GT CAPITAL
HOLDINGS, INCORPORATED

November 13, 2024

Securities and Exchange Commission
SEC Headquarters
7907 Makati Avenue, Salcedo Village,
Barangay Bel-Air, Makati City, 1209

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: **Atty. Stefanie Ann B. Go**
Officer-in-charge, Disclosure Department

Subject: Submission of 17Q Report as of September 30, 2024

Gentlemen /Mesdames:

In line with the reportorial requirements of the Securities Regulation Code and the Revised Disclosure Rules, we hereby submit the attached 2024 Third Quarter Report on SEC Form 17-Q.

Very truly yours,

George S. Uy-Tioco, Jr.
Chief Finance Officer

COVER SHEET

CS200711792

S.E.C. Registration Number

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

(Company's Full Name)

GT TOWER INTERNATIONAL, AYALA AVENUE CORNER H.V. DELA COSTA STREET, MAKATI CITY

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

GS Uy-Tioco, Jr. / RP Manon-og

Contact Person

8836-4500

Company Telephone Number

12 31

Month Day

Fiscal Year

17-Q

FORM/TYPE

2nd Wednesday in May of each year

Month Day

Annual Meeting

N A

Secondary License Type, If Applicable

SEC General Accountant &

MSRD

Dept. Requiring this Doc.

N A

Amended Articles Number/Section

As of September 30, 2024
94

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned.

File Number

Document I.D.

LCU

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:	**September 30, 2024**
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 B Perpetual Preferred Shares (GTPPB)	**7,160,760 shares**

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
GTPPB	Philippine Stock Exchange

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 Nine Months Ended September 30, 2024 and For the Nine Months Ended September 30, 2023

GT CAPITAL CONSOLIDATED STATEMENTS OF INCOME	UNAUDITED Nine Months Ended September		Increase(Decrease)	
(In millions, except for Percentage)	2024	2023	Amount	Percentage
REVENUE				
Automotive operations	**205,699**	186,959	18,740	10%
Equity in net income of associates and joint ventures	**18,941**	17,531	1,410	8%
Real estate sales and interest income on real estate sales	**4,236**	11,713	(7,477)	(64%)
Rent income	**1,199**	1,084	115	11%
Sale of goods and services	**921**	821	100	12%
Interest income	**868**	756	112	15%
Commission income	**261**	710	(449)	(63%)
Other income	**3,033**	3,549	(516)	(15%)
	235,158	223,123	12,035	5%
COST AND EXPENSES				
Cost of goods and services sold	**144,991**	133,733	11,258	8%
Cost of goods manufactured	**33,514**	29,426	4,088	14%
General and administrative expenses	**15,800**	13,920	1,880	14%
Interest expense	**5,482**	5,806	(324)	(6%)
Cost of real estate sales	**1,824**	5,172	(3,348)	(65%)
Cost of rental	**673**	592	81	14%
	202,284	188,649	13,635	7%
INCOME BEFORE INCOME TAXES	**32,874**	34,474	(1,600)	(5%)
PROVISION FOR INCOME TAX	**4,527**	5,524	(997)	(18%)
NET INCOME	**28,347**	28,950	(603)	(2%)
ATTRIBUTABLE TO:				
Equity holders of the parent company	**21,718**	23,086	(1,368)	(6%)
Non-controlling interests	**6,629**	5,864	765	13%
	28,347	28,950	(603)	(2%)

Net income attributable to equity holders of the Parent Company declined from Php23.09 billion for the nine months of 2023 to Php21.72 billion in the same period of 2024. The decrease was principally due to the absence of significant property sales realized by the Parent Company and Federal Land in 2024, offset by the 10% growth in revenue from automotive operations and 8% growth in equity in net income of associates and joint ventures.

Core net income, likewise, declined by 8% from Php23.25 billion for the nine months of 2023 to Php21.40 billion in the same period of 2024. Core net income for the nine months of 2024 amounted to Php21.40 billion, after deducting the Php0.43 billion non-recurring gains earned by the Group mainly from the gain on remeasurement of previously held interest of Metro Pacific Investment Corporation (MPIC) in one of its associates, after gaining control resulting to its consolidation, and adding back Php0.11 billion amortization of fair value adjustments arising from various business combinations. Core net income for the nine months of 2023 amounted to Php23.25 billion, after adding back the Php0.03 billion non-recurring expenses by MPIC's reversal of indemnity provisions, and Php0.13 billion amortization of fair value adjustments arising from various business combinations.

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

Effective December 2023, Toyota Manila Bay Corporation ("TMBC") has been consolidated under GTCAM pursuant to the Deed of Assignment of TMBC shares between the Parent Company and GTCAM, with the former as the transferor and the latter as the transferee. The transfer of ownership of TMBC shares from the Parent Company to GTCAM has no impact on the consolidated financial statements of the Group.

Of the eight (8) operating companies, Metrobank, MPIC, TMP, GTCAM and SMFC posted growth in net income while Federal Land, TFSPC and AXA Philippines reported declines in their respective net income.

Automotive operations comprising the sale of assembled and imported auto vehicles and spare parts grew by 10% from Php186.96 billion for the nine months of 2023 to Php205.70 billion in the same period of 2024 primarily due to the 10% increase in retail sales volume from 144,232 units to 159,088 units.

Equity in net income of associates and joint ventures increased by Php1.41 billion from Php17.53 billion for the nine months of 2023 to Php18.94 billion in the same period of 2024 primarily due to the following:

1. Metrobank net income grew from Php31.79 billion to Php35.73 billion due to the expansion in its loan portfolio, stable net interest margin, improved asset quality and recovery in non-interest income particularly in trading and foreign exchange gains ; and
2. MPIC's net income increased from Php16.06 billion to Php23.13 billion due to the higher core income contribution of its operating companies.

Real estate sales and interest income from real estate sales dropped by Php7.47 billion from Php11.71 billion to Php4.24 billion as 2023 included the recognition of significant lot sales by the Parent Company and Federal Land to FNG.

Rent income grew by 11% from Php1.08 billion to Php1.20 billion due to higher retail and office occupancy.

Sale of goods and services increased by Php0.10 billion due to higher sales volume and higher prices in the fuel business.

Interest income grew by 15% due to higher short-term investments and higher placement rates.

Commission income dropped by 63% from Php0.71 billion for the nine months of 2023 to Php0.26 billion in the same period of 2024 due to lower booked sales of Federal Land's joint venture projects as some projects reached full completion in 2023.

Other income declined by 15% or Php0.52 billion which was mostly tax incentives utilized by TMP in 2023 from its participation in the Comprehensive Automotive Resurgence Strategy (CARS) program of the government.

Consolidated costs and expenses grew by 7% from Php188.65 billion for the nine months of 2023 to Php202.28 billion in the same period of 2024. TMP contributed Php163.22 billion comprising cost of goods sold for manufacturing and trading activities, general and administrative expenses and interest expenses. GTCAM contributed Php26.97 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. Federal Land contributed Php8.47 billion consisting of cost of real estate sales, cost of goods and services sold, general and administrative expenses, cost of rental and interest expenses. GT Capital Parent Company contributed Php3.62 billion consisting of cost of rental, interest expenses and general and administrative expenses.

Cost of goods and services sold grew by 8% from Php133.73 billion to Php144.99 billion relative to the increase in auto sales.

Cost of goods manufactured comprising cost of materials, labor and overhead incurred in the assembly of vehicles by TMP increased by Php4.08 billion from Php29.43 billion to Php33.51 billion due to an increase in materials costs of assembled vehicles.

General and administrative expenses increased by 14% or Php1.88 billion mainly due to advertising, promotional, and delivery and handling expenses relative to the increase in auto retail sales.

Interest expense declined by 6% or Php0.32 billion due to settlement of short-term loans and partial payment of long-term loans.

Cost of real estate sales declined by 65% from Php5.17 billion to Php1.82 billion primarily due to the absence of significant lot sales by the Parent Company and Federal Land in 2024.

Cost of rental increased by 14% due to higher operating expenses incurred in the leasing business, particularly depreciation expenses, utilities and repairs and maintenance.

Provision for income tax declined by 18% from Php5.52 billion for the nine months of 2023 to Php4.53 billion in the same period of 2024 due to the lower taxable income in the nine months of 2024.

Net income attributable to non-controlling interests grew by 13% from Php5.86 billion to Php6.63 billion arising from the higher net income of subsidiaries which are not wholly-owned.

Consolidated Results of Operations- For the Quarter Ended September 30, 2024 and For the Quarter Ended September 30, 2023

GT CAPITAL CONSOLIDATED STATEMENTS OF INCOME (In millions, except for Percentage)	UNAUDITED July to September 2024	2023	Increase (Decrease) Amount	Percentage
REVENUE				
Automotive operations	**74,059**	65,291	8,768	13%
Equity in net income of associates and joint ventures	**6,900**	6,008	892	15%
Real estate sales and interest income on real estate sales	**1,305**	1,324	(19)	(1%)
Rent income	**432**	383	49	13%
Interest income	**370**	295	75	25%
Sale of goods and services	**297**	315	(18)	(6%)
Commission income	**83**	240	(157)	(65%)
Other income	**960**	1,050	(90)	(9%)
	84,406	74,906	9,500	13%
COST AND EXPENSES				
Cost of goods and services sold	**51,660**	48,760	2,900	6%
Cost of goods manufactured	**12,400**	8,948	3,452	39%
General and administrative expenses	**5,805**	5,154	651	13%
Interest expense	**1,834**	1,839	(5)	(0%)
Cost of real estate sales	**513**	714	(201)	(28%)
Cost of rental	**205**	195	10	5%
	72,417	65,610	6,807	10%
INCOME BEFORE INCOME TAXES	**11,989**	9,296	2,693	29%
PROVISION FOR INCOME TAX	**1,562**	1,171	391	33%
NET INCOME	**10,427**	8,125	2,302	28%
ATTRIBUTABLE TO:				
Equity holders of the parent company	**7,936**	6,503	1,433	22%
Non-controlling interests	**2,491**	1,622	869	54%
	10,427	8,125	2,302	28%

Net income attributable to equity holders of the Parent Company grew by 22% from Php6.50 billion in the third quarter of 2023 to Php7.94 billion in the third quarter of 2024. This was principally due to the 13% growth in total revenues driven by the 13% growth in the revenue from automotive operations and 15% growth in equity in net income from associates and joint ventures.

