



ALTUS PROPERTY VENTURES, INC.

(Formerly: Altus San Nicolas Corp.)

National Highway, Brgy. 1, San Francisco, San Nicolas, Ilocos Norte
Telephone No. (028) 8397-1888 loc. 36201

CERTIFICATION

Securities and Exchange Commission
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

I, **KERWIN MAX S. TAN**, designated as Chief Financial, Compliance, Information Officer and Treasurer of **Altus Property Ventures, Inc.**, with contact number (632) 8397-1888 and office address at 15th Floor, Robinsons Cyberscape Alpha, Sapphire and Garnet Roads, Ortigas Center, Pasig City, do hereby certify the authenticity of the SEC Form 17-Q (Quarterly Report) with attached unaudited financial statements for the period ended September 30, 2023, submitted on November 9, 2023 online is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "K. Tan", is written over a faint circular watermark.

KERWIN MAX S. TAN
Chief Financial, Compliance,
Information Officer and Treasurer

SEC Number
File Number

CS200704758

**ALTUS PROPERTY VENTURES, INC.
(Formerly Altus San Nicolas Corp.)**

(Company's Full Name)

Brgy. 1, San Francisco, San Nicolas, Ilocos Norte

(Company's Address)

8397-1888

(Telephone Number)

September 30, 2023

(Quarter Ended)

SEC Form 17Q

Form Type

Amendment Designation (if applicable)

Not Applicable

(Secondary License Type and File Number)

COVER SHEET

C S 2 0 0 7 0 4 7 5 8

SEC Registration Number

A L T U S P R O P E R T Y V E N T U R E S , I N C . (F o

r m e r l y A l t u s S a n N i c o l a s C o r p .)

(Company's Full Name)

B r g y . I S a n F r a n c i s c o , S a n N i c o l a

s , I l o c o s N o r t e

(Business Address: No. Street City/Town/Province)

Kerwin S. Tan

(Contact Person)

8397-1888

(Company Telephone Number)

1 2 3 1

Month Day
(Fiscal Year)

1 7 - Q

(Form Type)

Month Day
(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

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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, 2023**

2. SEC Identification Number: **CS200704758**

3. BIR Tax Identification No. **006-199-192-000**

4. Exact name of issuer as specified in its charter

ALTUS PROPERTY VENTURES, INC. (Formerly Altus San Nicolas Corp.)

5. **Ilocos Norte, Philippines**

Province, Country or other jurisdiction
of incorporation or organization

SEC Use Only)
Industry Classification Code:

7. **Brgy. 1, San Francisco, San Nicolas, Ilocos Norte**

Address of principal office

2901

Postal Code

8. **8397-1888**

Issuer's telephone number, including area code

9. **Not Applicable**.....

Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the
RSA2

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
Common Stock	100,000,000 shares

11. Are any or all of these securities listed on a Stock Exchange.

Yes [] No []

If yes, state the name of such stock exchange and the classes of securities listed therein:

The Philippine Stock Exchange

Common Stock

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes [] No []

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

Yes [] No []

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

Financial Statements and, if applicable, Pro Forma Financial Statements meeting the requirements of SRC Rule 68, Form and Content of Financial Statements, shall be furnished as specified therein. **See Exhibit II**

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

See Exhibit I


PART II—OTHER INFORMATION

Not applicable.


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 thereunto duly authorized.

Issuer
Signature and Title
Date


FREDERICK D. GO
Chairman
November 7, 2023

Issuer
Signature and Title
Date


FARADAY D. GO
President and Chief Executive Officer
November 7, 2023

Issuer
Signature and Title
Date


KERWIN MAX S. TAN
Chief Financial, Compliance, Information Officer
and Treasurer
November 7, 2023

EXHIBIT I

ALTUS PROPERTY VENTURES, INC. (Formerly Altus San Nicolas Corp.) 3rd Quarter CY 2023 PERFORMANCE

