projects. Its plans for the coming year reflect a commitment to growth and community development, as the Company aims to meet the evolving needs of its customers.

The Company is excited to announce the expansion of its footprint in Luzon with the introduction of Wellford Homes Santa Maria. This project is designed to delight both brokers and potential homeowners, marking the Company's entry into another area in Bulacan. Wellford Homes Santa Maria is masterplanned as a 14.9-hectare horizontal mixed-use complex, with Phase 1 covering 6.45 hectares dedicated to residential and recreational components. With this promising development, Wellford Homes Santa Maria is poised to meet the rising demands of the community. As the Company works towards securing the necessary permits for Phase 1, it anticipates launching by the first quarter of 2025.

In addition to Wellford Homes Santa Maria, the Company is also planning two more significant projects in Luzon: Winfields Village Tanza in Cavite, a 19.7-hectare horizontal development, and Wellford Homes Balagtas in Bulacan, a 10-hectare residential development. These projects are part of its strategic vision to offer diverse and high-quality living spaces in key growth areas.

Meanwhile, in Cebu, plans are in place for the construction of Washington Building (Building 2) of Wellford Homes Residences Mactan, which will commence in 2025 once sales momentum in the current building (Madison Building) increases. Additionally, an initial commercial area is being developed for Pacific Grand Villas to serve the expanding community's needs, which will proceed in 2025 once the moratorium in Cebu is lifted.

In Iloilo, the Company is exploring the renowned Mushroom Area near Jaro Grand Estates as a potential site for a commercial building. This pre-planning phase aims to assess the feasibility of creating a commercial space in an area that continues to grow.

Philippine Estates Corporation continues to seek suitable locations beyond its current project areas, broadening its vision to meet the diverse demands of local communities. This proactive approach ensures that the Company remains at the forefront of real estate development, delivering innovative and high-quality projects that resonate with the aspirations of Filipino families.

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

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 four trendy yet sophisticated house designs with varying floor areas in this village, 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 toward 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 also well-suited 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 spanning approximately 6.7 hectares located in Barangay Longos, Malolos City, Bulacan. This horizontal development features an American-inspired theme, with housing designs reflecting a suburban feel and American ambiance evident in the community facilities and amenities. The subdivision is designed to provide ample areas for roads and open spaces, which accounts for nearly 42% of the total developable area. It offers affordable, high-quality living with a master-planned community comprising 554 residential units, including two-storey houses and lot-only properties, envisioned to be completed by 4Q 2026.

Wellford Residences – Mactan

As the Company's response to the housing backlog in the economic sector of the area, PHES launched Wellford Residences-Mactan. WR-Mactan is a two-tower, medium-rise condominium project situated on one of the Company's prime and highly accessible properties in Mactan, Cebu. Situated in Barangay Suba-Basbas in the City of Lapu-Lapu, the project will be composed of 197 residential units and 38 parking spaces. Wellford Residences Mactan Building 1 (Madison) and its Amenity Building were completed in the second quarter of 2024.

2. Financial Position

The Company maintained its Financial Position as its total assets stood at P3.12B. Current ratio registered at 9.14:1. Current assets reached P2.62B while current liabilities amounted only to P0.29B. Debt - to - equity ratio stood at 0.18:1 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 30, 2024.

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

- a. Cash – the decrease of -13.00% was primarily due to matured postdated checks issued by the Company, as well as payments made to regular suppliers and contractors.

- b. Contract assets - the decrease of -65.61% was primarily due to the recognition of installment contract receivables related to projects delivered or completed by the Company.
- c. Prepayments and other current assets - the increase of 20.59% was attributed to a rise in creditable withholding tax.
- d. Advances to related parties (net of current portion) - the increase of 34.91% was due to additional advances made to related parties.
- e. Property and equipment, net - the decrease of -6.07% was primarily attributed to the recorded depreciation of the office units and other fixed assets.
- f. Other noncurrent assets – the increase of 19.09% was attributed to additional bill deposits related to the permanent power supply for Wellford Residences.
- g. Contract Liabilities – the increase of 243.14% was due to collections from buyers exceeding the revenue recognized based on the percentage of completion.
- h. Customers' deposits – the increase of 60.34% was driven by a rise in sales reservation fees for the period.
- i. Advances from related parties - the decrease of -94.14% was due to the settlement of old outstanding advances from related parties.
- j. Borrowings (non- current portion) - the increase of 47.96% was attributed to additional loans obtained from Luzon Development Bank and Phil. Bank of Communications for working capital purposes.
- k. Retention payable and refundable bonds - the increase of 15.37% pertains to the 10% retained payment from each progress billing of contractors, which will be paid upon the full completion of ongoing projects.
- l. Retirement benefits obligation - the decrease of -5.57% was attributed to increased funding for the retirement obligation.
- m. Deficit - the decrease of -13.25% was attributed to the net income reported for the quarter.