Core net income, likewise, increased by 14% from Php6.64 billion in the third quarter of 2023 to Php7.55 billion in the third quarter of 2024. Core net income in the third quarter of 2024 amounted to Php7.55 billion, after deducting the Php0.43 billion non-recurring gains earned by the Group mainly from the non-recurring income of MPIC from the gain on remeasurement on previously held interest in one of its associates, after gaining control resulting to its consolidation, and adding back the Php0.04 billion amortization of fair value adjustments arising from various business combinations. Core net income for the third quarter of 2023 amounted to Php6.64 billion, after adding back the Php0.14 billion non-recurring expenses incurred by MPIC and amortization of fair value adjustments arising from various business combinations.

Automotive operations comprising the sale of assembled and imported auto vehicles and spare parts grew by 13% from Php65.29 billion in the third quarter of 2023 to Php74.06 billion in the third quarter of 2024 due to an increase in wholesale sales volume.

Equity in net income of associates and joint ventures increased by 15% from Php6.01 billion in the third quarter of 2023 to Php6.90 billion in the third quarter of 2024 primarily due to the following:

1. Metrobank net income grew by 11% from Php10.89 billion to Php12.12 billion mostly due to higher net interest income and income from trading, securities and foreign exchange gains; and
2. MPIC's net income increased by 81% from Php5.84 billion to Php10.59 billion due to the higher core income contribution from toll and water operations.

Rent income grew by 13% from Php0.38 billion to Php0.43 billion due to higher retail and office occupancy.

Interest income grew by 25% due to higher short-term investments and higher placement rates.

Sale of goods and services declined by 6% due to lower fuel prices in the third quarter of 2024.

Commission income dropped by 65% from Php0.24 billion in the third quarter of 2023 to Php0.08 billion in the third quarter of 2024 due to lower booked sales of Federal Land's joint venture projects.

Other income decreased by 9% from Php1.05 billion to Php0.96 billion with: (1) Federal Land contributing Php0.40 billion comprising real estate forfeitures, management fees and other income; (2) TMP contributing Php0.30 billion consisting of ancillary income, gain on sale of fixed assets and other income; (3) GTCAM accounted for the balance of Php0.26 billion consisting of ancillary income on financing and insurance commissions, and other income.

Consolidated costs and expenses increased by 10% from Php65.61 billion in the third quarter of 2023 to Php72.42 billion in the third quarter of 2024. TMP contributed Php58.74 billion comprising cost of goods sold for manufacturing and trading activities, general and administrative expenses and interest expenses. GTCAM contributed Php9.58 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. Federal Land contributed Php2.88 billion consisting of cost of real estate sales, cost of goods and services sold, general and administrative expenses, cost of rental and interest expenses. GT Capital Parent Company contributed Php1.22 billion consisting of cost of rental, interest expenses and general and administrative expenses.

Cost of goods and services sold grew by 6% from Php48.76 billion to Php51.66 billion, while cost of goods manufactured grew by 39% from Php8.95 billion to Php12.40 billion, relative to the increase in auto sales.

General and administrative expenses increased by 13% or Php0.65 billion mainly advertising, promotional, and delivery and handling expenses relative to the increase in auto retail sales.

Cost of real estate sales declined by 28% billion from Php0.71 billion to Php0.51 billion attributable to the lower costs incurred by Federal Land in 2024 on its ongoing projects.

Cost of rental increased by 5% due to higher operating expenses incurred in the leasing business, particularly utilities and repairs and maintenance.

Provision for income tax increased by Php0.39 billion from Php1.17 billion in the third quarter of 2023 to Php1.56 billion in the third quarter of 2024 due to the higher taxable income reported in the third quarter of 2024.

Net income attributable to non-controlling interests grew by Php0.87 billion arising from the higher net income of subsidiaries which are not wholly-owned in the third quarter of 2024 compared to the same period of 2023.

Consolidated Statements of Financial Position- As of September 30, 2024 and As of December 31, 2023

GT CAPITAL CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	Unaudited	Audited	Increase (Decrease)	
(In Million Pesos, Except for Percentage)	September 2024	December 2023	Amount	Percentage
ASSETS				
Current Assets				
Cash and cash equivalents	**29,160**	16,731	12,429	74%
Short-term investments	**4,755**	–	4,755	100%
Financial assets at fair value through profit or loss	**897**	871	26	3%
Receivables	**18,422**	29,203	(10,781)	(37%)
Contract assets	**4,674**	4,092	582	14%
Inventories	**74,046**	76,676	(2,630)	(3%)
Due from related parties	**143**	134	9	7%
Prepayments and other current assets	**11,718**	12,778	(1,060)	(8%)
	143,815	140,485	3,330	2%
Noncurrent Assets				
Financial assets at fair value through other comprehensive income	**18,097**	17,696	401	2%
Receivables – net of current portion	**2,315**	6,390	(4,075)	(64%)
Contract asset – net of current portion	**5,071**	5,489	(418)	(8%)
Investment properties	**22,153**	22,326	(173)	(1%)
Investments in associates and joint ventures	**244,676**	228,713	15,963	7%
Property and equipment	**14,808**	13,589	1,219	9%
Goodwill and intangible assets	**10,084**	10,014	70	1%
Deferred tax assets	**1,040**	1,085	(45)	(4%)
Other noncurrent assets	**379**	829	(450)	(54%)
	318,623	306,131	12,492	4%
TOTAL ASSETS	**462,438**	446,616	15,822	4%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	**46,669**	43,790	2,879	7%
Contract liabilities – current portion	**3,001**	3,293	(292)	(9%)
Short-term debt	**12,383**	21,116	(8,733)	(41%)
Current portion of long-term debt	**29,072**	16,110	12,962	80%
Current portion of liabilities on purchased properties	**166**	348	(182)	(52%)
Current portion of bonds payable	**–**	3,997	(3,997)	(100%)
Customers' deposits	**1,239**	1,062	177	17%
Dividends payable	**5,260**	365	4,895	1341%
Due to related parties	**389**	416	(27)	(6%)
Income tax payable	**997**	568	429	76%
Other current liabilities	**1,785**	2,149	(364)	(17%)
	100,961	93,214	7,747	8%
Noncurrent Liabilities				
Long term debt – net of current portion	**79,682**	95,528	(15,846)	(17%)
Liabilities on purchased properties - net of current portion	**830**	981	(151)	(15%)
Pension liabilities	**2,001**	2,040	(39)	(2%)
Deferred tax liabilities	**4,408**	4,409	(1)	(0%)
Other noncurrent liabilities	**3,031**	3,190	(159)	(5%)
	89,952	106,148	(16,196)	(15%)
TOTAL LIABILITIES	**190,913**	199,362	(8,449)	(4%)

(Forward)

GT CAPITAL CONSOLIDATED STATEMENTS OF FINANCIAL POSITION *(In Million Pesos, Except for Percentage)*	**Unaudited September 2024**	**Audited December 2023**	**Increase (Decrease) Amount**	**Percentage**
Equity attributable to equity holders of Parent Company				
Capital stock	**3,370**	3,370	–	0%
Additional paid-in capital	**94,472**	94,472	–	0%
Treasury shares	**(484)**	(484)	–	0%
Retained earnings				
Unappropriated	**154,086**	133,838	20,248	15%
Appropriated	**400**	400	–	0%
Other comprehensive income (loss)	**2,104**	(2,477)	4,581	185%
Other equity adjustments	**2,322**	2,322	–	0%
	256,270	231,441	24,829	11%
Non-controlling interests	**15,255**	15,813	(558)	(4%)
TOTAL EQUITY	**271,525**	247,254	24,271	10%
TOTAL LIABILITIES AND EQUITY	**462,438**	446,616	15,822	4%

The major changes in GT Capital's consolidated balance sheet from December 31, 2023 to September 30, 2024 are as follows:

Consolidated assets increased by Php15.82 billion from Php446.62 billion as of December 31, 2023 to Php462.44 billion as of September 30, 2024. Total liabilities dropped by Php8.45 billion from Php199.36 billion to Php190.91 billion while total equity increased by Php24.27 billion from Php247.25 billion to Php271.52 billion.

ASSETS

Cash and cash equivalents amounted to Php29.16 billion as of September 30, 2024 consisting of money market placements with less than 90-day terms.

Short-term investments amounting to Php4.76 billion pertains to time deposit placements with more than 90-day but less than 1 year terms.

Current portion of receivables declined by Php10.78 billion mostly due to the collection of trade receivables of TMP from its dealers arising from extended credit terms offered at the end of 2023.

Contract assets increased by Php0.58 billion attributable to the higher percentage of completion (POC) over the contractual right to an amount collectible from Federal Land's unit buyers.

Due from related parties increased by 7% mostly coming from Federal Land's receivable from its related parties.

Prepayments and other current assets declined by Php1.06 billion due to lower ad valorem taxes, creditable withholding taxes and input VAT.

Noncurrent portion of receivables declined by Php4.08 billion due to Federal Land's collections of its long-term receivables.

Non-current portion of contract assets declined by 8% or Php0.42 billion due to a reclassification to receivables and current portion of contract assets.

