

COVER SHEET

SEC Registration Number

1	1	2	9	7	8				
---	---	---	---	---	---	--	--	--	--

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	R	E	,		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
---	---	---	---

Department requiring the report

C	R	M	D
---	---	---	---

Secondary License Type, If Applicable

N	A		
---	---	--	--

COMPANY INFORMATION

Company's Email Address

phes_finance@yahoo.com

Company's Telephone Number/s

8637-3112

Mobile Number

09178338243

No. of Stockholders

709

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)

June 30, 2025

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 **June 30, 2025**

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

35th Floor One Corporate Centre, Julia Vargas cor. Meralco Ave., Ortigas Center, Pasig City

7. 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: P 144,670,576 (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 June 30, 2025 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 strengthen its presence across strategic locations in Cebu, Iloilo, and Bulacan, with its ongoing developments, enhanced sales momentum, and forward-looking project pipeline. As the Company progresses through the second quarter of 2025, it remains focused on project completion, operational efficiency, and expanding its real estate offerings.

Ongoing Project Developments

Bulacan

In Wellford Homes Malolos, the development continues to move forward across all phases. Phases 1 and 2 are nearly sold out, with land development for Phase 2 nearing completion.

This quarter, the project is set to achieved a key milestone with the issuance of the License to Sell and Certificate of Registration for Phase 3, paving the way for its official launch by Q3 2025.

Meralco is currently erecting high-tension (HT) service poles as part of the process of securing permanent power supply to the development, in response to the growing number of homeowners who have already moved in.

To meet the increasing water requirements of the growing community, the Company has also donated a 1,000-square meter parcel of land to the City of Malolos Water District for the construction of a pumping station, deep well, and water storage facility. This initiative has been formalized through a signed Memorandum of Agreement.

Cebu

Sales at Wellford Residences Mactan Building 1 (Madison) have now reached nearly 50%, reflecting growing market confidence. With this momentum, preparations are being initiated for Building 2 (Washington) to strategically respond to demand.

The Company’s horizontal projects in Cebu continue to perform well. Pacific Grand Townhomes and Pacific Grand Villas Phases 1, 2, and 3 are now fully sold out. To respond to continued buyer interest, additional lot-only inventories have been released in Phases 2 and 4B, with the Company also planning to offer house-and-lot packages in these phases to further expand its product offerings.

Meanwhile, the Company is currently reviewing plans for Pacific Grand Villas Phase 5 in preparation for permit processing, with documentation being readied in anticipation of the lifting of the moratorium on new residential developments in Lapu- Lapu City.

In addition, Pacific Grand Townhomes has completed its land development, and the Company is set to apply for its Certificate of Completion to formalize the turnover process.

Iloilo

Following the issuance of the Amended License to Sell and Certificate of Registration for Wellford Homes at Jaro Grand Estates Phase 3 – Parcel B, sales performance has been promising.

Road tracing works have been completed, establishing the primary alignment and layout for the road network.

Currently, underground utilities installation is in progress, starting with pipe laying for the storm drainage system, followed by sewer lines and water distribution lines. Once completed, backfilling works will commence to prepare the site for full-scale construction.

Other Iloilo projects, including Chateaux Geneva, Costa Smeralda, and Wellford Homes at Jaro Grand Estates Phase 3 – Parcel A, are nearly sold out, reinforcing strong demand in the area.

For Costa Smeralda, which is already fully developed, the Company is now in the process of applying for a Certificate of Completion to comply with turnover requirements.

New Residential and Commercial Projects

Luzon Expansion

Philippine Estates Corporation is broadening its presence in Luzon with new residential developments.

The Company is currently processing the application for the Development Permit for Wellford Homes Santa Maria, a 14.9-hectare mixed-use community located in Bulacan. Phase 1 spans 6.45 hectares, planned to include residential blocks, open spaces, and community amenities aligned with PD 957 standards.

