GT CAPITAL
HOLDINGS, INCORPORATED

May 16, 2022

Securities and Exchange Commission
Ground Floor Secretariat Building
PICC Complex, Roxas Boulevard
Pasay City, 1307

Attention: **Atty. Rachel Esther J. Gumtang-Remalante**
Director - Corporate Governance and Finance Department

Philippine Stock Exchange, Inc.
6/F PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **Ms. Alexandra D. Tom Wong**
Officer-In-Charge - Disclosure Department

Subject: Submission of 17Q Report as of March 31, 2022

Gentlemen /Mesdames:

In line with the reportorial requirements of the Securities Regulation Code and the Revised Disclosure Rules, we hereby submit the attached 2022 First Quarter Report on SEC Form 17-Q.

Very truly yours,

Francisco H. Suarez, Jr.
Chief Finance Officer

43rd Floor, GT Tower International, 6813 Ayala Avenue corner H.V. Dela Costa Street, 1227 Makati City, Philippines
Tel: +632 836-4500 • Fax: +632 836-4159 • E-mail: gtcap@gtcapital.com.ph

COVER SHEET

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S.E.C. Registration Number

G T   C A P I T A L   H O L D I N G S ,   I N C .   A N D

S U B S I D I A R I E S

(Company's Full Name)

G T   T O W E R   I N T E R N A T I O N A L ,   A Y A L A

A V E N U E   C O R N E R   H . V .   D E L A   C O S T A

S T R E E T ,   M A K A T I   C I T Y

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

FH Suarez, Jr. / RP Manon-og

Contact Person

8836-4500

Company Telephone Number

1 2 | 3 1

Month | Day

Fiscal Year

1 7 - Q

FORM/TYPE

2nd Wednesday in May of each year

Month | Day

Annual Meeting

N A

Secondary License Type, If Applicable

SEC General Accountant &

M S R D

Dept. Requiring this Doc.

N A

Amended Articles Number/Section

As of March 31, 2022

90

Total No. of Stockholders

Total Amount of Borrowings

Domestic | Foreign

To be accomplished by SEC Personnel concerned.

File Number

LCU

Document I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended: **March 31, 2022**

2. Commission identification number: **CS200711792**

3. BIR Tax Identification No.: **006-806-867**

4. Exact name of issuer as specified in its charter: **GT CAPITAL HOLDINGS, INC.**

5. Province, country or other jurisdiction of incorporation or organization: **Metro Manila, Philippines**

6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office: **43/F GT Tower International, Ayala Avenue corner H.V. de la Costa Street, Makati City Postal Code: 1227**

8. Issuer's telephone number, including area code: **632 8836-4500; Fax No: 632 8836-4159**

9. Former name, former address and former fiscal year, if changed since last report: **Not applicable**

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

a) Shares of Stock

Title of Each Class	Number of Shares of Outstanding Common Stock
Common Stock -Php10.00 par value	**215,284,587 shares**
Series A Perpetual Preferred Shares (GTPPA)	**4,839,240 shares**
Series B Perpetual Preferred Shares (GTPPB)	**7,160,760 shares**

b) Debt Securities: Php10.1 Billion Bonds*

Title of Each Class	Amount of Debt Outstanding
Corporate Retail Bonds	**Php10.1 billion**

**amount represents only the debt of GT Capital Holdings, Inc. registered with Philippine SEC*

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

Type of Shares	**Stock Exchange**
Common Shares	Philippine Stock Exchange
GTPPA	Philippine Stock Exchange
GTPPB	Philippine Stock Exchange
Corporate Retail Bonds	Philippine Dealing and Exchange Corporation

The Corporation's Voting Preferred Shares are not listed in any stock exchange.

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code 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 the registrant was required to file such reports). Yes [**X**] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days. Yes [**X**] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please see attached Interim Condensed Consolidated Financial Statements and General Notes to Interim Condensed Consolidated Financial Statements (Refer to Annex A) and Financial Soundness Indicators (Refer to Annex B).

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

Consolidated Results of Operations- For the Quarter Ended March 31, 2022 and For the Quarter Ended March 31, 2021

GT CAPITAL CONSOLIDATED STATEMENTS OF INCOME	UNAUDITED Quarter Ended		Increase(Decrease)	
(In millions, except for Percentage)	**2022**	2021	**Amount**	**Percent**
REVENUE				
Automotive operations	**47,682**	38,621	9,061	23%
Equity in net income of associates and joint ventures	**4,219**	4,013	206	5%
Real estate sales and interest income on real estate sales	**1,833**	1,668	165	10%
Rent income	**307**	341	(34)	(10%)
Sale of goods and services	**186**	122	64	52%
Commission income	**118**	63	55	87%
Interest income	**8**	43	(35)	(81%)
Other income	**938**	482	456	95%
	55,291	45,353	9,938	22%
COST AND EXPENSES				
Cost of goods and services sold	**35,822**	26,312	9,510	36%
Cost of goods manufactured	**7,106**	7,751	(645)	(8%)
General and administrative expenses	**3,559**	3,166	393	12%
Interest expense	**1,620**	1,471	149	10%
Cost of real estate sales	**876**	715	161	23%
Cost of rental	**174**	162	12	7%
	49,157	39,577	9,580	24%
INCOME BEFORE INCOME TAXES	**6,134**	5,776	358	6%
PROVISION FOR INCOME TAX	**659**	773	(114)	(15%)
NET INCOME	**5,475**	5,003	472	9%
ATTRIBUTABLE TO:				
Equity holders of the parent company	**4,361**	4,071	290	7%
Non-controlling interests	**1,114**	932	182	20%
	5,475	5,003	472	9%

Net income attributable to equity holders of the Parent Company grew by 7% from Php4.07 billion in the first quarter of 2021 to Php4.36 billion in the same period of 2022. The increase was principally due to the 22% growth in consolidated revenues with major growth registered in auto sales (+23%) and equity in net income of associates and joint ventures (+5%).

Core net income in the first quarter of 2022 amounted to Php3.99 billion, after deducting the Php0.42 billion non-recurring gains earned by the Group mainly coming from Metro Pacific Investments Corporation's ("MPIC") reversal of aggregate impairments upon consolidation of one of its investments, and adding back the Php0.05 billion amortization of fair value adjustments arising from various business combinations. Core net income in the first quarter of 2021 amounted to Php3.38 billion, after deducting the Php0.69 billion pro-rata non-recurring gains earned by MPIC, net of the amortization of fair value adjustments arising from various business combinations.

The financial statements of Federal Land Inc. ("Federal Land"), Toyota Motor Philippines Corporation ("TMP"), Toyota Manila Bay Corporation ("TMBC") and GT Capital Auto and Mobility Holdings, Inc. ("GTCAM") are consolidated in the financial statements of the Group. The investments in other component companies Metropolitan Bank and Trust Company ("Metrobank"), Philippine AXA Life Insurance Corporation ("AXA Philippines"), Toyota Financial Services Philippines Corporation ("TFSPC"), MPIC and Sumisho Motor Finance Corporation ("SMFC") are reported through equity accounting.

Of the nine (9) component companies, TMP, TMBC, GTCAM, Metrobank, AXA Philippines, TFSPC and SMFC posted growth in net income for the period in review, while Federal Land and MPIC reported net income declines.

Automotive operations comprising the sale of assembled and imported auto vehicles and spare parts grew by 23% from Php38.62 billion in the first quarter of 2021 to Php47.68 billion in the same period of 2022 due to an 18% increase in wholesale volume from 33,574 units to 39,685 units.

Equity in net income of associates and joint ventures increased by 5% from Php4.01 billion in the first quarter of 2021 to Php4.22 billion in the same period of 2022 primarily due to significant increases in the net income of the following associates:

1. Metrobank by Php0.22 billion from Php7.78 billion to Php8.00 billion due to Php0.46 billion decrease in provisions for credit and impairment losses; and
2. TFSPC by Php0.30 billion from a net loss of Php0.08 billion to a net income of Php0.23 billion for the first quarter of 2022 arising from the increase in interest income in the first quarter of 2022 and the decrease in provisions for credit losses and ROPA losses.

Real estate sales and interest income from real estate sales grew by 10% from Php1.67 billion to Php1.83 billion due to intensified construction activities across all ongoing projects and equity payments from unit buyers of Federal Land.

Rent income declined by 10% from Php0.34 billion to Php0.31 billion primarily due to rent concessions provided to various tenants.

Sale of goods and services increased by 52% or Php63.91 million due to higher fuel sales and sales of food franchises arising from the easing of quarantine restrictions.

Commission income increased by Php55.40 million from Php62.87 million in the first quarter of 2021 to Php118.27 million in the same period of 2022 due to an increase in booked sales of Federal Land arising also from the easing of quarantine restrictions.

Interest income declined by 81% from Php42.63 million in the first quarter of 2021 to Php8.28 million in the same period of 2022 due to lower time deposit placements and lower placement rates.

Other income grew by 95% or Php0.46 billion mostly due to the tax incentives utilized by TMP in the first quarter of 2022 from the Comprehensive Automotive Resurgence Strategy (CARS) program of the government.

Consolidated costs and expenses increased by 24% from Php39.58 billion in the first quarter of 2021 to Php49.16 billion in the same period of 2022. TMP contributed Php39.63 billion comprising cost of goods sold for manufacturing and trading activities, general and administrative expenses and interest expenses. TMBC contributed Php4.74 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. Federal Land contributed Php2.39 billion consisting of cost of real estate sales, cost of goods and services sold, general and administrative expenses, cost of rental and interest expenses. GTCAM contributed Php1.21 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. GT Capital Parent Company accounted for the balance of Php1.19 billion consisting of interest expenses and general and administrative expenses.

Cost of goods and services sold grew by 36% from Php26.31 billion to Php35.82 billion relative to the increase in automotive sales.

Cost of goods manufactured comprising cost of materials, labor and overhead incurred in the assembly of vehicles by TMP decreased by Php0.65 billion from Php7.75 billion to Php7.10 billion due to a decline in the overhead costs for assembled vehicles.

General and administrative expenses increased by 12% or Php0.39 billion mainly due to the foreign exchange losses and higher taxes in the first quarter of 2022.

Interest expense increased by 10% from Php1.47 billion to Php1.62 billion due to loan availments and lower lending rates in prior year.

Cost of real estate sales grew by 23% from Php0.72 billion to Php0.88 billion relative to the increase in real estate sales of Federal Land.

Cost of rental increased by 7% from Php0.16 billion to Php0.17 billion due to an increase in operating expenses incurred in the leasing business including taxes and licenses, depreciation, maintenance and other overhead expenses.

Provision for income tax decreased by Php0.11 billion from Php0.77 billion in the first quarter of 2021 to Php0.66 billion in the same period of 2022 due to the higher taxable income in the first quarter of 2021.

Net income attributable to non-controlling interest increased by Php0.18 billion from Php0.93 billion to Php1.11 billion due to an increase in net income of subsidiaries which are not wholly-owned.