Investments in associates and joint ventures grew by 7% from Php228.72 billion to Php244.68 billion mainly attributable to the Php18.94 billion equity share in net income, Php4.25 billion equity share in other comprehensive income, and additional P3.22 billion investments offset by Php10.45 billion dividends received.

Property and equipment increased by Php1.22 billion from Php13.59 billion to Php14.81 billion mainly due to incremental construction in progress, acquisitions of transportation vehicles and small tools, dies and jigs for use in auto assembly and manufacturing.

Other noncurrent assets decreased by Php0.45 billion from Php0.83 billion to Php0.38 billion due to decline in utility and guarantee deposits.

LIABILITIES

Accounts and other payables increased to Php46.67 billion from Php43.79 billion primarily due to the increase in trade payables and various accruals.

Contract liabilities declined by Php0.29 billion attributable to the projects with lower percentage of completion (POC) over the amount collected from Federal Land's unit buyers.

Short-term debt dropped by Php8.73 billion from Php21.11 billion to Php12.38 billion mostly due to TMP's settlement of its short-term debt.

Current portion of long-term debt increased by 80% from Php16.11 billion to Php29.07 billion primarily due to the reclassifications from noncurrent portion of the Parent Company's long-term debt maturing in March 2025.

Current portion of liabilities on purchased properties decreased due to scheduled payment.

Current portion of bonds payable were paid upon its maturity on August 7, 2024.

Customers' deposits increased by 17% from Php1.06 billion to Php1.24 billion with TMP and GTCAM accounting for Php0.11 billion, and Php0.07 billion, respectively.

Dividends payable increased by Php4.90 billion primarily due to dividends payable to other shareholders of TMP.

Due to related parties declined by 6% from Php0.42 billion to Php0.39 billion attributable the payments made by Federal Land.

Income tax payable increased by 76% from Php0.57 billion to Php1.00 billion attributable to higher taxable income in the third quarter of 2024 than last quarter of 2023.

Other current liabilities dropped by 17% from Php2.15 billion to Php1.79 billion primarily due to withholding taxes and VAT remittances.

Non-current portion of long-term debt declined by 17% or Php15.85 billion mainly due to the reclassification to current portion of the Parent Company's long-term debt maturing in March 2025 and Federal Land's settlement of its long-term debt.

Non-current portion of liabilities on purchased properties decreased by Php0.15 billion due to a reclassification to current portion and amortization of deferred financing cost.

Other noncurrent liabilities dropped by Php0.16 billion mostly from decline in the Group's various long-term accruals.

EQUITY

Unappropriated retained earnings increased by Php20.25 billion from Php133.84 billion to Php154.09 billion arising from the Php21.72 billion consolidated net income attributable to the Parent Company earned in 2024, and Php0.25 billion impact of the full adoption of PFRS 15 on significant financing component, net of Php1.72 billion cash dividends declared.

Other comprehensive loss of Php2.48 billion as of December 31, 2023 improved to other comprehensive income of Php2.10 billion as of September 30, 2024 due to mark-to-market gains on financial assets at FVOCI of the Group.

Key Performance Indicators of the Company and its component companies

	In Million Pesos, except for percentages	
Income Statement	**September 30, 2024 (Unaudited)**	**September 30, 2023 (Unaudited)**
Total Revenues	235,158	223,123
Net Income attributable to Equity Holders of GT Capital Holdings	21,718	23,086
Balance Sheet	**September 30, 2024 (Unaudited)**	**December 31, 2023 (Audited)**
Total Assets	462,438	446,616
Total Liabilities	190,913	199,362
Equity attributable to GT Capital Holdings, Inc.	256,270	231,441
Return on Equity *	10.75%	13.73%

* *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, 2023 is full year while September 30, 2024 is annualized.*

Automobile Assembly and Importation, Dealership and Financing

Toyota Motor Philippines (TMP)

	In Million Pesos, except for ratios		**Inc (Dec)**	**%**
	9M 2024	**9M 2023**		
Sales	178,940.1	162,756.7	16,183.4	9.9
Gross Profit	25,499.4	22,389.3	3,110.1	13.9
Operating Profit	15,751.4	14,170.1	1,581.4	11.2
Net income attributable to Parent	12,159.9	10,882.1	1,277.7	11.7
	9M 2024	**FY 2023**		**%**
Total Assets	74,573.2	69,263.9	5,309.2	7.7
Total Liabilities	54,958.7	48,073.3	6,885.4	14.3
Total Equity	19,614.5	21,190.7	(1,576.2)	(7.4)
Total Liabilities to Equity ratio*	2.8x	2.3x		

**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 Php162.8 billion in the first nine months of 2023 to Php178.9 billion in the same period of 2024, driven by the 8.4% increase in wholesale volume from 149,719 units in 2023 to 162,326 units in 2024. TMP's retail sales volume likewise grew by 10.3% from 144,232 to 159,088 units, faster than the industry retail sales volume growth of 7.7% from 320,910 to 345,772 units. As a result, TMP's market share improved by 1.1% from 44.9% as of the first nine months of 2023 to 46.0% as of the same period in 2024.

Consolidated sales grew as a result of higher retail sales, particularly Vios and Wigo. TMP also benefited from the full impact of new models introduced in 2023, which include Zenix, Yaris Cross, Hilux GR-S, and Alphard, as well as new Lexus models, such as the RX, RZ, and LM.

Gross profit margin improved by 0.5% from 13.8% in the first nine months of 2023 to 14.3% in the same period of 2024 mainly due to the favorable foreign exchange differential driven by the weaker Japanese yen vs. the US dollar, supplemented by higher profits from the spare parts and export parts businesses. This was, however, offset by the peso depreciation vs. the US dollar, particularly in the second quarter, and the limited supply of select Japanese-sourced vehicles, at the tail-end of the first quarter. The improvement in gross profit margin was softened by higher sales promotion expenses and logistics costs, driven by the sales volume growth, leading to higher operating expenses by 18.6%. As a result, TMP attained an operating profit margin of 8.8% as of the first nine months of 2024, slightly higher by 0.1% from 8.7% in the same period of 2023.

Consolidated net income attributable to equity holders reached Php12.2 billion in the first nine months of 2024, higher by 11.7% compared to Php10.9 billion recorded in the previous year, inclusive of the extraordinary income from incentives received by TMP in 2023 from the Comprehensive Auto Resurgence Strategy (CARS) Program. Excluding this extraordinary income, TMP's net income attributable to equity holders improved by 16.4% year-on-year on account of higher sales volume and the favorable impact of foreign exchange differential related to the weaker Japanese yen vs. the US dollar.

As at September 30, 2024, TMP directly owned six (6) dealer outlets namely Toyota Makati with one (1) branch – Toyota Bicutan; Toyota San Fernando in Pampanga with two (2) branches – Toyota Plaridel, Bulacan and Toyota Tarlac in Tarlac City; and Lexus Manila, situated in Bonifacio Global City, Taguig.

GT Capital Auto and Mobility Holdings, Inc. (GTCAM)

	In Million Pesos		**Inc (Dec)**	**%**
	9M 2024	**9M 2023**[1]		
Net sales	27,102.5	25,539.1	1,563.4	6.1
Gross profit	2,500.1	2,488.8	11.3	0.5
Net income attributable to equity holders of the parent	360.9	318.8	42.0	13.2
	9M 2024	**FY 2023**		
Total assets	14,889.8	15,198.2	(308.3)	(2.0)
Total liabilities	6,035.6	6,685.9	(650.2)	(9.7)
Total equity	8,854.2	8,512.3	341.9	4.0

[1]*Includes GT Capital's 58.1% share in TMBC's net income. In October 2023, GT Capital and GTCAM signed a Deed of Assignment of Share of Stocks (DOAS) wherein GT Capital offered to subscribe to common voting shares of GTCAM and to transfer to GTCAM its investment in 58.1% of TMBC's common shares. The DOAS became effective upon the SEC's approval of GTCAM's increase in authorized capital stock in December 2023. As a result, GTCAM took control and, accordingly, consolidated all assets and liabilities of TMBC effective December 2023.*

GTCAM currently owns three (3) dealer outlets namely Toyota Manila Bay with four (4) branches – Toyota Abad Santos, Toyota Cubao and Toyota Marikina, all situated within Metro Manila, and Toyota Dasmariñas in Cavite; Toyota Santa Rosa in Laguna; and Toyota Subic situated in the Subic Bay Freeport Zone, Zambales. GTCAM also holds majority ownership in GT Mobility Ventures, Inc., which holds investments in JBA Philippines, Inc. and Premium Warranty Services Philippines, Inc.

Consolidated sales increased by 6.1% from Php25.5 billion in the first nine months of 2023 to Php27.1 billion in the same period of 2024. The increase was mainly driven by the growth in units serviced from 142,924 units in the first nine months of 2023 to 156,900 units in 2024 or 9.8%.

Retail sales volume was flat at 20,163 units in the first nine months of 2024 vs. 20,198 units in the same period of 2023 as the increase in sales volume of Toyota Santa Rosa Laguna and Toyota Subic was offset by a decline in sales volume of Toyota Manila Bay Group. As a result, GTCAM's consolidated penetration rate, or its share in the total sales of Toyota nationwide, declined from 14.0% in the first nine months of 2023 to 12.7% in the same period of 2024.

GTCAM's consolidated net income attributable to equity holders reached Php360.9 million, which grew by 13.2% from Php318.8 million in the previous year mainly due to the increase in aftersales business, higher commission income from financed units, and managed operating expenses, offset by a flattish retail sales volume.

Property Development

Federal Land Inc.