Further expanding its portfolio, the Company is preparing two more key projects in Luzon:

- Winfields Village Tanza (Cavite): A 19.7-hectare horizontal development designed to provide modern living spaces in a rapidly growing residential area.
- Wellford Homes Balagtas (Bulacan): A 10-hectare residential community planned to cater to the growing housing demand in the province.

Iloilo Expansion

Beyond residential projects, the Company is also studying the possibility of developing a commercial building in Iloilo's renowned Mushroom Area near Jaro Grand Estates. The feasibility assessment is underway to determine the viability of establishing a retail and business hub in this prime location.

With a solid pipeline of projects, Philippine Estates Corporation remains committed to expanding its footprint and delivering quality developments that cater to the evolving needs of Filipino homeowners and investors. By continuously enhancing its offerings and strengthening its operations, the Company is poised for sustained growth in 2025 and beyond.

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

Pacific Grand Villas Phase IV

Phase 4 of Pacific Grand Villas features some 356 prime residential lot units. In this project we introduced at least four more new house models to satisfy the evolving demands of the market. This project caters also to an international blend of buyers, just like the earlier phases, making Pacific Grand Villas an international community that meets global standards and lifestyle.

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. Building 1 (Madison) was completed in July 2024, while Building 2 (Washington) has been fully planned, and the Company is closely monitoring inventory levels to strategically time its launch in alignment with market demand.

2. Financial Position

As of June 30, 2025, the Company maintained a solid financial position, with total assets reaching ₱3.57B. Liquidity was notably strong, as reflected by a current ratio of 6.18:1, driven by current assets of ₱2.62B compared to current liabilities of only ₱0.42B. The debt-to-equity ratio stood at a conservative 0.21:1, highlighting the Company's low financial leverage and prudent capital structure. Overall, the balance sheet demonstrates solid liquidity, minimal financial risk, and long-term financial stability and growth. Hereunder are the significant or material changes in the Balance Sheet accounts as of June 30, 2025.

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

- a. Cash – the increase of 136.22% was mainly due to collections from buyers, loan proceeds for working capital from Philippine Bank of Communications and Luzon Development Bank, and the placement of short-term time deposits.

- b. Trade and other receivables (net) – the decrease of -12.17% was primarily due to improved collection efficiency during the period.
- c. Contract Assets - the increase of 24.63% was due to the continued progress of work that has not yet been completed and, hence, has not yet been recognized as installment contract receivables.
- d. Prepayments and other current assets - the increase of 11.77% was primarily due to the reversal and adjustment of applied Creditable Withholding Tax (CWT) amounts in relation to the income tax due for the period.
- e. Advances to related parties (net of current portion) – the increase of 49.09% was attributable to additional advances made during the quarter.
- f. Accounts payable and other liabilities - the increase of 25.64% was due to an increase in payables to contractors with agreed payment terms and an increase in the collection of titling fees from the buyers.
- g. Contract liabilities - the increase of 22.57% was due to excess collections received from real estate customers, relative to the services delivered by Company based on the percentage-of-completion method.
- h. Customers' deposits – the increase of 28.51% was due to an increase in sales reservation fees collected during the period.
- i. Retention payable and refundable bonds - the increase of 9.53% pertains to the 10% retention from each progress billing of contractors, which will be released upon the full completion of ongoing projects.
- j. Retained Earnings (Deficit) - Retained earnings improved significantly to ₱78.13M, a substantial turnaround from the prior deficit of ₱-221.30M. This positive shift was primarily driven by a year-to-date net income of ₱299.43M.

3. Result of Operations

For the 2Q 2025, the Company recorded consolidated net sales of ₱ 28.10M, reflecting a decrease of ₱-14.32M or -33.75% compared to ₱42.41M in the same period of 2024.

Realized gross profit also declined to ₱14.76M from ₱20.55M in 2Q 2024, a reduction of -28.19% or ₱-5.79M.