3. Result of Operations

For the 3Q 2024, the Company achieved consolidated net sales of ₱229.14M, thus registering an increase of ₱190.86M, or 498.68%, compared to ₱38.27M in the same period of 2023. This increase in sales includes partial collection from the DPWH for just compensation related to expropriated properties in Iloilo for the floodway project.

Realized Gross Profit rose by 260.64%, or ₱69.91M, from ₱26.82M in 3Q 2023, compared to 96.73M in 3Q 2024. Operating expenses also increased by 230.25% or ₱41.40M, from ₱17.98M in 3Q 2023 compared to ₱59.37M in 3Q 2024. Consequently, Net Income before tax surged to ₱36.50M, compared to ₱9.88M in 3Q 2023, reflecting an increase of 269.49% or ₱26.62M.

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 2024</u>	<u>Q3 2023</u>
Return on sales	16.36%	22.52%
Past due ratio	1.25%	3.80%
Gross Profit rate	42.21%	70.08%
Working Capital Turnover	0.10	0.02

4. Other Notes to 3Q 2024 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.

- **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.**

There are material commitments for capital expenditures related to both current and upcoming projects. The general purpose of these commitments is to cover development costs and the acquisition of raw land. The expected source of funds for these expenditures will come from future collections from the DPWH. These funds represent just compensation related to the Company's expropriated properties in Iloilo, which are utilized for the Iloilo Floodway project.

- **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)**

There were no significant elements of income or loss (from continuing operations).

- **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-24	31-Dec-23
ASSETS		
Current Assets		
Cash	13,420,554	15,425,378
Trade and other receivables (net)	296,200,904	306,165,947
Contract assets	83,076,438	241,577,815
Advances to related parties (net)	318,764,748	318,764,748
Real estate inventories, net	1,816,915,298	1,743,174,653
Prepayments and other current assets	91,261,983	75,680,791
	2,619,639,924	2,700,789,332
Non-current Assets		
Advances to related parties (net of current portion)	405,834,268	300,824,101
Property and equipment, net	31,505,588	33,540,931
Financial Asset at FVOCI	50,000,000	50,000,000
Investment property	162,394	162,394
Deferred tax assets	5,645,032	5,645,032
Other noncurrent assets	12,204,926	10,248,370
	505,352,207	400,420,828
TOTAL ASSETS	3,124,992,131	3,101,210,160
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other liabilities	116,634,656	111,915,719
Borrowings (current portion)	87,594,487	87,698,791
Lease liabilities	1,170,157	1,170,157
Contract Liabilities	71,658,638	20,883,332
Customers' deposits	9,556,255	5,959,886
	286,614,193	227,627,885
Non-current Liabilities		
Advances from related parties	5,850,860	99,910,839
Borrowings (non- current portion)	52,339,875	35,374,474
Lease liabilities (net of current portion)	1,784,149	1,784,149
Retention payable and refundable bonds	35,629,588	30,883,421
Deferred Tax Liabilities	81,735,831	81,735,831
Retirement benefits obligation	8,470,619	8,970,619
	185,810,921	258,659,333
Total liabilities	472,425,113	486,287,218
Equity		
Capital Stock	2,891,099,660	2,891,099,660
Remeasurement gain on retirement benefits	7,991,402	7,991,401
Deficit	-246,524,044	-284,168,119
Total equity	2,652,567,017	2,614,922,942
TOTAL LIABILITIES AND EQUITY	3,124,992,131	3,101,210,160