I. Operations (in PhP)

	For the Period January to September		Horizontal Analysis		Vertical Analysis	
			Change		2023	2022
	2023	2022	In PhP	In %		
REVENUES	151,411,990	139,150,958	12,261,032	9%	100%	100%
COSTS OF RENTAL SERVICES	11,661,733	9,726,068	1,935,665	20%	8%	7%
GROSS INCOME	139,750,257	129,424,890	10,325,367	8%	92%	93%
GENERAL AND ADMINISTRATIVE EXPENSES						
Utilities and contracted services - net	19,103,912	23,198,286	(4,094,374)	-18%	13%	17%
Salaries, wages and employee benefits	3,463,643	3,658,359	(194,716)	-5%	2%	3%
Insurance	1,547,274	1,546,387	887	0%	1%	1%
Taxes and licenses	1,817,638	1,991,795	(174,157)	-9%	1%	1%
Professional, management and consultancy fees	603,070	416,214	186,856	45%	0%	0%
Advertising	494,750	28,616	466,134	1629%	0%	0%
Others	176,509	266,655	(90,146)	-34%	0%	0%
	27,206,796	31,106,312	(3,899,516)	-13%	18%	22%
OPERATING INCOME	112,543,461	98,318,578	14,224,883	14%	74%	71%
OTHER INCOME (EXPENSES)						
Interest income	14,021,921	2,092,645	11,929,276	570%	9%	2%
Interest expense	(187,849)	(196,888)	9,039	-5%	0%	0%
Other income (expense) - net	(3,286,070)	(3,524,227)	238,157	-7%	-2%	-3%
	10,548,002	(1,628,470)	12,176,472	-748%	7%	-1%
INCOME BEFORE INCOME TAX	123,091,463	96,690,108	26,401,355	27%	81%	69%
PROVISION FOR INCOME TAX	20,563,952	20,112,325	451,627	2%	14%	14%
NET INCOME	102,527,511	76,577,783	25,949,728	34%	68%	55%
OTHER COMPREHENSIVE INCOME	-	-	-	0%	0%	0%
TOTAL COMPREHENSIVE INCOME	102,527,511	76,577,783	25,949,728	34%	68%	55%

For the first nine months of 2023, the Company's total revenues grew by 9% to ₱151.41 million from ₱139.15 million in the same period last year. With continued operational efficiency, earnings before interest, taxes, depreciation and amortization (EBITDA) recorded at ₱117.20 million, an increase of 16% versus the same period last year. Adding the effect of higher interest income, net income increased by 34% to ₱102.53 million from ₱76.58 million last year. Furthermore, APVI managed to sustain its operations with its internally-generated funds during the year, resulting to zero cash burn.

Costs of rental services went up by 20% to ₱11.66 million from ₱9.73 million for the same period last year mainly due to depreciation on new capital expenditures. On the other hand, general and administrative expenses decreased by 13% to ₱27.21 million from ₱31.11 million for the same period last year mainly due to lower net utilities and contracted services.

Higher deposit interest rates plus cash generated from operations resulted to higher interest income to ₱14.02 million from last year's ₱2.09 million.

Earnings before interest and taxes (EBIT) grew by 15%, which registered at ₱109.26 million from ₱94.79 million in the same period last year.

Net Income is up by 34% versus same period last year to ₱102.53 million.

II. Financial Resources and Liquidity (in PhP)

	As of		Horizontal Analysis		Vertical Analysis	
	September 30, 2023	December 31, 2022	Change In PhP	In %	2023	2022
ASSETS						
Current Assets						
Cash and cash equivalents	555,404,864	444,059,062	111,345,802	25%	54%	49%
Receivables	170,416,004	164,334,134	6,081,870	4%	17%	18%
Due from affiliates	5,398	5,398	-	0%	0%	0%
Other current assets	3,803,018	3,867,203	(64,185)	-2%	0%	0%
Total Current Assets	729,629,284	612,265,797	117,363,487	19%	71%	67%
Noncurrent Assets						
Investment properties - net	244,660,202	248,276,932	(3,616,730)	-1%	24%	27%
Property and equipment - net	48,275,755	50,883,343	(2,607,588)	-5%	5%	6%
Total Noncurrent Assets	292,935,957	299,160,275	(6,224,318)	-2%	29%	33%
	1,022,565,241	911,426,072	111,139,169	12%	100%	100%
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and accrued expenses	91,440,574	83,427,629	8,012,945	10%	9%	9%
Current portion of deposits and other liabilities	25,989,196	31,414,179	(5,424,983)	-17%	3%	3%
Total Current Liabilities	117,429,770	114,841,808	2,587,962	2%	11%	13%
Noncurrent Liabilities						
Noncurrent portion of deposits and other liabilities	19,111,054	13,060,892	6,050,162	46%	2%	1%
Pension liabilities	1,399,847	1,338,827	61,020	5%	0%	0%
Deferred tax liabilities - net	1,781,265	1,868,751	(87,486)	-5%	0%	0%
Total Noncurrent Liabilities	22,292,166	16,268,470	6,023,696	37%	2%	2%
Total Liabilities	139,721,936	131,110,278	8,611,658	7%	14%	14%
Equity						
Capital stock	100,000,000	100,000,000	-	0%	10%	11%
Additional paid-in capital	450,000,000	450,000,000	-	0%	44%	49%
Retained earnings	332,265,866	229,738,355	102,527,511	45%	32%	25%
Remeasurement of net defined benefit liabilities - net of tax	577,439	577,439	-	0%	0%	0%
Total Equity	882,843,305	780,315,794	102,527,511	13%	86%	86%
	1,022,565,241	911,426,072	111,139,169	12%	100%	100%

APVI's financial position remains solid with total assets ending at ₱1,022.57 million and total equity at ₱882.84 million as of September 30, 2023.

As of December 31, 2022, total assets ended at ₱911.43 million while total equity finished at ₱780.32 million.

Cash registered at ₱555.40 million as of September 30, 2023 increasing by 25% from December 31, 2022 mainly due to net cash generated from operations in the first nine months of 2023.