Consolidated Statements of Financial Position- As of March 31, 2022 and As of December 31, 2021

GT CAPITAL CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	Unaudited	Audited	Increase(Decrease)	
(In Million Pesos, Except for Percentage)	March 2022	December 2021	Amount	Percent
ASSETS				
Current Assets				
Cash and cash equivalents	**15,353**	17,404	(2,051)	(12%)
Financial assets at fair value through profit or loss	**11,030**	8,712	2,318	27%
Receivables	**15,568**	15,852	(284)	(2%)
Contract assets	**5,911**	6,157	(246)	(4%)
Inventories	**80,527**	78,817	1,710	2%
Due from related parties	**117**	155	(38)	(25%)
Prepayments and other current assets	**14,548**	14,070	478	3%
Total Current Assets	**143,054**	141,167	1,887	1%
Noncurrent Assets				
Financial assets at fair value through other comprehensive income	**16,562**	16,311	251	2%
Receivables– net of current portion	**4,442**	3,766	676	18%
Contract assets – net of current portion	**6,871**	7,114	(243)	(3%)
Investment properties	**15,502**	15,646	(144)	(1%)
Investments in associates and joint ventures	**182,894**	186,187	(3,293)	(2%)
Property and equipment	**14,623**	14,918	(295)	(2%)
Goodwill and intangible assets	**10,015**	9,938	77	1%
Deferred tax assets	**1,149**	1,174	(25)	(2%)
Other noncurrent assets	**1,475**	1,573	(98)	(6%)
Total Noncurrent Assets	**253,533**	256,627	(3,094)	(1%)
	396,587	397,794	(1,207)	(0%)
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	**33,942**	34,203	(261)	(1%)
Contract liabilities	**3,299**	3,384	(85)	(3%)
Short-term debt	**7,742**	9,127	(1,385)	(15%)
Current portion of long-term debt	**9,310**	9,423	(113)	(1%)
Current portion of liabilities on purchased properties	**332**	304	28	9%
Customers' deposits	**1,000**	910	90	10%
Dividends payable	**1,088**	590	498	84%
Due to related parties	**197**	193	4	2%
Income tax payable	**319**	161	158	98%
Other current liabilities	**1,114**	1,316	(202)	(15%)
Total Current Liabilities	**58,343**	59,611	(1,268)	(2%)
Noncurrent Liabilities				
Long-term debt – net of current portion	**111,258**	112,755	(1,497)	(1%)
Bonds payable	**10,081**	10,077	4	0%
Liabilities on purchased properties - net of current portion	**1,247**	1,658	(411)	(25%)
Pension liabilities	**1,734**	1,629	105	6%
Deferred tax liabilities	**4,517**	3,232	1,285	40%
Other noncurrent liabilities	**3,755**	3,753	2	0%
Total Noncurrent Liabilities	**132,592**	133,104	(512)	(0%)
	190,935	192,715	(1,780)	(1%)

(forward)

GT CAPITAL CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	Unaudited	Audited	Increase(Decrease)	
(In Million Pesos, Except for Percentage)	March 2022	December 2021	Amount	Percent
EQUITY				
Equity attributable to equity holders of the Parent Company				
Capital stock	**3,370**	3,370	–	0%
Additional paid-in capital	**98,827**	98,827	–	0%
Retained earnings				
Unappropriated	**92,696**	88,982	3,714	4%
Appropriated	**400**	400	–	0%
Other comprehensive income (loss)	**(4,089)**	143	(4,232)	(2959%)
Other equity adjustments	**2,322**	2,322	–	0%
	193,526	194,044	(518)	(0%)
Non-controlling interest	**12,126**	11,035	1,091	10%
Total Equity	**205,652**	205,079	573	0%
	396,587	397,794	(1,207)	(0%)

The major changes in GT Capital's consolidated balance sheet from December 31, 2021 to March 31, 2022 are as follows:

Consolidated assets declined by Php1.21 billion from Php397.79 billion as of December 31, 2021 to Php396.59 billion as of March 31, 2022. Total liabilities decreased by Php1.78 billion from Php192.72 billion to Php190.94 billion while total equity increased by Php0.57 billion from Php205.08 billion to Php205.65 billion.

ASSETS

Cash and cash equivalents decreased by Php2.05 billion from Php17.40 billion to Php15.35 billion with TMP, GT Capital, Federal Land, GTCAM and TMBC accounting for Php8.49 billion, Php4.04 billion, Php2.09 billion, Php0.38 billion, and Php0.35 billion, respectively.

Financial assets at fair value through profit or loss increased by Php2.32 billion from Php8.71 billion to Php11.03 billion due to additional investments in unit investment trust placement by the Parent Company.

Due from related parties declined by Php37.81 million due to the collection of management fees by Federal Land from its related parties.

Noncurrent portion of receivables grew by 18% or Php0.68 billion due to an increase in the long-term receivables of Federal Land.

Other noncurrent assets dropped by 6% from Php1.57 billion to Php1.48 billion due to decline deposits in rental, utilities, guarantee, and construction bonds.

LIABILITIES

Short-term debt decreased by Php1.39 billion from Php9.13 billion to Php7.74 billion due to Php12.84 billion loan payments made during the period, offset by Php11.45 billion new loan availments.

Current portion of liabilities on purchased properties increased by 9% from Php0.30 billion to Php0.33 billion due to the reclassifications from noncurrent portion.

Customers' deposit grew by 10% from Php0.91 billion to Php1.00 billion with TMP, TMBC, and GTCAM accounting for Php0.52 billion, Php0.43 billion, Php0.05 billion, respectively.

Dividends payable grew by Php0.50 billion from Php0.59 billion to Php1.09 billion due to dividends payable to common shareholders, offset by the payment of dividends to Perpetual Preferred Shares (Series "A" and "B") dividends in January 2022.

Income tax payable increased by 98% from Php0.16 billion to Php0.32 billion due to the accrual of income tax computed for the quarter ending March 31, 2022 for remittance in May 2022, on top of the income tax computed for the 4th quarter of 2021 for remittance in April 2022.

Other current liabilities dropped by 15% from Php1.32 billion to Php1.11 billion with TMP, Federal Land, and TMBC accounting for Php0.63 billion, Php0.37 billion, Php0.06 billion, respectively. GT Capital and GTCAM contributed the remaining balance of Php0.04 billion.

Non-current portion of liabilities on purchased properties decreased by Php0.41 billion due to the reclassification to current portion and amortization of deferred financing cost.

Pension liabilities increased by 6% from Php1.63 billion to Php1.73 billion due to the accrual of retirement expenses for the period.

Deferred tax liabilities grew by 40% or Php1.29 billion due to the Parent Company's deferred tax liabilities on the net unrealized gain on financial assets at Fair Value Other Comprehensive Income.

EQUITY

Unappropriated retained earnings increased by Php3.71 billion from Php88.98 billion to Php92.70 billion arising from the Php4.36 billion consolidated net income earned attributable to the Parent Company in the first quarter of 2022, net of Php0.65 billion cash dividends declared.

Other comprehensive loss amounted to Php4.09 billion versus other comprehensive income of Php142.75 million as of December 31, 2021 due to the marked-to-market losses on financial assets at FVOCI of the Group.

Non-controlling interest (NCI) increased by 10% from Php11.04 billion to Php12.13 billion mainly due to higher net income of subsidiaries which are not wholly-owned.

Key Performance Indicators (In Million Pesos, except %)

Income Statement	March 31, 2021	March 31, 2022
Total Revenues	45,353	55,291
Net Income attributable to GT Capital Holdings	4,071	4,361
Balance Sheet	**December 31, 2021**	**March 31, 2022**
Total Assets	397,794	396,587
Total Liabilities	192,715	190,935
Equity attributable to GT Capital Holdings	194,044	193,526
Return on Equity	5.87%*	8.17%*

** Core net income attributable to GT Capital's common stockholders divided by the average equity; where average equity is the sum of equity attributable to GT Capital's common stockholders at the beginning and end of the period/year divided by 2. December 31, 2021 is full year while March 31, 2022 is annualized.*

Automobile Assembly and Importation, Dealership and Financing

Toyota Motor Philippines (TMP)

	In Million Pesos, except for percentages and ratios			
	1Q 2021	**1Q 2022**	**Inc (Dec)**	**%**
Sales	33,924.3	42,147.4	8,223.1	24.2
Gross Profit	4,209.6	4,401.7	192.1	4.6
Operating Profit	2,287.1	2,473.4	186.3	8.1
Net income attributable to Parent	1,987.9	2,069.8	81.9	4.1
	FY 2021	**1Q 2022**		**%**
Total Assets	44,936.6	43,745.4	(1,191.1)	(2.7)
Total Liabilities	32,083.9	28,751.5	(3,332.3)	(10.4)
Total Equity	12,852.7	14,993.9	2,141.2	16.7
Total Liabilities to Equity ratio*	2.5x	1.9x		

**Total Liabilities to Equity ratio is a measure of the company's financial leverage which is calculated by dividing total liabilities by total equity*

TMP's consolidated sales increased from Php33.9 billion in the first quarter of 2021 to Php42.1 billion in the same period of 2022 as wholesales volume increased by 18.2% from 33,574 to 39,685 units. TMP's retail sales volume increased by 12.5% - from 33,095 units to 37,230 units.

Retail sales volume outperformed industry which increased by 0.8% from 74,585 units to 75,194 units. As a result, TMP market share improved from 44.4% last year to 49.5% in 2022.

The year-on-year bookings grew as a result of less stringent quarantine restrictions and the introduction of new models. The increased appetite of banks for auto loans helped sustain growth year-on-year.

Gross profit margin declined from 12.4% to 10.4% in the first quarter of 2022 due to weaker peso vs. the US dollar and the rising cost of materials. This was cushioned by operating expense management which limited the operating profit margin contraction to 0.9% from 6.7% to 5.9%. Consolidated net income attributable to equity holders saw a 4.1% increase from Php2.0 billion to Php2.1 billion as volume growth was cushioned by the decrease in margins.

As of March 31, 2022, TMP directly owns six (6) dealer outlets namely Toyota Makati with one (1) branch Toyota Bicutan, Toyota San Fernando in Pampanga with two (2) branches in Plaridel Bulacan and Toyota Tarlac in Tarlac City, Lexus Manila, situated in Bonifacio Global City, Taguig City.

Toyota Manila Bay Corporation (TMBC)

	In Million Pesos, except for percentages and ratios			
	1Q 2021	**1Q 2022**	**Inc (Dec)**	**%**
Net Sales	3,807.8	4,806.3	998.5	26.2
Gross Profit	349.2	447.6	98.5	28.2
Net Income*	44.6	61.9	17.3	38.8
	FY 2021	**1Q 2022**		
Total Assets	6,080.3	5,948.2	(132.1)	(2.2)
Total Liabilities	3,440.4	3,245.2	(195.3)	(5.7)
Total Equity	2,639.8	2,703.1	63.2	2.4

**Note: Includes booked commission income from insurance*

Consolidated sales increased by 26.2% from Php3.8 billion in the first quarter of 2021 to Php4.8 billion in the first quarter of 2022. The increase was driven by higher volume and improved models mix. Penetration rate grew slightly from 9.6% in the first quarter of 2021 to 9.9% in the same period in 2022.

Retail sales volume increased by 16.4% from 3,175 to 3,697 units. Revenue from after sales services which accounts for 8.2% of total revenues increased by 4.1% in line with the growth in units serviced.

TMBC's consolidated net income grew by 38.8% from Php44.6 million in the first quarter of 2021 to Php61.9 million in 2022 as volume and margins recovered.

TMBC currently owns five (5) dealer outlets namely Toyota Manila Bay, Toyota Abad Santos, Toyota Cubao and Toyota Marikina, all situated within Metro Manila; and Toyota Dasmariñas in Cavite.