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY					
STATEMENT OF INCOME AND DEFICIT					
	2024		2023		
	Jul-Sept	Year to date	Jul-Sept	Year to date	
REAL ESTATE SALES	229,136,513	314,714,143	38,273,722	143,446,899	
LESS: COST OF SALES	132,410,192	177,589,500	11,453,113	53,939,450	
GROSS PROFIT	96,726,321	137,124,643	26,820,609	89,507,449	
OPERATING EXPENSES	59,365,052	97,026,957	17,975,689	59,470,561	
NET OPERATING INCOME (LOSS)	37,361,269	40,097,686	8,844,920	30,036,888	
FINANCE COST	(3,480,181)	(11,149,033)	(2,900,211)	(10,842,671)	
OTHER INCOME	2,618,219	9,263,851	3,933,526	11,409,567	
NET INCOME (LOSS)	36,499,307	38,212,503	9,878,235	30,603,784	
LESS: INCOME TAX	981,092	(568,430)	(1,260,623)	(2,780,302)	
DEFERRED INCOME TAX		-		-	
NET INCOME (LOSS) AFTER PROVISION	37,480,399	37,644,073	8,617,612	27,823,482	
RETAINED EARNINGS, BEGINNING	(284,004,445)	(284,168,119)	(323,433,962)	(342,639,833)	
NET INCOME (LOSS)	37,480,399	37,644,073	8,617,612	27,823,482	
RETAINED EARNINGS, END	(246,524,045)	(246,524,045)	(314,816,351)	(314,816,351)	
EARNINGS (LOSS) PER SHARE *	0.01	0.01	0.00	0.01	
* 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	Remeasurement gain on retirement benefits	DEFICIT	TOTAL
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 Sept. 30, 2023			27,823,482	27,823,482
Balance at Sept. 30, 2023	2,891,099,660	7,074,717	-314,816,352	2,583,358,026
Subscribed and paid at December 31, 2023	2,891,099,660	7,991,402	-284,168,119	2,614,922,943
Net Income (Loss) as of Sept. 30, 2024			37,644,073	37,644,073
Balance at Sept. 30, 2024	2,891,099,660	7,991,402	-246,524,044	2,652,567,017

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY									
STATEMENT OF CASH FLOW									
						Sept. 2024	Sept. 2023		
CASH FLOW FROM OPERATING ACTIVITIES:									
	Net Income (Loss)					37,644,073	27,823,482		
	Adjustment to reconcile net income (loss) to net cash provided by operating activities:								
		Depreciation and Amortization					2,238,303	2,162,465	
		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)					9,965,044	(242,114,556)
			Contract assets					158,501,377	(110,765,114)
			Real estates Inventories					(73,740,646)	190,466,075
			Prepayments and other current assets					(15,581,192)	2,044,728
			Other Assets					(1,956,556)	(338,087)
		Increase (decrease) in liabilities:							
			Accounts payable and other liabilities					4,718,937	11,562,808
			Contract Liabilities					50,775,307	126,016,254
			Accrued expenses						0
			Customers' Deposit					3,596,369	9,610,222
			Retention payable and refundable bonds					4,746,167	3,767,287
			Retirement benefits obligation					(500,000)	(500,000)
			Deferred Income						0
		Net cash provided by (used in) operating activities					<u>180,407,184</u>	<u>19,735,565</u>	
CASH FLOW FROM INVESTING ACTIVITIES:									
	Additions to raw land inventory						(16,803,947)		
	Additions to equipment					(202,960)	(445,416)		
	Deductions to real estate held for sale								
	Proceeds from sale of property & equipment					-			
	Net cash provided by (used in) investing activities					<u>(202,960)</u>	<u>(17,249,363)</u>		
CASH FLOW FROM FINANCING ACTIVITIES:									
	Additional deposits on subscription								
	Net decrease(increase) in due to affiliates					(105,010,167)	4,677,692		
	Net (decrease) increase in due from affiliates					(94,059,979)			
	Proceeds from SRO					0	83,250		
	Payment of long-term debts								
	Net Proceeds of short term borrowings					16,861,096	1,015,688		
	Net cash provided by (used in) financing activities					<u>(182,209,050)</u>	<u>5,776,630</u>		
	NET INCREASE (DECREASE) IN CASH					(2,004,826)	8,262,833		
	ADJUSTMENT OF PRIOR PERIODS					-			
	CASH AT BEGINNING					15,425,378	12,896,370		
	CASH, ENDING BALANCE					13,420,554	21,159,203		