Receivables increased by 4% due to higher level of revenues and timing of collection.

Accounts payable and accrued expenses increased by 10% to ₱91.44 million due to timing of payments.

Pension liabilities increased by 5% due to the accrual of pension expense during the nine months ended September 30, 2023.

III. Key Performance Indicators

The key performance indicators for the nine months ended September 30, 2023 and 2022 and as of September 30, 2023 and December 31, 2022 are as follows:

	2023	2022
Current Ratio ¹	6.21:1	5.33:1
Solvency Ratio ²	0.79:1	0.63:1
Debt-to-Equity Ratio ³	Not applicable	Not applicable
Asset-to-Equity Ratio ⁴	1.16:1	1.17:1
Interest Rate Coverage Ratio ⁵	Not applicable	Not applicable
Debt Service Coverage Ratio ⁶	Not applicable	Not applicable
Earnings Per Share ⁷	₱1.03	₱0.77
Book Value Per Share ⁸	₱8.83	₱7.80
Return on Assets ⁹	13.10%	11.34%
Return on Equity ¹⁰	15.17%	13.40%
Operating Margin Ratio ¹¹	0.74:1	0.71:1

Notes:

¹ **Current Ratio** is computed as Current Assets over Current Liabilities as of September 30, 2023 and December 31, 2022.

² **Solvency Ratio** is computed as Net Income plus non-cash expenses (Depreciation and Amortization, Interest Expense on accretion of deposits and Pension Expense) for nine months ended September 30, 2023 and 2022 over Total Liabilities as of September 30, 2023 and December 31, 2022, respectively.

³ **Debt-to-Equity Ratio** is computed as the ratio of financial indebtedness (which for the applicable periods is equivalent to loans payable gross of debt issue cost and short-term loans) to Total Shareholders' Equity.
APVI does not have any financial indebtedness as of September 30, 2023 and December 31, 2022.

⁴ **Asset-to-Equity Ratio** is computed as Total Assets over Total Shareholders' Equity as of September 30, 2023 and December 31, 2022.

⁵ **Interest Rate Coverage Ratio** is computed as Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) over interest expensed and capitalized from financial indebtedness.
APVI does not have any financial indebtedness as of September 30, 2023 and December 31, 2022.

⁶ **Debt Service Coverage Ratio** is computed as Earnings Before Interest and Taxes over Total Debt Service (which for the applicable periods is equivalent to financial indebtedness plus interest accruing thereon).
APVI does not have any financial indebtedness and interest accruing thereon as of September 30, 2023 and December 31, 2022.

⁷ **Earnings Per Share** is computed as Net Income for nine months ended September 30, 2023 and 2022 over total common shares outstanding as of September 30, 2023 and December 31, 2022, respectively.

⁸ **Book Value Per Share** is computed as Total Equity over total common shares outstanding as of September 30, 2023 and December 31, 2022.

⁹ **Return on Assets** is computed as Net Income (last 12 months basis) over Total Assets as of September 30, 2023 and 2022, respectively.

¹⁰ **Return on Equity** is computed as Net Income (last 12 months basis) over Total Shareholders' Equity as of September 30, 2023 and 2022, respectively.

¹¹ **Operating Margin Ratio** is computed as Operating Income or Earnings Before Interest and Taxes over Total Revenues for nine months ended September 30, 2023 and 2022.

ALTUS PROPERTY VENTURES, INC.
(Formerly Altus San Nicolas Corp.)

Unaudited Interim Condensed Financial Statements
September 30, 2023 and for the Nine Months Ended September 30, 2023
and 2022
*(With Comparative Audited Statement of Financial Position
as of December 31, 2022)*

ALTUS PROPERTY VENTURES, INC. (Formerly Altus San Nicolas Corp.)
UNAUDITED INTERIM STATEMENTS OF FINANCIAL POSITION

	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱555,404,864	₱444,059,062
Receivables (Note 5)	170,416,004	164,334,134
Due from affiliates (Note 13)	5,398	5,398
Other current assets (Note 6)	3,803,018	3,867,203
Total Current Assets	729,629,284	612,265,797
Noncurrent Assets		
Investment properties - net (Note 7)	244,660,202	248,276,932
Property and equipment - net (Note 8)	48,275,755	50,883,343
Total Noncurrent Assets	292,935,957	299,160,275
Total Assets	₱1,022,565,241	₱911,426,072
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses (Note 9)	₱91,440,574	₱83,427,629
Current portion of deposits and other liabilities (Note 10)	25,989,196	31,414,179
Total Current Liabilities	117,429,770	114,841,808
Noncurrent Liabilities		
Noncurrent portion of deposits and other liabilities (Note 10)	19,111,054	13,060,892
Pension liabilities	1,399,847	1,338,827
Deferred tax liabilities - net	1,781,265	1,868,751
Total Noncurrent Liabilities	22,292,166	16,268,470
Total Liabilities	139,721,936	131,110,278
Equity		
Capital stock (Note 11)	100,000,000	100,000,000
Additional paid-in capital (Note 11)	450,000,000	450,000,000
Retained earnings (Note 11)	332,265,866	229,738,355
Remeasurement of net defined benefit liabilities - net of tax	577,439	577,439
Total Equity	882,843,305	780,315,794
Total Liabilities and Equity	₱1,022,565,241	₱911,426,072

See accompanying Notes to Unaudited Interim Financial Statements.