Toyota Financial Services Philippines Corporation (TFSPC)

	In Million Pesos, except for percentages and ratios			
	1Q 2021	**1Q 2022**	**Inc (Dec)**	**%**
Gross Interest Income	2,042.2	2,545.8	503.6	24.7
Net Interest Income	976.3	1,391.1	414.8	42.5
Net Income	(76.8)	227.1	303.8	395.8
	1Q 2021	**1Q 2022**	**Inc (Dec)**	**%**
Total Assets	107,368.2	121,288.4	13,920.2	13.0
Total Equity	11,505.3	14,312.4	2,807.1	24.4
Finance Receivable	100,068.6	112,147.5	12,078.9	12.1

TFSPC recorded a 24.7% growth in gross interest income from Php2.0 billion to Php2.5 billion, as finance receivables increased by 12.1% from Php100.1 billion to Php112.1 billion in the first quarter of 2022. The year-on-year increase in the loans receivables was a result of the cumulative growth in bookings during the pandemic.

Booking volume, however, declined by 23.2% from 16,635 units in the first quarter of 2021 to 12,780 units in the same period in 2022, while TMP sales grew by 12.5% from 33,095 units to 37,230 units. The lower booking is attributable to the stronger competition amongst other financial institutions. . This resulted to a reduction in penetration rate from 50.3% to 34.3% in the first quarter of 2022.

TFSPC generated a net income of Php227.1 million from a net loss position in the same period of last year due to the decline in provision for credit losses and lower ROPA losses incurred in the first quarter of 2022.

Sumisho Motor Finance Corporation (SMFC)

	In Million Pesos, except for percentages and ratios			
	1Q 2021	**1Q 2022**	**Inc (Dec)**	**%**
Gross Interest Income	429.1	393.0	(36.0)	(8.4)
Net Interest Income	366.8	357.0	(9.7)	(2.7)
Net Income	26.1	113.5	87.4	334.2
	FY 2021	**1Q 2022**	**Inc (Dec)**	**%**
Total Assets	6,498.4	6,472.6	(25.8)	(0.4)
Total Equity	2,572.0	2,709.2	137.2	5.3
Finance Receivable	5,460.1	5,415.9	(44.2)	(0.8)

SMFC recorded 8.4% decline in gross interest income from Php429.1 million to Php393.0 million, as finance receivable declined by 0.8% from Php5.46 billion as of December 2021 to Php5.42 billion as of the first quarter of 2022. Bookings, likewise, declined by 13.5% from 13,088 units to 11,317 units due to the community quarantine restrictions imposed arising from the Omicron surge in January 2022.

SMFC booked lower provisions for credit losses in the first quarter of 2022 arising from the improvement in overdue levels. This resulted in a 334.2% growth in net income from Php26.1 million to Php113.5 million in the first quarter of 2022.

Banking

	In Billion Pesos, except for percentages and ratios			
	1Q 2021	**1Q 2022**	**Inc (Dec)**	**%**
Net income attributable to equity holders	7.8	8.0	0.2	2.7
Net interest margin on average earning assets	3.52%	3.32%		(0.20)
Operating efficiency ratio	54.6%	54.1%		(0.5)
Return on average assets	1.3%	1.2%		0.1
Return on average equity	9.9%	10.3%		0.4

	FY 2021	**1Q 2022**	**Inc (Dec)**	**%**
Total assets	2,502.8	2,643.8	141.0	5.6
Total liabilities	2,175.1	2,330.7	155.6	7.2
Equity attributable to equity holders of the parent company	318.5	303.8	(14.7)	(4.6)
Tier 1 capital adequacy ratio	19.3%	17.6%		(1.7)
Total capital adequacy ratio	20.1%	18.5%		(1.6)
Non-performing loans ratio	2.2%	2.2%		0.0
Non-performing loans coverage ratio	174.7%	179.0%		4.3

Notes:

(1) Operating efficiency ratio is the ratio of total operating expenses (excluding provisions for credit and impairment loss and income tax) to total operating income (excluding share in net income of associates and joint venture).

(2) Return on average asset is the net income attributable to equity holders of the parent company divided by the average total assets

(3) Return on average equity is the net income attributable to equity holders of the parent company divided by the average total equity attributable to equity holders of the parent company

(4) Capital adequacy ratios as of December 31, 2021 and March 31, 2022 were computed based on Basel III standards.

(5) Non-performing loans ratio is the ratio of net non-performing loans divided by total loans – excluding interbank loans.

(6) Non-performing loans coverage ratio is the ratio of the total allowance for probable losses on loans divided by gross non-performing loans

Metrobank's consolidated net income increased by 2.7% from Php7.8 billion for the first quarter of 2021 to Php8.0 billion for the first quarter of 2022. Net interest income grew by 1.4%, comprising 69.9% of total operating income. This was primarily driven by the interest income on investment securities partially offset by the lower interest income on loans and receivables arising from the contraction in net interest margin from 3.52% to 3.32%. On the other hand, non-interest income continued to increase by 4.7% from Php7.9 billion for the first quarter of 2021 to Php8.3 billion for the first quarter of 2022 on account of the higher fee-based income and miscellaneous income by 8.2% and 39.3%, respectively, partially offset by the 20.0% decline in net trading and securities gains.

As a result, total operating income increased by 2.4% from Php27.0 billion for the first quarter of 2021 to Php27.6 billion for the first quarter of 2022. The Bank set aside Php2.1 billion in provisions for credit and impairment losses, 18.3% lower versus the Php2.5 billion booked in the same period last year.

Total assets went up from Php2.50 trillion as of December 31, 2021 to Php2.64 trillion as of the first quarter of 2022 due to the increase in due from Bangko Sentral ng Pilipinas, due from other banks, interbank loans receivable and securities purchased under resale agreements, investment securities and other assets, partially offset by the decline in cash and other cash items and net loans and receivables.

Total liabilities also grew from Php2.18 trillion to Php2.33 trillion due to increases in deposit liabilities, bills payable and securities sold under repurchase agreements, derivative liabilities, manager's checks and demand drafts outstanding, accrued interest and other expenses and income taxes payable.

Equity attributable to equity holders of the parent company declined by 4.6% from Php318.5 billion as of December 31, 2021 to Php303.8 billion as of the first quarter of 2022 primarily due to the Php13.5 billion total cash dividends paid by the Bank and the net unrealized loss on investments securities at FVOCI recognized during the year, offset by the net income reported during the period.

Property Development

Federal Land Inc.

	In Million Pesos, except for percentages and ratios			
	1Q 2021	**1Q 2022**	**Inc(Dec)**	**%**
Real estate sales*	1,649.5	1,814.9	165.4	10.0
Revenues	2,420.0	2,833.8	413.8	17.1
Net income attributable to equity holders of the parent	327.3	311.2	(16.1)	(4.9)
	FY 2021	**1Q 2022**	**Inc(Dec)**	**%**
Total assets	113,508.4	113,027.5	(480.8)	(0.4)
Total liabilities	76,268.7	75,470.4	(798.3)	(1.0)
Total equity attributable to equity holders of the parent	37,100.4	37,411.6	311.2	0.8
Current ratio[1]	3.4x	3.2x		
Debt to equity ratio[2]	1.4x	1.4x		

** Includes interest income on real estate sales*

Notes:

(1) Current ratio is the ratio of total current assets divided by total current liabilities.

(2) Debt to equity ratio is the ratio of total loans divided by total equity attributable to equity holders of the parent company

Federal Land's reservation sales increased by 15% to Php4.2 billion in the first quarter of 2022 as real estate demand started to pick up especially for luxury projects. Together with Nomura Real Estate Development and Isetan Mitsukoshi Holdings Ltd., Federal Land launched the third residential tower of The Seasons Residences – Aki Tower in February 2022.

Real estate sales posted a 10.0% growth year-on-year due to strong incremental percentage-of-completion and improving equity collection. Revenue growth was higher at 17.1% due to higher income from the joint ventures, sales of goods and services, and income from forfeitures, interest and penalty charges.

Net income attributable to equity holders of the parent was Php0.3 billion in the first quarter of 2022, 4.9% lower year-on-year, due to the increase in borrowing cost and operating expenses.

Total assets of Federal Land ended at Php113.0 billion as of March 31, 2022 from Php113.5 billion as of December 31, 2021 mainly due to the movement in cash which was used to settle liabilities offset by the increase in inventories.

Life and Non-Life Insurance

Philippine AXA Life Insurance Corporation and Subsidiary (AXA Philippines)

The following are the major performance measures used by AXA Philippines and Subsidiary for the first quarter of 2021 and 2022.

In Million Pesos, except for percentages and ratios	**Consolidated**			
	1Q 2021	**1Q 2022**	**Inc (Dec)**	**%**
Gross Premiums	12,521.9	8,212.16	(4,309.7)	(34.4)
Net income after tax	323.9	426.6	102.7	31.7
	FY 2021	**1Q 2022**	**Inc (Dec)**	**%**
Total Assets	177,287.1	175,107.8	(2,179.3)	(1.2)
Total Liabilities	165,713.2	163,438.4	(2,274.8)	(1.4)
Total Equity	11,573.9	11,669.5	95.5	0.8
In Million Pesos, except for percentages and ratios	**Life (Stand-alone)**			
	1Q 2021	**1Q 2022**	**Inc (Dec)**	**%**
Gross Premiums	11,496.3	7,364.2	(4,132.1)	(35.9)
Net income after tax	511.6	428.3	(83.4)	(16.3)
	FY 2021	**1Q 2022**	**Inc (Dec)**	**%**
Total Assets	170,117.9	168,229.4	(1,888.5)	(1.1)
Total Liabilities	156,904.5	154,873.3	(2,031.2)	(1.3)
Total Equity	13,213.3	13,356.0	142.7	1.1
Solvency ratio[1]	182%	185%		

Notes:

(1) Solvency ratio is calculated as the insurance company's net worth divided by the Risk-based Capital (RBC) requirement of the Insurance Commission based on Memorandum Circular (IMC) No. 6-2006. Net worth shall include the company's paid-up capital, contributed and contingency surplus, and unassigned surplus.

New business from life insurance expressed in Annualized Premium Equivalent declined by 34.8% from Php1.8 billion in the first quarter of 2021 to Php1.1 billion in the first quarter of 2022. This came as a result of reduced mobility during the resumption of Alert Level 3 in January 2022 and lower investor confidence arising from uncertainties in the global market in the midst of Russia-Ukraine crisis. Consequently, premium revenue declined to Php7.4 billion in the first quarter of 2022, 35.9% lower year-on-year. The reported premium revenue mix of life insurance changed to 39%/61% (Single Premium vs. Regular Premium) in the first quarter of 2022 from 59%/41% in the first quarter of 2021. By distribution platform, bancassurance, sales agency and other channels accounted for 56%, 39% and 5% of premium revenues, respectively.

Charter Ping An Insurance Corporation (CPAIC) reported Php0.8 billion in gross written premiums in the first quarter of 2022 from Php1.0 billion in the first quarter of 2021 due to limited distribution during the surge of Omicron in January 2022.

Consolidated net income grew by 31.7% to Php0.4 billion in the first quarter of 2022 owing largely to lower attritional and property losses of CPAIC, partially offset by lower premium margins of AXA Philippines.