	In Million Pesos, except for percentages and ratios			
	9M 2024	**9M 2023**	**Inc(Dec)**	**%**
Real estate sales*	5,324.5	7,162.2	(1,837.7)	(25.7)
Revenues	9,543.7	13,176.7	(3,633.0)	(27.6)
Net income attributable to equity holders of the parent	652.1	1,872.3	(1,220.2)	(65.2)
	9M 2024	**FY 2023**	**Inc(Dec)**	**%**
Total assets	124,545.1	124,908.7	(363.6)	(0.3)
Total liabilities	65,869.4	67,017.0	(1,147.6)	(1.7)
Total equity attributable to equity holders of the parent	58,441.8	57,688.6	753.2	1.3
Current ratio[1]	1.4x	1.4x		
Debt to equity ratio[2]	0.8x	0.8x		

** 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

Real estate sales decreased to Php5.3 billion for the first nine months of 2024, 25.7% lower than the same period of last year due to lower lot sales amounting to Php1.4 billion compared to Php3.9 billion for the same period in 2023. Equity earnings in joint ventures are also lower year-on-year, due to a declining inventory of JV projects in BGC. Total revenues ended at Php9.5 billion for the first nine months of 2024, 27.6% lower compared to same period of last year.

Federal Land's reservation sales decreased by 33% to Php12.0 billion in the first nine months of 2024 mainly due to the absence of new launches in the first half and joint venture projects, such as The Seasons Residences and Grand Hyatt Residences, are almost fully sold.

As a result, net income attributable to equity holders declined by 65.2% to Php652 million for the first nine months of 2024 due to lower lot sales and lower contribution from associates and joint venture.

Total assets of Federal Land ended at Php124.5 billion as of the first nine months of 2024 from Php124.9 billion as of the end of 2023, mainly from debt repayment and collection of receivables.

Banking

Metrobank

	In Billion Pesos, except for percentages and ratios			
	9M 2024	**9M 2023**	**Inc (Dec)**	**%**
Net income attributable to equity holders	35.7	31.8	3.9	12.4
Net interest margin on average earning assets	3.90%	3.93%		(0.03)
Operating efficiency ratio	52.2%	51.5%		(0.70)
Return on average assets	1.48%	1.5%		0.02
Return on average equity	12.93%	12.8%		0.10

	9M 2024	**FY 2023**	**Inc (Dec)**	**%**
Total assets	3,335.1	3,104.9	230.2	7.4
Total liabilities	2,944.3	2,738.2	206.1	7.5
Equity attributable to equity holders of the parent company	380.1	356.7	23.5	6.6
Tier 1 capital adequacy ratio	16.3%	17.4%		(1.1)
Total capital adequacy ratio	17.1%	18.3%		(1.2)
Non-performing loans ratio	1.6%	1.7%		(0.1)
Non-performing loans coverage ratio	162.0%	180.3%		(18.3)

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, 2023 and September 30, 2024 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 12.4% from Php31.8 billion for the first nine months of 2023 to Php35.7 billion in the same period of this year. Net interest income grew by 11% to Php85.7 billion, comprising 78% of total operating income. This was primarily driven by interest income on loans and receivables and investment securities. Likewise, non-interest income grew by 5% from Php23.0 billion for the first nine months of 2023 to Php24.1 billion due mainly to the increase in net trading, securities and foreign exchange gain, and higher fee income of Php5.6 billion and Php12.5 billion, respectively. The higher net trading gains and fee income were partially offset by a decline in miscellaneous income which amounted to Php5.9 billion, due primarily to lower income realized from the sale of ROPA.

Operating income increased by 9.6% from Php100.2 billion for the first nine months of 2023 to Php109.8 billion in the same period this year. The Bank set aside Php3.5 billion in provisions for credit and impairment losses, 48% lower than the same period last year.

Total assets went up from Php3.1 trillion as of December 31, 2023 to Php3.3 trillion as of the first nine months of 2024 due to increases in net loans and receivables, investment securities, deferred tax assets, investments in associates and JVs and other assets, partially offset by the decline in cash and other cash items, due from BSP, due from other banks and interbank loans receivable and securities purchased under resale agreements.

Total liabilities grew from Php2.7 trillion as of December 31, 2023 to Php2.9 trillion as of September 2024 with the increases in bills payable and SSURA, bonds payable, income taxes payable and accrued interest and other expenses, partially offset by the decline in deposit and derivative liabilities.

Equity attributable to equity holders of the parent grew by 6.6% from Php356.7 billion as of December 31, 2023 to Php380.1 billion as of the first nine months of 2024 primarily due to the Php35.7 billion net income and Php9.8 billion net unrealized gain recognized on FVOCI investments offset by the Php22.5 billion total cash dividends paid by the company.

Toyota Financial Services Philippines Corporation (TFSPC)

	In Million Pesos, except for ratios			
	9M 2024	**9M 2023**	**Inc (Dec)**	**%**
Gross Interest Income	11,122.0	9,369.4	1,752.6	18.7
Net Interest Income	5,088.8	4,793.0	295.7	6.2
Net Income	1,272.9	1,371.1	(98.2)	(7.2)
	9M 2024	**9M 2023**	**Inc (Dec)**	**%**
Total Assets	160,422.9	143,022.9	17,400.0	12.2
Total Equity	19,150.6	16,878.3	2,272.2	13.5
Finance Receivable	151,601.8	132,164.9	19,436.8	14.7

TFSPC recorded an 18.7% growth in gross interest income from Php9.4 billion to Php11.1 billion for the first nine months of 2024, as finance receivables increased by 14.7% from Php132.2 billion in the first nine months of 2023 to Php151.6 billion in the same period this year. The year-on-year increase in the loans receivables was a result of the cumulative growth in bookings during the pandemic.

Booking volume, grew by 23% from 42,499 units in the first nine months of 2023 to 52,396 units in the same period this year. This resulted to a higher penetration rate from 29.5% to 32.9% in the first nine months of 2024.

TFSPC generated a net income of Php1.3 billion from Php1.4 billion in the same period of last year due to the higher operating expenses and loss on ROPA, cushioned by the higher net interest income and service fees.

Sumisho Motor Finance Corporation (SMFC)

	In Million Pesos, except for ratios		Inc (Dec)	%
	9M 2024	**9M 2023**		
Gross Interest Income	1,312.8	1,385.5	(72.6)	(5.2)
Net Interest Income	1,168.0	1,231.1	(63.0)	(5.1)
Net Income	174.7	158.0	16.6	10.5
	9M 2024	**FY 2023**		
Total Assets	6,655.8	7,699.0	(1,043.1)	(13.5)
Total Equity	2,960.9	2,895.2	65.7	2.3
Finance Receivable	6,135.1	7,006.5	(871.4)	(12.4)

SMFC recorded a 5.2% decrease in gross interest income from Php1.39 billion to Php1.31 billion due to a decrease in finance receivable arising from lower accruing accounts by 12.4% from Php7.01 billion as of December 2023 to Php6.14 billion as of the first nine months of 2024, cushioned by a higher effective yield. Bookings decreased by 35% to 25,449 units for the first nine months of 2024 from 39,315 units in the same period of last year.

Despite a decrease in topline, SMFC net income increased 10.5% compared to the same period of last year from Php158.0 million to Php174.7 million due to lower provisions, losses on ROPA, and managed OPEX.

Insurance

AXA Philippines Life and General Insurance Corporation (AXA Philippines)

In Million Pesos, except ratios	9M 2024	9M 2023	Inc (Dec)	%
Gross Premiums	22,587.8	19,514.9	3,072.8	15.7
Net income after tax	2,020.5	2,058.9	(38.3)	(1.9)
	9M 2024	**FY 2023**	**Inc (Dec)**	**%**
Total Assets	190,309.2	177,843.1	12,466.2	7.0
Total Liabilities	172,680.0	162,855.4	9,824.5	6.0
Total Equity	17,629.3	14,987.6	2,641.7	17.6
Solvency Ratio	331%	234%		

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 increased by 18.0% from Php2.8 billion in the first nine months of 2023 to Php3.3 billion in the same period of 2024, carried by the strong performance of Single Premium – Unit Linked products, namely the Asset

Master and Asset Protect and also by the successful launch of the Regular Premium – Endowment product, AXA Secure Future.

Premium revenue increased to Php22.6 billion in the first nine months of 2024, 15.7% higher year-on-year. The reported premium revenue mix of life insurance changed to 39%/61% (Single Premium vs. Regular Premium) in the first nine months of 2024 from 26%/74% same period of last year. By distribution platform, sales agency, bancassurance, and other channels accounted for 48%, 49% and 3% of Annualized Premium Equivalent, respectively.

Non-life insurance reported Php2.5 billion in gross written premiums in the first nine months of 2024, higher by 8.6% in the same period last year, driven by Property and Engineering.

Overall, net income decreased by 1.9% to Php2.0 billion in the first nine months of 2024 due to higher policy claims and benefits and lower contribution from traditional products year-on-year.

Infrastructure and Utilities

Metro Pacific Investments Corporation (MPIC)

	In Million Pesos, except for Percentage			
	9M 2024	**9M 2023**	**Inc (Dec)**	**%**
Core net income	20,793	16,227	4,566	28.1
Net income attributable to equity holders	23,133	16,056	7,077	44.1
	9M 2024	**FY 2023**	**Inc (Dec)**	**%**
Total assets	803,091	713,605	89,486	12.5
Total liabilities	497,514	424,129	73,385	17.3
Total equity attributable to owners of Parent Company	247,752	233,009	14,743	6.3

MPIC reported a core net income of Php20.8 billion in the first nine months of 2024, up 28% year-on-year from Php16.2 billion in 2023. The increase was mainly attributable to the improved financial and operating results from MPIC Holdings which amounted to a total share of Php24.3 billion from operations in the first nine months of 2024, up 21% from Php20.0 billion in the same period last year.