Despite the decrease in net income for the quarter, which amounted to a loss of ₱-4.18M, a decline of 10,619.69% compared to the same period last year, the year-to-date net income after tax showed a remarkable increase of 182,845.36%. Net income rose from ₱0.16M in 2Q 2024 year-to-date to ₱299.43M in 2Q 2025 year-to-date, representing an improvement of ₱299.27M. This significant increase was primarily driven by the just compensation received from the expropriation of certain properties in Iloilo.

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>Q2 2025</u>	<u>Q2 2024</u>
Return on sales	-14.87%	0.09%
Past due ratio	7.79%	7.85%
Gross Profit rate	52.52%	48.45%
Working Capital Turnover	0.01	0.02

4. Other Notes to 2Q 2025 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.**

The Company plans to fast track its project development on its acquired raw lands during its Stock Rights Offering (SRO) in 2021. For 2025, the Company intends to set aside a total amount of Php300M for its projects in Sta. Maria, Malolos, and Iloilo, and another Php250M for the Wellford Residences- condominium project in Lapu-Lapu, Cebu. This capital expenditure (CAPEX) will ensure sufficient inventory available for sale from all of its project site, thus enabling the Company achieve its current and future sales target. Funding will be sourced from the expected collection from Department of Public and Highway (DPWH) expropriated land, as well as from the Company's sales collection.

- **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-Jun-25	31-Dec-24
ASSETS		
Current Assets		
Cash	67,716,414	28,666,483
Trade and other receivables (net)	221,065,021	251,691,755
Contract assets	135,460,947	108,687,214
Advances to related parties (net)	164,395,842	164,395,842
Real estate inventories, net	1,989,703,839	1,939,784,545
Prepayments and other current assets	45,170,176	40,414,909
	2,623,512,239	2,533,640,748
Non-current Assets		
Advances to related parties (net of current portion)	855,998,106	574,147,713
Property and equipment, net	28,454,590	29,490,990
Financial Asset at FVOCI	27,717,623	27,717,623
Investment property	162,394	162,394
Deferred tax assets	20,657,521	20,657,521
Other noncurrent assets	12,154,129	11,977,173
	945,144,363	664,153,414
TOTAL ASSETS	3,568,656,602	3,197,794,162
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other liabilities	205,125,733	163,263,660
Borrowings (current portion)	113,366,188	108,235,784
Lease liabilities	1,129,815	1,129,815
Contract Liabilities	97,197,049	79,301,353
Customers' deposits	7,868,338	6,122,924
	424,687,123	358,053,536
Non-current Liabilities		
Advances from related parties	5,853,030	5,853,030
Borrowings (non- current portion)	31,304,388	29,904,265
Lease liabilities (net of current portion)	654,334	654,334
Retention payable and refundable bonds	39,028,537	35,633,789
Deferred Tax Liabilities	103,196,921	103,196,921
Retirement benefits obligation	7,912,561	7,912,561
	187,949,771	183,154,900
Total liabilities	612,636,894	541,208,436
Equity		
Capital Stock	2,891,099,660	2,891,099,660
Remeasurement gain on retirement benefits	9,070,990	9,070,990
Unrealized fair value loss on financial assets at FVOCI	(22,282,377)	(22,282,377)
Retained Earnings (Deficit)	78,131,435	(221,302,547)
Total equity	2,956,019,708	2,656,585,726
TOTAL LIABILITIES AND EQUITY	3,568,656,602	3,197,794,162