ALTUS PROPERTY VENTURES, INC. (Formerly Altus San Nicolas Corp.)
UNAUDITED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

	For the Period July to September		For the Period January to September	
	2023	2022	2023	2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
REVENUES (Note 14)	₱53,025,485	₱45,151,228	₱151,411,990	₱139,150,958
COSTS OF RENTAL SERVICES (Note 12)	4,263,579	3,420,590	11,661,733	9,726,068
GROSS INCOME	48,761,906	41,730,638	139,750,257	129,424,890
GENERAL AND ADMINISTRATIVE EXPENSES				
Utilities and contracted services - net	5,673,332	9,234,626	19,103,912	23,198,286
Salaries, wages and employee benefits	1,141,502	1,175,555	3,463,643	3,658,359
Taxes and licenses	581,659	799,400	1,817,638	1,991,795
Insurance	516,349	384,535	1,547,274	1,546,387
Professional, management and consultancy fees	180,000	100,000	603,070	416,214
Advertising	476,550	7,800	494,750	28,616
Others	22,146	101,481	176,509	266,655
	8,591,538	11,803,397	27,206,796	31,106,312
OPERATING INCOME	40,170,368	29,927,241	112,543,461	98,318,578
OTHER INCOME (EXPENSES)				
Interest income (Note 4)	5,620,184	1,199,433	14,021,921	2,092,645
Interest expense	(77,007)	(19,417)	(187,849)	(196,888)
Other income (expense) - net	(424,225)	(376,634)	(3,286,070)	(3,524,227)
	5,118,952	803,382	10,548,002	(1,628,470)
INCOME BEFORE INCOME TAX	45,289,320	30,730,623	123,091,463	96,690,108
PROVISION FOR INCOME TAX	7,247,040	6,631,259	20,563,952	20,112,325
NET INCOME	38,042,280	24,099,364	102,527,511	76,577,783
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME	₱38,042,280	₱24,099,364	₱102,527,511	₱76,577,783
Basic and Diluted Earnings Per Share (Note 11)	₱0.38	₱0.24	₱1.03	₱0.77
Dividends Declared Per Share	₱-	₱-	₱-	₱-

See accompanying Notes to Unaudited Interim Financial Statements.

ALTUS PROPERTY VENTURES, INC. (Formerly Altus San Nicolas Corp.)
UNAUDITED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2023 AND 2022

For the Nine Months Ended September 30, 2023

	Capital Stock (Note 11)	Additional Paid-in Capital (Note 11)	Remeasurement of net defined benefit liabilities - net of tax	Retained Earnings (Note 11)	Total Equity
Balances at January 1, 2023	₱100,000,000	₱450,000,000	₱577,439	₱229,738,355	₱780,315,794
Total comprehensive income for the period	–	–	–	102,527,511	102,527,511
Balances at September 30, 2023	₱100,000,000	₱450,000,000	₱577,439	₱332,265,866	₱882,843,305

For the Nine Months Ended September 30, 2022

	Capital Stock (Note 11)	Additional Paid-in Capital (Note 11)	Remeasurement of net defined benefit liabilities - net of tax	Retained Earnings (Note 11)	Total Equity
Balances at January 1, 2022	₱100,000,000	₱450,000,000	₱144,743	₱121,780,122	₱671,924,865
Total comprehensive income for the period	–	–	–	76,577,783	76,577,783
Balances at September 30, 2022	₱100,000,000	₱450,000,000	₱144,743	₱198,357,905	₱748,502,648

See accompanying Notes to Unaudited Interim Financial Statements.

ALTUS PROPERTY VENTURES, INC. (Formerly Altus San Nicolas Corp.)**UNAUDITED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱123,091,463	₱96,690,108
Adjustments for:		
Depreciation expense (Notes 7 and 8)	7,947,599	6,246,813
Interest income (Note 4)	(14,021,921)	(2,092,645)
Interest expense	187,849	–
Pension expense	61,020	207,967
Operating income before working capital changes	117,266,010	101,052,243
Changes in operating assets and liabilities		
Decrease (increase) in:		
Receivables	(5,867,592)	50,187,337
Other current assets	64,185	599,084
Increase (decrease) in:		
Accounts payable and accrued expenses	9,958,451	12,983,205
Deposits and other liabilities	(2,120,448)	3,897,755
Net cash generated from operations	119,300,606	168,719,624
Interest received from cash in banks	69,636	52,946
Cash paid for income taxes	(20,039,166)	(21,840,674)
Net cash flows provided by operating activities	99,331,076	146,931,896
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received from short-term investments (Note 4)	13,738,007	2,039,699
Acquisition of investment properties (Note 7)	(522,089)	–
Acquisition of property and equipment (Note 8)	(1,201,192)	(7,104,151)
Net cash flows provided by investing activities	12,014,726	(5,064,452)
NET INCREASE IN CASH AND CASH EQUIVALENTS	111,345,802	141,867,444
CASH AND CASH EQUIVALENTS AT JANUARY 1	444,059,062	284,220,366
CASH AND CASH EQUIVALENTS AT SEPTEMBER 30	₱555,404,864	₱426,087,810

See accompanying Notes to Unaudited Interim Financial Statements.