PROPERTY AND EQUIPMENT (net)

Property and equipment as of September 30, 2024 is as follows:

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY					
PROPERTY, PLANT AND EQUIPMENT					
	Right-of-use Asset	Transportation Equipment	Computer Software	Building & Machineries	TOTAL
				Furniture & Fixtures	
				Office Equipment	
Cost					
At January 1, 2024	4,123,921	7,385,021	350,000	100,810,731	112,669,673
Additions	0	0	0	202,960	202,960
Disposals	-	-	-	-	0
September 30, 2024	4,123,921	7,385,021	350,000	101,013,691	112,872,633
					-
Accumulated Depreciation					
At January 1, 2024	-1,205,337	-7,063,376	-350,000	-70,510,029	-79,128,742
Additions	0	-161,133	0	-2,077,170	-2,238,303
Disposals	-	-	-	-	-
September 30, 2024	-1,205,337	-7,224,509	-350,000	-72,587,199	-81,367,045
					-
Net Book Value					
At January 1, 2024	2,918,584	321,645	0	30,300,702	33,540,931
September 30, 2024	2,918,584	160,512	0	28,426,492	31,505,588

BUSINESS SEGMENT INFORMATION

The business segment report of the Company as of September 30, 2024 is as follows:

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY							
SEGMENT REPORT							
September 30, 2024							
	Metro Manila	Cebu	Bulacan	Iloilo	Davao	Valenzuela	Total
Revenue							
Sales	0	29,440,740	56,849,254	228,424,149	0	0	314,714,143
Cost of sale	0	16,420,815	28,992,864	132,175,822	0	0	177,589,500
Gross Profit	0	13,019,926	27,856,390	96,248,327	0	0	137,124,643
Other income	117,367	2,096,403	798,932	2,451,720	419,846	3,379,583	9,263,851
	117,367	15,116,329	28,655,322	98,700,047	419,846	3,379,583	146,388,494
Expenses							
Depreciation	2,142,838	33,486	15,034	46,946	0	0	2,238,303
Loss on Cancelled Contracts	0	11,225,422	5,454,197	2,257,515	0	0	18,937,134
Other expenses	45,911,535	12,599,790	7,186,966	9,053,338	124,035	975,857	75,851,521
	48,054,373	23,858,697	12,656,197	11,357,799	124,035	975,857	97,026,957
Segment income (loss)	(47,937,005)	(8,742,368)	15,999,125	87,342,248	295,811	2,403,726	49,361,537
Finance cost	11,149,033	0	0	0	0	0	11,149,033
Retirement Benefit Expense	0	0	0	0	0	0	0
Provision for Income Tax	568,430	0	0	0	0	0	568,430
Net income (loss) for the year	(59,654,469)	(8,742,368)	15,999,125	87,342,248	295,811	2,403,726	37,644,073
Segment	1,553,147,086	410,813,593	309,870,568	833,606,065	2,200,579	9,709,209	3,119,347,100
Deferred tax assets	5,645,032						5,645,032
Total assets	1,558,792,117	410,813,593	309,870,568	833,606,065	2,200,579	9,709,209	3,124,992,131
Segment liabilities	(127,639,859)	138,769,864	206,437,734	102,515,603	684,022	3,252,770	324,020,133
Borrowings	139,863,580	0	0	70,782	0	0	139,934,361
Retirement benefits obligation	8,911,619	0	0	(441,000)	0	0	8,470,619
Total liabilities	21,135,339	138,769,864	206,437,734	102,145,385	684,022	3,252,770	472,425,114

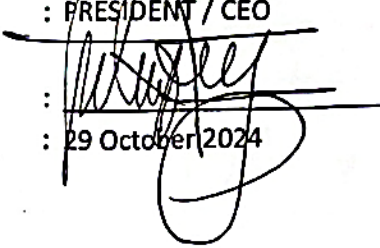
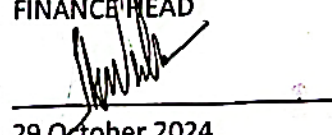