Infrastructure and Utilities

Metro Pacific Investments Corporation (MPIC)

	In Million Pesos, except for percentages			
	1Q 2021	**1Q 2022**	**Inc (Dec)**	**%**
Core net income	2,539	3,132	593	23
Net income attributable to equity holders	7,032	5,678	1,354	(19)
	FY 2021	**1Q 2022**	**Inc (Dec)**	**%**
Total assets	584,334	597,348	13,014	2
Total liabilities	347,469	357,533	10,064	3
Total equity attributable to owners of Parent Company	193,304	196,168	2,864	1

MPIC's share in the consolidated operating core income increased by 14% from Php3.8 billion for the first quarter of 2021 to Php4.3 billion for the first quarter of 2022 driven by the following:

- Higher traffic on toll roads; Core net income contribution of Metro Pacific Tollways Corporation (MPTC) to MPIC was Php1.2 billion, up 59% year-on-year;
- Lower operating expenses in Maynilad; Core net income contribution of Maynilad to MPIC was Php0.6 billion, up 15% year-on-year;
- Partially offset by limited light rail services; Core net loss contribution of Light Rail Manila Corporation (LRMC) to MPIC was Php0.1 billion.
- Meanwhile, Meralco's core net income contribution stood at Php2.5 billion, same level as last year.

Reported net income attributable to equity holders is lower by 19% from Php7.0 billion in the first quarter of 2021 to Php5.7 billion in the first quarter of 2022 due to the gain on sale of Global Business Power Corporation (Php4.6 billion) and Don Muang Tollways (Php1.1 billion) which was booked last year. Excluding non-recurring income or expenses, MPIC reported a core net income of Php3.1 billion in the first quarter of 2022 from Php2.5 billion in the first quarter of 2021.

Except for (ii), (iv) and (vii), the Company does not know of:

(i) Any known trends or any known demands, commitments, events, uncertainties that will result or that are reasonably likely in the Company's liquidity increasing or decreasing in any material way;

(ii) Any events that would trigger direct or contingent financial obligation (including contingent obligation) that is material to the Company, including any default or acceleration of an obligation except those disclosed in the notes to the financial statements;

(iii) Any material off balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons created during the reporting period;

(iv) Any material commitments for capital expenditures, their purpose and sources of funds for such expenditures, except those discussed in the 2021 17A;

(v) Any known trends, events or uncertainties that have had or are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations;

(vi) Any significant elements of income or loss that did not arise from the Company's continuing operations;

(vii) The causes of any material change from period to period including vertical and horizontal analysis of any material item, the causes of material changes are discussed in the Item 2, Management's Discussion & Analysis of Financial Condition and Results of operations under Part I - Financial Information ; and

(viii) Any seasonal aspects that had a material effect on financial condition or results of operation of the Company

GT CAPITAL HOLDINGS, INC.
AGING OF ACCOUNTS RECEIVABLE
IN MILLION PESOS
AS OF MARCH 31, 2022

Number of Days	Amount
Less than 30 days	Php1,704
30 days to 60 days	686
61 days to 90 days	586
91 days to 120 days	225
Over 120 days	348
Current	12,019
Impaired	833
Noncurrent receivables	4,442
Total	Php20,843

PART II – OTHER INFORMATION

I. Control of Registrant

The following stockholders own more than 5% of the total issued and outstanding common shares of the Company as of March 31, 2022:

Name Of Stockholder	Total Number Of Shares Held	Percent To Total Number Of Shares Issued
Grand Titan Capital Holdings, Inc.	120,413,658	55.9323%
PCD Nominee-Filipino	52,846,870	24.5474%
PCD Nominee-Non-Filipino	41,146,486	19.1126%

II. Board Resolutions

There is no material disclosure that have not been reported under SEC Form 17-C during the period covered by this report.

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: **GT Capital Holdings, Inc.**

Signature and Title:

Reyna Rose P. Manon-og Head, Accounting and Financial Control	**Francisco H. Suarez, Jr.** Chief Finance Officer

Date: May 16, 2022

GT Capital Holdings, Inc. and Subsidiaries

Interim Condensed Consolidated Financial Statements

As of March 31, 2022 (Unaudited) and December 31, 2021 (Audited) and for the quarters ended March 31, 2022 and 2021 (Unaudited)

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In Millions)

	Unaudited March 31, 2022	Audited December 31, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	**₱15,353**	₱17,404
Financial assets at fair value through profit or loss (FVTPL)	**11,030**	8,712
Receivables	**15,568**	15,852
Contract assets	**5,911**	6,157
Inventories	**80,527**	78,817
Due from related parties	**117**	155
Prepayments and other current assets	**14,548**	14,070
Total Current Assets	**143,054**	141,167
Noncurrent Assets		
Financial assets at fair value through other comprehensive income (FVOCI)	**16,562**	16,311
Receivables, net of current portion	**4,442**	3,766
Contract assets – net of current portion	**6,871**	7,114
Investment properties	**15,502**	15,646
Investments in associates and joint ventures	**182,894**	186,187
Property and equipment	**14,623**	14,918
Goodwill and intangible assets	**10,015**	9,938
Deferred tax assets	**1,149**	1,174
Other noncurrent assets	**1,475**	1,573
Total Noncurrent Assets	**253,533**	256,627
	₱396,587	₱397,794
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables	**₱33,942**	₱34,203
Contract liabilities	**3,299**	3,384
Short term debt	**7,742**	9,127
Current portion of long-term debt	**9,310**	9,423
Current portion of liabilities on purchased properties	**332**	304
Customers' deposits	**1,000**	910
Dividends payable	**1,088**	590
Due to related parties	**197**	193
Income tax payable	**319**	161
Other current liabilities	**1,114**	1,316
Total Current Liabilities	**58,343**	59,611
Noncurrent Liabilities		
Long-term debt – net of current portion	**111,258**	112,755
Bonds payable	**10,081**	10,077
Liabilities on purchased properties - net of current portion	**1,247**	1,658
Pension liabilities	**1,734**	1,629
Deferred tax liabilities	**4,517**	3,232
Other noncurrent liabilities	**3,755**	3,753
Total Noncurrent Liabilities	**132,592**	133,104
	190,935	192,715

(forward)

	Unaudited March 31, 2022	Audited December 31, 2021
EQUITY		
Equity attributable to equity holders of the Parent Company		
Capital stock	**₱3,370**	₱3,370
Additional paid-in capital	**98,827**	98,827
Retained earnings		
Unappropriated	**92,696**	88,982
Appropriated	**400**	400
Other comprehensive income (loss)	**(4,089)**	143
Other equity adjustments	**2,322**	2,322
	193,526	194,044
Non-controlling interest	**12,126**	11,035
Total Equity	**205,652**	205,079
	₱396,587	₱397,794

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In Millions, Except Earnings Per Share)

	UNAUDITED	
	Quarters Ended March 31	
	2022	2021
REVENUE		
Automotive operations	**₱47,682**	₱38,621
Equity in net income of associates and joint ventures	**4,219**	4,013
Real estate sales and interest income on real estate sales	**1,833**	1,668
Rent income	**307**	341
Sale of goods and services	**186**	122
Commission income	**118**	63
Interest income	**8**	43
Other income	**938**	482
	55,291	45,353
COST AND EXPENSES		
Cost of goods and services sold	**35,822**	26,312
Cost of goods manufactured	**7,106**	7,751
General and administrative expenses	**3,559**	3,166
Interest expense	**1,620**	1,471
Cost of real estate sales	**876**	715
Cost of rental	**174**	162
	49,157	39,577
INCOME BEFORE INCOME TAXES	**6,134**	5,776
PROVISION FOR INCOME TAX	**659**	773
NET INCOME	**₱5,475**	₱5,003
ATTRIBUTABLE TO:		
Equity holders of the Parent Company	**₱4,361**	₱4,071
Non-controlling interests	**1,114**	932
	₱5,475	₱5,003
Basic/Diluted Earnings Per Share Attributable to Equity Holders of the Parent Company	**₱19.57**	₱18.23

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Millions)

	UNAUDITED	
	Quarters Ended March 31	
	2022	2021
NET INCOME	**₱5,475**	₱5,003
OTHER COMPREHENSIVE INCOME (LOSS)		
Items that may be reclassified to profit or loss in subsequent periods:		
Changes in cumulative translation adjustments	**4**	2
Changes in cash flow hedge reserves	**13**	8
Equity in other comprehensive income of associates:		
Cash flow hedge reserves	**(91)**	127
Remeasurement on life insurance reserves	**46**	(55)
Translation adjustments	**117**	(198)
Other equity adjustments	**–**	(21)
	89	(137)
Items that may not be reclassified to profit or loss in subsequent periods:		
Changes in fair value of financial assets at FVOCI	**(738)**	834
Equity in changes in fair value of financial assets at FVOCI of associates	**(3,566)**	(2,882)
Remeasurement of defined benefit plans	**(32)**	–
Equity in remeasurement of defined benefit plans of associates	**(1)**	(97)
Income tax effect	**8**	29
	(4,329)	(2,116)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX	**(4,240)**	(2,253)
TOTAL COMPREHENSIVE INCOME (LOSS), NET OF TAX	**₱1,235**	₱2,750
ATTRIBUTABLE TO:		
Equity holders of the Parent Company	**₱129**	₱1,810
Non-controlling interests	**1,106**	940
	₱1,235	₱2,750

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

AS OF MARCH 31, 2022 AND 2021 (UNAUDITED)

(In Millions)

	Equity Attributable to Equity Holders of the Parent Company								
	Capital Stock	**Additional Paid-in Capital**	**Unappropriated Retained Earnings**	**Appropriated Retained Earnings**	**Other Comprehensive Income (Loss)**	**Other Equity Adjustment**	**Total**	**Non-controlling Interests**	**Total**
At January 1, 2022	**₱3,370**	**₱98,827**	**₱88,982**	**₱400**	**₱143**	**₱2,322**	**₱194,044**	**₱11,035**	**₱205,079**
Total comprehensive income	–	–	**4,361**	–	**(4,232)**	–	**129**	**1,106**	**1,235**
Dividends declared	–	–	**(647)**	–	–	–	**(647)**	**(15)**	**(662)**
At March 31, 2022	**₱3,370**	**₱98,827**	**₱92,696**	**₱400**	**(₱4,089)**	**₱2,322**	**₱193,526**	**₱12,126**	**₱205,652**

	Equity Attributable to Equity Holders of the Parent Company								
	Capital Stock	Additional Paid-in Capital	Unappropriated Retained Earnings	Appropriated Retained Earnings	Other Comprehensive Income (Loss)	Other Equity Adjustment	Total	Non-controlling Interests	Total
At January 1, 2021	₱3,370	₱98,827	₱79,234	₱400	(₱853)	₱2,322	₱183,300	₱8,885	₱192,185
Total comprehensive income	–	–	4,071	–	(2,261)	–	1,810	940	2,750
Dividends declared	–	–	(646)	–	–	–	(646)	–	(646)
NCI share on acquisition of new subsidiaries	–	–	–	–	–	–	–	365	365
At March 31, 2021	₱3,370	₱98,827	₱82,659	₱400	(₱3,114)	₱2,322	₱184,464	₱10,190	₱194,654

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Millions)