Power contributed the largest share at Php15.3 billion which grew by 11% year-on-year from higher energy sales at Meralco. Toll Roads and Water contributed Php5.1 billion (up 24% year-on-year) and Php4.5 billion (up 29% year-on-year), respectively, coming from higher traffic on toll roads and toll rate increases in Metro Pacific Tollways Corporation (MPTC) and from higher billed volume and tariff increases in Maynilad.

Including non-recurring income and expenses, reported net income attributable to equity holders is higher by 44% from Php16.1 billion in the first nine months of 2023 to Php23.1 billion in the same period of 2024.

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 note 14 of the interim condensed consolidated 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 2023 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 SEPTEMBER 30, 2024

Number of Days	Amount
Less than 30 days	**Php904**
30 days to 60 days	**950**
61 days to 90 days	**468**
91 days to 120 days	**241**
Over 120 days	**662**
Current	**15,200**
Impaired	**960**
Noncurrent receivables	**2,315**
Total	**Php21,700**

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 September 30, 2024:

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	52,434,702	24.3560%
PCD Nominee-Non-Filipino	41,500,584	19.2771%

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	**George S. Uy-Tioco, Jr.**
Head, Accounting and Financial Control	Chief Finance Officer

Date: November 13, 2024

GT Capital Holdings, Inc. and Subsidiaries

Interim Condensed Consolidated Financial Statements
As of September 30, 2024 (Unaudited) and December 31, 2023 (Audited) and for the nine-month periods ended September 30, 2024 and 2023 (Unaudited)

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In Millions)

	Unaudited September 30, 2024	Audited December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	**₱29,160**	₱16,731
Short-term investments	**4,755**	–
Financial assets at fair value through profit or loss (FVTPL)	**897**	871
Receivables	**18,422**	29,203
Contract assets	**4,674**	4,092
Inventories	**74,046**	76,676
Due from related parties	**143**	134
Prepayments and other current assets	**11,718**	12,778
Total Current Assets	**143,815**	140,485
Noncurrent Assets		
Financial assets at fair value through other comprehensive income (FVOCI)	**18,097**	17,696
Receivables, net of current portion	**2,315**	6,390
Contract assets – net of current portion	**5,071**	5,489
Investment properties	**22,153**	22,326
Investments in associates and joint ventures	**244,676**	228,713
Property and equipment	**14,808**	13,589
Goodwill and intangible assets	**10,084**	10,014
Deferred tax assets	**1,040**	1,085
Other noncurrent assets	**379**	829
Total Noncurrent Assets	**318,623**	306,131
	₱462,438	₱446,616
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables	**₱46,669**	₱43,790
Contract liabilities	**3,001**	3,293
Short term debt	**12,383**	21,116
Current portion of long-term debt	**29,072**	16,110
Current portion of liabilities on purchased properties	**166**	348
Current portion of bonds payable	**–**	3,997
Customers' deposits	**1,239**	1,062
Dividends payable	**5,260**	365
Due to related parties	**389**	416
Income tax payable	**997**	568
Other current liabilities	**1,785**	2,149
Total Current Liabilities	**100,961**	93,214
Noncurrent Liabilities		
Long-term debt – net of current portion	**79,682**	95,528
Liabilities on purchased properties - net of current portion	**830**	981
Pension liabilities	**2,001**	2,040
Deferred tax liabilities	**4,408**	4,409
Other noncurrent liabilities	**3,031**	3,190
Total Noncurrent Liabilities	**89,952**	106,148
	190,913	199,362

(forward)

	Unaudited September 30, 2024	Audited December 31, 2023
EQUITY		
Equity attributable to equity holders of the Parent Company		
Capital stock	**₱3,370**	₱3,370
Additional paid-in capital	**94,472**	94,472
Treasury shares	**(484)**	(484)
Retained earnings		
Unappropriated	**154,086**	133,838
Appropriated	**400**	400
Other comprehensive income (loss)	**2,104**	(2,477)
Other equity adjustments	**2,322**	2,322
	256,270	231,441
Non-controlling interest	**15,255**	15,813
Total Equity	**271,525**	247,254
	₱462,438	₱446,616

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In Millions, Except Earnings Per Share)

	UNAUDITED			
	January to September		July to September	
	2024	2023	**2024**	2023
REVENUE				
Automotive operations	**₱205,699**	₱186,959	**₱74,059**	₱65,291
Equity in net income of associates and joint ventures	**18,941**	17,531	**6,900**	6,008
Real estate sales and interest income on real estate sales	**4,236**	11,713	**1,305**	1,324
Rent income	**1,199**	1,084	**432**	383
Sale of goods and services	**921**	821	**297**	315
Interest income	**868**	756	**370**	295
Commission income	**261**	710	**83**	240
Other income	**3,033**	3,549	**960**	1,050
	235,158	223,123	**84,406**	74,906
COST AND EXPENSES				
Cost of goods and services sold	**144,991**	133,733	**51,660**	48,760
Cost of goods manufactured	**33,514**	29,426	**12,400**	8,948
General and administrative expenses	**15,800**	13,920	**5,805**	5,154
Interest expense	**5,482**	5,806	**1,834**	1,839
Cost of real estate sales	**1,824**	5,172	**513**	714
Cost of rental	**673**	592	**205**	195
	202,284	188,649	**72,417**	65,610
INCOME BEFORE INCOME TAXES	**32,874**	34,474	**11,989**	9,296
PROVISION FOR INCOME TAX	**4,527**	5,524	**1,562**	1,171
NET INCOME	**₱28,347**	₱28,950	**₱10,427**	₱8,125
ATTRIBUTABLE TO:				
Equity holders of the Parent Company	**₱21,718**	₱23,086	**₱7,936**	₱6,503
Non-controlling interests	**6,629**	5,864	**2,491**	1,622
	₱28,347	₱28,950	**₱10,427**	₱8,125
Basic/Diluted Earnings Per Share Attributable to Equity Holders of the Parent Company	**₱99.61**	₱105.18		

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Millions)

	UNAUDITED			
	January to September		July to September	
	2024	2023	**2024**	2023
NET INCOME	**₱28,347**	₱28,950	**₱10,427**	₱8,125
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that may be reclassified to profit or loss in subsequent periods:				
Changes in cumulative translation adjustments	**(15)**	(22)	**(8)**	9
Changes in cash flow hedge reserves	**16**	(76)	**(10)**	47
Equity in other comprehensive income (loss) of associates:				
Cash flow hedge reserves	**83**	98	**(16)**	(1)
Remeasurement on life insurance reserves	**12**	23	**(16)**	(30)
Translation adjustment	**264**	(211)	**292**	172
	360	(188)	**242**	197
Items that may not be reclassified to profit or loss in subsequent periods:				
Changes in fair value of financial assets at FVOCI	**349**	4,281	**(2,124)**	2,308
Equity in changes in fair value of financial assets at FVOCI	**3,908**	2,372	**5,105**	338
Remeasurement of defined benefit plans	**(5)**	(56)	**8**	–
Equity in remeasurement of defined benefit plans of associates	**(18)**	(1)	**6**	2
Income tax effect	**5**	14	**(4)**	(1)
	4,239	6,610	**2,991**	2,647
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	**4,599**	6,422	**3,233**	2,844
TOTAL COMPREHENSIVE INCOME	**₱32,946**	₱35,372	**₱13,659**	₱10,969
ATTRIBUTABLE TO:				
Equity holders of the Parent Company	**₱26,299**	₱29,475	**₱11,162**	₱9,335
Non-controlling interests	**6,647**	5,897	**2,497**	1,634
	₱32,946	₱35,372	**₱13,659**	₱10,969

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
AS OF SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)

(In Millions)

	Equity Attributable to Equity Holders of the Parent Company									
	Capital Stock	**Additional Paid-in Capital**	**Treasury Shares**	**Unappropriated Retained Earnings**	**Appropriated Retained Earnings**	**Other Comprehensive Income (Loss)**	**Other Equity Adjustment**	**Total**	**Non-controlling Interests**	**Total**
At January 1, 2024	**₱3,370**	**₱94,472**	**(₱484)**	**₱133,838**	**₱400**	**(₱2,477)**	**₱2,322**	**₱231,441**	**₱15,813**	**₱247,254**
Total comprehensive income	–	–	–	**21,718**	–	**4,581**	–	**26,299**	**6,647**	**32,946**
Dividends declared	–	–	–	**(1,723)**	–	–	–	**(1,723)**	**(7,205)**	**(8,928)**
Impact of full adoption of PFRS 15	–	–	–	**253**	–	–	–	**253**	–	**253**
At September 30, 2024	**₱3,370**	**₱94,472**	**(₱484)**	**₱154,086**	**₱400**	**₱2,104**	**₱2,322**	**₱256,270**	**₱15,255**	**₱271,525**

	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, 2023	₱3,370	₱98,827	₱106,107	₱400	(₱9,284)	₱2,322	₱201,742	₱11,272	₱213,014
Total comprehensive income	–	–	23,086	–	6,389	–	29,475	5,897	35,372
Dividends declared	–	–	(647)	–	–	–	(647)	(3,007)	(3,654)
At September 30, 2023	₱3,370	₱98,827	₱128,546	₱400	(₱2,895)	₱2,322	₱230,570	₱14,162	₱244,732

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Millions)