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY					
STATEMENT OF INCOME AND DEFICIT					
		2025		2024	
		Apr-Jun	Year to date	Apr-Jun	Year to date
REAL ESTATE SALES		28,101,260	62,650,555	42,416,807	85,577,631
LESS: COST OF SALES		13,342,013	30,430,449	21,864,865	45,179,309
GROSS PROFIT		14,759,247	32,220,106	20,551,942	40,398,322
OPERATING EXPENSES		26,473,047	54,363,175	19,315,510	37,661,906
NET OPERATING INCOME (LOSS)		(11,713,800)	(22,143,069)	1,236,432	2,736,416
OTHER INCOME		2,632,647	5,291,835	3,874,399	6,645,632
CLAIM FROM EXPROPRIATION CASE(net)			345,707,231		
FINANCE COST		(3,763,439)	(7,631,083)	(4,089,855)	(7,668,852)
NET INCOME (LOSS)		(12,844,592)	321,224,914	1,020,976	1,713,196
LESS: INCOME TAX		(8,664,697)	21,790,932	981,242	1,549,522
DEFERRED INCOME TAX			-	-	-
NET INCOME (LOSS) AFTER PROVISION		(4,179,895)	299,433,982	39,734	163,674
RETAINED EARNINGS, BEGINNING		82,311,330	(221,302,547)	(284,044,178)	(284,168,119)
NET INCOME (LOSS)		(4,179,895)	299,433,982	39,733	163,674
RETAINED EARNINGS, END		78,131,435	78,131,435	(284,004,445)	(284,004,445)
EARNINGS (LOSS) PER SHARE *		(0.00)	0.10	0.00	0.00
* 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	Unrealized fair value loss on financial assets at FVOCI	DEFICIT	TOTAL
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 June 30, 2024				163,674	163,674
Balance at June 30, 2024	2,891,099,660	7,991,402	0	-284,004,445	2,615,086,617
Subscribed and paid at December 31, 2024	2,891,099,660	9,070,990	-22,282,377	-221,302,547	2,656,585,726
Net Income (Loss) as of June 30, 2025				299,433,982	299,433,982
Balance at June 30, 2025	2,891,099,660	9,070,990	-22,282,377	78,131,435	2,956,019,708

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY								
STATEMENT OF CASH FLOW								
						June 2025	June 2024	
CASH FLOW FROM OPERATING ACTIVITIES:								
	Net Income (Loss)					299,433,982	163,674	
	Adjustment to reconcile net income (loss) to net							
	Cash provided by operating activities:							
		Depreciation and Amortization				1,553,147	1,484,768	
		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)			30,626,734	16,386,144	
			Contract assets			(26,773,733)	(4,002,105)	
			Real estates Inventories			(49,919,294)	(28,502,332)	
			Prepayments and other current assets			(4,755,267)	(4,896,655)	
			Other Assets			(176,956)	(1,810,195)	
			Increase (decrease) in liabilities:					
			Accounts payable and other liabilities			41,862,073	5,046,263	
			Contract Liabilities			17,895,696	(768,080)	
			Accrued expenses			0	0	
			Customers' Deposit			1,745,414	2,178,602	
			Retention payable and refundable bonds			3,394,748	3,823,787	
			Retirement benefits obligation			0		
			Deferred Income				0	
	Net cash provided by (used in) operating activities						314,886,544	(10,896,129)
CASH FLOW FROM INVESTING ACTIVITIES:								
	Additions to raw land inventory							
	Additions to equipment					(516,747)	(123,087)	
	Deductions to real estate held for sale							
	Proceeds from sale of property & equipment					-		
	Net cash provided by (used in) investing activities						(516,747)	(123,087)
CASH FLOW FROM FINANCING ACTIVITIES:								
	Additional deposits on subscription							
	Net decrease(increase) in due to affiliates					(281,850,393)	(1,062,930)	
	Proceeds from SRO					0	0	
	Payment of long-term debts							
	Payment for short-term borrowings					(68,374,576)	(57,369,754)	
	Proceeds of short term borrowings					74,905,103	67,487,778	
	Net cash provided by (used in) financing activities						(275,319,866)	9,055,094
NET INCREASE (DECREASE) IN CASH							39,049,931	(1,964,122)
ADJUSTMENT OF PRIOR PERIODS							-	
CASH AT BEGINNING							28,666,483	15,425,378
CASH, ENDING BALANCE							67,716,414	13,461,256