	Unaudited	
	Quarters Ended March 31	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱6,134**	₱5,776
Adjustments for:		
Interest expense	**1,620**	1,471
Depreciation and amortization	**502**	629
Pension expense	**124**	80
Provision for impairment losses	**-**	34
Gain on disposal of property and equipment	**(7)**	(3)
Unrealized gain on financial assets at FVTPL	**(18)**	(5)
Unrealized foreign exchange losses	**292**	3
Interest income	**(236)**	(461)
Equity in net income of associates and joint ventures	**(4,219)**	(4,013)
Operating income before changes in working capital	**4,192**	3,511
Decrease (increase) in:		
Short-term investments	**-**	(83)
Receivables	**123**	4,954
Contract assets	**489**	487
Due from related parties	**38**	(450)
Inventories	**(1,631)**	2,260
Financial assets at FVTPL	**(2,293)**	(6,534)
Prepayments and other current assets	**(478)**	(260)
Increase (decrease) in:		
Accounts and other payables	**(1,201)**	(800)
Contract liabilities	**(85)**	(22)
Customers' deposits	**90**	225
Due to related parties	**3**	(296)
Other current liabilities	**(149)**	(31)
Cash provided by (used in) operations	**(902)**	2,961
Interest received	**164**	381
Interest paid	**(1,555)**	(1,248)
Benefits paid / contributions to pension plan	**(15)**	(48)
Dividends received	**3,597**	7,055
Dividends paid	**(163)**	(147)
Income taxes paid	**(495)**	(468)
Net cash provided by operating activities	**631**	8,486
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	**7**	3
Additions to:		
Property and equipment	**(152)**	(1,049)
Intangible assets	**(97)**	(3)
Investment properties	**-**	(156)
Impact of business combination	**-**	50
Decrease (increase) in other noncurrent asset	**1,408**	(623)
Net cash provided by (used in) investing activities	**1,166**	(1,778)

(forward)

	Unaudited	
	Quarters Ended March 31	
	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan availments	**₱12,944**	₱6,705
Payment of loans payable	**(15,618)**	(17,429)
Payment of liabilities on purchased properties	**(383)**	(333)
Decrease in other noncurrent liabilities	**(499)**	(581)
Acquisition of noncontrolling interests	**–**	365
Net cash used in financing activities	**(3,556)**	(11,273)
Effect of exchange rate changes on cash and cash equivalents	**(292)**	(3)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**(2,051)**	(4,568)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**17,404**	17,114
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**₱15,353**	₱12,546

GENERAL NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

GT Capital Holdings, Inc. (GT Capital or the Parent Company) was organized and registered with the Philippine Securities and Exchange Commission (SEC) on July 26, 2007. The primary purpose of the Parent Company is to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop or otherwise dispose of real property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, associations, domestic or foreign, and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers of any stock so owned.

The common shares of the Parent Company were listed beginning April 20, 2012 and have since been traded in the Philippine Stock Exchange, Inc. (PSE).

Group Activities

The Parent Company, Federal Land, Inc. (Federal Land) and Subsidiaries (Federal Land Group), Toyota Motor Philippines Corporation (Toyota or TMPC) and Subsidiaries (Toyota Group), Toyota Manila Bay Corp. (TMBC) and Subsidiary (TMBC Group) and GT Capital Auto and Mobility Holdings, Inc. (GTCAM) and Subsidiaries (GTCAM Group) are collectively referred herein as the "Group". The Parent Company, which is the ultimate parent of the Group, the holding company of the Federal Land Group (real estate business), Toyota Group (automotive business), TMBC Group (automotive business) and GTCAM (automotive business) is engaged in investing, purchasing and holding shares of stock, notes and other securities and obligations, as well as buying, selling, and leasing of real estate properties.

The principal business interests of the Federal Land Group are real estate development and leasing and selling properties and acting as a marketing agent for and in behalf of any real estate development company or companies. The Federal Land Group is also engaged in the business of trading of goods such as petroleum, non-fuel products on wholesale or retail basis, maintaining a petroleum service station and food and restaurant service.

Toyota Group is engaged in the assembly, manufacture, importation, sale and distribution of all kinds of motor vehicles including vehicle parts, accessories and instruments.

TMBC Group is engaged in purchasing, trading, exchanging, distributing, marketing, repairing and servicing automobiles, trucks and all kinds of motor vehicles and automobile products of every kind and description, motor vehicle parts, accessories, tools and supplies and equipment items.

GTCAM was formerly known as GT Capital Auto Dealership Holdings, Inc. (GTCAD). GTCAM's BOD and the SEC approved the change in name from GTCAD to GTCAM on September 13, 2021 and November 29, 2021, respectively. The principal business interests of GTCAM are to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop, or otherwise dispose of real or personal property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any auto dealership or other corporations, associations, domestic or foreign, and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers of any stock so owned. Its secondary purpose is to invest in, purchase, or otherwise acquire own shares of companies engaged in mobility-related services, including those that support the used car market which include auction services, auto portal, used car retail sales operations, inspection, warranty, financing, and parts and service.

The Parent Company also has significant shareholdings in Metropolitan Bank & Trust Company (MBTC or Metrobank), Metro Pacific Investments Corporation (MPIC), Philippine AXA Life Insurance Corporation (AXA Philippines or Phil AXA), Toyota Financial Services Philippines Corporation (TFSPC) and Sumisho Motor Finance Corporation (SMFC).

The registered office address of the Parent Company is at the 43rd Floor, GT Tower International, Ayala Avenue corner H.V. Dela Costa Street, 1227 Makati City.

2. **Summary of Significant Accounting Policies**

Basis of Preparation

The accompanying interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standards (PAS) 34 Interim Financial Reporting. Accordingly, the interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual audited financial statements and should be read in conjunction with the Group's annual audited financial statements as at December 31, 2021.

The interim condensed consolidated financial statements of the Group have been prepared using the historical cost basis except for financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVOCI) and derivative financial instruments, which have been measured at fair value. The Group's interim condensed consolidated financial statements are presented in Philippine Peso (₱), the Parent Company's functional currency. All values are rounded to the nearest million pesos (₱000,000) unless otherwise indicated.

Statement of Compliance

The interim condensed consolidated financial statements have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS), as modified by the application of the financial reporting relief on the accounting for significant financing component as issued and approved by the SEC in response to the COVID-19 pandemic.

The Group has availed of the relief granted by the SEC under Memorandum Circular (MC) No. 34-2020 which further extended the deferral of PIC Q&A 2018-12-D, *Assessing if the transaction price includes a significant financing component* until December 31, 2023. This reporting relief is applicable to the Group's Real Estate Segment, specifically under the Federal Land Group. The details and impact of the adoption of the financial reporting relief are discussed in the section below under "Standards Issued But Not Yet Effective".

PFRSs include Philippine Financial Reporting Standards, Philippine Accounting Standards (PAS) and Interpretations issued by the Philippine Interpretations Committee (PIC).

Presentation of Financial Statements
Financial assets and financial liabilities are offset and the net amount reported in the interim condensed consolidated statements of financial position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. Income and expense are not offset in the interim condensed consolidated statements of income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group.

Basis of Consolidation
The interim condensed consolidated financial statements of the Group comprise the financial statements of the Parent Company and the following domestic subsidiaries:

		Percentages of Ownership	
	Country of Incorporation	**March 31, 2022**	December 31, 2021
Federal Land and Subsidiaries	Philippines	**100.00**	100.00
Toyota and Subsidiaries	-do-	**51.00**	51.00
TMBC and Subsidiaries	-do-	**58.10**	58.10
GTCAM and Subsidiaries	-do-	**100.00**	100.00

Federal Land's Subsidiaries

	Percentages of Ownership	
	2022	2021
Horizon Land Property and Development Corp. (HLPDC)	**100.00**	100.00
Federal Property Management Corp. (FPMC)	**100.00**	100.00
Federal Land Orix Corporation (FLOC)	**100.00**	100.00
Topsphere Realty Development Company Inc. (TRDCI)	**100.00**	100.00
Bonifacio Landmark Hotel Management Corporation (BLHMC)	**100.00**	100.00
Fed South Dragon Corporation (FSDC)	**100.00**	100.00
Federal Retail Holdings, Inc. (FRHI)	**100.00**	100.00
Magnificat Resources Corp. (MRC)	**100.00**	100.00
Central Realty and Development Corp. (CRDC)	**75.80**	75.80
Federal Brent Retail, Inc. (FBRI)	**51.66**	51.66

Toyota's Subsidiaries

	Percentages of Ownership	
	2022	2021
Toyota Makati, Inc. (TMI)	**100.00**	100.00
Toyota Motor Philippines Logistics, Inc. (TLI)	**100.00**	100.00
Lexus Manila, Inc. (LMI)	**75.00**	75.00
Toyota San Fernando Pampanga, Inc. (TSFI)	**55.00**	55.00

TMBC's Subsidiaries

	Percentages of Ownership	
	2022	2021
Oxfordshire Holdings, Inc. (OHI)	**100.00**	100.00
TMBC Insurance Agency Corporation (TIAC)	**100.00**	100.00

GTCAM's Subsidiaries

	Percentages of Ownership	
	2022	2021
GT Mobility Ventures, Inc. (GTMV)	**66.67**	66.67
Toyota Sta. Rosa Laguna, Inc. (TSRLI)	**60.00**	60.00
Toyota Subic, Inc. (TSI)	**55.00**	55.00

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Control is achieved when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of subsidiaries ceases when control is transferred out of the Parent Company.

Specifically, the Parent Company controls an investee if, and only if, the Parent Company has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure or rights to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies. All intragroup transactions, balances, income and expenses resulting from intragroup transactions and dividends are eliminated in full on consolidation.

Non-controlling interests (NCI) represent the portion of profit or loss and net assets in a subsidiary not attributed, directly or indirectly, to the Parent Company. The interest of non-controlling shareholders may be initially measured at fair value or share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, NCI consists of the amount attributed to such interests at initial recognition and the NCI's share of changes in equity since the date of combination.

NCI are presented separately in the interim condensed consolidated statements of income, interim condensed consolidated statements of comprehensive income, interim condensed consolidated statements of changes in equity and within equity in the interim condensed consolidated statements of financial position, separately from the Parent Company's equity.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the NCI, even if that results in the NCI having a deficit balance.

If the Group loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any NCI and the cumulative translation differences, recorded in equity;

- recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss; and
- reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Business Combinations Involving Entities Under Common Control

A business combination involving entities under common control is accounted for using the uniting of interest method, except when the acquisition is deemed to have commercial substance for the Group, in which case the business combination is accounted for under the acquisition method. The combined entities accounted for by the uniting of interests method reports the results of operations for the period in which the combination occurs as though the entities had been combined as of the beginning of the period. Financial statements of the separate entities presented for prior years are also restated on a combined basis to provide comparative information. The effects of intercompany transactions on assets, liabilities, revenues, and expenses for the periods presented, and on retained earnings at the beginning of the periods presented are eliminated to the extent possible.

Under the uniting of interest method, the acquirer accounts for the combination as follows:

- the assets and liabilities of the acquiree are consolidated using the existing carrying values instead of fair values;
- intangible assets and contingent liabilities are recognized only to the extent that they were recognized by the acquiree in accordance with applicable PFRS;
- no amount is recognized as goodwill;
- any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities; and
- comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented.

The acquiree's equity are included in the opening balances of the equity as a restatement and are presented as 'Effect of uniting of interest' in the interim condensed consolidated statements of changes in equity. Cash considerations transferred on acquisition of a subsidiary under common control are deducted in the 'Retained earnings' at the time of business combination.

When evaluating whether an acquisition has commercial substance, the Group considers the following factors, among others:

- the purpose of the transaction;
- the involvement of outside parties in the transaction, such as NCI or other third parties; and
- whether or not the transaction is conducted at fair value.

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the acquirer elects whether to measure the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the date of acquisition. Acquisition-related costs are expensed and included in the interim condensed consolidated statements of income.