	Unaudited	
	For the Nine Months Ended September 30	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱32,874**	₱34,474
Adjustments for:		
Interest expense	**5,482**	5,806
Depreciation and amortization	**1,224**	1,396
Pension expense	**307**	196
Unrealized foreign exchange losses	**147**	395
Provision (reversal of provision) for impairment losses	**41**	(17)
Unrealized gain on financial assets at FVTPL	**(28)**	(210)
Gain on disposal of property and equipment	**(42)**	(9)
Dividend income	**(322)**	(276)
Interest income	**(905)**	(829)
Equity in net income of associates and joint ventures	**(18,941)**	(17,531)
Operating income before changes in working capital	**19,837**	23,395
Decrease (increase) in:		
Short-term investments	**(4,756)**	(1,964)
Receivables	**14,904**	(4,118)
Contract assets	**(165)**	3,913
Due from related parties	**(8)**	242
Inventories	**2,653**	1,436
Financial assets at FVTPL	**1**	5,578
Prepayments and other current assets	**509**	784
Increase (decrease) in:		
Accounts and other payables	**(1,519)**	11,053
Contract liabilities	**(292)**	146
Customers' deposits	**178**	52
Due to related parties	**(26)**	(155)
Other current liabilities	**(365)**	232
Cash provided by operations	**30,951**	40,594
Interest received	**815**	519
Interest paid	**(5,010)**	(5,006)
Contributions to pension plan and benefits paid	**(336)**	(111)
Dividends received	**11,028**	5,944
Dividends paid	**(4,033)**	(2,100)
Income taxes paid	**(4,306)**	(5,212)
Net cash provided by operating activities	**29,109**	34,628
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	**162**	46
Additions to:		
Property and equipment	**(2,136)**	(865)
Investments in associates and joint ventures	**(3,220)**	(16,372)
Intangible assets	**(147)**	(57)
Investment properties	**(204)**	(1,015)
Decrease in other noncurrent assets	**1,006**	566
Net cash used in investing activities	**(4,539)**	(17,697)

(forward)

	Unaudited	
	For the Nine Months Ended September 30	
	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan availments	**₱20,698**	₱53,857
Payment of loans payable	**(32,347)**	(67,194)
Payment of bonds payable	**–**	(6,100)
Payment of liabilities on purchased properties	**(333)**	(327)
Payment of principal portion of lease liabilities	**–**	(6)
Increase (decrease) in other noncurrent liabilities	**(12)**	103
Net cash used in financing activities	**(11,994)**	(19,667)
Effect of exchange rate changes on cash and cash equivalents	**(147)**	(395)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**12,429**	(3,131)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**16,731**	24,005
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**₱29,160**	₱20,874

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, and to secure and guarantee obligations of, and act as surety for its subsidiaries and affiliates.

On March 25, 2022 and May 11, 2022, respectively, at separate meetings, the Parent Company's Board of Directors, by a majority vote of its members, and the stockholders, by affirmative vote of more than two-thirds (2/3) of the outstanding capital stock of the Parent Company, approved the amendment of the Parent Company's Articles of Incorporation to include the following activities in the Parent Company's primary purpose: to act as commission merchant, commercial agent or factor for, or assist in any legal manner, financially or otherwise, its subsidiaries, affiliates, associates or investee companies. The Amended Articles of Incorporation was approved by the SEC on July 8, 2022.

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).

<u>Group Activities</u>
The Parent Company, Federal Land, Inc. (Federal Land) and Subsidiaries (Federal Land Group), Toyota Motor Philippines Corporation (Toyota or TMPC) and Subsidiaries (Toyota 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, is the holding company of the Federal Land Group (real estate business), Toyota Group (automotive business), and GTCAM Group (automotive and mobility business), and 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.

The principal business interests of GTCAM Group 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), AXA Philippines Life and General 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, 2023.

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 (PFRSs) as of the period ended September 30, 2024.

As of the period ended September 30, 2023, the interim condensed consolidated financial statements have been prepared in compliance with the Philippine Financial Reporting Standards (PFRSs), 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.

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:

	Country of Incorporation	Percentages of Ownership **September 30, 2024**	 December 31, 2023
Federal Land and Subsidiaries	Philippines	**100.00**	100.00
Toyota and Subsidiaries	-do-	**51.00**	51.00
GTCAM and Subsidiaries	-do-	**100.00**	100.00

Federal Land's Subsidiaries

	Percentages of Ownership **2024**	 2023
Horizon Land Property 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
Mirai Properties Inc. (MPI)	**100.00**	100.00
Pasay Hongkong Realty Development Corp. (PHRDC)	**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 **2024**	 2023
Toyota Makati, Inc. (TMI)	**100.00**	100.00
Toyota Motor Philippines Logistics, Inc. (TLI)	**100.00**	100.00
Toyota Mobility Solutions Philippines, Inc. (TMSPH)	**100.00**	100.00
Lexus Manila, Inc. (LMI)	**75.00**	75.00
Toyota San Fernando Pampanga, Inc. (TSFI)	**55.00**	55.00

GTCAM's Subsidiaries

	Percentages of Ownership	
	2024	2023
GT Mobility Ventures, Inc. (GTMV)	**66.67**	66.67
Toyota Sta. Rosa Laguna, Inc. (TSRLI)	**60.00**	60.00
Toyota Manila Bay Corporation (TMBC)	**58.10**	58.10
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.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

i. the contractual arrangement with the other vote holders of the investee
ii. rights arising from other contractual arrangements
iii. the Group's voting rights and potential voting rights

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.

Material 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, 2023, except for the adoption of the following amended standards, which became effective beginning January 1, 2024.

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

- Amendments to PAS 1, *Presentation of Financial Statements,* and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

- Adoption of PIC Q&A 2018-12, PFRS 15 *Implementation Issues Affecting the Real Estate Industry* (as amended by PIC Q&As 2020-02 and 2020-04)

  The Group followed the allowed modified retrospective approach and presented the impact to previous periods in the opening balance of its 2024 unappropriated retained earnings.

  In the first nine months of 2024, the Group assessed that the overall impact of the adoption of the requirement of PIC Q&A 2018-12 pertaining to significant financing component is not material.

Management's Judgments and Use of 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.

Management's judgments and use of estimates have been disclosed in the 2023 audited consolidated financial statements.

3. Cash and cash equivalents

This account consists of:

	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2023 (Audited)
Cash on hand	**₱39**	₱22	₱21
Cash in banks and other financial institution	**10,230**	7,467	6,242
Cash equivalents	**18,891**	13,385	10,468
	₱29,160	₱20,874	₱16,731

4. Investments

Financial assets at fair value through profit or loss (FVTPL)
This pertains to the Group's investments in Unit Investment Trust Fund (UITF) as of September 30, 2024.

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) and Vivant Corporation (VVT).

5. Investments in subsidiaries, associates and joint ventures

Investment in MPIC
In September 2024, the SEC approved the amendment of MPIC's Articles of Incorporation, increasing the par value of shares in MPIC or otherwise implementing a reverse stock split. This increased the par value of MPIC's common shares from ₱1.00 per common share to ₱500.00 per common share, thereby resulting in the reduction in the number of the authorized common shares from 38,500,000,000 to 77,000,000. This reduced MPIC's issued and outstanding shares to 63,087,353, and the Parent Company's owned shares to 11,480,000.

In the first nine months of 2024, a total of 9.07 million shares were bought back by MPIC as it continued to buy back shares held by its minority shareholders who missed the opportunity to participate in the delisting tender offer. This increased the Parent Company's ownership interest in MPIC from 18.19% to 18.20% as of September 30, 2024.

On April 26, 2023, the Parent Company, together with other entities, formed a consortium to undertake a tender offer for the outstanding common shares of MPIC, with the aim of taking MPIC private through a voluntary delisting process. Pursuant to this, on various dates in September 2023, the Parent Company acquired an aggregate of 840 million common shares of MPIC for a total consideration of ₱4.37 billion which increased the Parent Company's ownership interest in MPIC from 17.08% to 20.00%. In relation to the acquisition, the Parent Company capitalized advisory fees and other professional fees totaling ₱0.24 billion as part of the cost of the investment.

Subsequently, on November 8, 2023, MPIC issued an aggregate of 2.87 billion new common shares to its shareholders, of which the Parent Company did not participate, and this decreased the Parent Company's ownership interest in MPIC to 18.18%. Further, in December 2023, MPIC continued to buy back shares held by its minority shareholders who missed the opportunity to participate in the delisting tender offer. A total of 16.5 million shares were bought back from minority shareholders in December 2023, which increased the Parent Company's ownership interest in MPIC to 18.19% as of December 31, 2023.

As a result of these events, the Parent Company has recorded a provisional gain of ₱1.70 billion in 2023, representing the difference between the Parent Company's share in the net fair values of MPIC's identifiable assets and liabilities that were preliminarily determined at the acquisition date and the cost of the additional investment. The provisional purchase price allocation is subject to revision to reflect the final determination of fair values and will be completed within 12 months from acquisition date.

Further, the Parent Company recorded the effect of the dilution in ownership interest as a loss amounting to ₱1.70 billion also in 2023, representing the difference between the carrying value of the investment in MPIC before and after the deemed partial disposal of ownership interest.

Investment in Federal Land NRE Global, Inc. (FNG)

In May 2023, the Parent Company and FNG entered into a deed of absolute sale, wherein, the Parent Company agreed to sell to FNG certain real estate inventories located in Cavite with a gross aggregate area of eight hundred eighty five thousand sixty seven square meters (885,067 sqm). The total selling price and total cost of the said real estate inventories amounted to ₱9.28 billion and ₱2.74 billion, respectively. The gain on sale recognized from this transaction at the Group level amounted to ₱2.16 billion, net of intercompany elimination and applicable taxes.

In May 2023, Federal Land and FNG also entered into a deed of absolute sale, wherein, Federal Land agreed to sell to FNG certain real estate inventories located in Cavite with a gross aggregate area of one million two hundred thirty four thousand five hundred sixty six square meters (1,234,566 sqm). The total selling price and total cost of the said real estate inventories amounted to ₱11.41 billion and ₱4.86 billion, respectively. The gain on sale recognized from this transaction at the Federal Land level and GT Capital Group level amounted to ₱588.96 million and ₱490.14 million, respectively, net of intercompany elimination and applicable taxes.