PROPERTY AND EQUIPMENT (net)

Property and equipment as of June 30, 2025 is as follows:

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY					
PROPERTY, PLANT AND EQUIPMENT					
				Building & Machineries	
	Right-of-use Asset	Transportation Equipment	Computer Software	Furniture & Fixtures	TOTAL
				Office Equipment	
Cost					
At January 1, 2025	4,123,921	7,385,021	350,000	101,983,495	113,842,437
Additions	0	0	0	516,747	516,747
Disposals	-	-			0
June 30, 2025	4,123,921	7,385,021	350,000	102,500,242	114,359,184
					-
Accumulated Depreciation					
At January 1, 2025	-2,195,657	-7,278,013	-350,000	-74,527,777	-84,351,447
Additions	0	-27,915	0	-1,525,232	-1,553,147
Disposals	-	-			
June 30, 2025	-2,195,657	-7,305,928	-350,000	-76,053,009	-85,904,594
					-
Net Book Value					
At January 1, 2025	1,928,264	107,008	0	27,455,718	29,490,990
June 30, 2025	1,928,264	79,093	0	26,447,233	28,454,590

BUSINESS SEGMENT INFORMATION

The business segment report of the Company as of June 30, 2025 is as follows:

PHILIPPINE ESTATES CORPORATION AND SUBSIDIARY								
SEGMENT REPORT								
June 30, 2025								
		Metro Manila	Cebu	Bulacan	Iloilo	Davao	Valenzuela	Total
Revenue								
	Sales	0	10,580,606	27,553,980	24,515,969	0	0	62,650,555
	Cost of sale	0	4,320,552	14,767,979	11,341,918	0	0	30,430,449
	Gross Profit	0	6,260,054	12,786,001	13,174,051	0	0	32,220,106
Operating Expenses								
	Depreciation	1,553,147	0	0	0	0	0	1,553,147
	Retirement Benefit Expense	0	0	0	0	0	0	0
	Loss on Cancelled Contracts	0	2,763,993	1,118,999	10,741,084	0	0	14,624,076
	Other expenses	21,420,450	4,703,892	3,797,509	6,639,808	58,361	1,565,931	38,185,950
	Total Operating Expenses	22,973,597	7,467,885	4,916,508	17,380,892	58,361	1,565,931	54,363,175
Segment Income (Loss)		(29,131,232)	(1,207,831)	7,869,493	1,950,793	(58,361)	(1,565,931)	(22,143,069)
	Other income	6,321,890	1,779,849	693,420	340,532,026	213,287	1,458,593	350,999,066
	Finance cost	7,631,083	0	0	0	0	0	7,631,083
	Segment Income before Tax	(30,440,425)	572,018	8,562,913	342,482,819	154,926	(107,338)	321,224,914
	Provision for Income Tax	21,790,932	0	0	0	0	0	21,790,932
	Net income (loss)	(52,231,357)	572,018	8,562,913	342,482,819	154,926	(107,338)	299,433,982
	Segment	1,431,751,954	413,210,985	349,102,992	1,335,386,967	2,485,807	16,060,376	3,547,999,081
	Deferred tax assets	20,657,521						20,657,521
Total assets		1,452,409,475	413,210,985	349,102,992	1,335,386,967	2,485,807	16,060,376	3,568,656,602
	Segment liabilities	31,943,923	85,972,685	105,006,794	227,582,642	741,660	8,806,054	460,053,757
	Borrowings	144,599,794	0	0	70,782	0	0	144,670,576
	Retirement benefits obligation	7,912,561	0	0	0	0	0	7,912,561
Total liabilities		184,456,278	85,972,685	105,006,794	227,653,423	741,660	8,806,054	612,636,894

18

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	: 30 July 2025

Principal Financial Accounting Officer Controller	: JOCELYN A. VALLE
Title	: FINANCE HEAD
Signature	: 
Date	: 30 July 2025