ALTUS PROPERTY VENTURES, INC. (Formerly Altus San Nicolas Corp.)
NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS

1. Corporate Information

Altus Property Ventures, Inc. (formerly Altus San Nicolas Corp.) (the Company or APVI) is a stock corporation incorporated and registered with the Philippine Securities and Exchange Commission (the SEC). It was incorporated on March 28, 2007 as a real estate company with an initial authorized capital stock of 40,000,000 Common Shares at a par value of ₱1.00 per share. The Company's primary purpose is to engage in the business of selling, acquiring, building, constructing, developing, leasing and disposing of real estate properties and property development of all kinds and nature.

Prior to December 20, 2019, the Company was a wholly-owned subsidiary of Robinsons Land Corporation (RLC or the Former Parent Company) and an indirect subsidiary of J.G. Summit Holdings, Inc. (JGSHI or the Parent Company) through RLC. On December 20, 2019, the Company became a direct subsidiary of JGSHI by virtue of the property dividend distribution by RLC to its stockholder as of record date.

RLC is primarily engaged in the business of selling, acquiring, developing, operating, leasing and disposing of real properties such as land, buildings, shopping malls, commercial centers and housing projects, industrial facilities, hotels, residential properties and other variants and mixed-used property projects. JGSHI is one of the country's largest conglomerates, with diverse interests in branded consumer foods, agro-industrial and commodity food products, petrochemicals, air transportation, real estate and financial services. Both the Parent Company and RLC are publicly listed in the Philippine Stock Exchange (PSE).

The registered office and principal place of business of the Company is located at Brgy. 1 San Francisco, San Nicolas, Ilocos Norte. RLC's registered office is located at Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila. The Parent Company's registered office is located at 43rd Floor, Robinsons-Equitable Tower, ADB Avenue corner Poveda Road, Pasig City.

On July 8, 2019, the Board of Directors (BOD) and stockholders of the Company approved the change in corporate name to Altus Property Ventures, Inc. The application for the change in name was approved by the SEC and the Bureau of Internal Revenue (BIR) on September 3, 2019 and October 8, 2019, respectively.

On July 31, 2019, the BOD of RLC approved the declaration of the Company's shares as property dividend to RLC common shareholders (the "Property Dividend") which, following the approval of the SEC of the property dividend declaration on November 15, 2019, resulted in the distribution on December 20, 2019 to RLC common shareholders of one APVI common share for approximately every fifty-one and 9384/10000 (51.9384) RLC common shares owned and registered in the name of the RLC common shareholders as of August 15, 2019.

On September 19, 2019, the Company filed a registration statement covering its 100,000,000 common shares. The common shares subject of the registration statement are covered by (i) the application for the approval of the Property Dividend, which was later approved by the SEC on November 15, 2019, and (ii) the application for the SEC registration and the listing by way of introduction of the common shares filed by the Company with the SEC and the PSE, respectively.

On April 29, 2020, PSE has approved the listing of the Company. On June 26, 2020, the Company underwent listing by way of introduction of 100,000,000 common shares on the Small, Medium, and Emerging (SME) Board of the Philippine Stock Exchange, which represents 100% of the issued and outstanding common shares of the Company, with an initial listing price of P10.10 per share.

Effective May 13, 2022, the PSE approved the Company's application to transfer to the Main Board of the Exchange.

Continuing Impact of COVID-19 Pandemic on Company's Business

The COVID-19 pandemic started to become widespread in the Philippines in early March 2020 and its impact has been continuing until the date of the approval of these financial statements. In 2022, the country's economic status improved because of reopening of local and international travels and loosening of health and safety protocols and restrictions. Occupancy rates of mall spaces for lease returned to pre-pandemic levels. As a result, overall continuing impact of the COVID-19 pandemic to the Company has improved and Company's operations is back to its pre-pandemic levels.

Based on the foregoing improvements, management projects that the Company would continue to report positive results of operations and would remain liquid to meet current obligations as they fall due. Accordingly, management has not determined material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern due to the effects of the pandemic.

2. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these interim condensed financial statements are summarized in the succeeding pages. These policies have been consistently applied to all periods presented, unless otherwise stated.