When the Group acquires a business, it assesses the financial assets and liabilities of the acquiree for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. The Group also assesses whether assets or liabilities of the acquiree that are previously unrecognized in the books of the acquiree will require separate recognition in the interim condensed consolidated financial statements of the Group at the acquisition date.

In a business combination achieved in stages, the Group remeasures its previously-held equity interest in the acquiree at its acquisition-date fair value and recognizes the resulting gain or loss, if any, in the interim condensed consolidated statements of income. Any recognized changes in the value of its equity interest in the acquiree previously recognized in other comprehensive income are recognized by the Group in profit or loss, as if the previously-held equity interests are disposed of.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized either in the interim condensed consolidated statements of income or as changes to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as at the acquisition date that if known, would have affected the amounts recognized as at that date. The measurement period is the period from the date of acquisition to the date the Group receives complete information about facts and circumstances that existed as at the acquisition date and is subject to a maximum of one (1) year.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount recognized for any NCI in the acquiree and the fair value of the acquirer's previously-held interest, if any, over the fair value of the net assets acquired.

If after reassessment, the fair value of the net assets acquired exceeds the consideration transferred, the amount recognized for any NCI in the acquiree and the fair value of the acquirer's previously-held interest, if any, the difference is recognized immediately in the interim condensed consolidated statements of income as 'Gain on bargain purchase'.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Any impairment loss is recognized immediately in the interim condensed consolidated statements of income and is not subsequently reversed. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (CGU) that are expected to benefit from the combination from the acquisition date irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Goodwill is not amortized but is reviewed for impairment at least annually. Any impairment losses are recognized immediately in profit or loss and are not subsequently reversed.

Where goodwill forms part of a CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Change in Ownership without Loss of Control

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling interest and NCI are adjusted by the Group to reflect the changes in its relative interests in the subsidiary. Any difference between the amount by which the NCI is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the equity holders of the Parent Company.

Significant Accounting Policies / Changes in Accounting Policies

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual audited consolidated financial statements as of and for the year ended December 31, 2021, except for the adoption of the following amended standards, which became effective beginning January 1, 2022.

Unless otherwise indicated, the adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

Amendments to PFRS 3, *Business Combinations, Reference to the conceptual framework*

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of PFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, Provisions, Contingent Liabilities and Contingent Assets, or Philippine-IFRIC 21, Levies, if incurred separately. At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

Amendments to PAS 16, *Plant and Equipment, Proceeds before intended use*

The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in the statement of income.

Amendments to PAS 37, *Provisions, Contingent Liabilities and Contingent Assets, Onerous contract – costs of fulfilling a contract*
The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Annual Improvements to PFRSs 2018-2020 Cycle

Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*
The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to PFRS. This amendment is also applied to an associate or JV that elects to apply paragraph D16(a) of PFRS 1.

Amendments to PFRS 9, *Financial Instruments, Fees in the '10 percent' test for derecognition financial liabilities*
The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*
The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

Significant Accounting Judgments and Estimates
The preparation of the financial statements in compliance with PAS 34 requires the Group to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent assets and contingent liabilities. Future events may occur which can cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant accounting judgments and estimates of the Group have been disclosed in the 2021 audited financial statements.

3. Cash and cash equivalents

This account consists of:

	March 31, 2022	March 31, 2021	December 31, 2021
Cash on hand	**₱21**	₱19	₱34
Cash in banks and other financial institution	**3,673**	3,807	4,469
Cash equivalents	**11,659**	8,720	12,901
	₱15,353	₱12,546	₱17,404

4. Investments

Financial assets at fair value through profit or loss (FVTPL)
This pertains to the Parent Company's investments in Unit Investment Trust Fund (UITF) as of March 31, 2022.

Financial assets at fair value through other comprehensive income (FVOCI)
This pertains mainly to the Parent Company's investment in common shares of Toyota Motor Corporation (TMC).

5. Investments in subsidiaries, associates and joint ventures

Investment in MBTC
On various dates in 2020, the Parent Company acquired an aggregate of 22.11 million common shares of Metrobank for a total consideration of ₱1.24 billion. This increased the Parent Company's ownership interest in Metrobank from 36.65% to 37.15%.

The following table summarizes cash dividends declared and paid by the Group's associates and joint ventures (amount in millions, except for dividend per share):

	Declaration Date	**Per Share**	**Total**	**Record Date**	**Payment Date**
2022					
MBTC	February 23, 2022	₱0.80	₱3,598	March 17, 2022	March 31, 2022
MBTC*	February 23, 2022	1.40	6,296	March 17, 2022	March 31, 2022
MPIC	March 9, 2022	0.0678	2,031	March 25, 2022	April 6, 2022
MPIC*	March 9, 2022	0.0082	246	March 25, 2022	April 6, 2022
2021					
MBTC	February 17, 2021	1.00	4,497	March 5, 2021	March 18, 2021
MBTC*	February 17, 2021	3.00	13,492	March 5, 2021	March 18, 2021
MPIC	March 3, 2021	0.0481	1,475	March 18, 2021	March 31, 2021
MPIC*	March 3, 2021	0.0279	856	March 18, 2021	March 31, 2021
SMFC	June 25, 2021	1.93	38.6	July 12, 2021	July 21, 2021
MPIC	August 4, 2021	0.0345	1,057	August 18, 2021	September 2, 2021
Phil AXA	December 9, 2021	247.00	2,470	November 30, 2021	December 2021

**Special cash dividends*

6. Loans Payable

This account consists of:

	March 31, 2022				
		Long-term debt			
	Short-term debt	**Corporate notes**	**Loans payable**	**Subtotal**	**Total**
Parent Company	**₱–**	**₱–**	**₱71,874**	**₱71,874**	**₱71,874**
Federal Land Group	**4,172**	**960**	**47,302**	**48,262**	**52,434**
Toyota Group	**2,620**	**–**	**246**	**246**	**2,866**
TMBC Group	**875**	**–**	**668**	**668**	**1,543**
GTCAM Group	**75**	**–**	**–**	**–**	**75**
	7,742	**960**	**120,090**	**121,050**	**128,792**
Less: Deferred financing cost	**–**	**–**	**482**	**482**	**482**
	7,742	**960**	**119,608**	**120,568**	**128,310**
Less: Current portion of long-term debt	**–**	**25**	**9,285**	**9,310**	**9,310**
	₱7,742	**₱935**	**₱110,323**	**₱111,258**	**₱119,000**

	December 31, 2021				
		Long-term debt			
	Short-term debt	Corporate notes	Loans payable	Subtotal	Total
Parent Company	₱–	₱–	₱72,237	₱72,237	₱72,237
Federal Land Group	2,372	960	48,528	49,488	51,860
Toyota Group	5,460	–	246	246	5,706
TMBC Group	1,150	–	707	707	1,857
GTCAM Group	145	–	–	–	145
	9,127	960	121,718	122,678	131,805
Less: Deferred financing cost	–	–	500	500	500
	9,127	960	121,218	122,178	131,305
Less: Current portion of long-term debt	–	25	9,398	9,423	9,423
	₱9,127	₱935	₱111,820	₱112,755	₱121,882

7. Bonds Payable

This account consists of the following Peso Bonds:

			Carrying Value	
Maturity Dates	Interest rate	Par Value	**March 31, 2022**	December 31, 2021
₱10.0 billion Bonds				
February 27, 2023	5.0937%	6,100	**₱6,093**	₱6,090
₱12.0 billion Bonds				
August 7, 2024	5.6250%	4,000	**3,988**	3,987
		10,100	**₱10,081**	₱10,077

Unamortized debt issuance costs on these bonds amounted to ₱19.39 million and ₱22.53 million as of March 31, 2022 and December 31, 2021, respectively.

<u>*10.0 billion GT Capital bonds due 2020, 2023*</u>
The ₱3.90 billion bonds with maturity date of February 27, 2020 were paid. This was refinanced in February 2020 with a long-term loan from a non-affiliated local bank.

<u>*12.0 billion GT Capital bonds due 2019, 2021, 2024*</u>
The ₱5.00 billion bonds with maturity date of August 7, 2021 were paid. This was refinanced in July 2021 with a long-term loan from a non-affiliated local bank.

The ₱3.00 billion bonds with maturity date of November 7, 2019 were paid. This was refinanced in November 2019 with a long-term loan from a non-affiliated local bank.

8. **Equity**

Retained earnings
Details of the Parent Company's dividend distributions to preferred shareholders out of the Parent Company's retained earnings as approved by the Parent Company's BOD follow:

Date of declaration	Per share	Total amount (in millions)	Record date	Payment date
Voting preferred shares				
March 25, 2022	₱0.00377	₱0.66	April 8, 2022	April 22, 2022
March 22, 2021	0.00377	0.66	April 7, 2021	April 21, 2021
May 21, 2020	0.00377	0.66	June 5, 2020	June 19, 2020
Perpetual Preferred Shares				
Series A				
December 17, 2021	11.57475	56.01	January 5, 2022	January 27, 2022
December 17, 2021	11.57475	56.01	April 5, 2022	April 27, 2022
December 17, 2021	11.57475	56.01	July 5, 2022	July 27, 2022
December 17, 2021	11.57475	56.01	October 5, 2022	October 27, 2022
December 15, 2020	11.57475	56.01	January 4, 2021	January 27, 2021
December 15, 2020	11.57475	56.01	April 5, 2021	April 27, 2021
December 15, 2020	11.57475	56.01	July 5, 2021	July 27, 2021
December 15, 2020	11.57475	56.01	October 4, 2021	October 27, 2021
Series B				
December 17, 2021	12.73725	91.21	January 5, 2022	January 27, 2022
December 17, 2021	12.73725	91.21	April 5, 2022	April 27, 2022
December 17, 2021	12.73725	91.21	July 5, 2022	July 27, 2022
December 17, 2021	12.73725	91.21	October 5, 2022	October 27, 2022
December 15, 2020	12.73725	91.21	January 4, 2021	January 27, 2021
December 15, 2020	12.73725	91.21	April 5, 2021	April 27, 2021
December 15, 2020	12.73725	91.21	July 5, 2021	July 27, 2021
December 15, 2020	12.73725	91.21	October 4, 2021	October 27, 2021

Details of the Parent Company's dividend distributions to common shareholders out of the Parent Company's retained earnings as approved by the Parent Company's BOD follow:

Date of declaration	Per share	Total amount	Record date	Payment date
March 25, 2022	₱3.00	₱645.85	April 8, 2022	April 22, 2022
March 22, 2021	3.00	645.85	April 7, 2021	April 21, 2021
May 21, 2020	3.00	645.85	June 5, 2020	June 19, 2020
May 21, 2020*	3.00	645.85	June 5, 2020	June 19, 2020

**Special cash dividends*

Other Comprehensive Income (Loss)

Other comprehensive income (loss) consists of the following, net of applicable income taxes:

	March 31, 2022	March 31 2021	December 31, 2021
Net unrealized gain on financial assets at FVOCI	**₱4,189**	₱2,184	₱4,927
Net unrealized loss on remeasurement of retirement plan	**(229)**	(448)	(215)
Cash flow hedge reserve	**(19)**	(44)	(32)
Cumulative translation adjustments	**5**	(9)	3
Equity in other comprehensive income (losses) of associates:			
Equity in net unrealized gain (loss) on financial assets at FVOCI	**(3,906)**	1,263	(340)
Equity in cumulative translation adjustments	**(2,629)**	(3,664)	(2,746)
Equity in net unrealized loss on remeasurement of retirement plan	**(1,184)**	(1,814)	(1,183)
Equity in cash flow hedge reserves	**(257)**	(188)	(166)
Equity in remeasurement on life insurance reserves	**(64)**	(400)	(110)
Equity in other equity adjustments	**5**	6	5
	(₱4,089)	(₱3,114)	₱143

The movements and analysis of the other comprehensive loss are presented in the interim condensed consolidated statements of comprehensive income.