In January 2022, Federal Land, HLPDC and Nomura Real Estate Development Co., Ltd. (NRE) entered into a joint venture agreement (JVA) whereby the parties agree to create a joint venture entity, FNG. Under the JVA, Federal Land and HLPDC shall collectively own 66% and NRE shall own 34% of FNG. FNG was incorporated on March 25, 2022.

Cash dividends

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
2024					
MBTC (2nd payout)*	February 21, 2024	₱1.50	₱6,746	September 5, 2024	September 20, 2024
MBTC (1st payout)*	February 21, 2024	1.50	6,746	March 8, 2024	March 25, 2024
MBTC**	February 21, 2024	2.00	8,995	March 8, 2024	March 25, 2024
MPIC	March 6, 2024	0.14	4,420	March 22, 2024	April 18, 2024
SMFC	June 28, 2024	5.45	109	June 13, 2024	July 23, 2024
MPIC	August 12, 2024	0.10	3,154	September 2, 2024	September 19, 2024
2023					
MBTC	February 22, 2023	₱0.80	₱3,598	March 17, 2023	March 31, 2023
MBTC	February 22, 2023	0.80	3,598	September 8, 2023	September 22, 2023
MBTC*	February 22, 2023	1.40	6,296	March 17, 2023	March 31, 2023
MPIC	March 8, 2023	0.076	2,181	March 27, 2023	April 13, 2023
SMFC	June 23, 2023	9.60	192	July 10, 2023	July 19, 2023
MPIC	August 14, 2023	0.05	1,435	September 1, 2023	September 15, 2023
Phil AXA	December 11, 2023	100.00	1,000	November 30, 2023	January 17, 2024

** At its regular meeting held on February 21, 2024, the BOD of MBTC approved regular cash dividends of ₱3.00/share, payable on semi-annual basis.*
***Special cash dividends.*

6. Loans Payable

This account consists of:

	September 30, 2024 (Unaudited)		
		Long-term debt	
	Short-term debt	**Loans payable**	**Total**
Parent Company	**₱–**	**₱70,013**	**₱70,013**
Federal Land Group	**8,665**	**38,528**	**47,193**
Toyota Group	**1,548**	**246**	**1,794**
GTCAM Group	**2,170**	**275**	**2,445**
	12,383	**109,062**	**121,445**
Less: Deferred financing cost	**–**	**308**	**308**
	12,383	**108,754**	**121,137**
Less: Current portion of long-term debt	**–**	**29,072**	**29,072**
	₱12,383	**₱79,682**	**₱92,065**

	December 31, 2023 (Audited)		
		Long-term debt	
	Short-term debt	Loans payable	Total
Parent Company	₱–	₱70,811	₱70,811
Federal Land Group	7,600	40,573	48,173
Toyota Group	12,276	246	12,522
GTCAM Group	1,240	393	1,633
	21,116	112,023	133,139
Less: Deferred financing cost	–	385	385
	21,116	111,638	132,754
Less: Current portion of long-term debt	–	16,110	16,110
	₱21,116	₱95,528	₱116,644

7. Bonds Payable

This account consists of the following Peso Bonds:

			Carrying Value	
Maturity Dates	Interest rate	Par Value	**September 30, 2024 (Unaudited)**	December 31, 2023 (Audited)
₱12.0 billion Bonds				
August 7, 2024	5.6250%	4,000	–	3,997

Unamortized debt issuance costs on these bonds amounted to nil and ₱3.24 million as of September 30, 2024 and December 31, 2023, respectively.

10.0 billion GT Capital bonds due 2020, 2023
The ₱6.10 billion bonds with maturity date of February 27, 2023 were paid.

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.

12.0 billion GT Capital bonds due 2019, 2021, 2024
The ₱4.00 billion bonds with maturity date of August 7, 2024 were paid.

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 13, 2024	₱0.00377	₱0.66	March 27, 2024	April 12, 2024
March 20, 2023	0.00377	0.66	April 3, 2023	April 19, 2023
March 25, 2022	0.00377	0.66	April 8, 2022	April 22, 2022
Perpetual Preferred Shares				
Series A				
December 16, 2022	11.57475	56.01	January 5, 2023	January 27, 2023
December 16, 2022	11.57475	56.01	April 5, 2023	April 27, 2023
December 16, 2022	11.57475	56.01	July 5, 2023	July 27, 2023
December 16, 2022	11.57475	56.01	October 5, 2023	October 27, 2023
Series B				
December 15, 2023	12.73725	91.21	January 5, 2024	January 29, 2024
December 15, 2023	12.73725	91.21	April 5, 2024	April 29, 2024
December 15, 2023	12.73725	91.21	July 5, 2024	July 29, 2024

Date of declaration	Per share	Total amount (in millions)	Record date	Payment date
December 15, 2023	12.73725	91.21	October 7, 2024	October 28, 2024
December 16, 2022	12.73725	91.21	January 5, 2023	January 27, 2023
December 16, 2022	12.73725	91.21	April 5, 2023	April 27, 2023
December 16, 2022	12.73725	91.21	July 5, 2023	July 27, 2023
December 16, 2022	12.73725	91.21	October 5, 2023	October 27, 2023

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
August 7, 2024 (2nd payout)*	₱3.00	₱645.85	August 22, 2024	September 6, 2024
March 13, 2024 (1st payout)*	3.00	645.85	March 27, 2024	April 12, 2024
March 13, 2024**	2.00	430.57	March 27, 2024	April 12, 2024
March 20, 2023	3.00	645.85	April 3, 2023	April 19, 2023
March 25, 2022	3.00	645.85	April 8, 2022	April 22, 2022

**At its regular meeting held on March 13, 2024, the BOD of the Parent Company approved regular cash dividends of P6.00/share, payable on semi-annual basis.*
***Special cash dividend*

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

	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2023 (Audited)
Net unrealized gain on financial assets at FVOCI	**₱5,905**	₱6,170	₱5,588
Net unrealized loss on remeasurement of retirement plan	**(224)**	(146)	(228)
Cash flow hedge reserve	**2**	13	(14)
Cumulative translation adjustments	**(2)**	7	6
Equity in other comprehensive income (losses) of associates:			
Equity in net unrealized loss on financial assets at FVOCI	**1,210**	(5,456)	(2,697)
Equity in cumulative translation adjustments	**(2,732)**	(2,865)	(2,996)
Equity in net unrealized loss on remeasurement of retirement plan	**(2,203)**	(648)	(2,188)
Equity in cash flow hedge reserves	**(105)**	(250)	(189)
Equity in remeasurement on life insurance reserves	**248**	275	236
Equity in other equity adjustments	**5**	5	5
	₱2,104	(₱2,895)	(₱2,477)

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 September 30, 2024 and December 31, 2023, 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:

	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2023 (Audited)
a.) Net income attributable to equity holders of the Parent Company	**₱21,718**	₱23,086	₱28,743
b.) Effect of dividends declared to voting and perpetual preferred shareholders of the Parent Company	**(274)**	(442)	(365)
c.) Net income attributable to common shareholders of the Parent Company	**21,444**	22,644	28,378
d.) Weighted average number of outstanding common shares of the Parent Company	**215**	215	215
e.) Basic/diluted earnings per share, (c / d)	**₱99.61**	₱105.18	₱131.81

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;
- Infrastructure is engaged in the water distribution, toll operation, power sector, hospitals and rail; and
- Others pertain to other corporate activities of the Group (i.e., capital raising activities, acquisitions and investments).

The Chief Operating Decision Maker (CODM), which is the Executive Committee, 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 nine months period ended September 30, 2024 and as of and for the year ended December 31, 2023:

	September 30, 2024 (Unaudited)					
	Real Estate	**Financial Institution**	**Automotive Operations**	**Infra structure**	**Others**	**Total**
Revenue	**₱5,397**	**₱–**	**₱205,699**	**₱–**	**₱1**	**₱211,097**
Other income	**2,431**	**–**	**1,447**	**–**	**337**	**4,215**
Equity in net income of associates and joint ventures	**479**	**14,353**	**–**	**4,109**	**–**	**18,941**
	8,307	**14,353**	**207,146**	**4,109**	**338**	**234,253**
Cost of goods and services sold	**720**	**–**	**144,271**	**–**	**–**	**144,991**
Cost of goods manufactured and sold	**–**	**–**	**33,514**	**–**	**–**	**33,514**
Cost of rental	**672**	**–**	**–**	**–**	**1**	**673**
Cost of real estate sales	**1,824**	**–**	**–**	**–**	**–**	**1,824**
General and administrative expenses	**3,216**	**–**	**12,089**	**–**	**495**	**15,800**
	6,432	**–**	**189,874**	**–**	**496**	**196,802**
Earnings before interest and taxes	**1,875**	**14,353**	**17,272**	**4,109**	**(158)**	**37,451**
Depreciation and amortization	**478**	**–**	**723**	**–**	**23**	**1,224**
EBITDA	**2,353**	**14,353**	**17,995**	**4,109**	**(135)**	**38,675**
Interest income	**28**	**–**	**587**	**–**	**290**	**905**
Interest expense	**(2,044)**	**–**	**(316)**	**–**	**(3,122)**	**(5,482)**
Depreciation and amortization	**(478)**	**–**	**(723)**	**–**	**(23)**	**(1,224)**
Pretax income (loss)	**(141)**	**14,353**	**17,543**	**4,109**	**(2,990)**	**32,874**
Provision for income tax	**(90)**	**–**	**(4,370)**	**–**	**(67)**	**(4,527)**
Income (loss) after tax	**(₱231)**	**₱14,353**	**₱13,173**	**₱4,109**	**(₱3,057)**	**₱28,347**
Segment assets	**₱115,476**	**₱161,350**	**₱96,615**	**₱49,681**	**₱39,316**	**₱462,438**
Segment liabilities	**₱65,176**	**₱–**	**₱53,430**	**₱–**	**₱72,307**	**₱190,913**