2.1 Basis of Preparation of Interim Condensed Financial Statements

These interim condensed financial statements as at and for the nine months ended September 30, 2023 (with comparative figures as at December 31, 2022 and for the nine months ended September 30, 2022) have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*. They do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited financial statements of the Company as at and for the year ended December 31, 2022.

The preparation of interim condensed financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

These interim condensed financial statements are presented in Philippine Pesos (₱), the functional and presentation currency of the Company, and all values represent absolute amounts except when otherwise stated.

2.2 Adoption of New and Amended PFRS

The Company has adopted new accounting pronouncements which are mandatorily effective for annual periods beginning on or after January 1, 2023, however, these amendments, interpretations and annual improvements to standards do not have a significant impact on the Company's interim

condensed financial statements, and the Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these pronouncements.

- (i) PAS 1 (Amendments), *Presentation of Financial Statements – Classifications of Liabilities as Current or Non-current* (effective from January 1, 2023)
- (ii) PAS 1 and PFRS Practice Statement 2 (Amendments), *Presentation of Financial Statements – Disclosure of Accounting Policies* (effective from January 1, 2023)
- (iii) PAS 8 (Amendments), *Accounting Estimates – Definition of Accounting Estimates* (effective from January 1, 2023)
- (iv) PAS 12 (Amendments), *Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transactions* (effective from January 1, 2023)

3. Significant Accounting Judgments, Estimates and Assumptions

In preparing the interim condensed financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. The judgments, estimates and assumptions applied in the interim condensed financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Company's last annual financial statements as of and for the year ended December 31, 2022.

4. Cash and Cash Equivalents

	September 30, 2023	December 31, 2022
Cash on hand	P86,741	P86,741
Cash in banks	103,862,794	63,462,789
Short-term investments	451,455,329	380,509,532
	P555,404,864	P444,059,062

Cash in banks earn annual interest at the respective bank deposit rates. Interest income earned from cash in banks and short-term investments amounted to P14.02 million and P2.09 million for the nine months ended September 30, 2023 and 2022, respectively.

5. Receivables

	September 30, 2023	December 31, 2022
Receivable from sale of assets (Note 13)	P149,875,840	P149,875,840
Trade	15,041,360	10,945,892
Accrued rent receivable	3,529,057	2,519,279
Others	1,969,747	993,123
	P170,416,004	P164,334,134

Receivable from sale of assets pertains to unpaid portion of the total consideration from the sale of the Company's assets in 2016 to RLC.

Trade receivables pertain to rent receivables which are non-interest bearing and are generally payable within thirty days.

Accrued rent receivable represents the portion of the lease as a consequence of recognizing income on a straight-line basis to comply with PFRS 16.

Others include receivable from insurance company and from officers and employees.

All trade receivables are subject to credit risks exposure. However, the Company does not identify specific concentrations of credit risk with regard to trade receivables as the amounts recognized resemble a larger number of receivables from various customers with strong financial condition. Most trade receivables are covered by security deposits or advance rental payment.

6. Other Current Assets

	September 30, 2023	December 31, 2022
Utility deposits	₱2,004,000	₱2,004,000
Prepaid taxes	1,390,485	1,708,007
Others	408,533	155,196
	₱3,803,018	₱3,867,203

Utility deposits consist primarily of meter deposits.

Prepaid taxes pertain to the unamortized portion of the advance payments made for real property taxes.

Others consist of advances to SSS and to service providers.

7. Investment Properties - net

The reconciliation of the carrying amounts of investment properties is shown below.

	September 30,		December 31,
	2023	2022	2022
Balance at beginning of period	₱248,276,932	₱256,865,337	₱256,865,337
Additions	522,089	-	-
Depreciation expense	(4,138,819)	(4,260,617)	(8,588,405)
Balance at end of period	₱244,660,202	₱252,604,720	₱248,276,932

Rental revenue from investment properties amounted to ₱124.40 million and ₱113.00 million for the nine months ended September 30, 2023 and 2022, respectively.

The fair value as of September 30, 2023 amounted to ₱1,483.00 million, which is based on independent third party appraisal report, dated June 30, 2019.

The Company revised the estimated useful life of investment properties from 20 years to 40 years for the depreciation expense to be more representative of the pattern of usage of the assets.

8. Property and Equipment - net

The reconciliation of the carrying amounts of property and equipment is shown below.

	September 30,		December 31,
	2023	2022	2022
Balance at beginning of period	₱50,883,343	₱46,210,851	₱46,210,851
Additions	1,201,192	7,104,151	7,474,702
Depreciation expense	(3,808,780)	(1,986,196)	(2,802,210)
Balance at end of period	₱48,275,755	₱51,328,806	₱50,883,343

The Company revised the estimated useful life of property and equipment from 10 years to 20 years for the depreciation expense to be more representative of the pattern of usage of the assets.

9. Accounts Payable and Accrued Expenses

	September 30, 2023	December 31, 2022
Accounts payable	₱46,887,399	₱39,710,258
Output VAT payable	33,511,095	29,203,850
Accrued utilities expense	3,760,039	4,392,382
Accrued contracted services	3,434,816	4,131,523
Others	3,847,225	5,989,616
	₱91,440,574	₱83,427,629

Accounts payable mainly includes unpaid billings from suppliers and contractors, including retention payable.