9. Related Party Transactions

Parties are considered to be related if one party has the ability, directly, or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. These related parties include subsidiaries, associates, joint venture, key management personnel, stockholders and other related parties which include affiliates.

An entity is considered an affiliate if such entity and the Parent Company have common shareholders. In effect, such entity is a sister company of the Parent Company by virtue of ownership and common control. It is neither a subsidiary nor associate of the Group.

The Group, in its regular conduct of its business, has entered into transactions with its associates, joint venture and other related parties principally consisting of cash advances for reimbursement of expenses, merger and acquisitions and capital infusion, leasing agreements, management agreements and dividends received from associates. Transactions with related parties are made at normal market prices.

As of March 31, 2022 and December 31, 2021, outstanding balances are unsecured and settlement occurs generally in cash, except otherwise indicated. There have been no guarantees provided or received for any related party receivables or payables. The Group does not provide any allowance relating to receivable from related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

10. **Basic/Diluted Earnings Per Share**

The basic/diluted earnings per share attributable to equity holders of the Parent Company for the periods indicated were computed as follows:

	March 31, 2022	March 31, 2021	December 31, 2021
a.) Net income attributable to equity holders of the Parent Company	**₱4,361**	₱4,071	₱10,983
b.) Effect of dividends declared to voting and perpetual preferred shareholders of the Parent Company	**(147)**	(147)	(589)
c.) Net income attributable to common shareholders of the Parent Company	**4,214**	3,924	10,394
d.) Weighted average number of outstanding common shares of the Parent Company	**215**	215	215
e.) Basic/diluted earnings per share, (c / d)	**₱19.57**	₱18.23	₱48.28

Basic earnings per share (EPS) is computed by dividing net income for the year attributable to common shareholders of the Parent Company by the weighted average number of common shares outstanding during the year after giving retroactive effect to stock dividends declared and exercised during the year. Basic and diluted earnings per share are the same due to the absence of dilutive potential common shares.

11. **Operating Segments**

Segment Information

For management purposes, the Group is organized into business units based on their products and activities and has four reportable segments as follows:

- Real estate is engaged in real estate and leasing, development and selling of properties of every kind and description, as well as ancillary trading of goods such as petroleum, non-fuel products on wholesale or retail basis, maintenance of a petroleum service station, engaging in food and restaurant service and acting as a marketing agent for and in behalf of any real estate development company or companies;
- Financial institutions are engaged in the banking and insurance industry;

- Automotive operations is engaged in the assembly, manufacture, importation, sale and distribution of all kinds of automobiles including automobile parts, accessories, and instruments; and
- Infrastructure is engaged in the water distribution, toll operation, power sector, hospitals and rail;
- Others pertain to other corporate activities of the Group (i.e., capital raising activities, acquisitions and investments).

The chief operating decision maker (CODM) monitors the operating results of the Group for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue, earnings before interest, taxes and depreciation/amortization (EBITDA) and pretax income which are measured similarly under PFRS, except for EBITDA. EBITDA is computed by reconciling net interest income (expense) and provision for income taxes to the net income and adding back depreciation and amortization expenses for the period.
There were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers. Intragroup transactions were eliminated during consolidation.

Seasonality of Operations
The operations of the Group are not materially affected by seasonality, except for the mall leasing operations of the real estate segment which experiences higher revenues during the holiday seasons. This information is provided to allow for a proper appreciation of the results of the Group's operations. However, management concluded that the aforementioned discussions of seasonality do not constitute "highly seasonal" as considered in PAS 34.

Segment Assets
Segment assets are resources owned by each of the operating segments that are employed in its operating activities.

Segment Liabilities
Segment liabilities are obligations incurred by each of the operating segments from its operating activities.

The following tables present the financial information of the operating segments of the Group as of and for the quarter ended March 31, 2022 and as of and for the year ended December 31, 2021:

	March 31, 2022 (Unaudited)					
	Real Estate	Financial Institution	Automotive Operations	Infra Structure	Others	Total
Revenue	₱1,605	₱–	₱47,682	₱–	₱–	₱49,287
Other income	855	–	685	–	9	1,549
Equity in net income of associates and joint ventures	141	3,172	–	906	–	4,219
	2,601	3,172	48,367	906	9	55,055
Cost of goods and services sold	148	–	35,674	–	–	35,822
Cost of goods manufactured and sold	–	–	7,106	–	–	7,106
Cost of rental	171	–	–	–	3	174
Cost of real estate sales	876	–	–	–	–	876
General and administrative expenses	739	–	2,735	–	85	3,559
	1,934	–	45,515	–	88	47,537
Earnings before interest and taxes	667	3,172	2,852	906	(79)	7,518
Depreciation and amortization	136	–	363	–	3	502
EBITDA	803	3,172	3,215	906	(76)	8,020
Interest income	211	–	5	–	20	236
Interest expense	(457)	–	(52)	–	(1,111)	(1,620)
Depreciation and amortization	(136)	–	(363)	–	(3)	(502)
Pretax income	421	3,172	2,805	906	(1,170)	6,134
Provision for income tax	(65)	–	(591)	–	(3)	(659)
Income after tax	₱356	₱3,172	₱2,214	₱906	(₱1,173)	₱5,475
Segment assets	₱109,546	₱131,369	₱64,014	₱38,812	₱52,846	₱396,587
Segment liabilities	₱71,154	₱–	₱34,237	₱–	₱85,544	₱190,935

	December 31, 2021 (Audited)					
	Real Estate	Financial Institution	Automotive Operations	Infra structure	Others	Total
Revenue	₱5,607	₱–	₱150,964	₱–	₱10	₱156,581
Other income	2,828	–	1,894	–	376	5,098
Equity in net income of associates and joint venture	97	9,443	–	1,525	–	11,065
	8,532	9,443	152,858	1,525	386	172,744
Cost of goods and services sold	467	–	102,492	–	–	102,959
Cost of goods manufactured and sold	–	–	32,111	–	–	32,111
Cost of rental	642	–	–	–	13	655
Cost of real estate sales	3,114	–	–	–	9	3,123
General and administrative expenses	3,304	–	9,651	–	500	13,455
	7,527	–	144,254	–	522	152,303
Earnings before interest and taxes	1,005	9,443	8,604	1,525	(136)	20,441
Depreciation and amortization	538	–	1,631	–	19	2,188
EBITDA	1,543	9,443	10,235	1,525	(117)	22,629
Interest income	1,587	–	229	–	83	1,899
Interest expense	(1,509)	–	(249)	–	(4,512)	(6,270)
Depreciation and amortization	(538)	–	(1,631)	–	(19)	(2,188)
Pretax income	1,083	9,443	8,584	1,525	(4,565)	16,070
Provision for income tax	(281)	–	(1,440)	–	(100)	(1,821)
Income after tax	₱802	₱9,443	₱7,144	₱1,525	(₱4,665)	₱14,249
Segment assets	₱109,973	₱135,453	₱65,406	₱38,194	₱48,768	₱397,794
Segment liabilities	₱70,867	₱–	₱37,748	₱–	₱84,100	₱192,715

Geographical Information

The following table shows the distribution of the Group's consolidated revenues to external customers by geographical market, regardless of where the goods were produced:

	March 31, 2022	March 31, 2021	December 31, 2021
Domestic	**₱52,780**	₱43,270	₱165,662
Foreign	**2,511**	2,083	8,981
	₱55,291	₱45,353	₱174,643

12. **Financial Risk Management and Objectives**

The Group's principal financial instruments are composed of cash and cash equivalents, short-term investments, receivables, due from related parties, financial assets at FVOCI, financial assets at FVTPL, accounts and other payables, due to/from related parties, loans payable and derivative liabilities.

Exposure to credit, liquidity, foreign currency and interest rate risks arise in the normal course of the Group's business activities. The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The use of financial derivative instruments (if any) is solely for the management of the Group's financial risk exposures. It is the Group's policy not to enter into derivative transactions for speculative purposes.

The Group's respective financing and treasury functions focus on managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Group.

Credit risk

The Group's credit risks are primarily attributable to its financial assets. To manage credit risks, the Group maintains defined credit policies and monitors on a continuous basis its exposure to credit risks. Given the Group's diverse base of counterparties, it is not exposed to large concentrations of credit risk.

Financial assets comprise of cash and cash equivalents, financial asseys at FVTPL, receivables, due from related parties and financial assets at FVOCI. The Group adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank limits are established on the basis of an internal rating system that principally covers the areas of liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail in meeting their obligations.

In respect of installment receivables from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Group also undertakes supplemental credit review procedures for certain installment payment structures. Customer payments are facilitated through various collection modes including the use of postdated checks and auto-debit arrangements. Exposure to bad debts is not significant and the requirement for remedial procedures is minimal given the profile of buyers.

Maximum exposure to credit risk after taking into account collateral held or other credit enhancements

As of March 31, 2022 and December 31, 2021, the maximum exposure to credit risk of the Group's financial assets is equal to its carrying value except for installment contracts receivable with nil exposure to credit risk since the fair value of the related collateral is greater than the carrying value of the installment contracts receivable.

Liquidity risk

The Group monitors its cash flow position, debt maturity profile and overall liquidity position in assessing its exposure to liquidity risk. The Group maintains a level of cash and cash equivalents deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows. Accordingly, its loan maturity profile is regularly reviewed to ensure availability of funding through an adequate amount of credit facilities with financial institutions.

Overall, the Group's funding arrangements are designed to keep an appropriate balance between equity and debt, to give financing flexibility while continuously enhancing the Group's businesses. To serve as back-up liquidity, management develops variable funding alternatives either by issuing debt or raising capital.

The table summarizes the maturity profile of the Group's financial assets and liabilities based on contractual undiscounted payments:

	March 31, 2022 (Unaudited)			
	< 1 year	> 1 to < 5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents*	₱15,333	₱–	₱–	₱15,333
Receivables	16,218	4,878	–	21,096
Due from related parties	117	–	–	117
Financial assets at FVTPL				
Investments in UITF	11,030	–	–	11,030
Financial assets at FVOCI				
Equity securities				
Quoted	–	–	16,170	16,170
Unquoted	–	–	392	392
Total undiscounted financial assets	₱42,698	₱4,878	₱16,562	₱64,138
Other financial liabilities				
Accounts and other payables	₱29,684	₱1,453	₱–	₱31,137
Dividends payable	1,088	–	–	1,088
Loans payable	23,359	81,085	61,990	166,434
Bonds payable	507	10,404	–	10,911
Due to related parties	197	–	–	197
Liabilities on purchased properties	332	1,301	893	2,526
Derivative liabilities	–	19	–	19
Total undiscounted financial liabilities	₱55,167	₱94,262	₱62,883	₱212,312
Liquidity Gap	(₱12,469)	(₱89,384)	(₱46,321)	(₱148,174)

**Excludes cash on hand amounting to ₱21.19 million.*

	December 31, 2021 (Audited)			
	< 1 year	> 1 to < 5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents*	₱17,371	₱–	₱–	₱17,371
Receivables	16,648	4,479	–	21,127
Due from related parties	155	–	–	155
Financial assets at FVTPL				
Investments in UITF	8,712	–	–	8,712
Financial assets at FVOCI				
Equity securities				
Quoted	–	–	15,919	15,919
Unquoted	–	–	392	392
Total undiscounted financial assets	₱42,886	₱4,479	₱16,311	₱63,676
Other financial liabilities				
Accounts and other payables	₱29,790	₱1,384	₱–	₱31,174
Dividends payable	590	–	–	590
Loans payable	24,487	67,980	77,824	170,291
Bonds payable	536	10,510	–	11,046
Due to related parties	193	–	–	193
Liabilities on purchased properties	304	2,057	1,414	3,775
Derivative liabilities	–	32	–	32
Total undiscounted financial liabilities	₱55,900	₱81,963	₱79,238	₱217,101
Liquidity Gap	(₱13,014)	(₱77,484)	(₱62,927)	(₱153,425)

**Excludes cash on hand amounting to ₱34.02 million.*

Foreign currency risk
Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. The Group's foreign currency-denominated financial instruments primarily consist of cash and cash equivalents, accounts receivable, accounts payable and loans payable. The Group's policy is to maintain foreign currency exposure within acceptable limits.