AGING OF RECEIVABLES
AS OF SEPT 25, 2024

PROJECT	PROJECT	RECEIVABLE BALANCE	CURRENT	PAST DUE					TOTAL
				1-30	31-60	61-90	91-120	121-180	
PACIFIC GRAND VILLAS PHASE 1B		7,339,031	6,186,894	0	0	0	0	1,152,137	1,152,137
LOT	PGV1B	222,781	222,781						0
H&L	PGV1B	7,116,250	5,964,114					1,152,137	1,152,137
<i>* Past Due Ratio</i>		-	-	-	-	-	-	-	-
PACIFIC GRAND VILLAS PHASE 1C		2,001,680	1,556,900	0	0	0	0	444,780	444,780
LOT	PGV1C	179,226	179,226						0
H&L	PGV1C	1,822,454	1,377,674					444,780	444,780
<i>* Past Due Ratio</i>		-	-	-	-	-	-	-	-
PACIFIC GRAND VILLAS PHASE 4A		14,276,543	12,855,815	11,947	11,947	11,947	11,947	1,372,940	1,420,728
LOT	PGV4A	9,422,459	8,040,532	11,947	11,947	11,947	11,947	1,334,139	1,381,927
H&L	PGV4A	4,854,084	4,815,282					38,801	38,801
<i>* Past Due Ratio</i>		-	-	-	-	-	-	-	-
PACIFIC GRAND VILLAS PHASE 4B		5,746,202	5,710,955	0	0	0	0	35,248	35,248
LOT	PGV4B	53,377	52,937					440	440
H&L	PGV4B	5,692,825	5,658,018					34,808	34,808
<i>* Past Due Ratio</i>		-	-	-	-	-	-	-	-
PACIFIC GRAND TOWNHOMES		8,677,988	8,299,093	0	0	0	0	378,894	378,894
H&L	PGT	8,677,988	8,299,093					378,894	378,894
<i>* Past Due Ratio</i>		-	-	-	-	-	-	-	-
WELLFORD RESIDENCES MADISON BLDG		42,620,574	42,620,574	0	0	0	0	0	0
CONDO	WRM	39,454,877	39,454,877						
LOT	WRM	3,165,697	3,165,697						
<i>* Past Due Ratio</i>		-	-	-	-	-	-	-	-
CEBU TOTAL		80,662,017	77,230,231	11,947	11,947	11,947	11,947	3,383,998	3,431,786
<i>* Past Due Ratio</i>		100%	96%						4%
CHATEAUX GENEVA		9,789,997	9,789,997	0	0	0	0	0	0
LOT	CG	9,789,997	9,789,997					0	0
H&L	CG								
<i>* Past Due Ratio</i>		-	-	-	-	-	-	-	-
COSTA SMERALDA		52,640,632	52,601,619	0	0	0	0	39,012	39,012
LOT	CS	15,594,808	15,582,060					12,748	12,748
H&L	CS	37,045,824	37,019,560					26,264	26,264
<i>* Past Due Ratio</i>		-	-	-	-	-	-	-	-
WELLFORD HOMES		24,297,676	24,297,676	0	0	0	0	0	0
H&L	WFH	24,297,676	24,297,676						0
<i>* Past Due Ratio</i>		-	-	-	-	-	-	-	-
ILOILO TOTAL		86,728,304	86,689,291	0	0	0	0	39,012	39,012
<i>* Past Due Ratio</i>		100%	100%						0%
PLASTIC CITY INDUSTRIAL PARK									0
EMBASSY POINTE									0
AMAIA LAND CORP.		59,855,529	59,855,529						0
METRO MANILA		59,855,529	59,855,529	0	0	0	0	0	0
<i>* Past Due Ratio</i>		100%							0%
WELLFORD HOMES -MALOLOS		50,290,947	50,290,947	0	0	0	0	0	0
LOT	WFM	28,474,925	28,474,925						0
H&L	WFM	21,816,022	21,816,022						0
<i>* Past Due Ratio</i>		100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
GRAND TOTAL		277,536,797	274,065,998	11,947	11,947	11,947	11,947	3,423,011	3,470,799
<i>* Past Due Ratio</i>		100%	98.7%	0.00%	0.00%	0.00%	0.00%	1.23%	1.25%

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	: 29 October 2024
Principal Financial Accounting Officer Controller	: JOCELYN A. VALLE
Title	: FINANCE HEAD
Signature	: 
Date	: 29 October 2024