Accrued utilities expense, accrued contracted services and other payables are normally settled within one year. Accrued contracted services pertain to housekeeping, security and engineering services that are yet to be billed by the contractors.

10. Deposits and Other Liabilities

	September 30, 2023	December 31, 2022
Deposits from lessees	₱41,468,871	₱41,533,951
Others	3,631,379	2,941,120
	45,100,250	44,475,071
Current portion of deposits from lessees	(25,989,196)	(31,414,179)
	₱19,111,054	₱13,060,892

Deposits from lessees represent cash received from tenants representing three to six months of rent which shall be refunded to tenants at the end of lease term. These are initially recorded at fair value, which is obtained by discounting its future cash flows using the applicable rates of similar type of instruments at the date of receipt of deposits.

Others include accruals for goods purchased and/or services received which are yet to be billed by the suppliers as of period end.

11. Equity

11.1 Capital Stock

The Company's authorized share capital is ₱100.0 million, divided into 100.0 million common shares with ₱1 par value. As of September 30, 2023 and December 31, 2022, 100.0 million number of common shares for a total amount of ₱100.0 million are issued and outstanding and are traded in the PSE. The Company's share price closed at ₱9.79 and ₱12.50 per share for the period ended September 30, 2023 and December 31, 2022, respectively.

As of September 30, 2023 and December 31, 2022, the Company has 32,890,205 shares and 32,890,239 shares owned by the public, respectively.

11.2 Earnings Per Share (EPS)

EPS for the nine months ending September 30 were computed as follows:

	2023	2022
Net income	₱102,527,511	₱76,577,783
Divided by weighted average number of outstanding common shares	100,000,000	100,000,000
Basic and diluted EPS	₱1.03	₱0.77

The Company has no potential dilutive common shares as of September 30, 2023 and 2022.

11.3 Capital Management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to these ratios in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital structure or issue capital securities. No changes have been made in the objective, policies and processes as they have been applied in previous years.

12. Cost of Rental Services

The breakdown of the cost of rental services for the nine months ending September 30 are shown below.

	2023	2022
Depreciation expense (Notes 7 and 8)	₱7,947,599	₱6,246,813
Maintenance cost	3,714,134	3,479,255
	₱11,661,733	₱9,726,068

Maintenance cost pertains to supplies and repairs and maintenance on building and equipment.

13. Related Party Transactions

This Company's related parties include the former Parent Company and related parties under common ownership.

The summary of the Company's transactions with its related parties for the nine months ended September 30, 2023 and 2022 and the related outstanding balances as of September 30, 2023 and December 31, 2022 are presented below.

	September 30, 2023		Terms	Conditions
	Amount/ Volume	Receivable (Payable)		
Former Parent Company				
a) Receivable from sale of assets (Note 5)	₱-	₱149,875,840	Non-interest bearing; due and demandable	Unsecured; no impairment
Related Parties under Common Ownership				
b) Due from affiliates				
• Rental revenue	-	5,398	Three to five-year lease terms at prevailing market lease rate; renewable at the end of lease term	Unsecured; no impairment
c) Cash (Note 4)				
• Cash in banks	39,935,103	100,272,159	Interest bearing at prevailing market rate; due and demandable	Unsecured; no impairment
• Short-term investments	70,945,797	451,455,329	Interest bearing at prevailing market rate; due and demandable	Unsecured; no impairment
• Interest income	13,952,285	511,597	-	-

	December 31, 2022		Terms	Conditions
	Amount/ Volume	Receivable (Payable)		
Former Parent Company				
a) Receivable from sale of assets (Note 5)	₱-	₱149,875,840	Non-interest bearing; due and demandable	Unsecured; no impairment
Under common control of the Ultimate Parent Company				
b) Due from affiliates				
• Rental revenue	-	5,398	Three to five-year lease terms at prevailing market lease rate; renewable at the end of lease term	Unsecured; no impairment
c) Cash (Note 4)				
• Cash in banks	(18,942,142)	60,337,056	Interest bearing at prevailing market rate; due and demandable	Unsecured; no impairment
• Short-term investments	178,779,284	380,509,532	Interest bearing at prevailing market rate; due and demandable	Unsecured; no impairment
• Interest income	5,071,225	297,320	-	-

Outstanding balances consist of the following:

	September 30, 2023	December 31, 2022
Cash and cash equivalents (Note 4)	₱551,727,488	₱440,846,588
Receivable from sale of assets (Note 5)	149,875,840	149,875,840
Due from affiliates	5,398	5,398

The Company's outstanding receivables from and payables to related parties arising from the above transactions are payable or collectible on demand, unsecured and noninterest-bearing. Such receivables were deemed not impaired by the management.