Interest rate risk
The Group's interest rate exposure management policy centers on reducing the Group's overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rate as it can cause a change in the amount of interest payments.

The Group manages its interest rate risk by leveraging on its premier credit rating and maintaining a debt portfolio mix of both fixed and floating interest rates. The portfolio mix is a function of historical, current trend and outlook of interest rates, volatility of short-term interest rates, the steepness of the yield curve and degree of variability of cash flows.

13. Fair Value Measurement

The methods and assumptions used by the Group in estimating the fair value of the financial instruments are as follows:

Cash and cash equivalents and short-term cash investments
The fair value of cash and cash equivalents approximate the carrying amounts at initial recognition due to the short-term maturities of these instruments.

Receivables
The fair value of receivables due within one year approximates its carrying amounts. The fair values of installment contracts receivable are based on the discounted value of future cash flows using the applicable rates for similar types of instruments. The discount rates used were 8.00% as of March 31, 2022 and December 31, 2021. For the long-term loan receivable, the Group used discounted cash flow analyses to measure the fair value of the loan and determined that the carrying amount of the loans receivable was not materially different from its calculated fair value.

Due from and to related parties
The carrying amounts approximate fair values due to its short term nature. Related party receivables and payables are due and demandable.

Financial assets at FVTPL
These pertain to the Group's investment in UITFs. UITFs are ready-made investments that allow pooling of funds from different investors with similar investments objectives. These UITFs are managed by professional fund managers and may be invested in various financial instruments such as money market securities, bonds and equities, which are normally available to large investors only. A UITF uses the mark-to-market method in valuing the fund's securities.

Financial assets at FVOCI – unquoted
The fair value of unquoted equity securities is estimated based on the market data approach that makes use of market multiples derived from a set of comparables. Multiples were determined that is most relevant to assessing the value of unquoted securities (e.g., earnings, book value). The selection of the appropriate multiple within the range is based on qualitative and quantitative factors specific to the measurement.

Financial assets at FVOCI – quoted
The fair value of quoted equity securities is based on the quoted market prices or binding dealer price quotations, without any deduction for transaction cost.

Accounts and other payables
The fair values of accounts and other payables approximate the carrying amounts due to the short-term nature of these transactions.

Loans payable
Current portion of loans payable approximates its fair value due to its short-term maturity. Long-term portion of loans payable subjected to quarterly repricing is not discounted. Estimated fair value of long-term loans payable with fixed interest rates are discounted based on interest rates ranging from 0.51% to 6.12% and 0.44% to 6.17% as of March 31, 2022 and December 31, 2021, respectively.

Derivative asset/Derivative liability
The fair value of the interest rate swap is derived using acceptable valuation methods. The valuation assumptions are based on market conditions existing at the financial reporting date.

Bonds payable
The fair value of the bonds payable is based on its quoted market price in the Philippine Dealing and Exchange Corporation.

Liabilities on purchased properties
Estimated fair value was based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date. Long-term payable was incurred in 2019, 2017 and 2012 with interest rates ranging from 3.00% to 3.25% per annum.

The following tables summarize the carrying amount and fair values of financial assets and liabilities, as well as nonfinancial assets, analyzed based on the fair value hierarchy (see accounting policy on Fair Value Measurement), except for assets and liabilities where the carrying values as reflected in the interim condensed consolidated statements of financial position and related notes approximate their respective fair values.

	March 31, 2022 (Unaudited)				
	Carrying Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	**₱11,030**	**₱–**	**₱11,030**	**₱–**	**₱11,030**
Financial assets at FVOCI					
Quoted equity securities	**16,170**	**16,170**	**–**	**–**	**16,170**
Unquoted equity securities	**392**	**–**	**392**	**–**	**392**
	₱27,592	**₱16,170**	**₱11,422**	**₱–**	**₱27,592**
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Installment contracts receivables	**₱320**	**₱–**	**₱–**	**₱323**	**₱323**
Loans receivables	**1,496**	**–**	**–**	**1,930**	**1,930**
Non-financial Assets					
Investment in listed associates	**160,145**	**113,093**	**–**	**–**	**113,093**
Investment properties	**15,502**	**–**	**–**	**41,850**	**41,850**
	₱177,463	**₱113,093**	**₱–**	**₱44,103**	**₱157,196**
Liabilities measured at fair value:					
Financial Liabilities					
Other noncurrent liabilities					
Derivative liability	**₱19**	**₱–**	**₱19**	**₱–**	**₱19**
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Liabilities on purchased properties	**₱1,247**	**₱–**	**₱–**	**₱2,193**	**₱2,193**
Loans payable	**111,258**	**–**	**–**	**110,138**	**110,138**
Bonds payable	**10,081**	**10,351**	**–**	**–**	**10,351**
	₱122,586	**₱10,351**	**₱–**	**₱112,331**	**₱122,682**

	December 31, 2021 (Audited)				
	Carrying Value	Level 1	Level 2	Level 3	Total
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	₱8,712	₱–	₱8,712	₱–	₱8,712
Financial assets at FVOCI					
Quoted equity securities	15,919	15,919	–	–	15,919
Unquoted equity securities	392	–	392	–	392
	₱25,023	₱15,919	₱9,104	₱–	₱25,023
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Installment contracts receivables	₱335	₱–	₱–	₱338	₱338
Loans receivables	1,324	–	–	1,994	1,994
Non-financial Assets					
Investment in listed associates	163,655	110,158	–	–	110,158
Investment properties	15,646	–	–	41,850	41,850
	₱180,960	₱110,158	₱–	₱44,182	₱154,340
Liabilities measured at fair value:					
Financial Liabilities					
Other noncurrent liabilities					
Derivative liability	₱32	₱–	₱32	₱–	₱32
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Liabilities on purchased properties	₱1,658	₱–	₱–	₱2,194	2,194
Loans payable	112,755	–	–	113,536	113,536
Bonds payable	10,077	10,448	–	–	10,448
	₱124,490	₱10,448	₱–	₱115,730	₱126,178

As of March 31, 2022 and December 31, 2021, no transfers were made among the three levels in the fair value hierarchy.

Inputs used in estimating fair values of financial instruments carried at cost and categorized under Level 3 include risk-free rates and applicable risk premium.

The fair value of the Group's investment properties has been determined based on valuations performed by third party valuers. The value of the land was estimated by using the Market Data Approach, a valuation approach that considers the sales, listings and other related market data within the vicinity of the subject properties and establishes a value estimate by processes involving comparison.

The table below summarizes the valuation techniques used and the significant unobservable inputs valuation for each type of investment properties held by the Group:

	Valuation Techniques	**Significant Unobservable Inputs**
Land	Market Data Approach	Price per square meter, size, location, shape, time element and corner influence
Building and Land Improvements	Cost Approach and Market Data Approach	Lineal and square meter, current cost of materials, labor and equipment, contractor's profits, overhead, taxes and fees

Description of the valuation techniques and significant unobservable inputs used in the valuation of the Group's investment properties are as follows:

Valuation Techniques

Market Data Approach	A process of comparing the subject property being appraised to similar comparable properties recently sold or being offered for sale.
Cost Approach	A process of determining the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation on physical wear and tear, and obsolescence.

Significant Unobservable Inputs

Reproduction Cost New	The cost to create a virtual replica of the existing structure, employing the same design and similar building materials.
Size	Size of lot in terms of area. Evaluate if the lot size of property or comparable conforms to the average cut of the lots in the area and estimate the impact of lot size differences on land value.
Shape	Particular form or configuration of the lot. A highly irregular shape limits the usable area whereas an ideal lot configuration maximizes the usable area of the lot which is associated in designing an improvement which conforms with the highest and best use of the property.
Location	Location of comparative properties whether on a Main Road, or secondary road. Road width could also be a consideration if data is available. As a rule, properties located along a Main Road are superior to properties located along a secondary road.
Time Element	"An adjustment for market conditions is made if general property values have appreciated or depreciated since the transaction dates due to inflation or deflation or a change in investors' perceptions of the market over time". In which case, the current data is superior to historic data.
Discount	Generally, asking prices in ads posted for sale are negotiable. Discount is the amount the seller or developer is willing to deduct from the posted selling price if the transaction will be in cash or equivalent.
Corner influence	Bounded by two (2) roads.

14. **Contingent Liabilities**

In the ordinary course of the Group's operations, certain companies within the Group have pending tax assessments/claims which are in various stages of protest/appeal with the tax authorities, the amounts of which cannot be reasonably estimated. Management believes that the bases of said protest/appeal are legally valid such that the ultimate resolution of these assessments/claims would not have material effects on the Group's interim condensed consolidated financial position and results of operations.

In addition, in order to partially guarantee the completion of Federal Land's ongoing projects, the Parent Company issued Letters of Guarantee (LG) in favor of Housing and Land Use Regulatory Board for a total guarantee amount of ₱2.81 billion as of March 31, 2022 and December 31, 2021.

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
AS OF AND FOR THE PERIODS ENDED MARCH 31, 2022 AND MARCH 31, 2021 (UNAUDITED)

(Amounts in millions except ratio and %)	2022	2021
Liquidity Ratio		
Current ratio	**2.45**	2.15
Current assets	**₱143,054**	₱129,161
Current liabilities	**58,343**	60,112
Solvency Ratio		
Total liabilities to total equity ratio	**0.93**	0.93
Total liabilities	**190,935**	180,784
Total equity	**205,652**	194,654
Debt to equity ratio	**0.68**	0.69
Total debt	**139,970**	135,168
Total equity	**205,652**	194,654
Asset to Equity Ratio		
Asset to equity ratio	**1.93**	1.93
Total assets	**396,587**	375,438
Total Equity	**205,652**	194,654
Interest Rate Coverage Ratio*		
Interest rate coverage ratio	**4.64**	4.61
Earnings before interest and taxes (EBIT)	**7,518**	6,786
Interest expense	**1,620**	1,471
Profitability Ratio		
Return on average assets	**1.10%**	1.07%
Net income attributable to Parent Company	**4,361**	4,071
Total assets	**396,587**	375,438
Average assets	**397,191**	380,209
Return on Average Equity**	**2.31%**	2.28%
Net income attributable to Parent Company (Common)	**4,213**	3,923
Equity attributable to Parent Company (Common)	**181,713**	172,651
Average equity attributable to Parent Company	**182,143**	172,240

**computed as EBIT/Interest Expense*
***based on actual year-to-date*