	December 31, 2023 (Audited)					
	Real Estate	Financial Institution	Automotive Operations	Infra structure	Others	Total
Revenue	₱14,181	₱–	₱261,544	₱–	₱1	₱275,726
Other income	4,020	–	2,118	–	798	6,936
Equity in net income of associates and joint ventures	2,269	17,207	–	3,452	–	22,928
	20,470	17,207	263,662	3,452	799	305,590
Cost of goods and services sold	1,063	–	188,285	–	–	189,348
Cost of goods manufactured and sold	–	–	39,661	–	–	39,661
Cost of rental	904	–	–	–	1	905
Cost of real estate sales	5,400	–	–	–	–	5,400
General and administrative expenses	3,965	–	15,641	–	651	20,257
	11,332	–	243,587	–	652	255,571
Earnings before interest and taxes	9,138	17,207	20,075	3,452	147	50,019
Depreciation and amortization	653	–	1,532	–	11	2,196
EBITDA	9,791	17,207	21,607	3,452	158	52,215
Interest income	160	–	428	–	523	1,111
Interest expense	(3,062)	–	(570)	–	(4,256)	(7,888)
Depreciation and amortization	(653)	–	(1,532)	–	(11)	(2,196)
Pretax income (loss)	6,236	17,207	19,933	3,452	(3,586)	43,242
Provision for income tax	(1,752)	–	(4,933)	–	(252)	(6,937)
Net income (loss)	₱4,484	₱17,207	₱15,000	₱3,452	(₱3,838)	₱36,305
Segment assets	₱116,961	₱151,328	₱92,339	₱46,794	₱39,194	₱446,616
Segment liabilities	₱66,435	₱–	₱55,489	₱–	₱77,438	₱199,362

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:

	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2023 (Audited)
Domestic	**₱226,999**	₱ 215,160	₱295,865
Foreign	**8,159**	7,963	10,836
	₱235,158	₱223,123	₱306,701

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 FVTPL, financial assets at FVOCI, accounts and other payables, due to 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 assets 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 September 30, 2024 and December 31, 2023, 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:

	September 30, 2024 (Unaudited)			
	< 1 year	**> 1 to < 5 years**	**> 5 years**	**Total**
Financial assets				
Cash and cash equivalents*	**₱29,139**	**₱–**	**₱–**	**₱29,139**
Short-term investment	**4,756**	**–**	**–**	**4,756**
Receivables	**19,415**	**2,815**	**–**	**22,230**
Due from related parties	**143**	**–**	**–**	**143**
Financial assets at FVTPL				
Investments in UITF	**897**	**–**	**–**	**897**
Financial assets at FVOCI				
Equity securities				
Quoted	**–**	**–**	**17,821**	**17,821**
Unquoted	**–**	**–**	**276**	**276**
Other noncurrent assets				
Derivative assets	**–**	**3**	**–**	**3**
Total undiscounted financial assets	**₱54,350**	**₱2,818**	**₱18,097**	**₱75,265**
Other financial liabilities				
Accounts and other payables	**₱ 44,631**	**₱ 1,223**	**₱–**	**₱45,854**
Dividends payable	**5,260**	**–**	**–**	**5,260**
Loans payable	**43,719**	**57,137**	**39,482**	**140,338**
Due to related parties	**389**	**–**	**–**	**389**
Liabilities on purchased properties	**166**	**651**	**447**	**1,264**
Total undiscounted financial liabilities	**₱94,165**	**₱59,011**	**₱39,929**	**₱193,105**
Liquidity Gap	**(₱39,815)**	**(₱56,193)**	**(₱21,832)**	**(₱117,840)**

**Excludes cash on hand amounting to ₱38.50 million.*

	December 31, 2023 (Audited)			
	< 1 year	> 1 to < 5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents*	₱16,717	₱–	₱–	₱16,717
Receivables	30,956	8,073	–	39,029
Due from related parties	134	–	–	134
Financial assets at FVTPL				
Investments in UITF	871	–	–	871
Financial assets at FVOCI				
Equity securities				
Quoted	–	–	17,420	17,420
Unquoted	–	–	276	276
Other noncurrent assets				
Derivative assets	–	–	–	–
Total undiscounted financial assets	₱48,678	₱8,073	₱17,696	₱74,447
Other financial liabilities				
Accounts and other payables	₱41,440	₱1,213	₱–	₱42,653
Dividends payable	365	–	–	365
Loans payable	40,940	73,629	42,758	157,327
Bonds payable	4,136	–	–	4,136
Due to related parties	416	–	–	416
Liabilities on purchased properties	348	770	528	1,646
Other noncurrent liabilities				
Derivative liabilities	14	–	–	14
Total undiscounted financial liabilities	₱87,659	₱75,612	₱43,286	₱206,557
Liquidity Gap	(₱38,981)	(₱67,539)	(₱25,590)	(₱132,110)

**Excludes cash on hand amounting to ₱21.15 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 rate used was 8.00% as of September 30, 2024 and December 31, 2023. 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 – 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.

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.

Derivative financial instruments
The fair values of interest rate swap transactions are derived using acceptable valuation method. The valuation assumptions are based on market conditions existing at the reporting dates.

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 portion of loans payable with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using applicable interest rates for similar types of loans as of reporting date. The interest rates used ranged from 2.22% to 6.03% and 2.45% to 6.46% as of September 30, 2024 and December 31, 2023, respectively.

Bonds payable
Current portion of bonds payable approximates its fair value due to its short-term maturity. The fair value of the long-term portion of 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.

	September 30, 2024 (Unaudited)				
	Carrying Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	**₱897**	**₱–**	**₱897**	**₱–**	**₱897**
Financial assets at FVOCI					
Quoted equity securities	**17,821**	**17,821**	**–**	**–**	**17,821**
Unquoted equity securities	**276**	**–**	**276**	**–**	**276**
Other noncurrent assets					
Derivative assets	**3**	**–**	**3**	**–**	**3**
	₱18,997	**₱17,821**	**₱1,176**	**₱–**	**₱18,997**
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Loans receivables	**1,728**	**–**	**–**	**1,728**	**1,728**
Non-financial Assets					
Investment in listed associates	**147,817**	**131,310**	**–**	**–**	**131,310**
Investment properties	**22,153**	**–**	**–**	**66,255**	**66,255**
	₱171,698	**₱131,310**	**₱–**	**₱67,983**	**₱199,293**
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Liabilities on purchased properties	**₱996**	**₱–**	**₱–**	**₱996**	**₱996**
Loans payable	**79,682**	**–**	**–**	**90,146**	**₱90,146**
	₱80,678	**₱–**	**₱–**	**₱91,142**	**₱91,142**

	December 31, 2023 (Audited)				
	Carrying Value	Level 1	Level 2	Level 3	Total
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	₱871	₱–	₱871	₱–	₱871
Financial assets at FVOCI					
Quoted equity securities	17,420	17,420	–	–	17,420
Unquoted equity securities	276	–	276	–	276
	₱18,567	₱17,420	₱1,147	₱–	₱18,567
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Installment contracts receivables	₱195	₱–	₱–	₱196	₱196
Loans receivables	5,804	–	–	5,437	5,437
Non-financial Assets					
Investment in listed associates	139,115	85,702	–	–	85,702
Investment properties	22,326	–	–	66,052	66,052
	₱167,440	₱85,702	₱–	₱71,685	₱157,387
Liabilities measured at fair value:					
Financial Liabilities					
Other noncurrent liabilities					
Derivative liabilities	₱14	₱–	₱14	₱–	₱14
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Liabilities on purchased properties	₱981	₱–	₱–	₱1,329	₱1,329
Loans payable	95,528	–	–	104,363	104,363
	₱96,509	₱–	₱–	₱105,692	₱105,692

As of September 30, 2024 and December 31, 2023, 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. **Contingencies**

In the normal course of the Group's operations, certain entities 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. The information usually required by PAS 37 is not disclosed on the ground that it can be expected to prejudice the outcome of pending litigations.

In addition, in order to partially guarantee the completion of Federal Land's ongoing projects and in the ordinary course of the Group's business, the Parent Company issued Letters of Guarantee (LG) in favor of Department of Human Settlements and Urban Development (DHSUD) for a total guarantee amount of ₱1.03 billion and ₱1.53 billion as of September 30, 2024 and December 31, 2023, respectively.

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
AS OF AND FOR THE PERIODS ENDED SEPTEMBER 30, 2024 AND SEPTEMBER 30, 2023 (UNAUDITED)

(Amounts in millions except ratio and %)	**2024**	2023
Liquidity Ratio		
Current ratio	**1.42**	1.88
Current assets	**₱143,815**	₱142,286
Current liabilities	**100,961**	75,675
Solvency Ratio		
Total liabilities to total equity ratio	**0.70**	0.81
Total liabilities	**190,913**	199,308
Total equity	**271,525**	244,732
Debt to equity ratio	**0.45**	0.54
Total debt	**122,133**	131,659
Total equity	**271,525**	244,732
Asset to Equity Ratio		
Asset to equity ratio	**1.70**	1.81
Total assets	**462,438**	444,040
Total Equity	**271,525**	244,732
Interest Rate Coverage Ratio*		
Interest rate coverage ratio	**6.83**	6.79
Earnings before interest and taxes (EBIT)	**37,451**	39,451
Interest expense	**5,482**	5,806
Profitability Ratio		
Return on average assets	**4.78%**	5.36%
Net income attributable to Parent Company	**21,718**	23,086
Total assets	**462,438**	444,040
Average assets	**454,527**	430,598
Return on Average Equity**	**9.06%**	11.08%
Net income attributable to Parent Company (Common)	**21,444**	22,644
Equity attributable to Parent Company (Common)	**249,150**	218,609
Average equity attributable to Parent Company	**236,735**	204,441

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