14. Commitments and Contingencies

Operating lease commitments - Company as lessor

The Company is a lessor under non-cancellable operating lease agreements covering investment properties. The leases have a term of at least one year with renewal options upon mutual written agreement between the parties, and include annual escalation in rental rates. The total rentals from these operating leases amounted to ₱124.40 million and ₱113.00 million for the nine months ended September 30, 2023 and 2022, respectively, and is presented as part of Revenues in the interim condensed statements of comprehensive income.

There are other commitments and contingent liabilities that may arise in the normal course of the Company's operations that are not reflected in the interim condensed financial statements. Management is of the opinion that losses, if any, from these items will not have a material effect on the Company's interim condensed financial statements.

15. Categories and Fair Values of Financial Assets and Financial Liabilities

15.1 Carrying Amounts and Fair Values by Category

The fair values of cash and cash equivalents, receivables, due from affiliates, utility deposits under other current assets and deposits and other liabilities, accounts payable and accrued expenses (excluding taxes and licenses payable) and due to affiliates are approximately equal to their carrying amounts as of the reporting date due to the short-term nature of the transactions.

The fair value of deposits and other liabilities amounting to ₱41.85 million and ₱41.78 million as of September 30, 2023 and December 31, 2022, respectively, are based on the discounted value of future cash flows using the applicable rates for similar types of financial liabilities. The discount rates used range from 5.92% to 6.55% and 4.29% to 6.67% for the periods ended September 30, 2023 and December 31, 2022, respectively.

15.2 Fair Value Hierarchy

In accordance with PFRS 13, Fair Value Measurement, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally accepted pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Company uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument is observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

The Company has no financial assets or financial liabilities measured at fair value as of September 30, 2023 and December 31, 2022.

ALTUS PROPERTY VENTURES, INC. (Formerly Altus San Nicolas Corp.)**AGING OF RECEIVABLES****As of September 30, 2023**

	Neither Past		Past Due But Not Impaired				Past Due and Impaired
	Total	Due Nor Impaired	Less than 30 Days	30 to 60 Days	61 to 90 Days	Over 90 Days	
Receivable from sale of assets	₱149,875,840	₱-	₱-	₱-	₱-	₱149,875,840	₱-
Trade	15,041,360	1,126,819	1,835,982	1,762,705	1,051,500	9,264,354	-
Accrued rent receivable	3,529,057	3,529,057	-	-	-	-	-
Others	1,969,747	511,714	-	-	-	1,458,033	-
	₱170,416,004	₱5,167,590	₱1,835,982	₱1,762,705	₱1,051,500	₱160,598,227	₱-

ALTUS PROPERTY VENTURES, INC. (Formerly Altus San Nicolas Corp.)
FINANCIAL SOUNDNESS INDICATORS

	<u>September 30, 2023</u>		<u>December 31, 2022</u>	
Current Ratio				
<u>Current Assets</u>	<u>729,629,284</u>	6.21	<u>612,265,797</u>	5.33
Current Liabilities	117,429,770		114,841,808	
Solvency Ratio				
<u>Net Income after Tax + Non-cash Expenses</u>	<u>110,877,810</u>	0.79	<u>83,113,734</u>	0.63
Total Liabilities	139,721,936		131,110,278	
Debt-to-Equity Ratio				
<i>Not applicable. The Company has no borrowings as of September 30, 2023 and December 31, 2022.</i>				
Asset-to-Equity Ratio				
<u>Total Assets</u>	<u>1,022,565,241</u>	1.16	<u>911,426,072</u>	1.17
Total Equity	882,843,305		780,315,794	
Book Value Per Share				
<u>Total Equity</u>	<u>882,843,305</u>	₱8.83	<u>780,315,794</u>	₱7.80
Number of Shares Outstanding	100,000,000		100,000,000	

	<u>September 30, 2023</u>		<u>September 30, 2022</u>	
Return on Asset				
<u>Net Income*</u>	<u>133,907,961</u>	13.10%	<u>100,305,506</u>	11.35%
Total Assets**	1,022,565,241		884,108,042	
Return on Equity				
<u>Net Income*</u>	<u>133,907,961</u>	15.17%	<u>100,305,506</u>	13.40%
Total Equity**	882,843,305		748,502,648	
Interest Rate Coverage Ratio				
<i>Not applicable. The Company does not have any financial indebtedness as of September 30, 2023 and December 31, 2022.</i>				
Debt Service Coverage Ratio				
<i>Not applicable. The Company does not have any financial indebtedness and interest accruing there on as of September 30, 2023 and December 31, 2022.</i>				
Earnings Per Share				
<u>Net Income</u>	<u>102,527,511</u>	₱1.03	<u>76,577,783</u>	₱0.77
Weighted Average No. of Shares	100,000,000		100,000,000	
Operating Margin Ratio				
<u>Operating Income</u>	<u>112,543,461</u>	0.74	<u>98,318,578</u>	0.71
Total Revenues	151,411,990		139,150,958	

*Last 12 months basis

**As of September 30, 2023 and 2022